

Deka Group

Sustainability Report 2023



.iDeka



Deka Group – Key figures 2023 (TABLE 1)

BUSINESS DEVELOPMENT INDICATORS¹		31 Dec 2022	31 Dec 2023
Total assets	m €	97,396	84,800
Asset management volume	m €	347,247	357,730
Deka certificate volume	m €	24,506	23,216
Number of securities accounts	thousand	5,309 ²	5,477 ²
		2022	2023
Asset Management net sales	m €	14,061	-11,958
Gross certificate sales	m €	13,320	17,664
Total sales	m €	27.381	5.707
ESG-RATINGS³			
Sustainalytics		16.5 Low Risk	16.9 Low Risk
MSCI ESG		A	A
ISS ESG		C+ Prime	C Prime
Moody's ESG Solutions		55/100 Robust	55/100 Robust
SUSTAINABLE PRODUCTS			
Volume of sustainable retail funds	bn €	19.8	22.0
Managed capital in sustainable products (securities)	bn €	41.7	59.8
Certificates with sustainability features	bn €	5.9	6.0
Share of certified buildings in property funds	%	79	81
Sustainable investment volume of Depot A proprietary investments	bn €	9.7	9.8
SUSTAINABLE HUMAN RESOURCES MANAGEMENT			
Number of employees	group-wide	4,838 ⁴	5,216 ⁴
	Germany	4,478	4,842
Proportion of women in Germany	%	38.1	38.9
Proportion of women in leadership positions in Germany	%	21.0	23.9
Part-time ratio in Germany	%	21.4	22.0
Fluctuation rate in Germany	%	3.8	2.7
Financial cost for further training in Germany	€/ employee	998	1,310
SUSTAINABLE BANKING			
Power consumption ⁵	MWh	8,314	7,634
Energy consumption ⁵	MWh	17,444	13,762
Paper consumption ⁶	t	574	407
Drinking water consumption ⁵	m ³	25,047	25,689
Volume of waste generated ⁵	t	491.3	262.6
Business trips (group-wide, without S Broker)	km	14,481,350	18,671,834
Greenhouse gas emissions – direct (Scope 1) ⁷	t	1,289	1,433
Greenhouse gas emissions – indirect (Scope 2) ⁷	t	2,052	2,067
Greenhouse gas emissions – other indirect (Scope 3) ⁷	t	2,892	3,103
Greenhouse gas emissions – total ⁸	t	6,234	6,603
SOCIAL ENGAGEMENT			
Expenditure for foundations, donations and sponsoring	m €	1.98	1.31

¹ From 1.1. – 31.12.

² Including S. Broker AG & Co. KG.

³ Last updated: Sustainalytics: 24.01.2024; MSCI ESG: 10.06.2022; ISS ESG: 23.08.2023; Moody's ESG Solutions 05-2021.

⁴ The 216 employees of S Broker and the 60 employees of IQAM are not included and are listed separately in chapter 5. "Employees – Sustainable human resources management".

⁵ Figures refer to the buildings in Frankfurt am Main.

⁶ Figures are available group-wide and consist of: Letter paper, pre-printed paper, envelopes, forms, copy paper (general office paper), promotional printed materials/publications.

⁷ Refer to the locations Frankfurt, Berlin, Leipzig and Luxembourg including group-wide paper consumption and business trip volume.

⁸ The GHG Protocol covers five other climate-relevant gases in addition to CO₂: methane, nitrous oxide, sulphur hexafluoride and two groups of hydrofluorocarbons (CO₂e). Scope 3.15 emissions are not relevant for banking operations and are therefore not taken into account here (see section 8.4.).

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1. Foreword

Dear Ladies and Gentlemen,

After politicians and supervisory authorities turned the financial market into a driver of climate-friendly and sustainable development at the latest with the EU Action Plan on Financing Sustainable Growth in 2018, the scope of sustainability-related regulation increased significantly. This explains why one focal point of our sustainability-related activities in the year under review was the implementation of regulatory requirements. This includes implementing the requirements of the Sustainable Finance Disclosure Regulation with reporting on Principal Adverse Impacts as well as the requirements of the Act on Corporate Due Diligence in Supply Chains and the Whistleblower Protection Act.

Implementation of the requirements requires further development of the structures and processes within the Deka Group, which is why the new governance structures for ESG management were realised in the year under review. The measures defined therein also include the fact that the Board of Management team will focus even more intensively on the numerous aspects of sustainable development and their impact on our business model in future.

However, the Deka Group's commitment to climate-friendly and sustainable development goes beyond the fulfilment of regulatory requirements. For example, we have expanded our voluntary reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in order to inform the Deka Group's customers and partners even more comprehensively about our diverse activities to protect the climate and deal with the physical and transitory risks of climate change.

At the same time, it is important to us not only to view climate protection and sustainability through a risk lens, but also to realise the opportunities that arise for the Deka Group and its employees. These include, for example, the great interest shown by private and institutional investors in our sustainable investment solutions and the high attractiveness of the Deka Group as a responsible and meaningful employer.

From the 2024 financial year, the Deka Group will report on the basis of the new Corporate Sustainability Reporting Directive (CSRD). Among other things, it provides for the integration of sustainability reporting into the management report of the annual report. After the Deka Group anchored the sustainability strategy in its business strategy in 2015, the integration of financial and sustainability reporting is a further step towards integrating the sustainability-related challenges and the associated risks and opportunities. Our aim is to continue to provide you with comprehensive, detailed and transparent information about our diverse activities to protect the climate and promote sustainable development.

Best regards

A handwritten signature in dark teal ink, reading "Georg Stocker".

Dr. Georg Stocker
Chairman of the Board of Management

Sustainability strategy





2. Sustainability strategy

In its 2020 guidelines on climate-related and environmental risks, the European Central Bank (ECB) formulated clear expectations regarding the systematic handling of the causes and consequences of climate change and other environmental factors by the banks it supervises. In the course of the year under review, it specified its expectations as part of thematic reviews to the effect that banks must reflect climate-related and environmental risks in their strategy, governance structures and risk management at the latest by the end of 2023. The Deka Group has systematically developed its structures and processes in order to meet further regulatory challenges, such as future external reporting in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD).

2.1. Business model and governance

2.1.1. Shareholder structure and business divisions

DekaBank Deutsche Girozentrale (hereinafter referred to as DekaBank) is a federal institution under public law. Together with its domestic and foreign subsidiaries, it forms the Deka Group. DekaBank is owned by the German savings banks. 50 percent of the shares are held via Deka Erwerbsgesellschaft mbH & Co KG. The savings banks have pooled their shares in this company through the regional savings banks and clearing-house associations held by them. The other half of the shares is held by the German Savings Banks Association (Deutscher Sparkassen- und Giroverband, DSGV ö. K.).

The Deka Group is the Wertpapierhaus of the savings banks and supports the savings banks and their customers as well as institutional investors throughout the entire securities-related investment and advisory process. Through its activities in asset management and banking business, it is a service provider for the investment, administration and management of assets.

The Deka Group's business model is characterised by the interaction of asset management and banking business. As asset management and investment products, the Deka Group provides securities, property and credit funds as well as certificates, including the asset management services based on these products for private and institutional investors. In this context, special assets in asset management and institutional customers are supported in their asset management as well as capital, liquidity and risk management. In this context, the Deka Group acts as financier, issuer, structurer, trustee, asset servicing provider and custodian bank.

The Deka Group has classified its activities into five business divisions, each of which combines similar areas of expertise: The Securities Asset Management (AMW) and Real Estate Asset Management (AMI) business divisions cover asset management activities. The Capital Markets and Financing business divisions cover the Deka Group's banking business. The fifth business division, Asset Management Services (AMS), provides banking services for asset management. The Savings Bank

Sales, Private Banking and Wealth Management and Institutional Customer Sales units form the interface with sales partners and customers. The corporate centres support the business divisions and sales units along the entire value chain. (CF. **FIGURE 1**)

2.1.2. Board of Management and Board of Directors

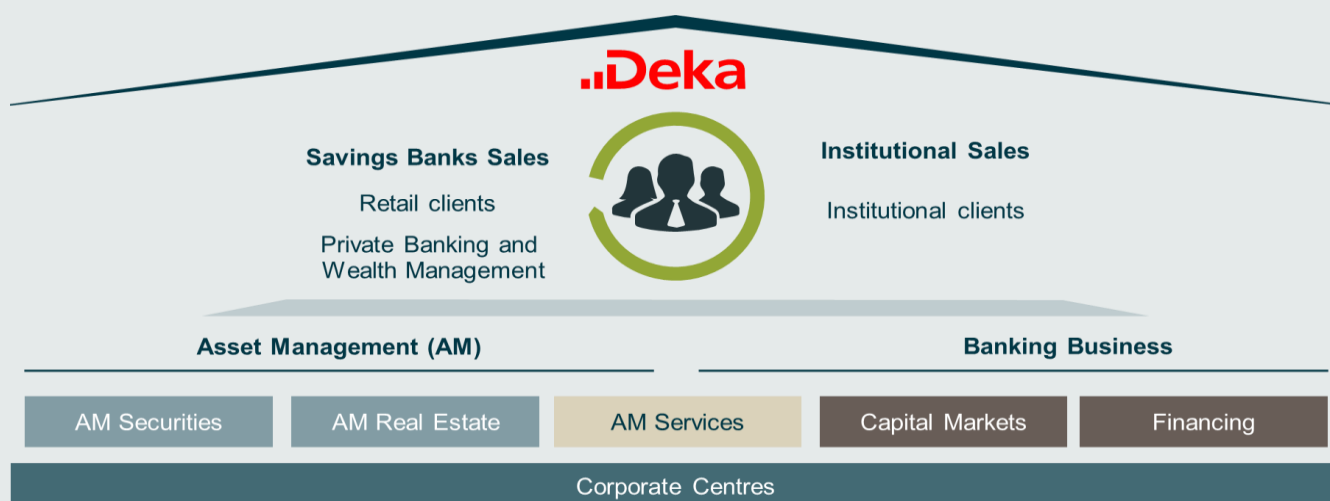
DekaBank is managed with overall responsibility by the Board of Management. It steers and manages the Deka Group, taking into account the strategic direction and goals. The management model is based on the principle of divisional responsibility. The Board of Management currently consists of six members with the following responsibilities:

- Chairman (CEO): Dr Georg Stocker
- Vice Chairman & Asset Management: Dr Matthias Danne
- Risk (CRO): Birgit Dietl-Benzin
- Finance (CFO) & Operations (COO): Daniel Kapffer
- Sales: Torsten Knapmeyer
- Banking Business: Martin K. Müller

The Board of Directors supervises and controls the Board of Management. Its members are appointed by the Annual General Meeting. It is composed of representatives of the shareholders, employees and representatives of the Bundesvereinigung der kommunalen Spitzenverbände (Federal Association of Central Municipal Organisations, with an advisory vote). The Board of Directors works both in plenary sessions and in various committees:

- Presidential and Nominating Committee
- Audit Committee
- Risk and Credit Committee
- Remuneration Control Committee

INTEGRATED BUSINESS MODEL OF THE DEKA GROUP (FIGURE 1)



DekaBank has several sets of rules governing the composition of the Board of Management and the Board of Directors, in particular the Suitability Guideline for the Board of Directors, the Succession Guideline for the Board of Directors and the Board of Management and the Diversity Guideline for the Board of Directors and the Board of Management.

An appointment procedure for the Board of Management usually begins with a referral to the Presidential and Nominating Committee (PNA), which discusses the requirements and job profile tailored to the respective position. It advises about the further procedure, e.g. the possible commissioning of a HR consultancy, and discusses whether suitable internal candidates are available. The discussion in the PNA results in a recommendation to the Board of Directors, which makes the corresponding decisions to begin the search for a candidate.

A shortlist of potential candidates is drawn up and used for initial interviews. Based on the interviews and further analyses, two to three candidates with the best suitability are identified, who then present themselves in person to the PNA. The PNA makes a recommendation in favour of a candidate (Nomination) and gives the Chair of the Board of Directors the negotiating mandate for contract talks. The nominee presents himself/herself to the Board of Directors. The Board of Directors then decides on the appointment as a member of the Board of Management.

Prior to a new term of office of the Board of Directors, the PNA conducts a review of the composition of the Board of Directors, which includes the coverage of future areas of knowledge relevant to DekaBank as well as the balance and diversity of knowledge, individual and collective suitability, skills and experience. The PNA also takes into account the criteria and objectives set out in the Suitability Guideline and the Diversity Guideline. On this basis, the PNA makes recommendations for the composition of the Board of Directors.

With reference to these recommendations, the shareholders are asked to propose suitable candidates for election by the Annual General Meeting. The same applies to the appointment procedures for the employee representatives and the three (advisory) representatives of the Bundesvereinigung der kommunalen Spitzenverbände.

In a further step, the PNA then provides an assessment of all candidates, who are proposed to the Annual General Meeting for election to the Board of Directors for the next term of office. The same applies to any necessary by-elections. The PNA also assesses whether the collective skills profile of the Board of Directors is appropriate for the future in view of the business activities and the market and regulatory environment of the Deka Group. On this basis, it makes a recommendation to the Board of Directors. The Board of Directors then makes a recommendation to the Annual General Meeting.

The Board of Directors reviews the composition of the Board of Directors and the Board of Management at least once a year. The focus here is on an assessment of the collective knowledge, skills and experience as well as the cooperation between and among the two bodies. The expectations of the European Central Bank (ECB) with regard to climate-related and environmental risks are also taken into account.

The review is usually carried out on the basis of a survey of the members of the Board of Directors, which is based on the relevant requirements of the European Banking Authority (EBA) guidelines on the assessment of the suitability of members of the management body and key function holders. The questionnaire used is approved by the PNA. The PNA discusses the results of the survey, advises on possible measures for any areas of learning identified and makes recommendations to the Board of Directors.

2.2. Sustainability strategy

2.2.1. Cornerstones of the sustainability strategy

The roots of the Deka Group's sustainability management lie in the environmental management of its own banking operations. Building on the relevant preparatory work, the Deka Group introduced an environmental management system certified according to DIN EN ISO 14001 in 2009. In the same year, its first sustainability report was published, which already met the comprehensive requirements of the Global Reporting Initiative (GRI). Since the 2014 year under review, thus four years before the CSR Guidelines Implementation Act came into force, the Sustainability Report has been audited by an external expert and its audit opinion published. (CF. **CHAPTER AUDIT OPINION**) Since the 2015 financial year, sustainability aspects have been an integral part of the business strategy and thus a core component of the business policy orientation, which is thus also transparent to the Board of Directors and the supervisory authority.

The Board of Management's strategic action programme, which includes sustainability as a field of action, was continued together with managers and employees in the year under review. As part of further development, sustainability will continue to be focussed on as one of a total of four focal topics in order to further develop the Deka Group as a customer-oriented, innovative and sustainable Wertpapierhaus:

- Customer orientation of sales and products
- Technology and innovation
- Sustainability
- Modern organisation and employer attractiveness

Sustainability as a fundamental principle of the economic activity will continue to be actively promoted in line with regulatory requirements— such as the EU Taxonomy, the CSRD, the Sustainable Finance Disclosure Regulation (SFDR), the adaptation of the Delegated Regulation to the Markets in Financial Instruments Directive II (MiFID II) with regard to sustainability and the Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG). The numerous ESG-related activities in the Deka Group as part of the line activities and projects are brought together cross-sectionally by an ESG bracket. ESG governance within the Deka Group was also further adapted to the social, legal and business change processes in the year under review. (CF. **CHAPTER 2.2.3.**)

The key framework of the sustainability strategy is the Deka Group's sustainability approach. It encompasses environmental, social and responsible corporate governance aspects holistically and ensures balanced integration both in the bank's own operations and in its business activities. The sustainability principles first formulated in 2022 were updated in the year under review. The principles were developed further and

made more specific in order to take account of current regulatory developments, such as the appointment of a Human Rights Officer, as well as the continued establishment of sustainability as an integral part of the corporate culture. The sustainability principles, which have been expanded from 9 to 14 statements, are also anchored in the Code of Ethics, which forms the basis of the Deka Group's activities. (CF. **CHAPTER 7.1.1.**)

Sustainability principles of the Deka Group

The Deka Group

- (1) ... constantly reflects on external market conditions, internal activities and aspects of corporate culture in the context of sustainability in order to align itself with these at an early stage and in a holistic manner, thereby making a significant contribution to the future viability of the Wertpapierhaus.
- (2) ... offers its customers a broad, competitive and innovative range of investment solutions with sustainability features, both in asset management and in the capital market business.
- (3) ... supports its customers - the savings banks and their customers, institutional investors and borrowers - in achieving their individual goals and needs for sustainable action.
- (4) ... supports the savings banks with comprehensive analyses, consulting and services in the sustainable orientation of customer business and proprietary business management.
- (5) ... supports financing that enables sustainable growth through targeted lending.
- (6) ... is consistently pursuing its chosen path to reduce its greenhouse gas footprint in its own business operations and in its business activities.
- (7) ... integrates sustainability consistently into structures and processes across the relevant internal value chains, which also contributes to the fulfilment of voluntary commitments.
- (8) ... consistently demands compliance with ESG criteria from partners and service providers for its own business operations.
- (9) ... supports its own employees in acting sustainably and ensures that its remuneration policies and practices promote behaviour that is compatible with Deka's approach to climate-related and environmental (risks).
- (10) ... pursues a sustainable Human Resources strategy that focusses on diversity and equal opportunities for all. The basis for this is an inclusive corporate culture that values and specifically incorporates the diversity of all employees and their different perspectives.

- (11) ... sets high standards in terms of good corporate governance, as part of which it undertakes to respect labour rights, protect the environment and consistently punish corruption and bribery. It promotes transparent, fact-based communication and credible positioning as well as open dialogue with its stakeholders.
- (12) ... expects its employees and suppliers to respect human rights, has taken preventive measures to this end and will take consistent action in the event of violations.
- (13) ... as an active investor, pays attention to the balance and relevance of sustainability factors when making investment decisions. In doing so, it exercises its voting rights and engages in continuous dialogue with investors and issuers in order to achieve these goals in the long term.
- (14) ... promotes projects in the areas of social welfare, architecture, art, music, sport, education and science as part of its social engagement.

The sustainability principles make it clear that the Deka Group sees sustainability as an ongoing process for the holistic integration of ESG criteria into the business model. This applies equally with regard to its customers and investors, the demands it places on its own organisation and employees and its public impact on society.

In this context, the Deka Group accepts the political, regulatory, social and customer-related challenges associated with climate change and sustainable development and has operationalised its sustainability principles into specific measures for the coming years. The Deka Group has formulated qualitative and quantitative sustainability targets for the various business divisions and areas of activity, concretised them over time and added further targets.

2.2.2. Fields of action of ESG management

Based on its holistic understanding of ESG, the Deka Group has defined fields of action for the management of sustainability-related topics (CF. **FIGURE 2**), according to which the Sustainability Report is also structured. The field of action "Own Banking Operations" includes in particular the management of the bank's energy and resource consumption and thus also the direct climate-related effects of business operations in terms of a greenhouse gas footprint. The "Business activities and investment products" (Sustainable Products) field of action focuses on the Deka Group's range of products and services in the areas of capital investment and credit financing. The Deka Group's human resources (HR) strategy and comprehensive human resources policy measures are bundled in the "Sustainable Human Resources management" field of action.

The "Social Engagement" field of action comprises the activities, with which the Deka Group fulfils its public mandate to promote social development. Finally, the "Sustainable Corporate Governance" field of action summarises measures aimed at ensuring correct compliance with regulatory requirements and internal standards such as the Code of Ethics. In the year under review, the role of the Human Rights Officer was established as part of the implementation of the Act on Corporate Due Diligence in Supply Chains (LkSG) and a declaration of principles for human rights was published with the scope of our own banking operations and procurement processes.

Climate strategy of the Deka Group

In view of the increasingly visible effects of climate change, the Deka Group has significantly intensified its efforts to combat the causes and consequences of climate change in recent years. In accordance with the regulatory framework for dealing with climate risks, the corresponding measures include not only the Deka Group's own business operations, but also in particular the economic activities in the areas of own capital investment, financing and asset management.

In the year under review, the Deka Group continued its work on a group-wide climate strategy in order to consolidate the various measures. This takes into account the business division-specific framework conditions in the respective basic climate strategy as well as developments in the political and regulatory environment.

2.2.3. ESG governance of the Deka Group

In the dynamically changing ESG environment, the Deka Group has further developed its organisation in order to recognise and exploit the potential of the transformation on the one hand and to identify and manage risks at an early stage on the other. By consistently integrating ESG aspects into the organisational structure and processes, potential ESG risks are systematically identified and managed in relevant business processes. Regulatory requirements are implemented reliably and with a long-term focus by assigning ESG-related responsibilities and establishing cross-departmental coordination and control processes.

Responsibility for managing the Deka Group's impact on the environment, economy and people is exercised within the framework of defined, decentralised line responsibilities and division of duties. In particular, responsibility for climate-related and environmental risks or ESG risks in the broader sense is allocated to the departmental responsibilities. Decentralised, operational responsibilities also promote the approach of systematically anchoring ESG aspects in the corporate culture.

FIELDS OF ACTION OF ESG MANAGEMENT (FIGURE 2)



In implementing ESG governance, all units of the Deka Group are guided by uniform guidelines that are summarised in defined dimensions. These include, for example, the development or further development of the ESG vision and strategy as well as ESG-related specialist processes and ensuring the availability of the necessary ESG data.

The cross-sectional responsibility for the entire topic of ESG led to the DekaBank Board of Management introducing a regular agenda item "ESG strategy and transformation" for the ordinary Board of Management meeting in the year under review.

The ESG Circle, which has existed since 2022, has established itself as a cross-sectional information format in the Deka Group. It ensures that ESG issues are also addressed across divisions and in conjunction with the "ESG strategy and transformation" agenda item at the ordinary Board of Management meetings. Among other things, the ESG Circle coordinates ESG topics for further discussion at DekaBank's ordinary Board of Management meeting and, in turn, reports on ESG-relevant topics from the previous Board of Management meeting.

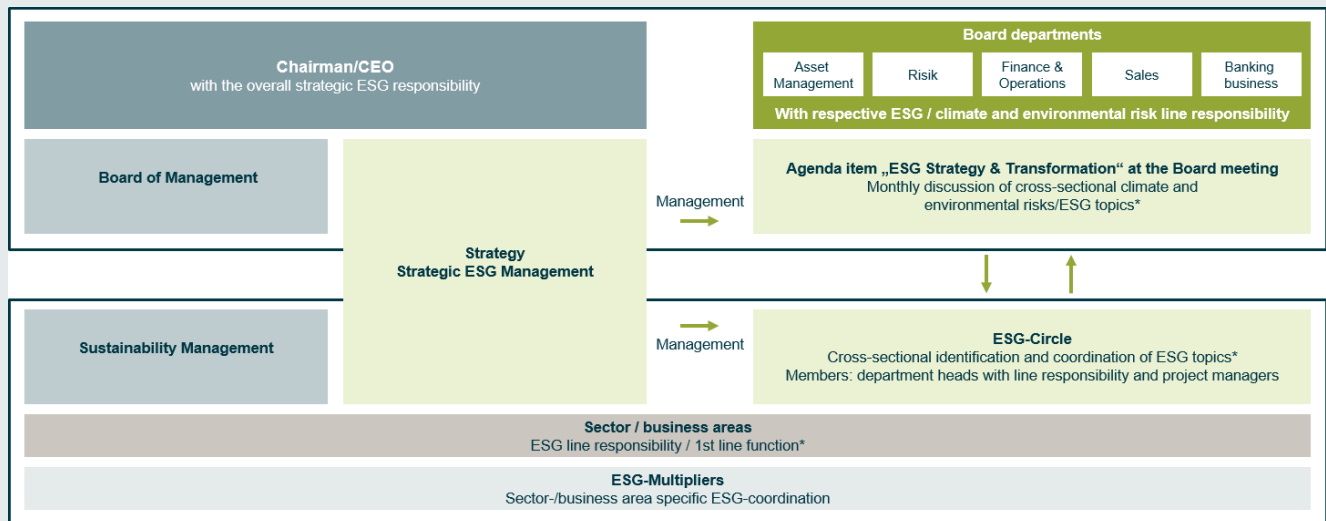
In addition to managers and project managers, specially appointed ESG multipliers from the Deka Group's organisational units are involved in order to communicate current ESG topics to their own divisions as required or to bring them into the ESG circle from the divisions.

The "Strategic ESG Management" unit within the Strategy & HR department manages strategic and Group-related coordinative (cross-sectional) topics in a centralised function. The translation and implementation of strategic goals is decentralised at the level of the individual divisions and units. The tasks of sustainability management ("Operational ESG Management") include coordinating and implementing sustainability-related reporting, including this Sustainability Report, drafting statements on reputational risks, supporting ESG rating agencies and managing relationships with other external stakeholders, such as non-governmental organisations (NGOs) like climate and environmental protection associations.

Topics and concerns from outside the organisation are systematically recorded and processed in a structured manner via the complaints management system in the Sustainability Management unit using a content-based ESG assignment. Within the organisation, if necessary, ESG controversies can be escalated to the highest management body via the responsible line units, established project reporting processes, management committees or via the ESG Strategy and Transformation agenda item at the ordinary meeting of DekaBank's Board of Management.

Since the year under review, these channels have been supplemented with the whistleblower procedure, which, through the implementation of the Act on Corporate Due Diligence in Supply Chains (LkSG), enables anonymous reporting in the context of human rights in the company's own business operations and in its own supply chain or procurement management.

ESG RESPONSIBILITIES AND MANAGEMENT (FIGURE 3)



* Other bodies/committees for ESG/climate-related and environmental risk responsibility in the business areas/central divisions, e.g. MK Risk, Sustainable Risk Committee, Green Bond Committee

This enhanced localisation of new and overarching ESG topics provides the Deka Group with sufficient information and decision-making formats to support the holistic and efficient management of ESG topics within the Group.

ESG dashboard as an internal reporting tool

The Board of Management is provided with relevant information via the aggregated, internal reporting "ESG Dashboard". This enables comprehensive information and reporting on ESG-relevant key figures and targets and creates transparency. The key figures in the ESG Dashboard are summarised in three dimensions:

1. Sustainable business volume, e.g. sales of products with sustainable features
2. Greenhouse gas reduction, for example the development of greenhouse gas (GHG) emissions in business operations
3. Sustainability perception, which is reflected in ESG ratings, for example, but also in the satisfaction of employees or savings banks as the most important stakeholder group.

The content of the ESG Dashboard is constantly being developed in line with regulatory requirements and strategic ambitions and objectives.

2.3. Stakeholder dialogue and materiality analysis

The Deka Group's stakeholders include customers, employees, shareholders and supervisory authorities, suppliers and cooperation partners as well as representatives from politics, the media and civil society, for example from NGOs. The Deka Group uses a wide variety of channels to engage into dialogue with the various stakeholders. These range from surveys and

bilateral discussions to participation in conferences and active involvement in initiatives and associations.

Dialogue with the various stakeholders and the survey of selected stakeholder groups enable the Deka Group to understand the impact of its business activities on the economy, the environment and people and to grasp the issues and the resulting concerns of the various stakeholders. At the same time, dialogue in particular offers the opportunity to explain its own position and thereby build trust and acceptance for the Deka Group's activities. Surveys provide the Deka Group with a representative picture of the expectations from its services and the assessments of its range of services. (CF. **CHAPTER 2.3.1.**)

The exchange of experience and the joint development and implementation of climate and other sustainability-related activities are at the centre of the various memberships of the Deka Group and its subsidiaries. This also includes various voluntary commitments to take account of sustainability-related aspects in different fields of activity of the Deka Group, e.g. in capital investment through the Principles for Responsible Investment (PRI) and the Net Zero Asset Managers Initiative (NZAM) or in ship financing through the Poseidon Principles. (CF. **CHAPTER 2.3.2.**)

ESG rating agencies, which assess the quality of the Deka Group's sustainability management on behalf of institutional investors, are an important stakeholder. The criteria they use and the assessments of the Deka Group's corresponding measures provide valuable pointers for determining where the Deka Group stands and for further improvements to its sustainability performance. (CF. **CHAPTER 7.7.** and **ABOUT THE REPORT**)

The results of the dialogues and surveys are incorporated into the Deka Group's materiality analysis. The aim of this analysis, as defined by the Global Reporting Initiative (GRI), is to identify the actual, actual and potential impacts of the Deka Group's business activities and relationships on the environment, economy and people, including the impact on their human rights. Negative and positive, short and long-term, intended and unintended as well as reversible and irreversible impacts must be taken into account. (CF. **CHAPTER 2.3.3.**)

2.3.1. Stakeholder dialogues and surveys

Regular surveys of various customer groups form an important basis for the Deka Group's strategic development, particularly of its products and services as well as its sales focus. To this end, the Deka Group has both commissioned its own analyses and supported the implementation of surveys by the DSGV (German Savings Banks Association). DekaBank also conducts regular surveys of its employees.

Surveys of customers

Wealth Barometer 2023

Together with the DSGV, the Wealth Barometer is conducted annually and is based on an online survey of more than 4,800 citizens aged 14 and older, which is representative of the population. Each federal state has at least 300 participants.

The results of the 2023 survey show that the economic consequences of the Russian war of aggression against Ukraine and continued high inflation are increasingly weighing on the mood of people in Germany. Only 34 percent of respondents currently rate their financial situation as "good" or "very good". Last year, the figure was 38 percent – down from 43 percent in 2021. 26 percent now also rate their financial situation as "rather poor" or "very poor", compared to 22 percent in the previous year. At the same time, only 25 percent of respondents expect their situation to deteriorate further in the next two years (2022: 31 percent).

According to many respondents, it has become more difficult to put money aside: Only 29 percent of respondents still save fixed monthly amounts, while one in five are unable to save at all. Since 2021, the proportion of non-savers has thus risen continuously from 15 to 20 percent.

There is an increasing reluctance to invest in the energy-efficient refurbishment of existing properties. 41 percent of the property owners surveyed between the ages of 20 and 50 have already carried out energy-efficient renovations. At the same time, 82 percent of those who have not yet renovated do not intend to do so in the future. A lack of equity (48 percent) and a lack of conviction about the benefits (41 percent)

are the main reasons. In addition, 21 percent lack state subsidies.

There is still room for improvement in knowledge of sustainable investment. Only 17 percent (2022: 20 percent) of respondents rate their knowledge as good or very good. This means that sustainable investments lag significantly behind general financial knowledge, where 33 percent rate their knowledge as good or very good. When it comes to securities, 20 percent of respondents rate their knowledge as good or very good.

Deka Investor Monitor 2023

Sustainability was also one of the topics of the Deka Investor Monitor, a representative survey of 4,162 German citizens aged between 18 and 75, which was conducted on behalf of DekaBank in July 2023. The results show a fairly typical distribution between expressed interest and actual activities for surveys on environmental and sustainability issues. For example, 55 percent of respondents expressed a fundamental interest in sustainable investment, while 13 percent have actually invested sustainably, two percentage points more than in the previous year. Just under a third of respondents (31 percent) say they have never heard of sustainable investments, while 36 percent of respondents feel sufficiently informed about sustainable investments. Around one in three (32 percent) stated that they would like to be actively approached by their bank or savings bank advisor about sustainable investments. Compared to the previous year, the results are largely stable.

Survey of savings banks as partners of the Deka Group

As part of the DekaBank Retail Expert Pool, DekaBank surveys more than 500 managers and advisers of retail sales at the savings banks three times a year on various aspects of sales. In the year under review, questions were regularly asked on the topic of sustainability. The Deka Group's sales support services on this topic – from training programmes and end customer communication to products – received a high level of approval from the savings bank employees surveyed. In the November/December 2023 survey, for example, 85 percent of respondents stated that the Deka Group provides the savings banks with sufficient support on the topic of sustainability in the form of training measures and sales-supporting resources. 82 percent say that the Deka Group as a company is credibly sustainable.

In the year under review, a new DekaBank Private Banking and Wealth Management expert pool was also established, in which over 170 private banking managers and private banking and corporate customer advisors are surveyed on topics such as sustainability. In the November/December 2023 survey, 83 percent of respondents stated that the Deka Group provides the savings banks with sufficient support on the topic of sus-

tainability in the form of training measures and sales-supporting resources. 72 percent are of the opinion that the Deka Group as a company is credibly sustainable.

Survey of savings banks in their role as intermediaries

As part of the survey of savings banks as intermediaries, which takes place every two to three years, an assessment of the Deka Group's sustainability performance was again requested in February/March 2023. Eight percent of the board members, managers and securities advisors surveyed rated the range of products with sustainability features as "excellent", 42 percent rated the range as "very good" and 45 percent as "good", while four percent voted "average". The Annual General Meeting activities were rated as "excellent" by 12 percent of respondents, "very good" by 47 percent, "good" by 38 percent and "average" by two percent. These results were even more positive than those in the previous survey in September 2020.

Survey of savings banks as institutional customers of the Deka Group

In November 2023, a short flash survey of the savings banks as institutional customers of the Deka Group was conducted. A total of 313 contact persons from 210 savings banks were surveyed. The Deka Group is perceived as a sustainable company by a clear majority of respondents (84 percent). 87 percent state that the Deka Group offers a broad and high-quality range of sustainable investments and services relating to proprietary business.

Employee surveys

In addition to analysing the attitudes and activities of investors and partners, surveys are also an important tool for systematically recording the assessments and requirements of the Deka Group's employees. To this end, an increasing number of compact employee surveys, known as Pulse Checks, were conducted as a strategic tool and also as a means of ensuring the continuous, participatory and sustainable development of the Deka Group. The involvement of employees through Pulse Check surveys is seen as a crucial factor in the achievement of corporate goals and the sustainable development of the Deka Group.

Pulse Checks give employees the opportunity to provide feedback on specific topics and identify areas where action is needed. In addition, Pulse Checks are used to assess employee satisfaction and commitment. A structured follow-up process ensures that effective measures are developed for the identified potential for improvement.

As part of the Pulse Checks conducted in the year under review, employees were asked about their perceptions and experiences in connection with the following topics:

- Ongoing organisational change
- Reputation
- Female Finance
- Cryptocurrencies

As individual questions were asked repeatedly over time, the initial effects of the measures derived can be recognised. It can be seen, for example, that many employees seem to have made some progress, particularly in terms of leadership behaviour and the situational use of agile and traditional approaches. In addition, the high level of employee commitment is particularly pleasing: in all surveys, over 87 percent of employees stated that they enjoyed working for the Deka Group.

2.3.2. Memberships and voluntary commitments

2.3.2.1. Memberships

The Deka Group emphasises its commitment to climate protection and sustainable development by actively participating in sustainability-related initiatives and associations and by recognising numerous voluntary commitments. It is convinced that the objectives of the Paris Climate Agreement and the Sustainable Development Goals of the United Nations (UN SDGs) can be better achieved through the constructive cooperation of various market players, including competitors, through an open exchange of experience, as they can be achieved more quickly and with fewer resources overall. The following list represents only a selection of the relevant activities. A comprehensive list of the Deka Group's activities is published on its website. (CF. www.deka.de/deka-group/our-responsibility/how-we-practice-sustainability/sustainable-corporate-management-at-dekabank/business--human-rights)

International initiatives

In 2020, DekaBank joined the **Principles for Responsible Investment (PRI)**, the world's largest initiative of institutional investors and asset managers to promote sustainable capital investment, as an asset owner, thereby creating the conditions for the asset management companies Deka Vermögensmanagement GmbH, Deka International S.A., Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH to join. Now that Deka Investment GmbH has supported the PRI since 2012 and the fund subsidiary IQAM Invest is also a PRI signatory, all major companies in the Deka Group have now committed to implementing the six principles for sustainable investment. In the year under review, the PRI office assessed the Transparency Reports to be submitted by the signatories. Subsequently, the statements on the questions posed in the report are published on the PRI website. The Transparency Report of Deka Immobilien (Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH) is excluded from publication, as it was prepared for the first time.

As part of its PRI membership, Deka Investment GmbH also participates in joint engagement initiatives with other global investors. (CF. **CHAPTER 4.1.2.5.**) In this context, it joined a PRI initiative on cobalt back in 2019 and signed the declaration "Investor Expectations on the Responsible Sourcing of Cobalt". The signatories call for compliance with human rights and environmental standards in the extraction of cobalt. In 2021, the Cobalt Initiative was handed over by the PRI office and placed under the management of the signatories. Deka Investment GmbH is continuing its commitments under this initiative and continues to address the risks at all companies where the issue is relevant.

Since October 2021, Deka Investment GmbH and Deka Vermögensmanagement GmbH have been members of the **Net Zero Asset Managers Initiative (NZAM)**, which was founded in December 2020. As part of this international alliance, the participating asset managers undertake to support the achievement of "net zero greenhouse gas emissions" at the latest by 2050 in the context of their activities in order to limit the increase in the global average temperature to 1.5° Celsius compared to the pre-industrial age, in line with the Paris climate goals. In order to achieve this goal, the signatories undertake to align their portfolios accordingly as part of strategic and tactical asset allocation and to define interim goals for the reduction of the associated GHG emissions for an initial proportion of the assets under management as early as 2030. (CF. **CHAPTER 8.1.**)

By joining NZAM, Deka Investment GmbH and Deka Vermögensmanagement GmbH have also committed to prioritising the achievement of emissions reductions in the real economy, taking into account significant Scope 3 emissions where possible in addition to calculating Scope 1 and 2 emissions, creating investment products geared towards GHG neutrality where necessary and facilitating increased investment in climate solutions. At the end of the year under review, more than 315 asset managers with assets under management totalling over 57 trillion US dollars had joined the initiative. US dollars had joined the initiative. Further information on NZAM: www.netzeroassetmanagers.org

Deka Investment GmbH joined the British **Farm Animal Investment Risk & Return (FAIRR)** initiative in 2018. The aim of the initiative is to raise awareness of the key ESG risks and opportunities in the livestock industry through a collaborative investor network. The main focus of the initiative is on ecological factors such as the environmental impact of excessive meat consumption. However, social aspects such as socially responsible sustainable development in agriculture ("just transition") are also taken into account. FAIRR also addresses the topic of sustainable nutrition and its management by companies, regulators and investors.

Since 2022, Deka Investment GmbH has been involved in an initiative supported by FAIRR on the use of antibiotics in animal husbandry. Together with other members of around 20 global food companies, Deka Investment GmbH is calling for greater transparency regarding the use of antibiotics and possible resistance. In 2023, Deka Investment GmbH was also involved in an initiative to improve working conditions in the agricultural sector.

Since November 2016, DekaBank has been a member of ICMA's **Green & Social Bond Principles**, which serve as the authoritative international framework for the issuing process of green and social securities. At the same time, the annual Green & Social Bond Principles conference is one of the most important international platforms in the area of sustainable bonds. Most recently, the version of the "Principles" for the Issuance of Green Bonds was expanded in 2022 to include definitions of Secured Bonds (e.g. Covered Bonds and Green Securitisation). The Social Bond Principles were updated in 2023. New key performance indicators (KPIs) were also introduced in 2023 for the growing market of Sustainability-Linked Bonds. In addition, various guidelines for issuing sustainable bonds were published and updated, such as the guidelines for issuing Blue Bonds (Bonds to finance the Sustainable Blue Economy) published in September 2023.

DekaBank has also been a partner of the **Climate Bonds Initiative (CBI)** since the end of 2018. The initiative has set itself the goal of integrating the international bond market more closely into the financing of climate protection and, in particular, to support the further development of the market for green and climate bonds. In cooperation with the CBI, DekaBank has already held various customer events on green bonds and developments in the sustainable finance market and supported a study on the German sustainable finance market.

National initiatives

The **Green and Sustainable Finance Cluster Germany e. V. (GSFCG)**, which emerged from the merger of the Green Finance Cluster of the Hessian Ministry of Economics and the Accelerating Sustainable Finance Initiative, has been active since 2018. The aim of the cluster is to position itself as a competence and dialogue platform for the financial sector for achieving the German climate and sustainability goals. The Deka Group is a sponsor and is represented on the cluster's Standing Committee.

The **Association for Environmental Management and Sustainability in Financial Institutions (Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V., VfU)**, in which DekaBank has been involved since 2007, is one of the pioneers in anchoring sustainability aspects in the financial market. DekaBank is also a member of the **Corporate Responsibility Interface Center e. V. (CRIC)**. With

more than 130 members, CRIC promotes a constructive dialogue between companies, politicians and financial market players to raise general awareness of ethical and sustainable investments.

The Deka Group is also involved in committees and initiatives on climate and sustainability-related topics as part of its membership of the **German Savings Banks Association (Deutscher Sparkassen- und Giroverband, DSGV)** and the **Association of German Public Banks (Bundesverband Öffentlicher Banken Deutschlands, VÖB)**.

Deka Investment GmbH and Deka Immobilien Investment GmbH have been involved in the **German Investment Funds Association (Bundesverband Investment und Asset Management e. V., BVI)** for many years. Among other things, both companies are active in the BVI's highest sustainability committee, the "Sustainability" committee, where they have two representatives. The companies are also represented in sustainability working groups. The AMI business division is also involved in the "Sustainability in Real Estate Funds" working group. The aim of these committees is to further embed ESG aspects in the asset management industry.

The BVI Code of Conduct, with its voluntary principles and codes, constitutes a recognised minimum standard for the good and responsible handling of capital and the rights of investors. They set out how the capital management companies fulfil their obligations towards investors and how they represent their interests vis-à-vis third parties. As members of the BVI, Deka Investment GmbH, Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH appropriately consider the BVI's rules of conduct on their own responsibility and refine them through the BVI.

In the **German Association for Financial Analysis and Asset Management (Deutsche Vereinigung für Finanzanalyse und Asset Management, DVFA)**, specific committees also deal with the further development of the consideration of ESG criteria in capital investment. Here, Deka Investment GmbH is active in the "Governance & Sustainability" commission and the "Governance & Stewardship" expert committee.

The AMI business division uses its membership of the **German Property Federation (Zentraler Immobilienausschuss e. V., ZIA)** to obtain information and exchange views on current political and legal developments in the "Corporate Social Responsibility" committee, among other things. The ZIA's "Energy and Building Technology" committee discusses and develops solutions for making the real estate portfolio under management more environmentally friendly. Deka Immobilien Investment GmbH is also a member of the **Institute for Corporate Governance (ICG)**, which focuses on the further development of sustainable governance structures in real estate companies.

2.3.2.2. Voluntary commitments

At the end of the year under review, the Deka Group had signed a total of 16 voluntary commitments on the sustainable development of the Deka Group and its projects, thereby underlining its commitment to climate-friendly and sustainable development that goes far beyond the fulfilment of regulatory requirements. The voluntary commitments also regularly refer to international standards and regulations, which thus also become relevant for the Deka Group. (CF. **TABLE 2**) To ensure that the voluntary commitments are appropriate and feasible for the Deka Group and that it fulfils the commitments in full, a group-wide process has been developed for joining and withdrawing from the relevant voluntary commitments.

The review, decision-making and monitoring process for the ESG voluntary commitments is based on five principles. A differentiated process is designed to ensure that the goals and content of the voluntary commitments are comprehensively fulfilled at all times. Secondly, the progress made in implementing the voluntary commitments should be documented and evaluated. Finally, potential non-financial risks that may arise from the signing of new voluntary commitments or in the context of existing commitments should be identified at an early stage.

With this in mind, the principles also stipulate that the organisational unit that initiated or completed the commitment is responsible for implementing it. It is also in contact with the sponsoring organisations of the voluntary commitments to ensure that the commitments made are adhered to at all times. In the run-up to each new commitment and annually during membership, a review and assessment is carried out with regard to reputational risks. In addition, a review is carried out to ensure that the goals and content of the voluntary commitment are in line with DekaBank's approach to sustainability and thus with the bank's holistic sustainability concept.

Before a voluntary commitment is signed, the Board of Management of DekaBank or the management of the relevant subsidiary must decide on and authorise such an accession. In addition, responsibilities must be clearly defined and documented. These responsibilities ensure that the specific requirements of the voluntary commitments are implemented within the units affected by the commitments. The responsible units and employees are comprehensively informed about the specific content and the resulting requirements for DekaBank and the individual subsidiaries, for example as part of training programmes. The Deka Group regularly reports on the nature and content of the voluntary commitments made and the progress achieved in each case in the Sustainability Report and on its website (CF. www.deka.de/deka-group) and Intranet.

VOLUNTARY COMMITMENTS OF THE DEKA GROUP (TABLE 2)

Fields of action	Self-commitment	Description	Regulations	Sustainability
Sustainable banking operations	DIN EN ISO 14001	Globally accepted, applied and audited standards for environmental management systems.		Improvement of corporate environmental performance and environmental protection.
Sustainable products	Equator Principles	Voluntary set of rules by banks for compliance with environmental and social standards in the area of project financing; review through annual reporting.	IFC Performance Standards on Environmental and Social Sustainability; World Bank Group Environmental, Health and Safety Guidelines	Transition to an environmentally and socially responsible financial industry.
Sustainable products	European transparency guidelines for sustainability funds	The European Transparency Code applies to sustainability funds authorised for distribution in Europe and covers numerous asset classes, such as equities and bonds. The Code requires annual reporting on the transparency of members.	International ESG standards; Universal Declaration of Human Rights	Promotion of sustainability funds.
Sustainable products	Green Bond Principles	Green and Social Bond Principles: authoritative guidance for the issuance process of "green and social securities" to be reported. DekaBank is an underwriter, i.e. it supports issues.		Contribution to a social, environmentally friendly and transparent financial sector and a Net Zero Emissions economy.
Sustainable products	Impact on Sustainable Aviation e. V.	It is an initiative of leading banks, leasing companies and consulting firms active in the aircraft financing segment with the aim of promoting climate protection in the field of civil aviation and reporting annually on the decarbonisation of the aviation industry.		Contribution to strategy development, decarbonisation and Net Zero Emissions by 2050 in the aviation industry.
Sustainable products	BSW Sustainable Finance Code of Conduct	The Sustainable Finance Code of Conduct of the German Structured Securities Association (Bundesverband für strukturierte Wertpapiere, BSW) introduces the product group of structured securities with sustainability features and distinguishes these positively from other structured securities in accordance with the BSW product classification. It also contains key transparency requirements for this product group.	MiFID II	More transparency and reliability for sustainable investments in structured securities.
Sustainable products	Net Zero Asset Managers Initiative	By signing a commitment to the target of Net Zero GHG emissions by 2050 and presenting implemented climate strategies and TCFD disclosures annually.		Transformation to an environmentally friendly asset management industry.
Sustainable products	Poseidon Principles	An international framework by and for financial institutions to finance sustainable assets in the shipping segment in order to contribute to a reduction in CO ₂ emissions in shipping by at least 50 percent by 2050. Membership is linked to an obligation to publish an annual Climate Alignment Score.		Environmentally friendly and decarbonising shipping industry.
Sustainable products/sustainable corporate governance	UN Principles for Responsible Investment	Initiative of an international investor network that has drawn up six principles for responsible investment with the aim of incorporating ESG topics into investment decision-making processes, which must be reported on annually.	Universal Declaration of Human Rights	Transition to an investment industry that supports the environment and society.

Fields of action	Self-commitment	Description	Regulations	Sustainability
Sustainable human resources management	Diversity Charter	The Diversity Charter is an employer initiative to promote diversity in companies and institutions and is under the patronage of the Federal Chancellor. The initiative has been supported by the non-profit organisation Charta der Vielfalt e. V. since 2010.		Promoting and supporting the welfare of minorities in the world of work.
Sustainable human resources management	Women's Empowerment Principles	Principles written by the joint initiative of UN Women and the UN Global Compact for the promotion and empowerment of women in businesses, the implementation of which must be reported on annually.	International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work; Universal Declaration of Human Rights	Long-term equality of all genders within and outside the company.
Sustainable corporate governance	German Sustainability Code	Voluntary declaration of commitment by commercial enterprises to sustainable corporate governance, consisting of 20 criteria. Signatories undertake to submit a "Declaration of Compliance" with the criteria once a year.	CSR reporting obligation, Business and Human Rights Action Plan, Paris Climate Agreement, Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, ILO standards	Responsible management.
Sustainable corporate governance	Frankfurt Declaration	The Frankfurt Declaration is intended to represent the "starting point for an open dialogue" as part of a joint sustainability initiative in the Frankfurt financial centre with Deutsche Börse and many other players in the financial centre.	Universal Declaration of Human Rights	Sustainable economic and social development and environmental protection.
Sustainable corporate governance	Global Reporting Initiative (GRI)	Global reporting standards for the preparation of sustainability reports, divided into optional and mandatory reporting indicators.	UN Guiding Principles on Business and Human Rights	Transparency about and promotion of economic, ecological and social sustainability of companies.
Sustainable corporate governance	Commitment to climate-friendly and sustainable business practices	By signing up to climate-friendly and sustainable business practices; first signatories: 172/376 savings banks; eight affiliated companies from the Sparkassengruppe; DekaBank is first of the affiliated companies.		CO ₂ -neutral business operations by 2035.
Sustainable corporate governance	UN Global Compact	Compliance with minimum social and ecological standards, which are summarised in 10 principles. An annual progress report (COP) is a condition of participation. By joining, the bank's subsidiaries also become participants.	Universal Declaration of Human Rights, International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, Rio Declaration on Environment and Development; United Nations Convention Against Corruption	Protection of human and labour rights, environmental protection, promotion of social goals, prevention of corruption.

2.3.3. Materiality analysis according to GRI

Fundamentals

As part of reporting in accordance with the CSR Guidelines Implementation Act and the internationally recognised Global Reporting Initiative (GRI) standard, DekaBank regularly prepares a materiality analysis. The aim of this analysis is to identify the material topics for the Deka Group from a sustainability perspective and to ensure that the Sustainability Report provides comprehensive and meaningful information on these topics. The significantly different methodology of the CSRD

for preparing a materiality analysis, which must be observed from the 2024 year under review onwards, has not been taken into account here.

In this report, the Deka Group takes into account the GRI guidelines for conducting the materiality analysis and thus determining the material topics. As part of a review of sustainability reports prepared on the basis of its guidelines, the GRI found that the companies primarily adopt an "outside-in perspective" and primarily describe how sustainability factors, such as climate change, affect their business activities. As part

of the current GRI Universal Standards 2021, which form the basis of this Sustainability Report, the GRI has specified that the materiality analysis should primarily analyse and assess the impacts of companies on the environment, economy and people, including the impacts on their human rights ("inside-out perspective"). Accordingly, "material topics" are those that have the greatest impact on the three aspects mentioned. In contrast, the influence on the judgements and decisions of stakeholders, which previously also had to be taken into account when determining materiality, is no longer an independent factor for determining material topics.

Carrying out the materiality analysis

Despite the GRI's restriction of the importance of stakeholders in determining the material topics, the perceptions of the Deka Group and its business activities by the various internal and external stakeholders form a central basis of the materiality analysis. The Deka Group therefore uses surveys of the relevant stakeholder groups in particular to identify its impact on the environment, economy and people. (CF. **CHAPTER 2.3.1.**) Individual stakeholders can have several roles. Customers, for example, are an essential part of the Deka Group's economic environment, but can also be considered in the context of the GRI dimension "People".

The analysis and assessment of the external surveys was supplemented against the background of the GRI requirements for determining the material impacts on the environment, economy and people by an internal analysis in which, in the sense of the "inside-out perspective" mentioned above, the specific activities of the Deka Group that have corresponding impacts were considered. To this end, the key issues and activities from the Deka Group's perspective were summarised in a matrix, assigned to the fields of action and assessed in terms of their positive and negative impact. In addition to the results of the survey of customers and employees, the identification of the material topics and activities was based on ongoing projects to fulfil regulatory requirements and requirements

arising from the Deka Group's memberships and voluntary commitments. In preparation for the new reporting obligation under the CSRD, which will apply from the 2024 financial year, the Deka Group has already carried out a comprehensive materiality analysis in this year under review, taking into account the double materiality provided for by the CSRD. Initial findings from this have been incorporated into the current materiality analysis for the 2023 year under review and relate in particular to the topics of climate protection, climate change and energy.

Results

Based on the results of the various surveys and internal analyses of the negative and positive impacts on the environment, economy and people, the Deka Group has identified a total of eleven focus topics that have a significant or very significant impact. According to the Deka Group's analyses, five of these topics have an impact on human rights. The results are presented in tabular form in the report. (CF. **TABLE 3**) The table also shows in which chapter of the Sustainability Report further information on the topics identified as material is available.

In addition, the comprehensive information interests of the ESG rating agencies and other stakeholders, in particular the supervisory authorities and NGOs, for whom the report is a central source for assessing the sustainability-related performance of the Deka Group, are taken into account when designing the content of the Sustainability Report. (CF. **CHAPTER 7.7.**) In addition, the various conceptual and content-related requirements resulting from regulatory requirements, in particular the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz, CSR-RUG), and voluntary obligations, in particular the orientation towards the GRI standards and the requirements of the German Sustainability Code (Deutscher Nachhaltigkeitskodex, DNK), must be fulfilled. (CF. **CHAPTER ABOUT THE REPORT**)

RESULTS OF THE MATERIALITY ANALYSIS (TABLE 3)

Topics	Deka focus areas	Deka focus topics	Impact on the economy, people and the environment	Significance of the impact compared to the other impacts (Internal assessment) and significance for the Deka Group	Influence on human rights	Selected metrics/measures and signed voluntary commitments	Stakeholder identification and involvement	Sustainability Report 2023	GRI indicators
Corporate alignment / strategy and management of ESG issues	Further development of Deka Group as a customer-oriented, innovative and sustainable Wertpapierhaus for the savings banks	Strategic action programme 2025; ESG management	Targeted response to changing customer and market requirements, focus on the strategic core competences of customer/clients, creating benefits for customers, sustainability, digitalisation and innovation, modern and adaptable organisation	very essential	Compliance with national and international standards and principles Appointment of Human Rights Officer as of 1 January 2023	UN Global Compact, PRI – Principles for Responsible Investment, German Sustainability Code, Frankfurt Declaration, Global Reporting Initiative, Equator Principles	Customers, employees, shareholders and supervisory authorities, suppliers and cooperation partners as well as representatives from politics, the media, civil society and non-governmental organisations	2.2.1. Cornerstones of the sustainability strategy 2.2.2. Fields of action of ESG management 2.2.3. ESG governance of the Deka Group 2.3.2.2. Voluntary commitments 3.1.2. Procurement (grey box LxSG) 7.6.2. Innovation management	2-9 2-13 2-23 2-24
	Effects of climate change	Actively dealing with the causes and consequences of climate change and the resulting risks: ■ Climate strategy of the Deka Group ■ Status updates on the KURR/reporting based on TCFD ■ Environmental management in relation to energy	Consideration of physical and transitional risks in Deka Group's products (investment and financing)	very essential		Voluntary commitment to climate-friendly and sustainable business, Net Zero Asset Managers Initiative, Poseidon Principles, impact on Sustainable Aviation e. V.	Customers, employees, shareholders and supervisory authorities, suppliers and cooperation partners as well as representatives from politics, the media, civil society and non-governmental organisations. Key figures for ESG dashboard	2.2.8. Sustainability strategy TCFD reporting	2-12 2-13 2-16
Compliance	Taxes	Compliance with applicable tax laws and regulations	Compliance with laws, fair competition	essential	Legal protection, ethics	Tax Compliance Officer, Tax Compliance Management System (Tax CMS), tax compliance culture, country-by-country reporting in accordance with GRI since 2021	Supervisory authorities, number of incidents identified in the Deka Group, employees	7.2.1. Compliance 7.2.2. Taxes 7.4. Data protection and information security 7.1.1. Code of Ethics	2-15 2-23 2-27 205-1 to 205-3 207-1 to 207-4 418-1
	Combating fraud, corruption and bribery, prevention of money laundering and terrorist financing as well as compliance with sanctions and embargoes, conflicts of interest	Compliance with statutory and supervisory regulations (e.g. German Money Laundering Act (GwG) and German Banking Act (KWG))				Counselling and training, whistleblower system			
	Data protection and information security	Compliance with the GDPR and the BDSG				Data protection as part of the Information Security Management department, data protection management tool (DSMS), employee training, audits and reporting, Business Continuity Management			
	Corporate culture and protection of whistleblowers					Compliance with the Code of Ethics			
Regulation	TCFD, Climate Strategy, Article 8 of the Taxonomy Regulation, Disclosure Report, CSRD, ECB Guideline KURR (Risk Management)	Safeguarding customer rights, building trust, reliable business partner, transparency	very essential		Further development of the internal stress testing programme, development of KPIs and KRIs, regular status updates to the ECB, ESG rating assessment	Supervisory authorities, shareholders and customers	7.3. Risk management 8. TCFD reporting 7.7. ESG ratings	2-12 2-13 2-16	
Customers	Product and service offer	Range of sustainable products	Transparency about investment decisions, customer information, expansion of sustainable product range, asset accumulation, mitigation of inflation, conservation of resources, preservation of biodiversity, respect for human rights, channelling capital flows into sustainable investments	very essential		Net sales performance, volume of products with sustainability features, PRI	Customers, ESG rating agencies Deka Investor Monitor 2022, complaint management, shareholder conference	4.1. Sustainability in capital investment	2-6 302-5 417-1 417-2 FS8
	Lending with a sustainable focus	Reduction of the impact on climate change, conservation of resources and respect for human rights, compliance with internal minimum standards, expansion of financing for sustainable projects, transparency regarding investment decisions	essential	IFC Performance Standards on Environmental and Social Sustainability, World Bank Group Environmental, Health and Safety Guidelines	Negative list and positive list, Equator Principles, ESG scorecards, Poseidon Principles, impact on Sustainable Aviation e. V., amount of CO ₂ emissions financed for means of transport, gross financing volume for renewable energies, proportion of properties with sustainability certifications	Customers, ESG rating agencies, supervisory authorities	2.3.2.2. Voluntary commitments 4.2. Sustainability in lending 8.4. TCFD / Metrics & Targets	2-6 2-3 2-24 2-25 203-1 203-2 413-2 417-1 FS5 FS11	
Corporate dialogue and exercise of voting rights	Engagement process	Direct company contacts, exercising voting rights at Annual General Meetings, addressing corporate governance issues and social and environmental aspects of business activities	essential		Votes and appearances at Annual General Meetings, stewardship	Customers, NGOs, media	4.1.2.5. Corporate dialogue and exercise of voting rights		
Employees	Sustainable HR management	Social and caring responsibility as an employer	Flexible working time models, home office, work-life balance, partial retirement, part-time options, sabbaticals, sports and health courses, modern workplaces, individual counselling services	very essential		For example: fluctuation rate, sickness rate, part-time rate, parental leave, counselling and health services	Employees, Deka Pulse Checks	5.5. Reconciliation of work and private life 5.6. Occupational safety and health management 5.2.3. Fluctuation, length of service and new employees	2-7 2-8 401-1 to 401-3 403-1 to 403-6 403-8 403-9
	Personnel management	Training and further training, fair remuneration policy, co-determination by employee representatives, equal pay	very essential	Co-determination rights, protection against discrimination, collectively agreed pay, Remuneration Transparency Act	Number of further training programmes, wage increases, women in management positions	Employees, Deka Pulse Checks	5.7. Remuneration 5.3. Training and further education 5.1. Human resources strategy 5.6.3. Occupational safety and health 5.4.2. Transparency and responsibility	2-7 2-19 2-20 2-30 403-1 to 403-10 404-1 405-1 406-1	
	Diversity	Appreciation of all employees, contribution of individual competences, equal opportunities, non-discrimination	essential	Equal opportunities, protection against discrimination	Diversity Charter, Women's Empowerment Principles, women in management positions, diversity training programmes, equality plan for the Deka Group	Employees, ESG rating agencies, NGOs, Deka Group's diversity strategy, Code of Ethics, Deka Pulse Checks	2.3.2.2. Voluntary commitments 5.4. Diversity in the Deka Group	2-23 2-24 405-1 406-1	
Business operations	Reducing resource consumption and unavoidable CO ₂ emissions, achieving climate neutrality in business operations by 2025 (voluntary commitment of German savings banks to climate-friendly business)	Environmental management Reduction of CO ₂ emissions in business operations	Relocation to more energy-efficient buildings in the Frankfurt area, avoidance of business trips, increase in electromobility, reduction in resource consumption, compensation, more sustainable employee behaviour	essential	Combating climate change and resource scarcity	Certification of environmental management system in accordance with DIN ISO 14001, energy audit in accordance with DIN ISO 16267, 2028 emission-free vehicle fleet, internal and external audits, internal environmental report, measurement of CO ₂ footprint with the aim of an annual reduction by 5%, offsetting of unavoidable CO ₂ emissions, collection of CO ₂ intensity indicators	Employees, NGOs, shareholders, customers, ESG rating agencies, Deka Pulse Checks	2.2.2.2. Voluntary commitments 3.1.1. Environmental management system 3.1.3. Resource consumption and waste 3.2. Climate protection in business operations	2-23 2-24 301-1 302-1 to 302-5 303-3 305-1 to 305-3 305-5
	Responsible use of drinking water	Conservation of scarce resources	essential	Continued access to sufficient drinking water	Annual drinking water consumption		3.1.3. Resource consumption and waste	303-3	
	Sustainable procurement	Compliance with sustainable criteria	Supplier auditing, compliance with the Supply Chain Due Diligence Act	essential	Respect for human rights in the supply chain and reduction of the environmental impact	Supplier audits, signed sustainability declarations	Suppliers and cooperation partners	3.1.2. Procurement	2-6 2-23 414-1
Social engagement	Promotion of the common good	Social affairs and sport, education and science, art, music and architecture	Supporting the socially significant work of universities, museums and social institutions and other institutions with the central aim of ensuring that their diverse offerings are open to the society	essential	Amount of donations and grants	Shareholders, ESG rating agencies, key figures for social engagement	6. Social engagement		



2.4. ESG communication

ESG topics are an integral part of the Deka Group's communication strategy and a regular subject of communication with all relevant stakeholder groups. The Deka Group informs stakeholders, whether shareholders, customers, employees or the general public, about ESG-related events and developments. The Deka Group uses the entire spectrum of available communication channels. This ranges from the employee magazine, press events and social media to sales and customer events. The Deka Group's website (CF. www.deka.de/deka-group), which provides up-to-date information on the Deka Group's ESG-related activities, also offers a comprehensive range of services. An overview of relevant subpages can be found in the imprint of this report. An additional section of the Intranet is available to Deka Group employees, where information on the Deka Group's ESG activities is summarised. The Board Staff and Communications division is in constant contact with the specialist units in order to identify ESG-relevant issues and disseminate them through the appropriate communication channels.

European Single Access Point (ESAP)

With the European Single Access Point (ESAP), the European Commission wants to create a centralised European database that will provide the financial market in particular with efficient access to the annual and sustainability reports published by companies. The basic idea of the ESAP is that the information is automatically uploaded to the database and made available to the users of the data, for example banks and asset managers as well as data providers such as ESG rating agencies and credit agencies, who can then take it into account in their analysis and decision-making processes. This is intended to simplify the availability and processing of ESG data and thus its consideration in financing and investment decisions. According to current plans, the ESAP should be available from summer 2027.

A central component of ESG communication is the Sustainability Report. Since the 2017 financial year, the Deka Group, like numerous capital market-oriented companies, insurance companies and credit institutions, has been obliged to prepare a non-financial report as a result of the "Act to Strengthen Non-Financial Reporting by Companies in their Management and Group Management Reports (CSR Guidelines Implementation Act/CSR-RUG)" passed in spring 2017. Further details can be found in the **CHAPTER ABOUT THE REPORT**.

Note

The structure of this report has been revised with the aim of further improving clarity and making it easier for readers to find their way around the report and locate specific information.

The Deka Group applies the recognised standards of the Global Reporting Initiative (GRI) when preparing its Sustainability Report. Since 2013, the Deka Group has also prepared a Declaration of Compliance with the German Sustainability Code (Deutscher Nachhaltigkeitskodex, DNK), which is published on the website of the German Council for Sustainable Development (Rat für Nachhaltige Entwicklung, RNE). (CF. www.deutscher-nachhaltigkeitskodex.de/en/report/view-reports)

In the year under review, preparations began to fulfil the requirements of the CSRD, which will apply to the Deka Group's sustainability reporting from the 2024 year under review.

E – Environmental





E – Environmental

3. Sustainable banking operations

Every private individual in Germany generates around 11.7 tonnes of CO₂ emissions each year for housing, food, mobility and other consumption, such as clothing or leisure activities. The CO₂ emissions from the Deka Group's business operations, which are associated in particular with the use of real estate, were equivalent to the emissions of just 600 private individuals in the year under review. DekaBank has the ambition to further reduce this figure wherever technically possible and economically feasible. The Energy Efficiency Act passed in the year under review represents an important new framework condition in this respect. It obliges the companies concerned to establish a management system to control and reduce energy consumption. In the year under review, DekaBank again offset the currently unavoidable CO₂ emissions by purchasing and retiring high-quality emission reduction certificates. In the year under review, it also examined opportunities to utilise Carbon Removal projects.

3.1. Environmental management

3.1.1. Environmental management system

To implement the environmental guidelines adopted by the Board of Management, in which the Deka Group commits itself to a sustainable business approach in economic, ecological and social terms, the Deka Group introduced an environmental management system certified according to DIN EN ISO 14001 back in 2009.

The environmental balance sheet prepared annually as part of this system covers all buildings currently used by the Deka Group at the Frankfurt location (Trianon and LS 13). The key figures on paper consumption relate to all locations in Germany. The data on business trips is available group-wide.

The overriding goal of the environmental management measures is to reduce GHG emissions by five percent each year. The functionality of the environmental management system and the proper implementation of the associated requirements are reviewed annually as part of an audit by the auditing company AGIMUS. A monitoring audit of the environmental management system was last carried out in 2023, during which the environmental auditor certified that the Deka Group's environmental management system remains at a very high level.

At the end of September 2023, Bundestag (German Parliament) and Bundesrat (Federal Council) passed the Energy Efficiency Act (Gesetz zur Steigerung der Energieeffizienz / Energieeffizienzgesetz; EnEFG), which defines absolute goals for primary and final energy consumption. For example, final energy consumption is to be reduced by 45 percent by 2045 compared to the base year 2008. For companies with a total

energy consumption of 7.5 GWh or more per year, the introduction of an energy management system in accordance with ISO 50001 or EMAS (Eco Management and Audit Scheme) will be mandatory. In addition, requirements for detailed waste heat recording, technically feasible savings and waste heat measures and a mandatory economic efficiency assessment in accordance with DIN EN 17463 must be met. In order to fulfil these requirements, the Deka Group will further develop its environmental management system in accordance with the EMAS requirements at the latest by 2025.

3.1.2. Procurement

In the year under review, DekaBank's Strategic Purchasing procured goods and services worth a total gross value of 358 million euros (2022: 343 million euros). Around 90 percent of Strategic Purchasing's contractual partners are based in Germany, while ten percent of contractual partners come from other European countries.

When selecting suppliers, DekaBank has defined sustainability-related requirements both for the quality of the products and services purchased as well as the corporate governance of suppliers and service providers. Key points of the corporate requirements are set out in the sustainability declaration, which the largest suppliers sign before entering into a business relationship. In this declaration, they undertake to comply with the core labour standards of the International Labour Organization (ILO), among other things. As part of a revision of the sustainability declaration in 2023, regulations on the Act on Corporate Due Diligence in Supply Chains (LkSG) were added.

By the end of 2023, 340 suppliers had signed the declaration. They represent around 85 percent of the procurement volume in strategic purchasing. The remaining 15 percent concern smaller consulting and software companies, for which the

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signing is waived after weighing the potential impact on the relevant sustainability aspects and the effort required to obtain and track the declaration. New sustainability declarations were concluded with a total of 40 suppliers in the areas of consulting, HR and IT in the year under review.

If DekaBank identifies violations of the specified requirements during supplier audits and the regular risk review of the contractual partners or learns of them by other means, the provider is given the opportunity to remedy the deficiencies identified. If this is not done, or is done in a manner that DekaBank considers inadequate, a multi-stage process is initiated, which may result in the cancellation of the contractual relationship. In the year under review, no supplier relationships were terminated due to violations of human rights and sustainability obligations.

Since 2023, suppliers have also been subject to an annual risk analysis in relation to country and sector risks via an ESG platform. Suppliers, for which the analysis reveals a high or medium risk, are requested to provide further information by answering questionnaires on various topics to enable the Purchasing department to make a well-founded assessment of the situation.

In the year under review, a total of 2,351 suppliers, including 28 correspondent banks and 364 savings banks, were analysed with regard to ESG risks. All suppliers, with which DekaBank had economic relationships in 2021 and 2022 and which generated revenue, were taken into account. The analysis did not reveal any indications of increased risks for any of the suppliers analysed.

Sustainability criteria are also very important when selecting products and services. For example, new energy-saving computers were ordered for the trading room in the new FOUR building at the end of 2023, and the devices will be installed at the beginning of 2024. The total of around 400 trading PCs meet the requirements of the "Energy Star" ecolabel in the current version 8.0 and the EPEAT Gold Standard. They were procured including the CO₂ offset service offered by the supplier to compensate for the CO₂ emissions – a total of seven tonnes of CO₂ – generated during the manufacture and delivery of the computers. In addition, DekaBank has offset these seven tonnes of CO₂ twice by purchasing certificates. The decommissioned trading PCs are comprehensively refurbished by an external specialist and resold as used equipment.

Like the properties used by the Deka Group itself, the two data centres operated by external service providers, where DekaBank's servers are located, are powered 100 percent by green electricity. DekaBank uses its influence on the service providers to promote climate and environmentally friendly behaviour.

Dealing with the requirements of the Act on Corporate Due Diligence in Supply Chains (Lieferketten-sorgfaltspflichtengesetz, LkSG)

The Act on Corporate Due Diligence in Supply Chains (LkSG) came fully into force on 1 January 2023. The aim of the law is to improve the international human rights situation by ensuring that companies based in Germany organise their supply chains responsibly. Environmental concerns are relevant if they lead to human rights violations or serve to protect human health. The LkSG applies to companies based in Germany with at least 3,000 employees in Germany; from 2024, the threshold will fall to 1,000 employees. This means that DekaBank also falls within the scope of the LkSG. The associated requirements have been implemented for DekaBank and its contractual partners as well as for the subsidiaries, over which DekaBank exercises a decisive influence.

As part of the implementation of the legal requirements, a Human Rights Officer and two Human Rights Coordinators were appointed in the HR and Purchasing departments by the end of the 2022 financial year and a complaints procedure was set up in accordance with the requirements of the LkSG. In 2023, further steps were taken to implement the LkSG, including risk analyses for the company's own business division and direct suppliers.

On 1 January 2023, DekaBank voluntarily issued a "Declaration by DekaBank Deutsche Girozentrale on its responsibility for human rights and the environment in its supply chains" and published it on its website. This declaration describes DekaBank's fundamental stance on human rights and the further procedure for analysing risks and developing any necessary measures.

The declaration of principles required by law was published later in the year under review after the risk analysis was carried out and finalised. The completed risk analysis for the company's own business division resulted in a few abstract, but no concrete risk positions. The same applies to suppliers, whereby the abstract risk positions here mostly resulted from country risks. The declaration of principles also states that appropriate preventive measures are taken if relevant risks are identified in the business division or at suppliers. In the event that DekaBank identifies a breach of a human rights or environmental obligation that has already occurred or is imminent, appropriate remedial action will be taken without delay. Finally, the declaration of principles picks up on DekaBank's stance on human rights as described in the voluntary declaration at the beginning of the year under review. The declaration of principles is published on the Deka Group's website: www.deka.de/deka-group/our-responsibility/how-we-practice-sustainability/sustainable-corporate-management-at-dekabank/business-human-rights

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The vast majority of advertising materials are sourced from a supplier, whose sustainability management has been audited by Ecovadis. The supplier has also undertaken to observe the principles of the UN Global Compact and to report annually on compliance with them.

When selecting hotels to host events, DekaBank ensures that they have been awarded at least one recognised environmental or sustainability seal, such as the Biosphere Responsible Tourism certificate, or have a certified environmental management system, e.g. in accordance with EMAS or ISO 14001.

The core range of office supplies was switched to exclusively ecological items at the beginning of 2021. These products are characterised by the fact that they are either certified with a recognised seal (Blue Angel, EU Ecolabel, FSC/PEFC certificate) or consist of 100 percent recycled paper or were manufactured without solvents. The range also includes items made of recycled plastic or with casings made of natural, renewable and compostable cellulose.

3.1.3. Resource consumption and waste

After the planned relocations from the Trianon, HS 55, Skyper and Hamburger Allee (HA 14) buildings to the office building at the new location in Frankfurt-Niederrad – also known as LS 13 due to its address at Lyoner Straße 13 – were completed by the end of 2022, the amount of waste generated fell significantly in the year under review. At a total of 262.6 tonnes, the amount of waste generated in the year under review was around 46.6 percent lower than the previous year's figure, which was influenced by the aforementioned special effects. A further increase is expected in 2024, as the Trianon site will be completely vacated and the remaining employees will move to another location.

All companies entrusted with the disposal of waste have a certificate as a specialist disposal company in accordance with the German Act on Closed Cycle Management and Waste. DekaBank regularly audits the companies to ensure that waste is disposed of in a safe and environmentally friendly manner. Paper consumption in the year under review was 407 tonnes, 167 tonnes less than in the previous year (2022: 574 tonnes).

The use of drinking water is a key aspect of building operations for the Deka Group. The past hot and dry years have clearly shown that the supply of drinking water in Germany is not infinite. A key indicator of this is the falling groundwater levels. In order to keep drinking water consumption in the Deka Group's office buildings at a low level, only water-saving fittings have been installed in the new LS 13 building and excess rainwater that cannot be retained for the building's greenery does not flow into the municipal sewage system, but is channelled into the ground via a trench for groundwater formation.

The Packaging Act came into force on 1 January 2019. It stipulates that the first distributors of goods with filled sales packaging that reach the private end consumer must be registered in advance with the "Central Agency Packaging Register" (Zentrale Stelle Verpackungsregister). Since the data is publicly accessible, this creates more transparency as to which manufacturers, traders and/or distributors of packaging are fulfilling their product responsibility.

3.2. Climate protection in business operations

3.2.1. Energy consumption of owner-occupied properties

Reducing energy consumption at the Deka Group's locations makes a direct contribution to reducing GHG emissions, particularly CO₂ emissions. Based on the results of the energy audits carried out in 2015 and 2019 in accordance with DIN 16247 and as part of the environmental management system, the Deka Group's Real Estate Management was able to implement numerous technical measures to reduce energy consumption at the previous locations, which - where technically possible - were also adopted at the new location in Frankfurt-Niederrad. These include, for example, increasing the target temperature in the technical rooms.

As part of the energy audit carried out in the year under review, the two properties LS 13 and Trianon in Frankfurt, which together account for more than 80 percent of DekaBank's energy consumption, were inspected. The audit at the LS 13 site revealed potential energy savings in the lighting control system in the underground car park and in the building control system. The commissioning of the new LS 13 office building has resulted in a significant overall improvement in energy consumption and other consumption and emission values. In the course of moving out of the previously used Skyper, Hamburger Allee and Prisma buildings and already partially out of the Trianon to the new location, which meets significantly higher energy and environmental standards, energy consumption was reduced by 21.1 percent to 13,762.3 MWh in the year under review compared to the previous year (2022: 17,444 MWh). Electricity consumption also includes 80.425 MWh of self-generated electricity from the photovoltaic system on the roof of LS 13.

The new building offers space for up to 3,700 employees on an area of around 47,000 m². It features smart building technology and efficient control of lighting and indoor climate. Both contribute to saving energy and thus to reducing CO₂ – for example through the use of heating/cooling ceilings, humidification and dehumidification systems, façades that let in plenty of daylight and combined heat/cold protection for the windows, motion detectors for lights or instantaneous water heaters in toilets and showers. Heat is mainly obtained from combined heat and power generation. A photovoltaic system was installed on the roof, and 100 percent of the electricity

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generated there is used directly in the building. A review of the expansion of the system took place in the year under review. An expansion by a further 48 kWp to a total output of 135 kWp is possible and will be realised in 2024. All other electricity for the building also comes from renewable energies.

Green roofs have a positive effect on the climate and water balance

The approximately 3,900 m² roof area of the new building in Lyoner Strasse is being greened. A wide variety of plant species will be used, so that sedum, perennials and small and large shrubs through to multi-stemmed trees and shrubs support biodiversity and fine dust mitigation. All rainwater is temporarily stored in the green roof structures and made available for the vegetation on the roof. Excess rainwater is passed on to an underground buffer tank and then returned to the natural water cycle for groundwater recharge. The green roof also promotes the natural evaporation process, a form of active cooling that has a positive effect on the urban climate. In total, up to 2.9 kilograms of CO₂ are absorbed per metre² per year and noise is reduced by 20 to 46 decibels.

In the year under review, further measures were carried out on the building to reduce energy consumption. These included the installation of automatic door closers on the doors to the outdoor areas, which prevent heat or cooling from escaping into the outdoor area.

The flexible workplace concept with its combination of modern workstations with retreat options, lounges and activity rooms not only enables individual and needs-based use of the rooms, but also reduces the space required by around 25 percent compared to the properties previously used. In addition to a significant reduction in energy consumption, this also results in significant cost savings. The office building was awarded platinum certification by the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen, DGNB) for its comprehensive climate, environmental and social characteristics.

3.2.2. Traffic

Besides energy consumption, business travel represents the most significant direct environmental impact of non-manufacturing companies such as banks and is an important starting point for further reducing climate-relevant emissions. Sustainability aspects are therefore systematically taken into account in all decisions on the design of mobility in the context of commuter traffic and business travel.

Business trips

Business-related air traffic increased noticeably in the year under review. For example, 47.5 percent more kilometres were

travelled on long-haul flights than in the previous year, while the increase in short-haul flights was 8.4 percent. Rail travel (+46.1 percent) and car travel (+13.8 percent) were also used more intensively.

In order to further sensitise travellers to the importance of using the train, the explicit reference to the climate-friendly travel option with Deutsche Bahn was optimised in the travel booking system when booking flights. In addition, travellers will find a note on the CO₂ emissions (economy/business/kg) of their booked flight when selecting a flight.

More e-vehicles were booked in the rental car sector in 2023 than in previous years. This was due in particular to the increased availability of e-vehicles from rental car providers, but also to the renters' growing awareness of the climate-related impact of automobility.

Information on climate-friendly and sustainable travel is also available on the new "Green Travelling" website, which the Deka Group's travel management team integrated into its Intranet site at the beginning of 2023.

Vehicle fleet

The average CO₂ emissions of the Deka Group's entire fleet currently stand at 87g/km (2022: 99g/km). In order to further reduce these emissions, DekaBank's Board of Management ordered DekaBank in 2021 to develop and implement a comprehensive concept to successively reduce the fleet's CO₂ footprint: The aim is to reduce these CO₂ emissions by at least 40 percent by 2025 compared with the level in 2019; from 2028, the vehicles should then drive without corresponding emissions.

A key component in achieving this goal is the expansion of e-mobility. In cooperation with Real Estate Management and Human Resources, Fleet Management has implemented a number of measures to increase the use of hybrid and, in particular, electric vehicles. On 1 March 2022, for example, a model matrix for fully electric vehicles was rolled out for the various groups of company car users and an explicit order recommendation for fully electric vehicles was made. The model matrix lists vehicles that meet DekaBank's requirements and can be ordered. However, the attainability of the target set for 2028 also depends on the extent, to which the suppliers of full-electric vehicles succeed in eliminating the supply bottlenecks that still exist and supplying such vehicles in sufficient quantities.

In addition, further manufacturers of petrol and diesel hybrid models have been added to the pool of eligible vehicles. Users of e-vehicles, who charge their vehicles at home, will continue to receive either a flat rate of 15 euros per month for plug-in hybrids or 30 euros per month for fully electric vehicles or can have the charging costs reimbursed in full, provided they can

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prove the real costs by means of a meter that complies with calibration law. In addition, DekaBank pays a subsidy of up to 1,000 euros for the installation of wallboxes at the homes of company car owners. There are 24 charging stations available at the LS 13 location, and a further 60 charging stations are technically pre-equipped and can be connected to the network at any time. With effect from 1 February 2023, the leasing reference rates for the fully electric vehicles were increased significantly in order to keep ordering these vehicles attractive for those entitled to company cars.

In addition to the E-Smarts at Deka Immobilien Investment GmbH's regional locations, the Deka Group had a fleet of 224 plug-in hybrids (2022: 98) and 43 (2022: 6) pure e-vehicles as of 31 December 2023. At the same time, there were around 87 (2022: 160) open orders, of which around 40 percent were for fully electric vehicles. Depending on the manufacturers' delivery times, the proportion of fully electric vehicles in the total fleet will therefore increase significantly in 2024/2025.

Bicycle leasing

The bicycle leasing offer introduced in 2019 has been very well received by employees. Under this model, all permanent employees of the Deka Group have the option, similar to a company car lease, of leasing up to two bicycles worth up to 5,000 euros gross each over 36 months as part of a gross salary conversion.

Even after the coronavirus pandemic, interest in using this offer remains high. At the end of the year under review, a total of 1,002 bicycles were leased by employees (2022: 974). It is particularly pleasing that the number of contracts has continued to rise, even though the first leasing contracts expired after a term of three years. At the new location in Frankfurt-Niederrad, employees have access to 500 covered and lockable bicycle parking spaces and 125 charging stations for e-bikes.

Deutschland-Ticket job ticket and car pooling

Since 1 July 2023, all employees at the German locations in an active employment relationship have been entitled to a Deutschland-Ticket job ticket. The Deka Group covers the vast majority of the costs, with employees paying a small monthly contribution. The Deutschland-Ticket job ticket replaces the previous job ticket. For business trips from Frankfurt to the Luxembourg office, a tool was already made available in 2018 in the form of the "carpooling calendar", which supports the formation of car pools.

3.2.3. Greenhouse gas emissions in business operations

As mentioned above, DekaBank's central goal in the area of environmental management is to reduce its own GHG emissions by at least five percent annually. This figure is higher than the linear reduction in absolute GHG emissions of at least

4.2 percent per year on average, which the Science Based Targets Initiative (SBTi) considers necessary to limit the increase in global warming to less than 1.5° Celsius.

This target was not achieved in the year under review. The absolute CO₂ emissions rose to 6,603 tonnes compared to the previous year (2022: 6,234 tonnes). Although electricity consumption and district heating consumption were reduced following the move to the new LS 13 building, this was offset by an adjustment to the emission factor for district heating and an increase in business travel. Compared to 2019, emissions have fallen by 29.7 percent, significantly exceeding the reduction target.

As in the previous year under review, the electricity consumption of employees working from home was also taken into account when calculating emissions. Compared to 2022, the proportion of employees working from home has fallen slightly.

Scope 1, 2 and 3 greenhouse gas emissions

The GHG Protocol Corporate Standard classifies company-related GHG emissions into three "scopes": Scope 1 emissions are direct emissions from own sources or those under direct control. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions that arise in the reporting company's value chain and are not included in Scope 2 emissions. This includes upstream and downstream emissions.

3.2.4. Compensation of unavoidable emissions

In order to compensate for the currently unavoidable CO₂ emissions caused by business operations, DekaBank has been offsetting these since 2020 by purchasing emission reduction certificates from selected international projects.

DekaBank is aware that offsetting GHG emissions by retiring emission reduction certificates is not uncontroversial. For this reason, it consistently ensures that offsetting is only used on a regular basis when the currently possible measures to avoid and reduce emissions have been exhausted. DekaBank works according to the principle of "avoid before reduce before offset".

On the other hand, high standards are applied to the climate protection projects, from which the emission reduction certificates for offsetting originate. They must not only meet strict quality standards, but also make an active and verifiable contribution to achieving at least one of the United Nation's 17 Sustainable Development Goals. This is also ensured by the fact that the projects are primarily implemented in countries of the Global South. The quality of the projects is verified by an

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independent auditor, who, among other things, ensures the additivity of the projects, carries out a plausibility check for the calculation of the offset GHG emissions and checks the vesting and unambiguousness of the allocation.

For the year under review, the Deka Group offset its unavoidable emissions from business operations with a biogas project in India and a project for rainforest protection and biodiversity conservation in Borneo/Indonesia, among others.

The path to greenhouse gas neutrality in business operations

DekaBank has been reducing its CO₂ footprint from business operations since 2009 and has been offsetting the currently unavoidable CO₂ emissions since 2020. With the upcoming move to the new FOUR office building in mid-2024, DekaBank is expected to achieve a CO₂ footprint from business operations after 16 years of reduction that cannot be further reduced under the current technical conditions; further savings depend on scientific and technological progress. The CO₂ savings realised as a result of the move will be reflected for the first time in the environmental indicators for the 2025 year under review.

In order to reduce CO₂ emissions at a global level and achieve the goal of GHG neutrality defined in the Paris Climate Agreement, measures are also required at company level that lead to the sustained sequestration of carbon dioxide, in addition to the permanent reduction of GHG emissions.

Organisations such as the Voluntary Carbon Markets Integrity Initiative (VCMI), international standards such as ISO 14068 and initiatives such as the Science Based Targets Initiative (SBTi) recommend that, in the foreseeable event that the Deka Group has exhausted the possibilities for reducing CO₂ emissions in its business operations, it should consider supporting projects that actively remove CO₂ from the atmosphere (Carbon Removal projects) instead of using projects to avoid CO₂ emissions.

In contrast to the offsetting projects currently in use, these projects have the advantage that, in addition to neutralising CO₂ emissions from business operations, they lead to a reduction in CO₂ levels in the atmosphere. Building on its Net Zero strategy for business operations, DekaBank examined the first Carbon Removal projects in the year under review that fulfil the requirements for medium and long-term CO₂ storage. These include both technical sinks such as pyrolysis plants for the production of vegetable carbon and natural sinks such as forests, moors and oceans.

DekaBank supports the climate-related commitment of the savings banks

Based on its own experience, DekaBank has developed an offer to support the savings banks in determining and offsetting their GHG emissions from business operations. As part of the "Self-commitment by German Savings Banks to climate-friendly and sustainable business practices" published in 2020, around 290 savings banks and associated institutions have already committed to making their business operations CO₂-neutral by 2035 at the latest.

DekaBank offers the savings banks the opportunity to use the Deka Easy Access (DEA) information and trading platform to have emission reduction certificates from climate protection projects previously reviewed by DekaBank cancelled. More than 140 savings banks are already using the DEA-CO₂ module.

For the savings banks, the far-reaching support from DekaBank has several advantages: Firstly, the CO₂ offsetting platform in DEA provides them with a functional infrastructure and a reliable process; secondly, they are spared the need for extensive research into suitable offsetting projects, as DekaBank takes care of this for them. The legal and administrative burden is also reduced, as DekaBank has already negotiated a framework agreement with all project providers.

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Environmental Indicators 2023* (TABLE 4)

GREENHOUSE GAS EMISSIONS

	Direct emissions (Scope 1) kg CO ₂ e	Indirect emissions (Scope 2) kg CO ₂ e	Other indirect emissions (Scope 3) kg CO ₂ e	Total
2020	1,263,411	3,118,779 ⁹	1,817,312	6,199,502
2021	1,077,192	3,113,053	2,009,122	6,199,367
2022	1,289,200	2,052,490	2,891,850	6,233,510
2023	1,432,640	2,067,090	3,103,470	6,603,200

ENERGY CONSUMPTION BY ENERGY SOURCE

	Trianon ML16 in kWh	LS 13 in kWh	HA 14
Power	4,036,783	3,594,497	2,961
Gas	–	–	47,322
Diesel for emergency electricity	1,315	66,963	–
District heating	4,159,089	1,853,400	–
Total	8,197,187	5,514,860	50,283

DEVELOPMENT OF TOTAL ENERGY CONSUMPTION

	2020 in kWh	Tolerance to 2019	2021 in kWh	Tolerance to 2020	2022 in kWh	Tolerance to 2021	2023 in kWh	Tolerance to 2022
Trianon ML16	10,026,407	–14.2%	10,064,507	0.4%	9,074,712	–9.8%	8,197,187	–9.7%
LS 13	–	–	–	–	5,034,304	–	5,514,860	7.8%
Prisma HS 55	6,279,231	0.2%	6,571,285	4.7%	–	–	–	–
Skyper TA 1	2,827,489	1.7%	3,109,073	10.0%	3,175,404	2.1%	–	–
HA 14	153,177	127.2%	154,916	1.1%	159,469	3%	50,283	–68.5%
Total	19,286,304	–7.4%	19,899,781	3.2%	17,443,889	–12.3%	13,762,330	–21.1%

DEVELOPMENT OF ABSOLUTE BUSINESS TRAVEL BY MEANS OF TRANSPORT

	2020 in km	Tolerance to 2019	2021 in km	Tolerance to 2020	2022 in km	Tolerance to 2021	2023 in km	Tolerance to 2022
Rail transport	2,223,589	–55.2%	1,815,773	–18.3%	2,728,434	50.3%	3,986,735	46.1%
Road traffic	8,908,530	–6.6%	6,829,094	–23.3%	7,665,596	11.6%	8,721,598	13.8%
Air traffic	1,957,931	–79.3%	1,444,849	–26.2%	4,087,320	182.9%	5,963,501	45.9%
Total	13,090,050	–45.4%	10,089,716	–22.9%	14,481,350	43.5%	18,671,834	28.9%

DEVELOPMENT OF ABSOLUTE DRINKING WATER CONSUMPTION

	2020 in m ³	Tolerance to 2019	2021 in m ³	Tolerance to 2020	2022 in m ³	Tolerance to 2021	2023 in m ³	Tolerance to 2022
Trianon ML16	13,202	–35.8%	14,755	11.8%	13,865	–6.3%	14,100	1.7%
LS 13	–	–	–	–	10,366	–	11,589	11.8%
Prisma HS 55	12,603	–35.0%	8,876	–29.6%	–	–	–	–
Skyper TA 1	1,321	–46.7%	1,002	–24.1%	729	–27.3%	–	–
HA 14	163	–52.5%	60	–63.2%	87	45%	49	–43%
Total	27,289	–36.2%	24,693	–9.5%	25,047	1.4%	25,689	2.6%

DEVELOPMENT OF THE ABSOLUTE WASTE VOLUME

	2020 in t	Tolerance to 2019	2021 in t	Tolerance to 2020	2022 in t	Tolerance to 2021	2023 in t	Tolerance to 2022
Trianon ML16	53.7	–49.1%	30.3	–43.7%	171.9	467.3%	58.5	–66.0%
LS 13	–	–	–	–	88.3	–	204.1	131.6%
Prisma HS 55	39.5	–63.1%	362.3	818.5%	–	–	–	–
Skyper TA 1	18.8	–59.6%	15.7	–16.4%	230.8	1,375.2%	–	–
HA 14	0.4	–78.9%	0.1	–81.8%	0.3	200.0%	–	–
Total	112.4	–56.9%	408.4	263.3%	491.3	20.3%	262.6	–46.6%

* Data basis on energy/resource consumption and emissions: The figures relate to the four buildings used by the Deka Group in Frankfurt am Main (Trianon, LS13), plus the Luxembourg and, since 2019, Berlin and Leipzig sites for emissions. All other locations have not yet been included in the recording of consumption values for energy, water and waste. The electricity consumption of employees in home offices was additionally recorded under Scope 3, taking into account the average home office quota. The calculation is based on the factor determined by the VfU. In addition, the following exceptions apply with regard to the data basis: Information on business trips is available company-wide for the Deka Group excluding S Broker. In addition to the locations in Germany, the location in Luxembourg is also included here. Since 2019, green electricity has been purchased at all Deka Group locations.

⁹ Recalculation of emissions due to purchase of green electricity via utility billing in Luxembourg from 2020.

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4. Sustainable products

4.1. Sustainability in capital investment

March of the year under review marked the fifth anniversary of the publication of the EU Action Plan on Financing Sustainable Growth. Through numerous measures, such as the introduction of the EU taxonomy of sustainable economic activities or the Disclosure Regulation with its classification of funds with regard to their sustainability features, the EU Commission aims to channel capital into sustainable investments in order to finance the transformation of the economy required to achieve the Paris climate goals. A comprehensive interim assessment of the extent, to which this has been successful, is still pending. However, the Deka Group can claim to be making its contribution to the redirection of capital and thus to climate protection and sustainable development. The range of mutual funds with sustainability features alone comprises more than 100 products and thus offers private investors a wide selection of investment opportunities that correspond to their individual sustainability-related investment goals and values. As part of its "Sinvestieren" campaign, the Deka Group is sensitising investors to the possibilities of sustainable investment.

In the area of capital investments, a distinction is made between DekaBank's capital investments for own account and the investment solutions offered to customers. While DekaBank considers its own requirements for its capital investments for own account, the specific requirements of the individual customer groups and customers must be taken into account when designing investment products. These regularly include sustainability-related requirements.

4.1.1. Capital investments for own account

The Deka Group's credit risk strategy forms the key basis for the requirements for the capital investments for own account. Based on the objectives and guidelines set out in the Deka Group's business strategy, including those relating to sustainable corporate governance, it sets the framework for all financing activities. Since July 2014, DekaBank has also used a sustainability filter, which has been further developed over time, for new investments in its capital investments for own account.

Based on the UN Global Compact, this sustainability filter includes a catalogue of exclusion criteria and controversies, particularly for the areas of armaments, ILO core labour standards, corruption, climate and the environment. For each new investment, in addition to the sustainability check already carried out centrally as part of the limit set-ups, increases and prolongations using the ESG scorecards, the issuers are

checked against the extensive criteria of the sustainability filter for the capital investments for own account. In particular, capital investments for own account in companies are excluded that

- generate a revenue share of more than 30 percent from coal mining and/or more than 40 percent from coal-fired power generation,
- generate a revenue share of more than 10 percent from tar sands, oil shale or unconventional extraction methods, in particular Arctic Drilling and Ultra Deep Offshore,
- violate internationally recognised principles in the area of human and labour rights as well as corporate governance and conduct (e.g. ILO Declaration on Fundamental Principles and Rights at Work, UN Global Compact requirements, OECD Guidelines for Multinational Enterprises).

For details CF. **CHAPTER 4.2.**, which contains the complete negative list.

Issuers of securities that violate one or more of these exclusion criteria are excluded from new investments. As of 31 December 2023, 100 percent of the capital investments for own account in securities with a nominal volume of around 9.8 billion euros (2022: 9.7 billion euros)¹⁰ were managed using the criteria of the proprietary investment filter.

¹⁰ Excluding S Broker AG & Co KG.

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Deka Treasury Compass

With the Deka Treasury Compass, DekaBank also offers the savings banks the opportunity to carry out a detailed sustainability check for their capital investments for own account based on the principles of the UN Global Compact. In 2023, 233 savings banks had a sustainability analysis carried out for their direct portfolios as part of the Deka Treasury Compass.

Deka Easy Access

With the Deka Easy Access information and trading platform, DekaBank already supports more than 300 institutions in considering sustainability criteria in their capital investments for own account. In cooperation with the rating agency Moody's ESG Solutions (formerly V.E or Vigeo Eiris), information is provided for around 1,000 issuers on, among other things, their possible breaches of the principles of the UN Global Compact and the overall quality of their sustainability management. In addition, an ESG Score was introduced to enable institutions to manage their portfolios on a granular basis and improve the comparability of issuers. This offering is supplemented by the Deka Research Hub, which provides comprehensive analyses of issuers of mortgage bonds and other securities.

4.1.2. Capital market-based investment products

The capital management companies of the Deka Group - Deka Investment GmbH, Deka Vermögensmanagement GmbH and Deka International S.A. – already added sustainability aspects to the classic triangle of capital investment – return, risk and liquidity – several years ago and defined sustainability standards for the funds they manage, irrespective of their sustainability-related orientation. For example, the funds managed by the capital management companies do not invest in companies that produce controversial weapons such as anti-personnel mines or cluster munitions ("cluster bombs"). The mutual funds managed by the capital management companies also exclude manufacturers of small arms and companies significantly involved in coal mining or coal-fired power generation from their investments. In addition, the Deka Group does not issue or manage any products that directly track the price of basic foodstuffs.

The Deka Group's capital management companies have made their understanding of sustainability transparent in their new ESG policy, which was published on the website in the year under review. This policy describes both the overarching ESG strategy and the handling of sustainability aspects in the context of stewardship, in particular when conducting company dialogues and exercising voting rights, as well as in the investment process and in the products.

4.1.2.1. Funds, ETFs and certificates

Active Deka funds with sustainability features

The Deka Group offers investors a wide range of funds with sustainability features, which was expanded in the year under review to include a mixed fund. The institutional fund for Sparkasse UnnaKamen supplements the existing impact product family consisting of an equity and bond fund with a third fund directly related to the UN Sustainable Development Goals (UN SDGs). The DekaLux-PharmaTech fund was already converted to a sustainable fund concept in 2022 and renamed Deka-Nachhaltigkeit Gesundheit (Deka-Sustainability Health). In addition to Deka-UmweltInvest, the product range was thus supplemented by another sustainable thematic fund that invests primarily in equities or equity-like securities of healthcare companies that work on the discovery, research and development, manufacture, distribution and marketing of healthcare products. Three funds from the Deka-Nachhaltigkeit Aktien (Deka-Sustainability Shares) family, each with a regional focus, have been part of the sustainable product range since 2021. This gives investors the opportunity to invest in actively managed funds with sustainability characteristics that invest specifically in regional target markets.

Finally, the "Deka-Nachhaltigkeit" (Deka-Sustainability) fund family also includes the Deka-Nachhaltigkeit Aktien (Deka-Sustainability Shares), Deka-Nachhaltigkeit Renten (Deka-Sustainability Pension), Deka-Nachhaltigkeit Balance and the Deka-Nachhaltigkeit ManagerSelect umbrella fund, which were launched in 2011. The fund family thus offers investors a broad selection of equity, bond or mixed fund portfolios, with which they can invest in investment solutions that fulfil the special criteria of a sustainable investment. The two funds Deka-Stiftungen Balance (foundations) and Deka-Kirchen Balance (churches) are also aimed at institutional investors.

The planned demand-based expansion of the product range with sustainability features was again hampered in the year under review by existing uncertainties regarding the interpretation of regulatory requirements, in particular the Sustainable Finance Disclosure Regulation (SFDR). Product-related measures and the launch of new actively managed funds with sustainability features therefore had to be postponed.

An overview of the current range of investment solutions with sustainability features can be found on the following websites:

- www.deka.de/privatkunden/produkte/fonds/nachhaltigkeitsfonds
- www.iqam.com/de/fonds/nachhaltigkeit
- www.deka.de/privatkunden/fonds-und-zertifikate/deka-etfs
- www.deka.de/privatkunden/fonds-und-zertifikate/fondskategorien/vermoegensverwaltende-fonds

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Sustainable securities investments are possible in the DekaBank custody account from as little as 25 euros per month. In addition to the funds in the Deka-Nachhaltigkeit Aktien family, seven other funds are now suitable for investing capital-forming benefits, including Deka-Nachhaltigkeit Impact Aktien (Deka-Sustainability Impact Shares) and the Deka-BasisAnlage offensiv (Deka-Basis Investment offensive) umbrella fund.

ETFs with sustainability features

Back at the end of 2015, Deka Investment GmbH launched the Deka Oekom Euro Nachhaltigkeit UCITS ETF index fund for institutional investors in collaboration with the ESG rating agency ISS ESG (formerly: oekom research). In 2020, Deka Investment GmbH expanded its range of ETFs by launching the Deka Climate Change ETF product family. With the regions Germany, Eurozone, Europe, USA and World, the most important global equity markets were covered. In 2021, Japan was added as part of the conversion of the Deka MSCI Japan MC UCITS ETF. MSCI's index concept aims to consider the opportunities and risks of companies in relation to climate change. In doing so, the requirements of the EU Climate Transition Benchmarks (EU CTBs) are met. This pursues the goal of significantly reducing the CO₂ emissions intensity of the portfolio in contrast to a broad market index. In addition, a bond fund was launched in 2021 to expand the Climate Change ETFs in the corporate bond segment. The Deka MSCI EUR Corporates Climate Change ESG UCITS ETF completes the product family by aiming to achieve a broadly diversified portfolio with a significant reduction in CO₂ emissions.

The Deka EURO STOXX 50® ESG Filtered UCITS ETF changed benchmarks in 2022 as part of an expansion of the sustainability criteria. In July 2022, the Deka Future Energy ESG UCITS ETF was launched as the first thematic ETF with sustainability features. The index it tracks consists of companies active in the field of renewable energy and energy efficiency technologies.

A further investment option was added to the ETF range in the reporting period. The Deka iBoxx MSCI ESG EUR Corporates Green Bond UCITS ETF exclusively contains green bonds as defined by the Climate Bonds Initiative (CBI) and thus pursues a clear Impact Investing approach.

Certificates with sustainability features

DekaBank has been offering structured products and certificates with sustainability features for private customers since 2019. With regard to the sustainability of certificates, two levels must be considered: firstly, the issuer, DekaBank, and secondly – if available – the underlying asset, e.g. an index or an individual company.

Consideration of the issuer is necessary, as certificates are bearer bonds of the issuer that serve to refinance it. As a rule, the liquidity obtained through the issue of a certificate is used

for the issuer's general lending activities. When utilising funds in this way, DekaBank takes into account the main adverse effects on sustainability factors and works actively to reduce these. With regard to the sustainability of DekaBank as an issuer, the ESG rating agencies certify a high level compared to the rest of the industry. (CF. **CHAPTER 7.7.**)

Sustainability criteria are also very important at the second level, the selection of underlyings. Certificates with a share as the underlying only fulfil the requirements for a "product with sustainability features" if the company in question is not affected by the exclusion criteria that DekaBank has defined in its "ESG product strategy for certificates". (CF. www.deka.de/zertifikate/produkte/nachhaltigkeit)

In addition to individual companies, ESG share indices can also serve as underlyings for certificates with sustainability features. DekaBank uses climate change indices that it has developed in recent years together with the index provider MSCI.

DekaBank's range of sustainable certificates includes certificates with a sustainability-oriented company or ESG index as the underlying as well as traditional fixed-interest bonds. Green bonds are also used in this context and can therefore also be invested in by private investors with lower investment amounts.

Sinvestieren – campaign for sustainable investing

With its "Sinvestieren ist das neue Investieren" (Investing meaningfully is the new investing)" campaign, which was continued in the year under review, DekaBank aims to sensitise investors to the fact that a sensible investment means more than just achieving a return, for example by linking financial and sustainability-related goals. The campaign aims to make transparent how investors can approach the topics of asset accumulation and asset structuring and at the same time support sustainable development and important future topics such as digitalisation. The "Sinvestieren goes Hollywood" campaign was launched in the year under review to address new target groups.

In the year under review, DekaBank published an "Impact and Allocation Report". This is DekaBank's third report of this kind since 2021 and provides information on the use of funds from certificates issued under the Green Bond Framework and the resulting CO₂ reduction, among other things. With the Impact and Allocation Report, which is updated annually, DekaBank meets the requirements for corresponding reporting, which is officially confirmed by the ESG rating agency Sustainalytics. The Framework and the Second Party Opinion are published on the Deka website, as are the Impact and Allocation Report and the Annual Review.

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As of 31 December 2023, 64.8 percent (2022: 58.9 percent) of the outstanding certificates for private customers had sustainability features (5,495 of 8,478 certificates). Of these, 37 certificates had an impact reference (fixed-interest / stepped-interest Green Bond). In the year under review, a volume of 6.0 billion euros (2022: 5.9 billion euros) was sold in certificates with sustainability features.

4.1.2.2. Other capital market-based investment solutions

Asset management and asset management funds with sustainability features

The offering of the Asset Management division includes various sustainable mandate solutions that differ in terms of their risk profile. In the area of asset management funds, Deka Vermögensmanagement GmbH offers investors Deka-BasisAnlage, for example, a sustainability-oriented investment strategy that is available in five different risk profiles ranging from conservative to offensive. The product range is rounded off by the Deka-Nachhaltigkeit ManagerSelect fund, which implements a balanced portfolio of 50 percent equity funds and 50 percent bond funds and currently selects the best-quality sustainable fund managers in eight sub-asset classes in the view of Deka Vermögensmanagement GmbH. Both Deka-BasisAnlage and Deka-Nachhaltigkeit ManagerSelect have signed the European Transparency Code for Sustainability Funds and were again awarded the transparency logo of the European industry association Eurosif in 2023.

Deka Vermögensmanagement GmbH also offers product solutions with sustainability features in all customer segments in the area of asset management. For example, customers can choose a sustainability-oriented product variant with different risk profiles for bevestor, the purely digital asset management service. As part of the "Select" investment concept, customers can use the "Select Nachhaltigkeit" (Select Sustainability) variant to invest in a sustainability-oriented manner, taking into account ecological, social and ethical aspects. Five globally diversified fund portfolios with different risk/return characteristics are available for this purpose. In addition, it is possible to individually add up to three of the currently six possible investment themes, such as climate change, sustainable nutrition or mobility of the future, to the selected portfolio.

In addition to the digital asset management product bevestor, SmartVermögen Nachhaltigkeit (Smart Assets Sustainability) was launched in 2022 as a hybrid asset management product which, unlike bevestor, is concluded hybrid via the savings banks. With both bevestor and SmartVermögen, it is possible to take out a product from a savings plan of just 25 euros per month.

Top marks for the digital asset management

The high quality of the work of the Deka Group's bevestor robo-advisor is regularly confirmed in external analyses and evaluations. In the year under review, for example, experts from the Institute for Asset Accumulation (Institut für Vermögensaufbau, IVA) examined how good the digital asset managers are for the seventh time on behalf of the business magazine Capital. bevestor was awarded the highest rating of 5 stars as one of the "Best Robo-Advisors" for the fourth year in a row. In addition, bevestor was once again named the "Top Robo-Advisor for Sustainable Investment" in the 12/2023 issue of the business magazine Capital in the year under review.

Brokervergleich.de awarded one of the most recognised industry prizes for robo-advisors in Germany for the eighth time. Among 36 digital asset managers, bevestor was able to improve once again in the year under review and achieved second place after coming third in the previous year. bevestor received particularly high marks for service and security, scoring best of all competitors in these areas. The extensive range and diverse services such as ESG portfolios, different account types, a very good risk/return ratio and daily analysis information on the portfolio also received positive ratings.

With Deka-Connect+, the product range of sustainability-oriented asset management was further expanded in the 2023 year under review. Deka-Connect+ is a German asset management product that, in addition to active management, offers individually customised future theme management tailored to customers' wishes. They have the option of including up to three future themes - technology innovations, social change or health innovations - as a fixed component of their investment. Alternatively, investors can opt for a variant, in which the three themes are managed and weighted by professional asset management. Here, too, investors can choose a sustainability-orientated investment with four different risk profiles in addition to the traditional one. Asset management is embedded in the processes of the savings banks and is concluded as hybrid asset management via the savings banks, but can also be managed by the customers themselves via an asset management platform once the product has been concluded.

The product range with sustainability features in the area of asset management is rounded off by the individual asset management product Deka-Vermögensverwaltung Premium. Deka Vermögensmanagement GmbH's range also includes various sustainability-oriented fund concepts offered by individual savings banks, e.g. the Hamburger Nachhaltigkeitsfonds - Best in Progress from Hamburger Sparkasse or the Rheinische Kirchenfonds from Sparkasse KölnBonn.

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IQAM Invest – the quant boutique from Austria

The Austrian fund manufacturer IQAM Invest, which has been active on the market since 1988 and focuses on quantitative asset management, has been part of the Deka Group since 2021. IQAM Invest stands out in particular for customised investment funds for institutional investors. Sustainability criteria are consistently taken into account in IQAM's customised and innovative solutions according to customer requirements. IQAM Invest obtains the sustainability research for implementation from two renowned ESG data providers. IQAM Invest has applied the company-wide principles on controversial weapons, coal and basic foodstuffs since joining the Deka Group.

The in-house range of mutual funds currently comprises 15 actively marketed products with varying degrees of strict sustainability methodology, including funds that have been awarded the Austrian Ecolabel for sustainable financial products. Investors use these funds to invest in companies in the investment universe that act responsibly in terms of ESG aspects and at the same time comply with the quantitative IQAM approach. Among other things, the strict exclusion of fossil fuels, systematic labour and human rights violations or the lack of targets and measures by states for GHG reduction and species protection are taken into account. An overview of the criteria is published on the website www.iqam.com in the download area under "Sustainability". (VGL. www.iqam.com/sys/download/global/Kriterienliste_aktuell.pdf)

Since 2005, IQAM Invest has been using the possibility of integrating sustainability aspects into its proxy voting and into the dialogue with issuers as part of an overlay together with a specialist expert in its public equity funds.

S Broker – the online broker of the Sparkassen-Finanzgruppe

S Broker AG & Co KG is the central online broker of the Sparkassen-Finanzgruppe and offers its customers - private investors and savings banks - the opportunity to manage an online securities account and trade in securities. In order to make it easier for customers to search for sustainable investment products, S Broker has set up its own landing page with an extensive selection of available sustainability products from the fund and ETF sector as well as selected sustainable subscription products. The products offered on the landing page, as well as many other sustainable investment products, can be purchased from S Broker in on-exchange or over-the-counter trading. It is also possible to set up a savings plan for various products. In the year under review, S Broker's holdings of investment funds with sustainability features increased compared to the previous year, while their share of the total volume of all investment funds remained largely constant.

Individual solutions for institutional customers

Deka Investment GmbH offers institutional investors customised investment solutions that take comprehensive account of the respective sustainability-related requirements, such as specific exclusion criteria. In implementing these individual strategies, Deka Investment GmbH uses data from renowned ESG rating agencies, currently primarily MSCI ESG and Moody's ESG Solutions (formerly V.E and Vigeo Eiris), which provide information on the sustainability performance of individual issuers and on possible breaches of the defined exclusion criteria by these issuers.

Approaches to measuring the sustainability-related impact of capital investments continue to meet with growing interest, particularly among institutional investors. For this purpose, Deka Investment GmbH offers analyses based on data from specialised data providers, including the ESG assessment of a portfolio, its carbon footprint and the influence of the invested companies on the achievement of the UN SDGs.

Accompanying the placement of sustainable bonds as syndicate leader

In the year under review, DekaBank again acted as lead manager in the placement of numerous sustainable bonds and was once again able to significantly expand its successful track record. In 2023, DekaBank acted as lead manager for sustainable issues by German federal states, development banks and banks from Germany and abroad with a total volume of around 12 billion euros. There were also various debut transactions in the current year under review: DekaBank supported the State of Saxony-Anhalt in its first Social Bond transaction, the first ever purely Social Bond issued by a German federal state. The federal state of Berlin also issued a debut transaction with its first sustainability bond and is now the second German federal state after North Rhine-Westphalia to choose the Sustainability Bond format and allocate the proceeds to both environmental and social projects. It should also be emphasised that DekaBank acted as lead manager for the Kreditanstalt für Wiederaufbau (KfW) on a green bond with a volume of 3 billion euros for the first time.

In addition to other Green Bond mandates on the banking side, e.g. Hypo Vorarlberg, Hypo NOE, Berlin Hyp, Deutsche Pfandbriefbank and Münchener Hypothekenbank, DekaBank supported three debutants from Austria: as lead manager, it successfully marketed and placed the first Green Bond from Volksbank Wien, the first Euro Senior Preferred Green Bond Benchmark from BAWAG P.S.K. and the first green Covered Bond from Hypo Tirol Bank. In addition, DekaBank won its first mandate for a Norwegian Covered Bond in green format from SpareBank 1 Boligkreditt. The issues enjoyed strong demand, particularly from sustainability-oriented investors, and were characterised by correspondingly high oversubscriptions.

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Deka Forum Sustainable Bonds

There is still a need for information on sustainable bond investments among professional investors, which is why DekaBank organised the third Deka Forum Sustainable Bonds (Deka Forum Nachhaltige Anleihen) in the year under review. The main topics this time included trends and developments in the market for Green, Social and Sustainability Bonds, the pricing and secondary market performance of Sustainable Bonds and the myth of "Greenium" in volatile markets.

The topics for the panel discussions with renowned experts from both banks and government-related SSA issuers illustrated the wide range of aspects that are relevant in connection with sustainable bonds. These included the challenges, opportunities and possibilities of various sustainable financing options, particularly in the areas of "renewable energies" and "green buildings" as well as in social categories such as "social housing", "health" and "education", the impact of sustainable bond formats and the influence of regulation, EU Taxonomy and the EU Green Bond Standard on developments in sustainable bonds. An investor panel was also integrated into the programme for the first time, where the various concepts for sustainable investments were discussed. The high number of participants at the virtual event and the numerous questions from the audience reflect the continuing high level of interest in sustainable bonds.

4.1.2.3. Volume of investments with sustainability features

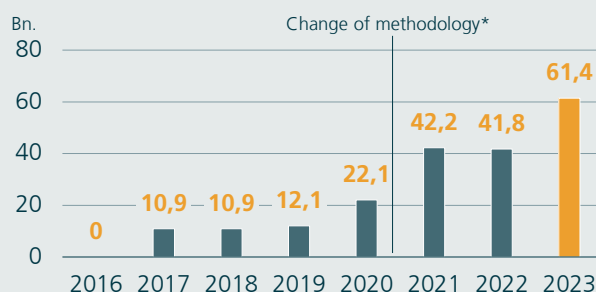
In the private customer segment, Deka Investment GmbH and Deka International S.A. managed a total of around 22.0 billion euros in sustainable products as of the end of 2023 (2022: 19.8 billion euros). Around 18.9 billion euros of this is attributable to products classified under Article 8 of the Sustainable Finance Disclosure Regulation (SFDR), with the remainder of just over 3.0 billion euros attributable to Article 9 products. ETFs accounted for 3.1 billion euros. In addition, 11.8 billion euros managed sustainably as part of Deka Vermögensmanagement GmbH and a further 0.9 billion euros managed by IQAM Invest must be taken into account here. For institutional customers, the volume of sustainable investments amounted to 25.1 billion euros as of 31 December 2023 (2022: 22.8 billion euros).

At the end of the year under review, the Deka Group's securities capital management companies had 106 mutual funds with sustainability features. Including the funds managed by IQAM Invest, the range currently comprises a total of 121 mutual funds, seven more products than in the previous year. The increase in institutional mandates was even more pronounced: Here, Deka Investment GmbH managed 54 special funds at

the end of the year under review. Compared to the end of 2022 (27 special funds), the number of mandates has doubled.

Overall, the volume of investment products with sustainability features at the Deka Group thus totalled 59.8 billion euros (2022: 41.7 billion euros). (CF. **FIGURE 4**) The share of sustainable securities funds in the asset management volume in the Asset Management Wertpapiere business division was around 20.1 percent at the end of 2023 (2022: 18.4 percent).

DEVELOPMENT OF THE VOLUME OF INVESTMENT PRODUCTS WITH SUSTAINABILITY FEATURES (FIGURE 4)



* Since the 2021 year under review, investment products with sustainability features have been reported in accordance with the classification of the Disclosure Regulation (SFDR). In 2023, several special funds were revalued, which led to a retrospective correction of the volumes reported for 2021 and 2022.

4.1.2.4. ESG integration into the investment process

The Deka Group is convinced that taking ESG criteria into account improves investment decisions in the long term, as the assessment of the opportunities and risks of capital investments is meaningfully supplemented by the inclusion of relevant criteria. In addition to the specific range of sustainable investment and strategy solutions, the Deka Group's capital management companies are therefore continuously working to integrate sustainability criteria into their entire investment process. This not only sharpens the risk/return profile of the managed portfolios, but also enables them to meet the increasing regulatory requirements and customer needs for the consideration of ESG criteria - also for the protection of their investments.

In this context, further information and data on sustainability aspects for all asset classes were also integrated into the in-house research platform in 2023 and thus made available to all decision-makers. The platform combines external data with internal analyses and is supplemented by relevant findings from discussions with company representatives. (CF. **CHAPTER 4.1.2.5.**) At the same time, the responsible specialist department increasingly uses company and sector-related sustainability analyses from external sustainability experts.

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In addition to the data provided by external providers, the ESG experts in the "Sustainability and Corporate Governance" unit have set up a proprietary data model to further promote ESG integration. The "risk level model" enables companies to be classified on the basis of a scale from A to F with regard to (potential) ESG risks and controversies. In the process, information provided by ESG data providers as well as ESG risks and controversies that have become known in the course of analyses of individual companies and in the voting process at shareholder meetings and engagements, for example direct company contacts, are assessed and classified by the sustainability experts.

The classification determines whether a company remains investable or is excluded from investment. Companies classified in level F, for example, have the most serious ESG violations and are generally not investable for all products of Deka Investment GmbH, Deka International S.A. and Deka Vermögensmanagement GmbH – regardless of whether a product is classified as sustainable or not. Companies classified in level E have serious ESG violations and are not investable for all mutual funds with the exception of ETFs and outsourcing mandates. Because of these far-reaching consequences of classification in levels E and F, a selected team of experts, the Sustainability Risk Committee, regularly advises – also on an ad hoc basis in particularly urgent cases – to verify the corresponding classification of issuers and approve them on a case-by-case basis.

In addition to any ESG risks and controversies, the sustainability analysis also takes into account, for example, whether issuers generate revenue shares in business divisions that are assessed as critical, do not comply with international standards or whether states disregard democratic principles. The majority of the sustainable mutual funds of the Deka Group's capital management companies use a standard set of exclusion criteria, which are presented in the annually published transparency declarations in accordance with Eurosif. (CF. **CHAPTER 4.1.2.6.**)

The universe adjusted for the excluded issuers and those classified as controversial within the risk level model is made available to the portfolio managers as an investable universe. Together with the research analysts specialised in ESG criteria, they are responsible for effective ESG integration in the investment process. In addition to the technical requirements, such as access to ESG databases, all portfolio managers and analysts at Deka Investment GmbH and Deka Vermögensmanagement GmbH have been receiving training on sustainability since 2019 as part of the internal "ESG Academy" in order to continuously develop the relevant skills of employees. The modular seminars cover topics such as new regulatory requirements and current trends in the sustainable capital market.

Deka Investment GmbH and Deka Vermögensmanagement GmbH have additionally integrated specific sustainability criteria for investing in target funds into their investment process and are continuously working to further advance ESG integration. To this end, external sustainability analyses, ESG questionnaires and publicly available ESG information are used and evaluated by analysts, among other things.

4.1.2.5. Corporate dialogue and exercise of voting rights

Direct dialogue with the companies, whose shares and bonds an investor holds (engagement) and exercising the voting and speaking rights associated with shares at annual general meetings (AGMs) are increasingly important tools for sustainable capital investment. The Deka Group's capital management companies use voting and engagement to protect the value of their investments and support sustainable development in companies.

Deka Investment GmbH, Deka Vermögensmanagement GmbH and Deka International S.A. published an ESG policy in 2023. It builds on the previous engagement policy, in which the principles and procedures for active dialogue with companies and the exercise of voting rights were documented, and expands the content to include fundamental aspects of the consideration of sustainability in the entire investment process. In the year under review, the results of the engagement and the exercise of voting rights were also published in an engagement report, which, like the ESG policy, is available on the website. (CF. www.deka.de/privatkunden/ueber-uns/deka-investment-im-profil/corporate-governance)

Direct company contacts

In the reporting period, analysts and fund managers at Deka Investment GmbH had more than 1,600 contacts with companies. Depending on the industry and business model of the respective company, social and environmental aspects of business activities were regularly addressed in addition to corporate governance issues. This concerned around 16 percent of the companies represented in special assets.

As a trustee for investors, Deka Investment GmbH is interested in the long-term success of the companies, in which it invests. The engagement approach, which it sees as a long-term investment approach, can make a contribution to increasing the value of the investments. In doing so, Deka Investment GmbH also deliberately remains invested in some companies with critical business activities and tries to use its influence as an active shareholder to encourage these companies to operate sustainably and responsibly.

Since the introduction of the management of adverse sustainability impacts (PAI) in 2022, a number of ESG factors have been systematically reviewed at the issuer level. The focus here

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is primarily on the reduction of CO₂ emissions and the climate strategies of the companies as well as compliance with the standards on human and labour rights defined within the framework of the UN Global Compact. In addition, compliance with basic standards regarding the management of biodiversity and the health impacts of production and products is taken into account.

In cases where the analysts come across deficits in dealing with the principles of sustainable development or the aforementioned principles and objectives as part of the company analyses, these are addressed in direct contact with the companies. Where appropriate, Deka Investment GmbH joins forces with other investors, for example within the framework of the PRI. If the company does not eliminate the deficits, it can be excluded from the investment universe as a last resort. This exclusion may apply not only to specific sustainability products, but in principle to all relevant investment products of Deka Investment GmbH.

Principal Adverse Impacts (PAI)

The analysis of ESG risks is of central importance in various regulatory requirements of the EU Commission, such as the Sustainable Finance Disclosure Regulation (SFDR) and the CSRD. The EU Commission regularly distinguishes between two perspectives: The first is to consider the risks that sustainability aspects, such as climate change, may pose to a company and its products, in the case of DekaBank, for example, its fund products. This perspective is referred to as the "outside-in perspective" and is addressed by taking ESG risks into account in the investment process. On the other hand, the negative impact of a company and its products on sustainable development should be taken into account. In this context, the term "inside-out perspective" is used.

For investments in shares and corporate bonds, the Sustainable Finance Disclosure Regulation (SFDR) defines a total of 14 adverse sustainability impacts, known as Principal Adverse Impacts (PAIs), which must be systematically analysed; two PAIs are defined for government bonds and two for real estate. The company-related PAIs relate to GHG emissions, biodiversity, water and waste as well as social issues and employment.

The PAIs are included by Deka Investment GmbH both in determining the content of the direct company dialogues and as a basis for voting behaviour at Annual General Meetings.

Exercise of voting rights

In the year under review, some Annual General Meetings (AGMs) were held in person for the first time since the coronavirus pandemic. In addition, the right to speak at virtual Annual General Meetings was enabled digitally in many cases

and exercised by Deka Investment GmbH. It was represented at seven Annual General Meetings in person and at 22 virtual Annual General Meetings with speeches and statements. Deka Investment GmbH actively voted on a total of 16,214 agenda items (+57 percent) at 1,088 Annual General Meetings in 2023 (+35 percent compared to 2022). In around 21 percent of cases, it voted against the proposed resolutions. Deka Investment GmbH does not limit the exercise of voting rights to Germany, but exercises shareholder rights at Annual General Meetings worldwide.

Deka Investment GmbH has set out key points for its voting behaviour in its "Principles of Voting Policy at Annual General Meetings", which are also published on the website, as is an overview of the Annual General Meetings, at which Deka Investment GmbH voted in 2023. The principles are based on Deka Investment GmbH's extensive experience as one of the major fund providers and therefore shareholder representatives. They take into account applicable laws, the current analysis guidelines for AGMs of the German Investment Funds Association (Bundesverband Investment und Asset Management, BVI), the German Corporate Governance Code, the DVFA Scorecard for Corporate Governance, international codes, relevant environmental and social standards and the requirements of the PRI.

The principles set out in the voting guidelines stipulate, among other things, that Deka Investment GmbH reserves the right to vote against the discharge of the Board of Management or the Supervisory Board on a case-by-case basis if there are violations of environmental, social and governance (ESG) issues. As with the definition of topics for the corporate dialogues, Deka Investment GmbH has also taken the results of the PAI analysis into account when determining its voting behaviour since 2022. For example, it refuses to discharge the management of companies and votes against the re-election of Supervisory Board and Board of Management members if the minimum standards defined for the PAI are not met. Since 2022, reporting on non-discharge due to deficits in compliance with the PAI standards has been a regular part of the engagement report.

In order to fulfil the transparency obligations required by the Second Shareholder Rights Directive, Deka Investment GmbH has published a participation policy and the associated stewardship guidelines, which set out how Deka Investment GmbH understands and implements stewardship. Stewardship is basically the fiduciary duty of care on the part of asset managers, who are given the responsibility to act in the interests of the assets they manage in a fiduciary capacity or the final beneficiaries behind them. In its stewardship guidelines, Deka Investment GmbH is guided by the stewardship concept of the German Association for Financial Analysis and Asset Management (DVFA), which is based on the statutory requirements of equity and investment law and recognised industry standards.

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To assist institutional investors and asset managers in fulfilling their disclosure obligations pursuant to Section 134c (1) and (2) of the German Stock Corporation Act (Aktiengesetz, AktG), Deka Investment GmbH, as the capital management company, provides a document containing information on the funds it manages. This document is intended to assist investors in fulfilling their disclosure obligations pursuant to Section 134c (1) to (3) AktG. Deka Investment GmbH has also published a corresponding document on its website to fulfil the asset manager's disclosure obligations pursuant to Section 134c (4) AktG.

4.1.2.6. Investor information and promotion of the dissemination of financial education

As the Wertpapierhaus of the savings banks, the Deka Group supports its partners not only with a comprehensive and continuously expanding product range, but also in providing information to savings bank customers. It has therefore formulated strict principles for all documents made available to private customers. The "Guidelines for the Preparation of Advertising and Investor Information" prohibit, among other things, aggressive marketing and the exploitation of particularly vulnerable customer groups, such as elderly people. Private customers also include customers from the municipal sector.

The transparency declarations for sustainable funds used by the Deka companies for their sustainability funds, serve to inform investors. For example, numerous sustainability funds bear the transparency logo of the European industry association Eurosif. In this context, the capital management companies of the Deka Group have voluntarily committed to publishing accurate, appropriate and up-to-date information over and above the regulatory requirements of the Sustainable Finance Disclosure Regulation (SFDR), in particular to enable investors to assess the ESG strategy of a fund and its implementation. In light of the transparency requirements of the Sustainable Finance Disclosure Regulation (SFDR), the award of the Eurosif transparency logo was discontinued at the end of the year under review.

Employees of S Broker AG & Co. KG conduct more than 60 webinars per year, in which customers and other interested parties can acquire basic and expert knowledge about capital investments live and free of charge. On average, 80 participants follow the broadcasts. In the year under review, 60 new videos with information on investing in securities were uploaded to the S Broker YouTube account. In addition to its YouTube activities, S Broker also offers the podcast Börsen-ABC on current topics.

Finally, the range of information includes the podcast "Mikro trifft Makro" (Micro meets Macro), in which Deka's Chief Economist Dr Ulrich Kater and host Dirk Huesmann talk every

fortnight both about current events in the financial markets and shed light on the background of market developments and fundamental market mechanisms and correlations, and the podcast "Money on her Mind". The latter is the Deka podcast by women for women, which deals with topics relating to securities, female empowerment and financial independence. It is aimed primarily at women, who are interested in securities but have had little or no contact with investing.

BaFin study on the financial education of adults

There is room for improvement in financial literacy in Germany. This is the conclusion of the German Federal Financial Supervisory Authority (BaFin) on a study on the financial education of adults in Germany, which BaFin coordinated in Germany in autumn 2022 and the results of which were published in spring 2023. The 1,000 participants had to answer a total of ten questions, including, according to BaFin, simple arithmetic tasks and individual questions on the topics of interest rates, inflation and the risk assessment of financial products as well as digitalisation. Participants were also asked to assess their own financial literacy. The key findings of the study are as follows:

- Only one in five respondents is well versed in all financial questions: 21 percent of respondents know the correct answers to all ten financial knowledge questions. They therefore have extensive basic knowledge. On average, respondents answered eight questions correctly. 31 percent answered fewer than eight questions successfully.
- Women and older people performed slightly worse on average: the women interviewed answered an average of 7.6 questions correctly, slightly fewer than the men (8.4). The senior citizens aged 60 to 79, who were surveyed, managed an average of 7.6 correct answers, while the younger age groups provided an average of 8.2 correct results.
- There is a correlation between educational qualifications and financial literacy: people, who have completed at most an intermediate school leaving certificate or basic vocational training (apprenticeship) have on average less financial knowledge than people with a high school diploma, a master craftsman's certificate or a university degree. Respondents in the former group answer an average of 7.1 questions correctly, while the comparison group averages 8.5 correct answers.

Further information:

www.bafin.de/SharedDocs/Veroeffentlichungen/DE/Fachartikel/2023/fa_bj_2304_Finanzwissen.html

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4.1.3. Real estate-based investment products

In 2023, the Asset Management Real Estate (Asset Management Immobilien, AMI) business division continued to consistently pursue the climate goals set out in the 2020 sustainability strategy for the real estate funds it manages. The focus here is on measures to combat the causes of climate change and to adapt to the effects of climate change that have already occurred and are expected to occur. The business division's long-term goal is to achieve climate-neutral status at the latest by 2050, both for its own business activities and for the entire portfolio. The business division is also responsible for managing the credit funds, in which DekaBank's financing is pooled. (CF. **CHAPTER 4.2.**)

Sustainable real estate funds – development and expansion of the sustainable product range

In 2023, all retail funds and one institutional product – and therefore a clear majority of assets under management – were classified as Article 8 products in accordance with the Sustainable Finance Disclosure Regulation (SFDR). The business division is working on qualifying further special funds for classification under Article 8 of the Sustainable Finance Disclosure Regulation (SFDR). Coordination with the individual investors is very important here, as they must agree to such a classification.

The ESG strategies for the products focus on continuously reducing the CO₂ footprint of the real estate managed in the funds. The business division also uses the Carbon Risk Real Estate Monitor (CRREM), which can be used to define and track decarbonisation target paths for individual properties. Important levers here are measures to reduce energy consumption, e.g. by increasing the energy efficiency of buildings.

In the year under review, the fund strategies supplemented by the consideration of the principal adverse sustainability impacts (PAI) also came into effect for the first time, as part of which upper limits were defined for the two real estate-related PAI – the proportion of investments in real estate that are linked to fossil fuels and/or have poor energy efficiency. It was stipulated that products with sustainability features may only exceed these portfolio-related quotas in justified exceptional cases.

In total, Deka Immobilien managed around 38.1 billion euros (2022: 36.6 billion euros) in the real estate funds as of 31 December 2023 with explicit consideration of sustainability criteria. This corresponds to a share of around 69 percent (2022: 68 percent) of the assets managed in the AMI business division. Further information on the individual products can be found in the sales prospectuses and in other publications on the respective product pages at www.deka.de.

Sustainability filter for fund liquidity and coal exclusion

The AMI business division uses a sustainability filter from Moody's ESG Solutions (formerly V.E or Vigeo Eiris) for the fund liquidity of all mutual funds and special funds of Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH. Like the sustainability filter for DekaBank's proprietary investments, it is also based on the principles of the UN Global Compact and also excludes arms companies from capital investment. Issuers that generate more than 10 percent of their sales from coal mining or more than 30 percent of their sales from coal-fired power generation are also excluded. As of 31 December 2023, around 7.3 billion euros (2022: 5.6 billion euros) were managed using this filter.

Reduction of the CO₂ footprint of the properties in the investment funds

The assessment of the extent, to which the long-term goal of climate neutrality can be achieved, is based on the CO₂ footprint of all properties in the investment funds under management. To ensure an assessment at business division level, all investment products are taken into account regardless of their sustainability-related classification. Due to the delayed provision of property consumption data, the corresponding data from the previous year was previously used for both the consumption figures and the real estate portfolio. In order to increase the informative value of the data, this procedure has been changed so that the previous year's consumption values are related to the current real estate portfolio. The new procedure ensures better consistency with the reporting in the annual reports of the special assets.

In total, the operation of all properties across the entire portfolio generated 460,702 tonnes of CO₂. Of this, 337,066 tonnes were attributable to the retail funds and just under 123,636 tonnes to special funds. In relation to one square metre of space, the retail funds generated 44 kg/m² of CO₂ and the institutional funds 30 kg/m². (CF. **CHAPTER 8.4.**)

All consumption data is requested from the asset managers of the properties via an online query and processed in a database. Together with experts from an energy consulting company, the data supplied is subjected to a comprehensive quality assurance and plausibility check. Data that cannot be used and data gaps are replaced by extrapolation from existing data or by suitable benchmark values. As the tenants' consumption is usually not known, it is extrapolated on the basis of the general electricity consumption, if available.

As in previous years, work continued in the year under review to improve the database for calculating the CO₂ footprint and to replace data gaps with real data. In line with the CRREM approach, new conversion factors are used to convert energy consumption values into CO₂ emissions. As a result, the values for 2022 are only comparable with the values for 2021 to a limited extent.

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The CO₂ emissions are calculated on the basis of the energy consumption values and using generally recognised conversion factors, whereby the heating, cooling, general and tenant electricity consumption is included. This conversion of consumption into emissions is based on the CO₂ factors customary in the country or typical for the property for the respective energy mix.

Study on “Embodied Carbon”

In 2023, the AMI business division took part in a study by the IÖ Institute for Real Estate Economics and the CRREM initiative on the topic of “Embodied Carbon on Retrofits”. In the real estate sector, embodied carbon refers to the GHG emissions generated during the production of building materials, construction, renovation and demolition of buildings.

The aim of the study was to analyse how quickly emissions that are additionally generated by a renovation measure can be saved again in more efficient operation, so that this climate-related return on investment can be taken into account in investment planning. Further information: www.crrem.eu/wp-content/uploads/2023/09/Report-Embodied-carbon-vs-operational-savings_Sep23.pdf

Decarbonisation path

The sustainability strategy of the AMI business division stipulates that the reduction of CO₂ emissions in the real estate portfolio should be in line with the EU’s climate goals, which in turn are derived from the Paris climate goals. Deka Immobilien currently uses the aforementioned Carbon Risk Real Estate Monitor (CRREM), which was developed by several universities as part of a research project, as a benchmark for the ongoing assessment of whether the development of the funds is in line with the EU’s climate goals. This science-based tool takes into account various variables, e.g. the type of use of a property and its location, and provides information on the maximum level of energy consumption and CO₂ emissions that should be achieved at certain points in order to meet the EU climate goals.

The CRREM target paths are continuously adapted by the research project to current developments and improved data. A corresponding adjustment was most recently made in the year under review, taking into account the lower remaining CO₂ budgets. The calculation methodology was also adjusted by the data provider. Overall, 71 percent of the market values of the entire portfolio were below their respective property-specific CRREM paths at the end of 2023 despite more demanding CRREM targets and were therefore in line with the EU’s climate goals.

Real estate management to improve energy efficiency and reduce CO₂ emissions

The cooperation with PropTech provider MeteoViva Climate to optimise energy consumption and thus also reduce CO₂ emissions without any loss of comfort for the users was successfully continued in the reporting period. The intelligent building control system makes it possible, among other things, to shift a certain proportion of loads in time so that utilisation is adapted to the availability of renewable energy. At the end of the year under review, a total of 92 properties from various funds were equipped with this technology, of which 21 facilities were commissioned in 2023. In the year under review, about 44,000 MWh/a of electricity and thermal energy were saved in the properties equipped with this technology, which corresponds to CO₂ savings of about 8,700 tonnes. In 2023, four projects were realised in the logistics asset class for the first time and MeteoViva Climate began operating in a hotel. In addition, the use of the technology was initiated for the first time in five Deka Immobilien Investment GmbH’s properties in Poland.

Purchasing renewable energies

Energy consumption for the management of properties, including for lighting and ventilation, has a significant impact on their CO₂ balance sheet. As early as 2013, Deka Immobilien Investment GmbH therefore switched its electricity procurement to renewable energy sources and gradually increased the proportion of properties supplied with this renewable energy. As part of the re-commissioning of energy purchasing, the requirements for the quality of green electricity were raised again in the year under review, so that the best possible quality currently available on the market will be purchased in future. Currently, the purchase of 100 percent green electricity for the common areas and technology of the majority of the German properties in Deka Immobilien Investment GmbH’s portfolio saves over 30,000 tonnes of CO₂ per year.

The business division is also working on implementing the use of renewable energies in other markets, while at the same time increasing the proportion of green electricity purchased and improving the quality of the purchased green electricity certificates. Overall, the use of renewable energies can potentially save up to 127,000 tonnes of CO₂ per year, which corresponds to around 26 percent of the total CO₂ emissions associated with the real estate portfolio.

Generation of renewable energies

In addition to purchasing, the generation of renewable energy using photovoltaics at the property itself is another important lever for systematically reducing CO₂ emissions in the portfolio. The business division has set itself the goal of installing a system capacity of up to 12 megawatts peak (MWp). To this end, a separate project was carried out in the year under review, in which the legal and economic cornerstones for generating electricity from photovoltaic systems were developed at

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portfolio level. As a result, two different operator models were developed, which are being tested in a test portfolio with a total of eight properties in Germany.

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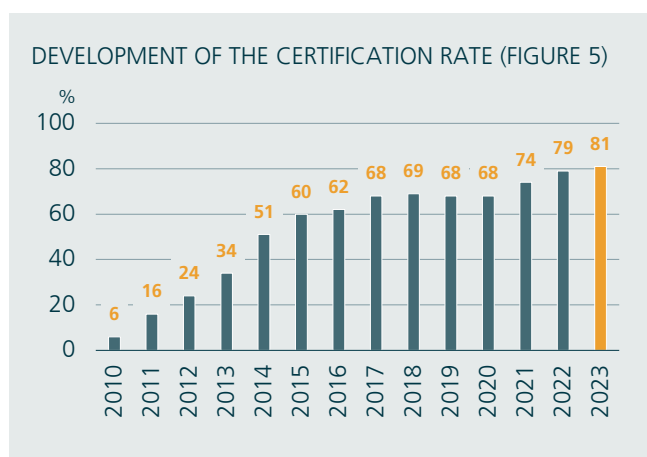
E-mobility and charging stations

In addition to activities to improve the energy efficiency of the properties and reduce CO₂ emissions, the expansion of the charging infrastructure at the properties is another focus of action. The range of charging infrastructure in the entire portfolio has been expanded to around 2,500 car charging points, which corresponds to around 2.2 percent of all car parking spaces.

Green Leases

An analysis of CRREM's decarbonisation paths shows that the climate goals cannot be achieved by the landlords' measures alone, but that tenants must also take action. For example, a study co-financed by Deka Immobilien Investment GmbH and carried out in 2022 showed that lowering room temperatures by 1° Celsius, and thus a small reduction in comfort for tenants, can achieve energy savings of six to eleven percent. Tenants are actively involved in realising these potential savings.

Deka Immobilien Investment GmbH does this as part of the broad application of green leases as an integral part of its Asset Management activities. To this end, green model clauses have been formulated for the German leases, which are generally addressed in new leases and other lease negotiations. Currently, 21.4 percent of net contractual rents are classified as green leases (2022: ten percent). Further information on the contents of green leases can be found at www.deka.de/immobilien_en/sustainability/insight-into-practice/green-leases-en.



External certifications and ratings

The AMI business division has been systematically monitoring and evaluating properties through an independent external certification provider according to environmental, social and economic aspects since 2010. At the end of the year under review, a total of 485 properties (2022: 364) with a value of around 40.6 billion euros (2022: 39.1 billion euros) were certified. In relation to the total real estate assets of the Deka

funds, a certification rate of around 81 percent (2022: 79 percent) was achieved as of the end of 2023. (CF. **FIGURE 5**)

4.2. Sustainability in lending

For the Deka Group, ESG aspects rank alongside economic aspects when granting loans in the sense of holistic and risk-optimised portfolio management and are examined before the lending decision is made. The Deka Group's lending business comprises property and special financing. To take account of ESG criteria as defined in the "Guidelines on Loan Origination and Monitoring" of the European Banking Authority (EBA), ESG scorecards have been developed for all segments of lending business and have been an inherent part of the lending process since July 2021. As a result, the Deka Group also fulfils the requirements for taking ESG criteria into account in lending, which were defined in the year under review as part of the 7th amendment to the Minimum Requirements for Risk Management.

The ESG scorecards are used to assess the risks associated with ESG factors of both the borrower and the specific financing each time a limit is set up, increased or extended and also when monitoring the existing business. The ESG scorecards consider physical and transitory climate risks, labour and human rights criteria and governance aspects on a segment-specific basis. The assessment is based on an ESG traffic light logic with a classification of the financing or the borrower with low to high ESG risks. A high risk classification generally leads to the rejection of the transaction.

4.2.1. Financing principles

The Deka Group's credit risk strategy forms the basis for its lending business. Based on the objectives and guidelines laid down in the Deka Group's business strategy, including sustainable corporate governance, it sets the framework for all lending activities. With regard to the consideration of ESG criteria in the lending business, the Deka Group has defined sustainable investment areas, in which it intends to be increasingly active (positive list).

Positive list¹¹

The Deka Group aims to increase the focus of its financing portfolio on transactions that make a positive environmental or sustainability contribution. The positive list adopted by the Board of Management comprises investment areas, in which the Deka Group aims to acquire more sustainable financing or support the expansion of these investment areas. The guiding principle in defining these investment areas is the potential contribution of the financing to the fulfilment of the UN SDGs.

¹¹ In accordance with the Deka Group's business strategy valid from 1 January 2024.

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- The Deka Group supports financing aimed at producing electricity from renewable energies and transporting or storing it.
- The Deka Group also acquires financing aimed at modernising production facilities and whose implementation is accompanied by a significant CO₂ reduction in production (the target is 30 percent or more).
- The Deka Group is increasingly acquiring financing for ships that minimise their pollutant emissions in accordance with the latest technical standards and are already or will demonstrably be in a position to comply with the IMO 2020 regulations on the reduction of sulphur emissions (DekaBank's accession to the "Poseidon Principles", a global voluntary commitment to climate-friendly financing of ships in line with the Paris climate goals in 2022).
- The Deka Group only acquires financing for ships if they are equipped in accordance with the International Maritime Organisation's Ballast Water Convention concluded in 2004 to prevent the introduction of invasive species into foreign ecosystems.
- The Deka Group is increasingly acquiring financing for ships, whose technology contributes to reducing waste in the world's oceans.
- The Deka Group acquires financing for aircraft, whose production and management meet the highest possible environmental standards.
- The Deka Group supports financing for modernisation and expansion in freight and passenger rail transport.
- The Deka Group supports financing for basic utilities, municipal utilities and network operators (supply with and disposal of energy, heat, water, waste, etc.) as well as their projects to maintain or expand infrastructure.
- The Deka Group supports financing to promote the energy, digitalisation and transport turnarounds as well as the associated infrastructure.
- The Deka Group supports real estate financing for green buildings that have a balanced energy balance in building operation (zero-energy buildings) or that fulfil the cradle-to-cradle approach.
- The Deka Group is continuously developing its sustainability efforts and, if special sustainability filters or sustainability requirements that go beyond those of DekaBank are agreed for the financing objects as part of syndicated financing by third-party lenders, will consider introducing them at DekaBank.
- The Deka Group's financing also supports customers, who are transforming their business model so that it effectively

addresses climate-related risks and contributes to the implementation of the goals of the Paris Climate Agreement ("transformation finance"). This also includes initiatives that support the strategy of the parties involved (especially the operators of the financed assets) on the path to increasing environmental, social or corporate governance-related sustainability.

Negative list¹²

In addition to the positive list, the Deka Group generally excludes various credit transactions in its negative list of the credit risk strategy. For example, the Deka Group has qualified the following transactions as undesirable and/or high-risk - also to avoid reputational risks¹³.

- Transactions, where public reports (including those based on socio-cultural, ethical or sustainability aspects) about the financing itself, a business partner, the business practice or the country (country of domicile or risk) may have a lasting negative impact on public confidence in or the reputation of the Deka Group, in particular if¹⁴
 - they are borrowers with a "brown" or "red" overall score¹⁵ according to the ESG scorecard
 - the reputational risk (including environmental risks) is internally assessed as "orange" or "red"¹⁶
- Transactions with a country and borrowers in a country that is on the "Negative List for Risk Countries"
- Business with companies,
 - that generate more than 30 percent of their turnover from coal mining and/or more than 40 percent from coal-fired power generation
 - that are significantly involved in mining
 - whose business purpose includes the exploitation of tar/oil sands, fracking or drilling for the purpose of oil and gas extraction in the Arctic (Arctic drilling)
 - that are active in the pornography industry or comparable industries (red light milieu)
 - that operate gambling (betting shops, amusement arcades, etc.)
 - that recognisably contribute to a significant impairment of biodiversity or species diversity, e.g. in the context of the production of pharmaceutical, chemical or other harmful substances, especially in areas of high nature conservation value
 - that violate internationally recognised principles in the area of human and labour rights as well as corporate governance and behaviour (e.g. ILO Declaration on Fundamental Principles and Rights at Work, requirements of the

¹² In accordance with the Deka Group's credit risk strategy valid from 1 January 2024.

¹³ Lending transactions that deviate from the Deka Group's credit risk strategy may only be entered into with the exceptional authorisation of the full Board of Management.

¹⁴ For borrowers/financing in the Financing business division excluding savings bank financing, public sector financing and for corporate borrowers in the Capital Markets and Treasury divisions excluding banks, insurance companies, securities funds, governments and legal entities under public law.

¹⁵ The overall score of "brown" or "red" represents the worst rating in terms of the classification of the ESG scorecard results in a multi-level classification.

¹⁶ "Red" is the worst rating in the reputational risk assessment.

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UN Global Compact, OECD Guidelines for Multinational Enterprises)

- without proven experience and/or in new markets that are not comparable to home markets. Excludes transformational financing that supports the development of a company/industry to implement environmental, social or governance sustainability
- Businesses,
 - associated with illegal logging
 - where protected forest areas are destroyed without simultaneously providing ecological added value
 - where recognised environmental and social standards are not observed in the management of forests and plantations, especially soya plantations
- Lending transactions with a speculative character or very unusual risk (especially loans as defined in the ECB guidelines on leveraged transactions)
- Speculative real estate financing within the meaning of Art. 4 (1) No. 79 CRR or positions with particularly high risk in accordance with Art. 128 CRR
- Financing in connection with arms transactions, in particular controversial¹⁷ and autonomous¹⁸ weapons (financing of deliveries, production and trade)
- Financing that poses significant risks to the environment per se, e.g.
 - Uranium mining
 - Development, construction and operation of nuclear/coal-fired power plants
 - Hydropower plants in recognised protected areas (nature conservation and Natura 2000 areas) in Germany; international dam projects can only be financed if the borrower can present a positive audit report on the project from an expert accredited by the United Nations Framework Convention on Climate Change (UNFCCC), demonstrating compliance with the recommendations of the World Commission on Dams.
 - Exploration and extraction of minerals from conflict and high-risk areas
 - Exploration, mining and transport of rough diamonds
 - Extraction and production of palm oil
 - Related to mountaintop removal mining (guidance is provided by the OECD environmental guidelines)
- Financing directly related to the production/distribution of tobacco
- Project finance that does not meet the requirements of the Equator Principles (EP); the EP include socially and environmentally responsible standards and refer to the guidelines developed by the International Finance Corporation (IFC)

and the industry-specific Environmental Health and Safety Guidelines (EHS)

- Financing of speculative transactions with foodstuffs
- Venture capital financing
- New business in securitisations (especially ABS, MBS, CLO, CDO) for proprietary investment

As part of the lending process, all exposures awaiting a decision are checked for possible sustainability-related reputational risks. A supplementary vote on the reputational risk must be obtained if the responsible unit identifies a critically increased reputational risk, i.e. classifies it as "orange" or "red". If the reputational risk is voted "orange" or "red", the Board of Management decides on the transaction.

In the year under review, Sustainability Management carried out 11 (2022: 8) separate checks together with the Risk Controlling unit. This corresponds to a share of 32.4 percent of the 34 loan applications processed in connection with new business in 2023 (2022: 38) in the Financing business division.

4.2.2. Real estate financing

In the Real Estate Financing sub-division, DekaBank focuses on commercial real estate financing in transparent markets with available market liquidity and a secure legal environment, which are of central importance for the AMI business division due to their size, transparency and liquidity. In countries where this is possible, the aim is always to ensure that the loans are eligible as cover funds. Suitable financings will also be used in the future as cover funds for green bonds issued by the bank. In addition to traditional investors at the individual property level, the focus is also on real estate investment trusts (REITs), real estate companies, pension funds and German open-ended real estate funds. At the end of the year under review, real estate loan financing was in place primarily in Germany, France, the UK and Ireland, Canada and the USA. The gross loan volume including financing for open-ended real estate funds was 11.5 billion euros at the end of the year under review (2022: 11.5 billion euros).

Economic efficiency as well as environmental and social criteria are analysed for every new real estate loan and included in the due diligence process. Sustainability certificates are also taken into account as a positive element and properties with climate and environmentally friendly characteristics are therefore preferred when initiating business. In addition to energy-efficient management, sustainable properties generally have better rentability and higher value stability. This is reflected in the market values of the financed properties.

¹⁷ Controversial weapons are weapons systems that have indiscriminate effects, cause excessive suffering and have devastating effects on the civilian population and are therefore classified as unacceptable by the international community, including anti-personnel mines, cluster munitions, chemical and biological weapons.

¹⁸ Autonomous weapons are weapons systems that are autonomous in their critical functions and that are firstly able to select targets without human intervention, i.e. search, recognise, identify, track and finally select them, and secondly can then attack without human control, i.e. use force, neutralise, damage or destroy them.

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In 2023, DekaBank financed one of the most modern office properties in Toronto. Completed in 2023, the Class A property is one of the few buildings on the market to have LEED Platinum certification and therefore fulfils the highest sustainability criteria. During construction, special emphasis was placed on sustainable and locally produced materials. The building itself controls heating and air conditioning according to the number of people in the room and uses a large proportion of energy from hydropower and a photovoltaic system on the roof. Water from Lake Ontario is used for cooling and the glass surfaces are optimised to allow natural daylight into the building. The property's facilities include electric charging stations in the underground car park and bicycle parking spaces including showers and changing rooms. Beehives contribute to the preservation of biodiversity.

Also in the year under review, DekaBank financed a Grade A office property in Birmingham, which was completed at the end of 2019 and has three high-quality sustainability certifications: BREEAM "excellent" certification, a WiredScore "Platinum" and - as the first office property ever in Birmingham - an EPC "A" rating. The building is connected to the city's district heating network and is partially self-sufficient in terms of energy from photovoltaic systems on the roof. In addition to car parking spaces with e-charging stations, employees also have access to bicycle parking spaces, showers and changing rooms.

4.2.3. Special financings

The gross loan volume in DekaBank's Special Finance sub-division totalled 16.0 billion euros as of the reporting date (2022: 15.7 billion euros). With a volume of around 3.3 billion euros (2022: 3.8 billion euros), 20.4 percent (2022: 24.1 percent) of this was attributable to transport finance, around EUR 5.0 billion euros (2022: 5.2 billion euros) or 31.3 percent (2022: 33.5 percent) to "Renewable energies; conventional energies & infrastructure" and export finance. A further 7.7 billion euros (2022: 6.6 billion euros) or 48.3 percent (2022: 42.5 percent) is attributable to savings bank and public financing.

Transport finance

DekaBank's transport finance portfolio primarily comprises loans secured by mortgages on aircraft and ships. As of the reporting date, the volume of aircraft financing totalled around 1.8 billion euros (2022: 2.3 billion euros), with a further 1.3 billion euros (2022: 1.3 billion euros) in ship financing and 0.2 billion euros (2022: 0.2 billion euros) in rail vehicle financing.

In principle, DekaBank sees the replacement of outdated technologies with new, climate and environmentally friendly ones as the decisive lever for reducing the negative impact of transport. DekaBank therefore only finances means of

transport that meet current technical requirements in terms of fuel consumption and environmental protection guidelines. Compliance with environmental and safety regulations and any necessary retrofits are always ensured, e.g. through defined savings mechanisms.

Financed ships must also fly a flag listed by the Paris Memorandum of Understanding on Port State Control. This ensures uniform control of ships in the ports, including with regard to compliance with safety and social standards. In addition, as stipulated in the positive list, only ships that are equipped in accordance with the International Maritime Organization (IMO) Ballast Water Convention concluded in 2004 and fulfil the IMO 2020 requirements are financed.

In 2022, DekaBank joined the "Poseidon Principles" initiative, an international voluntary commitment by and for financial institutions to climate-friendly ship financing in line with the Paris climate goals. The signatories commit to implementing a total of four principles of climate-friendly ship financing. These include the requirement to measure the carbon intensity of their financing portfolios annually and to assess their compliance with the Paris climate goals on the basis of established decarbonisation paths. In the year under review, DekaBank achieved a Climate Alignment Score of 4.2 percent (2022: 5.2 percent), placing it in the top group of signatories.

Poseidon Principles: Tightening of the reduction targets

The signatories to the Poseidon Principles once again emphasised their commitment to climate protection in ship financing in the year under review and tightened their reduction targets. Instead of the previous target of halving the GHG emissions associated with shipping, the aim is now to achieve GHG-neutral status by 2050. As milestones on this path, the relevant emissions are to be reduced by 30 percent by 2030 compared to 2008 levels and by 80 percent by 2040.

In this context, the entire value chain of the fuels used is to be taken into account as part of a Well-to-Wake approach. This also includes the emissions associated with the extraction and production of the fuels. In the Tank-to-Wake approach pursued to date, only the production cycle of the fuels is taken into account. The signatories to the Principles have agreed on CO₂ equivalents (CO₂e) as the relevant metric for the emissions of various GHGs. The annual report of the Poseidon Principles shows how DekaBank has fulfilled the requirements.¹⁹

¹⁹ Cf. www.poseidonprinciples.org/finance/wp-content/uploads/2023/12/Poseidon-Principles-2023-Annual-Disclosure-Report.pdf.

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In order to achieve the new reduction targets, the signatories to the Poseidon Principles are consistently focussing on financing new, particularly climate and environmentally friendly ships and retrofitting older ships accordingly. In the year under review, for example, DekaBank participated in the financing of a new container ship for a renowned shipping company. The ship belongs to the new Post-Panamax Generation and is equipped with the latest technology to comply with current environmental standards, e.g. an electronically controllable main engine. The specifications of the Energy Efficiency Design Index (EEDI) are met without any further measures (Phase 3 Compliance). The protection of maritime biodiversity is ensured through the use of a ballast water management system. As part of the loan agreements, the shipping company undertakes to comply with all applicable regulatory and legal requirements for the protection of the oceans; the disbursement of the loans is linked to corresponding proof.

At the same time, DekaBank decided in the year under review to no longer offer new financing for cruise ships from 2024. This is also a response to the clear criticism of the climate-related and environmental impact of cruise tourism.

In 2023, DekaBank also joined the Impact on Sustainable Aviation initiative (Initiative to Measure and Promote Aviation's Carbon-free Transition) as a member. This is an association of leading aircraft financing banks, leasing companies and consulting firms with the statutory purpose of promoting climate protection in the field of civil aviation.

Infrastructure finance

In DekaBank's "Renewable energies; conventional energies & infrastructure" portfolio and export financing with a total volume of 5.0 billion euros (2022: 5.2 euros), around 1.5 billion euros (2022: 1.4 billion euros) is attributable to financing renewable energy generation and its infrastructure, including wind farms, solar parks and hydropower plants. Just under 2.6 billion euros (2022: 2.6 billion euros) of the remaining 3.5 billion euros (2022: 3.8 billion euros) is attributable to (project) financing in the infrastructure sector, including financing for municipal utilities and suppliers that implement modern and sustainable infrastructure investments, particularly as part of the energy transition, and around 1.0 billion euros (2022: 1.2 billion euros) to export financing.

DekaBank has participated in the financing of an operational 116 MW onshore wind farm in Sweden. The wind farm generates green electricity for around 36,000 households and contributes to the reduction of around 4,200 tonnes of CO₂ per year. With this financing, DekaBank contributed to the transformation of energy generation in Sweden in 2023. In December 2023, DekaBank also participated in the refinancing of around 2,000 km of state-regulated gas distribution network in Northern Ireland. At present, almost two out of three households in Northern Ireland still heat their homes with

heating oil. By switching to natural gas, GHG emissions can be reduced by up to 50 percent. In the Northern Ireland government's energy strategy, natural gas is therefore earmarked as a transitional energy source on the way to a CO₂-neutral energy supply. Connecting these households to the gas grid will therefore make a significant contribution to the energy transition there. In order to further reduce GHG emissions, more locally produced CO₂-neutral gases such as biomethane and/or hydrogen are to be fed into the gas distribution network.

4.3. Sustainability in refinancing

As part of its refinancing activities, DekaBank has developed a Green Bond Framework. This framework enables it to issue green bonds and thus creates the conditions for its access to the growing market for sustainable financing. DekaBank's Green Bond Framework is based on the four core components of the ICMA Green Bond Principles (2021) and their core recommendations for increasing transparency, including external verification. DekaBank declares that for each Green Bond issued it will implement (1) the use of proceeds, (2) project evaluation and selection, (3) management of issue proceeds and (4) reporting and external verification in accordance with this framework.

The aim is to use the proceeds from the Green Bond to refinance existing sustainable loans and/or finance new projects. The framework focusses on two areas:

- Loans to finance or refinance installations, development, construction, operation, distribution, infrastructure and maintenance of renewable energy sources as well as the connection of renewable energy generation facilities to the electricity grid and transport through the grid
- Loans to finance or refinance "green" buildings that comply with regionally, nationally or internationally recognised regulations, standards or certifications

During the term of a Green Bond issue, the annual Impact and Allocation Report provides information on the use of the proceeds and the environmental impact of the refinanced loans. This report and the Green Bond Framework can be found on DekaBank's Investor Relations website. (CF. www.deka.de/deka-group/investor-relations-en/own-issues/green-bond-en)

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5. Employees – Sustainable human resources management

The world of work is undergoing fundamental change. While demographic trends are causing a significant and long-term shortage of available human resources, digitalisation is leading to changes in skills requirements and processes as well as uncertainty. Against this backdrop, Human Resources management not only develops and implements consulting services, programmes and tools, but also ensures sustainable and future-proof Human Resources management based on the competency model, i.e. the strategically derived requirements and behaviours, through its own organisation, HR's own IT systems and processes. In this way, HR not only supports the business divisions and divisions, but also the individual managers and employees through the dynamic changes.

5.1. Human resources strategy

As part of the business strategy, the Deka Group's HR strategy determines the main guidelines for the medium to long-term strategic HR orientation and thus ensures social responsibility, the promotion of diversity and the protection of human rights. Corporate objectives and strategic initiatives of the Deka Group are taken into account as well as social, technological and regulatory developments. Human Resources management is guided by HR indicators in order to recognise trends, action requirements and undesirable developments at an early stage and proactively address them with suitable measures.

In addition to a high level of employer attractiveness, which works both internally and externally, integrated talent management, which includes the identification and extensive individual development of high performers and high-potential employees, is a key lever for sustainable Human Resources management. Both levers contribute to covering the quantitative and qualitative HR requirements for the future-oriented corporate development of the Deka Group. The Deka Group always strives for permanent employment relationships.

Against this backdrop, the tasks of sustainable Human Resources management include the successful recruitment, long-term retention and suitable staffing as well as the continuous development of employees, the creation of a future-oriented and healthy working environment and the promotion of diversity and equal opportunities. The Deka Group's fringe benefits for all employees apply to a large extent to both temporary and permanent employment contracts.

The Strategy & HR department ensures the needs-based and future-oriented alignment of HR measures through regular exchange at various levels: fundamental impetus for the alignment and further development of HR tools is derived from discussions within and with the Board of Management and management. Specific training needs for individual employees are determined on the basis of direct feedback as part of employee support, HR development and feedback from manag-

ers. (CF. **CHAPTER 5.3.**) Specific measures for individual employee groups result from the continuous dialogue with the Equal Opportunities Officer, the employee and severely disabled persons' representatives and the youth and trainee representatives.

The Deka-Way – Re-designing work

The Deka Way, which has been established since 2020, describes the Deka Group's development into a modern organisation with a strong capacity for change. It focuses on enabling employees and managers to respond flexibly and quickly to changing customer and market requirements by dovetailing traditional and agile forms of work. The Deka-Way is characterised by the values of focus, courage and openness as well as these four defined guiding principles:

- Focusing on the customers
- Iterative work
- Cross-divisional cooperation
- Results-orientated management and strengthening the responsibility of employees and teams

These values and guidelines are pursued in the Deka Group's understanding of leadership #TeamLead. Specific cross-divisional practical projects and central further training offers in DekaLearning support the establishment of the programmes.

Open dialogue with staff representatives and the Equal Opportunities Officer

Employees are represented by staff and works councils in Germany and by employee representatives in Luxembourg. The representatives for severely disabled employees and the Equal Opportunities Officer are also available to employees as internal contact persons for problems at the workplace. In addition, the youth and trainee representatives represent the interests of trainees and interns in the Deka Group. **TABLE 5** provides an overview of the current structure and committees.

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#TeamLead – the Deka Group's understanding of leadership

With #TeamLead, the Deka Group has further developed its understanding of leadership in 2021 and adapted it to the current challenges. The aim is to provide managers with a framework for orientation as to which Deka Group priorities are important for leadership and how personal leadership behaviour can be shaped in this sense. In the individual units, the new understanding of leadership is customised on the basis of the five principles of focus, courage, openness, cooperation and change against the background of the specific framework conditions and requirements in each case. Managers and teams are supported by a cross-divisional and cross-hierarchical project team in finding the best way to put #TeamLead into practice. This further development of the management culture was consolidated in the year under review through the introduction of management feedback and the re-design of the management selection process.

The Deka Pulse-Check

In the year under review, a total of two Pulse-Checks were carried out as a tool for actively involving Deka Group's employees. The focus here was on the organisational change and on issues relating to the new investment approaches of female finance and digital assets. (CF. **CHAPTER 2.3.1.**, section **EMPLOYEE SURVEYS**)

5.2. Management of human resources

5.2.1. Human resources key figures

As of 31 December 2023, the Deka Group had a total of 5,216 employees (2022: 4,838) and 65 external employees on a temporary basis. As no full HR integration has taken place, the information for S Broker AG & Co. KG is shown separately. This company had 216 employees at the end of 2023 (2022: 188). The same applies to IQAM Invest, which had 60 employees at the end of 2023 (2022: 58). (CF. **TABLES 6 + 12**)

5.2.2. Resource management and employer brand management

The labour market is in a constant state of change and is influenced, among other things, by the wishes and values of the coming generations. When evaluating a potential employer,

topics such as health, individuality, sustainability, diversity and multiculturalism are particularly important for maintaining the employer brand.

Participation in university/career fairs for the various departments was expanded and extended to the Luxembourg location. With the realignment of the "Discovery@deka" trainee programme, a standardised, newly adjusted 18-month programme was established.

Trainees are strategically trained for various target positions in order to counteract the shortage of skilled labour. Particular emphasis is placed on close support from colleagues, who are primarily responsible for the trainee (so-called buddy), as well as the opportunity for individual specialisation. These aspects are supported by targeted development, networking and familiarisation with the various interfaces between the specialist areas.

The Deka Group aims to promote equal opportunities and utilise the diversity of different perspectives and skills. The Bank is therefore working on increasing the proportion of women in the Deka Group and to establish a future-oriented mix of ages and generations. At the same time, the Deka Group is continuously working on strengthening employee loyalty. In the year under review, the focus here was on issues such as the selection of managers, succession planning in line with regulatory requirements and attractive incentive and remuneration systems. The option of mobile working and flexible working hours also make the company more attractive as an employer.

The Deka Group is committed to first advertising vacant positions internally before publishing them externally. This goes hand in hand with the consistent further development of employees' skills and a clear orientation of the HR strategy – in line with the principle of "the right employee at the right place". The fluctuation rate within the Deka Group in Germany was 45.4 percent in the year under review (2022: 63.9 percent). Vacant management positions have been filled by means of an assessment centre for both internal and external hires since 2014. The corresponding process is supported by an external management diagnostician and can also be carried out remotely if required.

The internal advertisement and appointment process is coordinated with the staff representatives as part of the service/works agreement. Members of the staff representations and the Equal Opportunities Officer take part in specific selection procedures.

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COMMITTEES OF STAFF REPRESENTATION (TABLE 5)

Company	Location(s)	Employee Representation	Members	Exemptions
DekaBank	Frankfurt/Leipzig	Staff Council	15	4
Deka Immobilien Investment	Frankfurt and regional offices	Works Council	11	2
Deka Investment	Frankfurt/Leipzig	Works Council	11	1
Deka Vermögensmanagement	Frankfurt	Works Council	5	0
Deka Immobilien Investment/WestInvest	Düsseldorf	Joint Works Council	5	0
Deka Immobilien Investment		General Works Council	4	0

NUMBER OF EMPLOYEES (TABLE 6)

Total employees (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
Domestic companies	4,168	4,177	4,279	4,478	4,842	1,884	2,958
DekaBank	2,988	3,021	3,098	3,240	3,563	1,396	2,167
Deka Investment GmbH	449	454	462	487	507	153	354
Deka Immobilien Investm. GmbH	545	562	581	589	612	285	327
WestInvest GmbH	8	9	7	7	8	3	5
Deka Vermögensmanagement GmbH	145	95	94	97	102	31	71
Deka Beteiligungs GmbH	0	0	0	0	0	0	0
bevestor GmbH	25	28	29	33	40	10	30
Deka Real Estate Intern. GmbH	8	8	8	9	10	6	4
SWIAT GmbH	0	0	0	16	0	0	0
Deka Immobilien GmbH	0	0	0	0	0	0	0
Foreign companies	398	364	343	360	374	166	208
Int. Fund Management	0	0	0	0	0	0	0
Deka International S.A.	24	21	22	25	27	11	16
DekaBank Luxembourg S.A.	322	0	0	0	0	0	0
Deka RES USA Inc.	3	3	3	3	4	1	3
Deka Far East Pte. Ltd.	1	1	1	1	1	0	1
DekaBank NL Luxembourg	26	312	287	296	307	144	163
DVM Luxemburg	22	27	30	35	35	10	25
Deka Group	4,566	4,541	4,622	4,838	5,216	2,050	3,166
S Broker AG & Co. KG/Management AG	157	167	176	188	216	80	136
IQAM Invest GmbH	0	0	56	58	60	18	42

5.2.3. Fluctuation, length of service and new employees

An important quantitative indicator for the success of resource management and the cultivation of the employer brand is the fluctuation rate. In 2023, it was 2.7 percent in Germany and thus below the previous year's level (2022: 3.8 percent) and still below the 5-year average (2019-2023: 3.8 percent).

After achieving an average length of service of over ten years for the first time in 2015, this remained at 11.6 years at the end of 2023 (2022: 12.0 years). The Deka Group was also able to increase its entry rate in the year under review compared with the previous year. Both figures underline the Deka Group's high attractiveness as an employer. (CF. TABLES 7, 8 + 9)

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FLUCTUATION RATE* (TABLE 7)

Deka Group in Germany (%)	2019	2020	2021	2022	2023	Number
Women	4.5%	6.0%	2.8%	4.5%	2.6%	47
Age range 20 – 29	5.1%	8.1%	2.0%	8.8%	5.1%	7
30 – 39	6.0%	7.4%	3.3%	7.7%	3.6%	15
40 – 49	3.7%	4.6%	2.9%	2.7%	1.9%	11
50 – 59	2.3%	2.5%	1.4%	2.6%	1.1%	6
> = 60	12.8%	30.0%	9.9%	6.5%	6.2%	8
Men	4.4%	4.1%	3.4%	3.4%	2.7%	76
Age range 20 – 29	11.8%	6.5%	7.2%	7.3%	3.3%	5
30 – 39	6.7%	6.7%	5.8%	4.8%	4.3%	24
40 – 49	4.2%	3.7%	2.3%	3.5%	2.3%	19
50 – 59	1.2%	2.0%	1.7%	1.2%	1.2%	12
> = 60	8.9%	8.1%	7.5%	6.4%	6.4%	16
Total fluctuation rate	4.4%	4.9%	3.1%	3.8%	2.7%	123
* without the Board of Management, temporary staff, trainees, students, apprentices, interns/graduating students, pensioners (start supply reference)						
S Broker AG & Co. KG/Management AG	9.6%	9.0%	14.9%	14.7%	10.2%	27
IQAM Invest GmbH	–	–	20,3%	4,6%	7,4%	5

AVERAGE LENGTH OF SERVICE (TABLE 8)

Deka Group in Germany (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
<= 5 years	1,308	1,283	1,288	1,391	1,696	666	1.030
6 – 10 years	745	741	781	748	733	274	459
11 – 15 years	691	739	744	807	790	276	514
>= 16 years	1,424	1,414	1,466	1,516	1,623	668	955
Ø Length of service, in years	11	12	12.0	12.0	11.6	12.0	11.4
Total employees	4,168	4,177	4,279	4,462	4,842	1,884	2,958
S Broker AG & Co. KG/Management AG	8.2	8.0	8.6	8.9	8.9	–	–
IQAM Invest GmbH	–	–	9.0	9.2	9.1	–	–

ENTRY RATE* (TABLE 9)

Deka Group in Germany (%)	2019	2020	2021	2022	2023	Number	Switching rate**
Women	3.6%	3.5%	3.7%	5.3%	9.7%	175	43.5%
Age range 20 – 29	17.0%	12.6%	13.2%	20.4%	30.4%	42	40.0%
30 – 39	4.8%	5.0%	6.5%	8.3%	17.2%	72	32.1%
40 – 49	3.0%	2.4%	2.9%	4.2%	6.7%	38	51.9%
50 – 59	0.9%	2.3%	1.2%	1.9%	4.2%	23	54.9%
> = 60	0.0%	0.0%	1.1%	0.0%	0.0%	0	100.0%
Men	3.8%	3.7%	4.8%	6.0%	6.6%	185	47.0%
Age range 20 – 29	12.8%	14.0%	26.4%	24.8%	24.0%	36	41.0%
30 – 39	7.7%	8.1%	10.1%	13.5%	13.4%	74	37.3%
40 – 49	3.0%	3.4%	3.3%	3.5%	5.9%	49	47.9%
50 – 59	1.4%	0.8%	1.7%	2.4%	2.4%	24	66.2%
> = 60	0.0%	0.0%	0.0%	1.9%	0.8%	2	50.0%
Total entry rate	3.7%	3.6%	4.4%	5.7%	7.8%	360	45.4%
* without the Board of Management, temporary staff, trainees, students, apprentices, interns/graduating students ** Promotion and expansion of the internal job market; internal before external; includes all personnel measures (job, function and organizational switches) in relation to "external" entries							
S Broker AG & Co. KG/Management AG	–	13,7%	15,5%	19,9%	23,2%	55	–
IQAM Invest GmbH	–	–	11,6%	11,5%	12,3%	8	–

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5.3. Training and further education

5.3.1. Training

As of 31 December 2023, the Deka Group employed 32 apprentices and dual students as well as 100 trainees in Germany. Since the number of trainees in the banking sector has fallen significantly in recent years and competition for specialist and management trainees is becoming increasingly intense, the Deka Group implemented various measures in the year under review to position itself as an attractive employer, particularly among these target groups. As mentioned above, the "Discovery@deka" trainee programme was established for this purpose.

The dual training programme within the Deka Group focuses on IT. Additional training places were created here and a new university cooperation agreement for a dual study programme in IT was concluded with Darmstadt University of Applied Sciences. In September 2023, a total of six dual students of Computer Science began their dual studies at the University of Applied Sciences in Frankfurt or at Darmstadt University of Applied Sciences. Six trainees started their training as IT Specialists for Application Development and two as IT Specialists for System Integration.

The Deka Group attaches great importance to the fair treatment and appropriate support of interns. For this reason, DekaBank participates in the "Fair Company" initiative of the Handelsblatt publishing group. In doing so, it undertakes to offer students interesting activities and fair working conditions as part of an internship with the Deka Group. In addition, the remuneration of all interns was standardised to the statutory minimum wage on 1 September 2023, regardless of the duration and type of internship.

5.3.2. Further education

Further training measures

At least once a year, employees and managers define individual development paths based on jointly identified needs. They have access to a wide range of measures that are continuously

developed in line with strategy and needs. It includes offers for the development of personal, methodological, social and professional skills. DekaBank supports its employees with internal or external training measures, both financially and in terms of time. The form and scope of employee involvement in jointly determining their professional development is based on the internal agreement on skills development.

The agreed development measures are carried out either as part of the professional activity, for example by taking on project tasks, or through measures that are carried out "off the job", such as training courses or longer-term further training programmes that are completed with a certificate. In addition to face-to-face training courses, DekaBank is increasingly focussing on short and digital formats as part of its further training offer, preferably on topics relating to communication, appearance & impact and collaboration, in order to enable good integration and application in everyday working life as well as mobile access. Online courses and self-learning formats in particular have therefore been expanded. In addition to location-independent access to learning opportunities, the aim is also to promote skills in the use of digital tools and media.

The central "DekaLearning" tool, mapped in the "SuccessFactors Learning" learning system, maps the internal training programme. It provides employees with a comprehensive overview of the training formats available and enables them to put together personalised learning plans.

Further training expenditure

In the year under review, the financial expenditure for further training measures amounted to an average of 1,310 euros per employee capacity in Germany (2022: 998 euros). This figure does not include expenses for on-the-job measures and the use of training leave.

A total of 25,880 seminar hours (2022: 20,999) were completed as part of the DekaLearning offerings in the year under review. This corresponds to an annual average of 6.5 hours (2022: 5.6) per employee capacity. External training courses are not included in the above figures. (CF. **TABLE 11**)

JUNIOR STAFF (TABLE 10)

Deka Group in Germany (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
Trainees	32	40	56	94	100	38	62
Funded students (HfB, HdS)	6	4	0	0	0	0	0
Apprentices	16	25	26	30	32	4	28
Junior staff	54	69	82	124	132	42	90

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EXPENDITURE AND SCOPE OF FURTHER TRAINING MEASURES (TABLE 11)

Expenditure of further education and training measures

Deka Group in Germany	2019	2020	2021	2022	2023
Further education and training costs (€m)	3.8	2.5	3.2	3.8	5.3
Average per active employee (€)	1,042	676	865	998	1,310

Seminar hours

Deka Group in Germany	2019	2020	2021	2022	2023	female	male
DekaLearning offers (h)	22,369.4	16,246.4	36,858.9	20,998.8	25,879.8	10,961.5	14,918.3
Average per active employee (h)	6.1	4.4	9.9	5.6	6.5		

Evaluation of the further training measures

The training offers are continuously evaluated based on the dimensions of satisfaction, learning and transfer success and benefits. The diverse formats, the enhanced variety of topics and the individual support for employees in planning their HR development measures are regularly identified as strengths of the DekaLearning programme.

the UN Diversity Charter: gender, age, national and cultural origin, physical and mental abilities, social background and sexual orientation. (CF. **FIGURE 6**) This understanding is anchored in the business strategy, and the current objectives of the equality plan are an integral part of the Diversity Strategy.

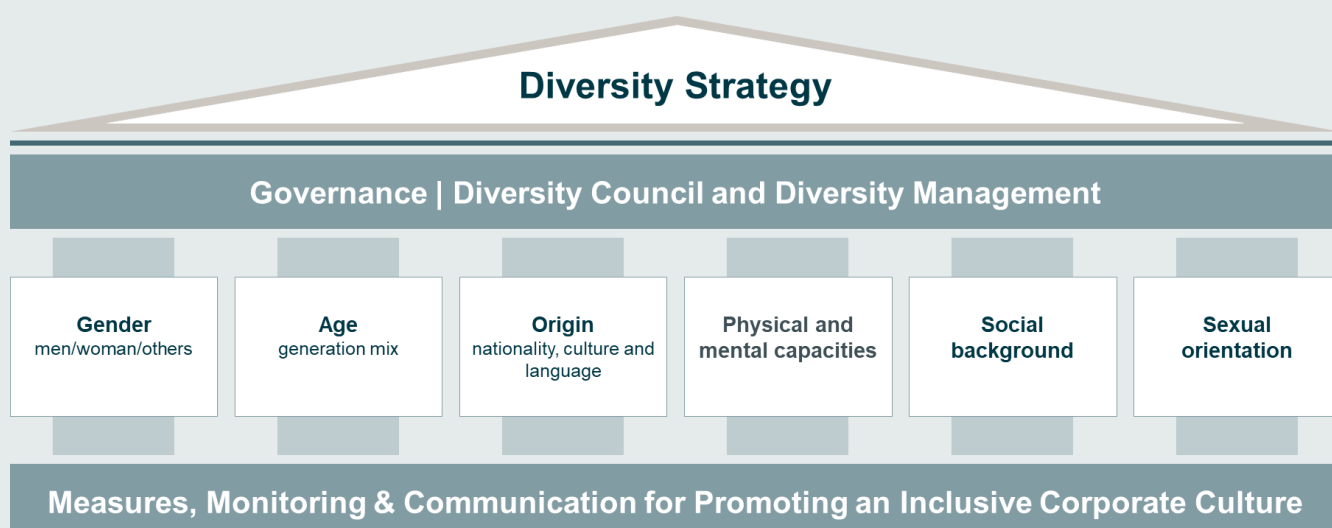
5.4. Diversity in the Deka Group

5.4.1. Strategy and governance

The diversity of experience and perspectives of all employees are key success factors for the competitiveness and future viability of the Deka Group. The basis for this is the active promotion of an open, appreciative and inclusive corporate culture that is orientated towards the various diversity dimensions of

The Deka Group is initially focussing on reducing the under-representation of women in management, specialist career and project management positions and on establishing a balanced age structure and a sustainable generation mix. To pursue these goals, the relevant Human Resources management tools and structural framework conditions such as service agreements are being continuously developed. Openness to diversity is firmly anchored in the HR competency model and forms the basis for all HR measures as well as for the targeted promotion of HR diversity along the life-phase-related HR cycle.

EXPANDING AND PROMOTING DIVERSITY (FIGURE 6)



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Alongside the Board of Management, the most important body for promoting diversity in the Deka Group is the Diversity Council. Its members are the Chairperson of the Board of Management and two other members of the Board of Management, the head of Strategy & HR, the Equal Opportunities Officer and the diversity management team. This body discusses and reviews the progress of the diversity strategy measures on a quarterly basis.

Another important part of the responsibilities for implementing the diversity strategy are the representatives for severely disabled employees. They are available to all employees of DekaBank and all subsidiaries with professionally qualified contact persons or persons of trust. The aim is to promote and further develop the inclusion of people with severe disabilities or their equals.

5.4.2. Transparency and responsibility

In its responsibility for diversity and equal opportunities, the Deka Group attaches importance to comprehensive transparency regarding measures and progress. The status quo and the level of ambition for diversity in the workforce are regularly presented using the Deka Diversity Dashboard. This internal reporting and management tool is used to inform management every six months about the diversity of the workforce

throughout the Deka Group, focussing on the following key figures:

- Gender distribution in the workforce, the share of women in management level and in positions with non-tariff pay and the share of part-time managers
- Age and generation mix, for example through age structure and the number of junior employees
- Diversity of nationalities
- Proportion of people with a declared severe disability or equivalent persons

The average age of all active employees in the Deka Group in Germany was 45.1 years at the end of 2023 (2022: 45.5 years). For the first time in five years, the average age was reduced slightly. (CF. **TABLE 13**)

The Deka Group employs people from 63 nations. At the end of 2023, 354 employees had a nationality other than German. (CF. **TABLE 14**) At 8.0 percent (2022: 8.0 percent), their share in the year under review was thus at the previous year's level. Besides Germany, the most strongly represented nations are Italy, Turkey, France, Russia and Croatia. The Deka Group also has numerous employees with an intercultural background or dual citizenship, who are not included in the statistics.

NUMBER OF WOMEN AND MEN (TABLE 12)

Number of women and men: Total* employees

Deka Group in Germany (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023
Women	1,641	1,626	1,656	1,704	1,884
Men	2,527	2,551	2,623	2,774	2,958
Total	4,168	4,177	4,279	4,478	4,842
Total* share of female employees	39.4%	38.9%	38.7%	38.1%	38.9%
S-Broker AG & Co.KG/Management AG	157	167	176	188	216
Total* share of female employees	35.7%	35.3%	39.2%	38.3%	37.0%
IQAM Invest GmbH	–	–	56	58	60
Total* share of female employees	–	–	32.1%	32.8%	30.0%

Deka Group in Germany (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023
Women	1,466	1,471	1,514	1,537	1,712
Men	2,418	2,459	2,488	2,572	2,751
Total	3,884	3,930	4,002	4,109	4,463
Total share of active** female employees	37.7%	37.4%	37.8%	37.4%	38.4%

* Σ Active employees + apprentices + inactive employees + trainees

** Sum of the Board of Management + senior executives + permanent employees + temporary employees + stand-ins

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AGE STRUCTURE OF ACTIVE EMPLOYEES (TABLE 13)

Deka Group in Germany (%)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
% of under 20 year-olds	0.0%	0.1%	0.0%	0.0%	0.1%	80.0%	20.0%
% of 20-24 year-olds	1.5%	1.6%	1.8%	2.1%	3.2%	49.0%	51.0%
% of 25-29 year-olds	4.9%	4.7%	5.0%	5.7%	6.9%	40.8%	59.2%
% of 30-34 year-olds	9.8%	8.8%	8.7%	8.9%	9.4%	40.9%	59.1%
% of 35-39 year-olds	12.6%	12.3%	11.7%	10.8%	10.6%	38.8%	61.2%
% of 40-44 year-olds	17.8%	17.4%	16.2%	15.1%	13.6%	44.2%	55.8%
% of 45-49 year-olds	18.4%	17.8%	17.5%	17.1%	16.6%	37.5%	62.5%
% of 50-54 year-olds	20.0%	19.5%	19.8%	18.6%	17.2%	35.1%	64.9%
% of 55-59 year-olds	10.9%	13.6%	14.6%	16.4%	16.7%	34.7%	65.3%
% of 60 year-olds and older	4.0%	4.3%	4.6%	5.2%	5.7%	32.8%	67.2%
Average age in years	44.7	45.2	45.4	45.5	45.1	44.2	45.6
Active employees (headcount)	3,884	3,930	4,002	4,109	4,463	1,712	2,751
S Broker AG & Co. KG/Management AG (in years)	43.2	41.1	43.0	44.3	44.5	–	–
IQAM Invest GmbH (in years)	–	–	43.4	43.6	43.8	–	–

NATIONALITIES (TABLE 14)

Deka Group in Germany (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
Italian	30	29	29	28	30	16	14
Croatian	19	20	19	20	20	9	11
French	18	19	18	20	22	6	16
Russian	15	17	17	16	20	14	6
Turkish	17	16	17	20	25	12	13
Greek	17	16	19	18	18	14	4
Polish	16	16	14	12	14	11	3
Austrian	13	13	13	14	17	4	13
Bulgarian	10	10	10	10	10	9	1
Dutch	9	10	11	12	13	3	10
British	10	9	8	6	6	2	4
Ukrainian	9	8	10	10	17	16	1
Chinese	8	8	10	12	15	10	5
American	10	7	6	6	6	1	5
Other nationalities	72	80	85	99	121	59	62
Nationalities	273	278	286	303	354	186	168

NUMBER OF SEVERELY DISABLED EMPLOYEES (TABLE 15)

Deka Group in Germany	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023
Women	72	72	73	71	73
Men	69	68	68	73	76
Total employees	141	140	141	144	149
Compulsory jobs (shall)	202	199	204	211	225
occupied	135	134	138	139	143

PROPORTION OF WOMEN IN MANAGEMENT POSITIONS (TABLE 16)

Deka Group in Germany	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
Board of Management	16.7%	20.0%	16.7%	16.7%	16,7%	1	5
1. Management level (Head of Division)	8.1%	8.1%	8.6%	11.1%	11,1%	4	32
2. Management level (Head of Department)	15.7%	15.6%	15.3%	15.0%	18,7%	23	100
3. Management level (Group Manager)	22.3%	22.3%	21.9%	24.7%	27,5%	87	229
Management levels (including Board of Management)	19.1%	19.2%	19.0%	21.0%	23,9%	115	366
for information: Subject Area Management	21.1%	21.0%	21.0%	20.6%	20,0%	36	144
S-Broker AG & Co.KG/Management AG	20.0%	22.2%	29.4%	33.3%	29,2%	7	17
IQAM Invest GmbH	–	–	0.0%	0.0%	14,3%	1	6

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An important element of diversity management is the 5th Gender Equality Plan. It addresses regulatory requirements for gender equality between women and men and at the same time reflects the Deka Group's wider responsibility for the diversity dimension of gender. The plan is an essential part of the HR policy in order to anchor equal career opportunities for all employees in HR processes and the corporate culture in the long term. The 5th Gender Equality Plan came into force on 1 January 2021 and comprises the following four objectives:

1. Equal opportunities - Significantly increase the proportion of women in management and specialist career positions, in project management, in the non-tariff pay area and in junior staff programmes.
 - a) At least one woman as a member of the Board of Management
 - b) At least 20 percent women in divisional management
 - c) At least 25 percent of department heads are women
 - d) At least 30 percent of group leadership are women
 - e) At least 26 percent of subject group heads are women
 - f) At least 30 percent women in the non-tariff pay area
2. Sustainably ensure good framework conditions for reconciling work and family life for women and men.
3. Motivation of male employees to make greater use of measures to reconcile work, family and care.
4. Anchoring gender equality objectives in the diversity strategy.

5.4.3. Feedback and support

The Deka Group attaches great importance to a continuous exchange with employees in order to be able to take their assessments into account when designing and implementing measures. In the year under review, feedback on the topic of diversity was obtained from all employees for the first time as part of an initial assessment of the status quo. Participants rated the Deka Group's attitude to diversity, inclusion and the opportunities to help shape the organisation as positive overall. For example, the question "How much attention does Deka generally pay to giving all employees the feeling of being welcome and belonging?" was rated 78 out of 100 points - an above-average score compared to other companies. (CF. **CHAPTER 2.3.1.**)

Various measures were initiated in the year under review to further promote cultural diversity within the Deka Group. These include, for example, the introduction of language networks and the offer of language buddies to make it easier for people with an international background to join the Deka Group. The LGBTQ+ network Proud@deka, which was also launched in the year under review, promotes dialogue and networking.

To provide targeted information, the Equal Opportunities Officer organises events aimed specifically at women. These include the annual women's meeting, which is regularly attended by a member of the Deka Group's Board of Management, and the DekaFrauenFokus series of events focussing on topics such as "Female Leadership - Obstacles on the path to leadership". In addition, two women's networks founded by female employees and female managers in the Deka Group also promoted networking within the company in this year under review.

The external networking of women in the German-speaking investment fund industry is the mission of the career network Fondsfrauen, which DekaBank joined in 2018. Since 2020, DekaBank has also been a member of IWIL (Initiative Women into Leadership), a cross-company mentoring programme for women in senior management positions.

To support people with limited physical or mental abilities, the Deka Group actively promotes a culture that creates trust, as invisible disabilities may often be concealed for fear of prejudice or discrimination. To this end, various communication measures were implemented in 2023 to counter prejudices against people with disabilities.

In order to provide employees with physical disabilities with a good working and development atmosphere, the Deka Group has designed its offices accordingly. All buildings are accessible without barriers and the work equipment provided is generally of a higher standard than required by law. In addition to the representatives for severely disabled employees in the Deka Group, the Employee Assistance Programme (EAP) is another point of contact, which provides effective support for disabled employees.

5.4.4. Capacity building and awareness raising

In order to raise awareness of the comprehensive topic of "Diversity in the working environment", central training programmes are offered to all employees and managers as classroom and online training courses via DekaLearning. In addition, "Unconscious bias training" was organised specifically for managers to teach them how to deal with unconscious thought patterns.

Awareness of an inclusive corporate culture was raised in the year under review both in the context of various management events and through other events. For example, Diversity Day was celebrated for the first time in the Deka Group as part of the "Diversity Charter" voluntary commitment. Workshops and presentations, information stands and hands-on activities such as a wheelchair obstacle course raised awareness of diversity and inclusion.

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5.5. Reconciliation of work and private life

The Deka Group aims to continuously improve the work-life balance for all employees by regularly reviewing the framework conditions and the corresponding additional offers and, where appropriate and justifiable, expanding them. Since 2005, the Deka Group has regularly participated in the external "audit berufundfamilie" (audit work and family) certification process in order to systematically develop its offering. In its most recent participation in 2021, the Deka Group was recognised for its family-conscious HR policy for the sixth time.

In the year under review, the focus was once again on supporting managers in their task of developing good and coordinated work-life balance solutions for their teams and all team members.

5.5.1. Support for employees with children

Permanent employees with young children can take advantage of the Deka Group's childcare support. The offer includes 30 crèche and 22 nursery places, which are provided at the Frankfurt city centre location. At the end of 2022, the Strategy & HR central division conducted a survey on the specific need for workplace-based childcare at the German locations in order to derive appropriate measures. One result of this survey was that employees at the Niederrad location also reported a need for childcare facilities. In order to respond appropriately, the Deka Group has entered into a cooperation agreement with Nestlé and rented four childcare places at the Nesthäkchen daycare centre in the immediate vicinity of the office building in Niederrad. These all-day places will further improve the work-life balance for colleagues at the new location.

Since 2018, employees who work for the Deka Group outside the head office in Frankfurt have also been able to apply for a childcare place at a pme Familienservice location throughout Germany, depending on availability.

In addition, the Deka Group offers emergency childcare, which parents can use free of charge for up to five days per year per child if regular childcare is cancelled. Parents of school-age children are also supported in bridging the time off school by funding up to ten days of holiday programmes per year and child.

On average over the past five years, female employees in the Deka Group have returned to work 12.4 months (2022: 12.8

months) after the birth of a child. During 2023, 97 male employees (2022: 106) of the Deka Group took parental leave. Although their number was higher than that of women (88) (2022: 64), the average duration of parental leave taken was significantly shorter (men: 1.5 months; women: 11.0 months). The return rate after parental leave was 98.3 percent (2022: 98.8 percent), while the retention rate was 97.0 percent in the year under review (2022: 95.1 percent). (CF. **TABLE 17**)

The Strategy & HR department and the team around the Equal Opportunities Officer offer employees comprehensive advice and mediation on organising childcare and on the topics of maternity leave and parental leave. Since 2015, the Deka Group has also been cooperating with Viva Familienservice, which offers advice and mediation on all aspects of childcare and nursing care. In the year under review, 95 cases were processed in the Work & Children category (2022: 64). Since employees can place their requests by phone or email, the service is available across all locations in Germany. This means that employees in Luxembourg can also participate if their question relates to Germany.

5.5.2. Support for employees with dependants in need of care

To underline the importance of the issue of family members in need of care, the Deka Group signed the Charter for Reconciling Work and Care in Hesse back in 2014. With its measures, the Deka Group wants to help create a working environment, in which caring for family members is not a taboo subject and those affected are shown respect and recognition for this task.

In cooperation with professional partners such as Viva Familienservice, employees who care for relatives in need of care are supported. The so-called eldercare counselling and mediation relieves employees in the organisation, financing and implementation of care tasks. In the year under review, 241 cases (2022: 256) were handled by Viva Familienservice in this area.

5.5.3. Working time models

Flexible working hours are an important element in ensuring the compatibility of work and private life or care. Employees currently have the option of choosing from around 70 different part-time models. The part-time ratio in the Deka Group in Germany was 22.0 percent at the end of 2023, slightly above the previous year's figure (2022: 21.4 percent). (CF. **TABLES 18 + 19**)

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EMPLOYEES ON PARENTAL LEAVE* (TABLE 17)

Parental leave – as per reporting date (headcount)		31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	
Women		79	80	66	65	67	
Men		5	6	9	10	4	
Total		84	86	75	75	71	
Parental leave – during the year (headcount)		2019	2020	2021	2022	2023	
Women		78	83	84	64	88	
Men		139	106	106	106	97	
Total		217	189	190	170	185	
Average duration of parental leave (months)		2019	2020	2021	2022	2023	5-year Ø
Women		14.7	12.6	11.9	11.7	11.0	12.4
Men		1.6	1.3	1.9	1.6	1.5	
Return after parental leave (headcount)		2019	2020	2021	2022	2023	
Women		73	75	71	61	81	
Men		138	105	105	105	97	
Total		211	180	176	166	178	
Return rate (%)		2019	2020	2021	2022	2023	
Women		98.6%	96.2%	89.9%	96.8%	96.4%	
Men		99.3%	99.1%	99.1%	100%	100%	
Total		99.1%	97.8%	95.1%	98.8%	98.3%	
Remaining after parental leave (12 months) (headcount)		2019	2020	2021	2022	2023	
Women		75	73	77	74	63	
Men		115	128	102	100	101	
Total		190	201	179	174	164	
Retention rate (12 months)		2019	2020	2021	2022	2023	
Women		96.2%	96.1%	96.3%	94.9%	98.4%	
Men		90.6%	92.8%	97.1%	95.2%	96.2%	
Total		92.7%	93.9%	96.8%	95.1%	97.0%	

* Without maternity leave and secondary activities in parental leave

In order to strengthen the work-life balance in line with the times, employees have the option of using mobile working. An agreement concluded with the Staff Council and the Works Councils stipulates that mobile working is increasingly possible for all employees within the framework of operational, legal and regulatory requirements. As part of the corresponding service and works agreements, employees are generally given the right to work from home for 40 percent of their working hours. An increase of the share up to 100 percent is possible where this is in the interests of all parties involved. There are defined exceptions for individual areas and functions; in the event of disagreement between the parties involved, a regulated arbitration procedure takes effect. In ad-

dition, there are accompanying regulations on technical equipment, insurance and data protection. The programme was also used extensively in 2023: On average, over 70 percent of Deka Group employees regularly worked remotely.

The MAiA (Mobile Working Abroad) project was implemented in the year under review as a further component of "New Work" and flexible working conditions and was introduced during the Hessian summer holidays. A corresponding service and works agreement stipulates that, under certain conditions, employees can work abroad for up to 20 working days a year (for full-time employees) within the EU or EFTA states (Iceland, Liechtenstein, Norway, Switzerland). The most popular country for MAiA was Spain.

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PART-TIME RATE OF ACTIVE EMPLOYEES (TABLE 18)

Deka Group in Germany (%)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	Full-time	Part-time
Women	41.0%	42.3%	42.6%	42.0%	39.9%	1,029	683
Men	7.2%	8.1%	8.6%	9.1%	10.9%	2,450	301
Part-time ratio total	19.9%	20.9%	21.5%	21.4%	22.0%	3,479	984
Foreign companies (%)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	Full-time	Part-time
Women				67.5%	70.6%	47	113
Men				15.0%	21.7%	159	44
Part-time ratio total				39.4%	43.3%	206	157
S-Broker AG & Co.KG/Management AG	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	Full-time	Part-time
Women	35.7%	35.6%	28.4%	31.9%	41.6%	45	32
Men	14.9%	11.1%	11.2%	13.9%	16.5%	111	22
Part-time ratio total S-Broker	22.3%	19.8%	17.8%	20.9%	25.7%	156	54
IQAM Invest GmbH	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	Full-time	Part-time
Women	–	–	77.8%	78.9%	77.8%	4	14
Men	–	–	18.4%	17.9%	14.3%	36	6
Part-time ratio total IQAM	–	–	37.5%	37.9%	33.3%	40	20

PART-TIME RATE OF MANAGERS (TABLE 19)

Deka Group in Germany (%)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	Full-time	Part-time
Women	18.3%	19.0%	16.7%	17.5%	14.8%	98	17
Men	2.9%	3.4%	2.8%	3.0%	2.7%	356	10
Part-time ratio total	5.8%	6.4%	5.4%	6.1%	5.6%	454	27

NUMBER OF TEMPORARY AND PERMANENT EMPLOYEES (TABLE 20)

Total employees* (headcount)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
Domestic companies	4,168	4,177	4,279	4,478	4,842	1,884	2,958
Temporary	189	218	256	230	291	110	181
Permanent	3,979	3,959	4,023	4,248	4,551	1,774	2,777
Foreign companies	398	364	343	360	374	166	208
Temporary	21	14	14	8	15	3	12
Permanent	377	350	329	352	359	163	196

* ∑ Active employees + apprentices + inactive employees + trainees

Permanent employees have the option of taking unpaid leave or financing paid leave from work via a credit balance saved in the working time account, the Deka-ZeitDepot. The collective labour agreement also stipulates that, under certain conditions, they can extend the duration of parental leave by a maximum of six months as part of the family phase.

The proportion of Deka Group employees in Germany, who do not participate in time recording - generally non-tariff employees - was 70 percent in 2023 (2022: 69 percent). The proportion of employees, who are not assigned to a working time model due to temporary work with a fixed-term employment contract or for other reasons was 4.5 percent (2022: 2.8 percent). The average number of temporary staff and working students for the year was 199 (2022: 116).

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SICKNESS RATE OF ACTIVE EMPLOYEES (TABLE 21)

Deka Group in Germany	2019	2020	2021	2022	2023
Women	5.5%	4.3%	4.0%	5.6%	4.9%
Men	3.3%	2.5%	2.3%	3.8%	3.2%
Sickness rate in total	4.1%	3.2%	2.9%	4.4%	3.8%

REPORTED INJURIES (TABLE 22)

Deka Group in Germany (in the year)	2019	2020	2021	2022	2023
Commuting accidents	24	9	11	1	10
Principle causes are cycling accidents and injuries relating to black ice during the winter.					
Location Frankfurt	24	9	8	1	10
Leipzig	–	–	2	–	–
Hamburg	–	–	–	–	–
Sales force (east)	–	–	–	–	–
Berlin	–	–	–	–	–
Düsseldorf	–	–	1	–	–
Work-related injuries	8	9	3	8	7
Location Frankfurt	7	6	3	7	5
Leipzig	1	1	–	–	1
Sales force (east)	–	2	–	1	1
Hamburg	–	–	–	–	–
Düsseldorf	–	–	–	–	–
München	–	–	–	–	–

RATE OF DOCUMENTABLE WORK-RELATED INJURIES

Deka Group in Germany (Number per 1 million planned working hours)	2019	2020	2021	2022	2023
Rate of injury	1.1	1.2	0.4	1.0	0.9

5.6. Occupational safety and health management

The Deka Group's Occupational Health Management (OHM) programme focuses on the needs of employees and offers holistic services along the employee lifecycle. In this way, the Deka Group makes an important contribution to meeting the challenges of demographic change and keeping all employees productive and motivated. Health management programmes are also becoming increasingly important in the recruitment of new talent and specialists and make a significant contribution to the Deka Group's employer branding and the recruitment of new employees.

The central pillars of OHM are the topics of exercise & sport, nutrition, medicine & prevention and mental health. Furthermore, the ability to work and the health of the workforce are promoted through far-reaching measures within the framework of occupational health and safety care in cooperation with experts such as the company doctor and the safety specialist.

5.6.1. Sickness rate

The sickness rate in 2023 was 3.8 percent and thus below the previous year's value (2022: 4.4 percent). The monthly progression shows that increased sickness rates mainly occurred in the 1st quarter of 2023. This is associated with the increased risk of influenza in the cold season. (CF. TABLE 21)

5.6.2. Exercise and nutrition

The digital health platform "Deka machtfitt" offers Deka Group employees a wide range of sports and exercise options as well as various options in the areas of healthy eating, relaxation & mindfulness, prevention and fitness & ergonomic products. It enables employees to take advantage of individual and flexible offers provided by the Deka Group itself or by external partners. The Deka Group provides all employees with a health budget of 200 euros per calendar year for booking external offers. The platform also offers a large partner network with a wide range of subsidised and certified health and prevention courses that can be used near the workplace, at place of residence or at home, as well as via app or online. New providers and offers are constantly being added to and updated

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on the platform. The personal contribution to be paid by employees per booking is a maximum of 20 percent across all categories.

At the end of the year under review, 4,389 employees (2022: 3,845) were registered on the platform. All employees with a German employment contract are entitled to make full use of the Deka machtfit health platform. As part of an adjustment to the additional benefits for working students and interns, these employee groups have also been able to use Deka machtfit with a full budget since September 2023. Employees in Luxembourg have limited access.

The Deka Group also supports participation in running events such as the annual J.P. Morgan Corporate Challenge through Frankfurt city centre. In 2023, the Deka Group participated with a running team of around 300 employees. In addition, another walking and activity challenge was organised at the beginning of 2023 under the motto "28 Tage aktiv durch Deutschland – Eine Reise an alle Deka-Standorte" (28 days active through Germany - a journey to all Deka locations). The aim was to be active for 28 days and collect exercise points by walking or other activities such as yoga, skiing or cycling. A total of 435 employees participated in this challenge. To support employees' sporting activities, the Deka Group also provides financial support for its company sports club (DekaBank Sport e. V.). It offers its approximately 560 members a range of 15 sports and celebrated its 50th anniversary in the year under review.

A balanced diet is an important part of preventive healthcare. For this reason, the Deka Group attaches great importance to a varied and healthy range of foods from the region when it comes to canteen catering. In the year under review, a survey was conducted on the canteen offerings at the Frankfurt locations. The aim was to evaluate satisfaction with the food and the quality of the offering in order to initiate improvements where necessary. Employee catering was generally rated as good and considered personally important.

In addition, several free online lectures on the topic of healthy nutrition were organised in cooperation with Medical Airport Service GmbH for the predominantly mobile workforce. In addition, the Deka machtfit offer enables employees to participate in various nutrition programmes and virtual cooking courses, as well as order food boxes to help them eat healthily and consciously.

5.6.3. Occupational safety and medical care

In the area of occupational safety, the Deka Group complies with all relevant laws, ordinances, regulations and the collective labour agreement of the public and private banking industry. These include, in particular, the Occupational Safety Act (Arbeitssicherheitsgesetz ASiG), the Occupational Health and

Safety Act (Arbeitsschutzgesetz ArbSchG), the Workplace Ordinance (Arbeitsstättenverordnung) and Regulations 1 ("Principles of Prevention") and 2 ("Occupational Physicians and OSH Professionals") by the German Social Accident Insurance (Deutsche Gesetzliche Unfallversicherung, DGUV), the latter being more specific provisions of the ASiG. Important measures of the applicable laws include occupational health screening, systematic risk assessments to identify and analyse risks and regular meetings of the Occupational Safety Committee (Arbeitsschutzausschuss, ASA). The employer must form this committee according to the Occupational Safety Act § 11 if more than 20 people are employed in a company. In the spirit of employee participation, all employee representatives of the Deka Group are represented on the ASA as members and contribute the issue-specific interests of the workforce. The ASA meets at least once a quarter and is tasked with discussing occupational health and safety and accident prevention issues.

All employees have the opportunity to take advantage of the medical examination by the company doctor, which focuses on prevention and health promotion. In addition, the company doctor carries out occupational health check-ups for all employees, which include determining the need for VDU glasses and refreshing travel medicine vaccinations. Deka Group managers at department head level and above have the opportunity to take advantage of a comprehensive preventive medical check-up every two years. Group managers can also learn important starting points for their prevention as part of the recurring digital health coaching programme "Health in Balance". (CF. **CHAPTER 5.6.4.**) In the year under review, demand for the annual flu vaccination was again at a high level. In 2023, 646 vaccinations were administered, around 100 doses more than those in the previous year (529).

All employees are obliged to complete an online course on central aspects of occupational health and safety every two years; managers receive in-depth training. Work-related hazards and dangerous situations can be reported at any time to the direct manager, staff representatives, the occupational safety team or the occupational safety specialist. In addition, the safety specialist carries out inspections to identify hazards in the Deka Group's workplaces. Any deficiencies identified during these inspections are then rectified with the support of other responsible specialist units such as Building Management. The regular technical risk assessment of the Deka buildings, which is required by § 5 of the Occupational Health and Safety Act, is used for systematic risk assessment.

5.6.4. Mental health

In 2023, the Deka Group again conducted surveys in various areas in order to systematically evaluate mental stress in the workplace and develop needs-based offerings. As part of its training programme, the Deka Group offers employees and

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managers numerous seminars on how to deal with stressful situations, such as the online training course "Stress im Arbeitsalltag – Sofortprogramm für akute Situationen" (Stress in everyday working life – emergency programme for acute situations). The training programme for all employees also includes the seminars "Lifebalance/Resilienz" (Life balance/resilience), "Persönliche Ressourcen managen, Stress bewältigen, Leistungsfähigkeit erhalten" (Managing personal resources, coping with stress, maintaining performance) and "Stressmanagement – Stress erfolgreich und gelassen meistern" (Stress management – mastering stress successfully and calmly).

In 2022, the Deka Group piloted a special health programme for group leaders to take account of the specific demands of the group management function. Following initial feedback and experience, the concept was further developed and continued in 2023. The digital health coaching service "Health in Balance" covers the main topics of bowel cancer screening, blood tests, medical history and medical coaching sessions. Questionnaires on the key topics of medicine, exercise, nutrition and mental health can be used to identify and discuss specific needs for action. Changes in health-related stresses can be reflected on in a time-delayed re-coaching session.

All employees and their relatives, who find themselves in a psychological crisis situation can receive concrete support from external experts from the professional counselling service INSITE Interventions. As part of the Employee Assistance Programme (EAP), Deka Group employees have the option of receiving counselling – anonymously if they wish – on various topics such as "Work & Career", "Partnership, Family & Children" or "Mental Health". The EAP also offers an expert service for managers, management advisers and members of the staff council or works council as well as the Equal Opportunities Officer and the representative for severely disabled employees. Especially in the case of serious illnesses, psychological support can be provided through the counselling service and a second opinion can be obtained from doctors. INSITE also tries to arrange appointments with specialists without long waiting times.

In the year under review, the INSITE experts held numerous counselling sessions with employees. Overall, around 11.0 percent of employees made use of this service in 2023, meaning that the utilisation rate was higher than that in the previous year (2022: 9.5 percent). This value is evidence of a high level of awareness and shows that the counselling service is well established in the company. A number of digital events were also organised in the year under review to support employees.

As part of the occupational integration management programme (betriebliches Eingliederungsmanagement, BEM), the Deka Group provides support to employees returning to work after a prolonged or recurring illness. In a personal discussion, which is voluntary for those affected, measures are identified

that can help to overcome the illness and prevent a renewed incapacity to work.

5.7. Remuneration

The Deka Group's remuneration system is based on the long-term corporate strategy and takes into account the relevant regulatory requirements. It is reviewed annually to ensure that it complies with regulations and, if necessary, adjusted in line with the applicable regulatory requirements.

The remuneration of employees is based exclusively on function and performance and generally includes fixed and variable remuneration elements. Regular market comparisons ensure that remuneration is attractive and in line with the market. When granting benefits, the Deka Group does not differentiate between part-time and full-time employees.

The remuneration of permanent employees is based on their qualifications and tasks and is gender-neutral. In the pay scale area, remuneration is currently at least in accordance with pay scale group 4 of the collective agreement for the private banking industry and public banks and ends accordingly with pay scale group 9. The remuneration of employees paid outside the pay scale is above pay scale group 9. The annual starting salary outside of the pay scale is 10.4 percent above the salary of pay scale group 9 with eleven years of professional experience converted to twelve monthly salaries. The proportion of employees receiving non-tariff pay rose slightly to 70 percent in 2023 (2022: 69 percent). (CF. **TABLES 23a + 23b**)

DekaBank's overriding objective is to grant all employees fair and non-discriminatory remuneration. DekaBank supports the objectives of the Act to Promote the Transparency of Remuneration Structures (Entgelttransparenzgesetz). The Act improves the transparency of remuneration structures and thus aims to ensure equal pay for women and men for equal or equivalent work in practice. Based on this law, DekaBank informs its employees about what they earn compared to the peer group remuneration of the opposite sex.

The principle and objective of gender-neutral remuneration at DekaBank has also been reflected in the principles for determining salaries for many years. Salary determination and decisions on salary measures are based on several criteria: orientation towards internal remuneration levels, comparison with external market data and compliance with regulatory requirements. All of these criteria are gender-neutral.

The variable remuneration is granted on the basis of performance. Both the performance of the individual employee and the success of the Deka Group are taken into account. An integral part of the performance assessment of employees is the evaluation of compliance with the rules of conduct defined in the Deka Group's Code of Ethics.

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SALARY STRUCTURE OF ACTIVE EMPLOYEES (TABLE 23a)

Deka Group in Germany (%)	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2023	female	male
Non-tariff (NT)	66.6%	67.4%	68.0%	69.4%	69.5%	53.4%	79.6%
Tariff group (TG) total	33.4%	32.6%	32.0%	30.6%	30.5%	46.6%	20.4%
TG 9	31.2%	29.7%	29.4%	29.7%	31.8%	27.6%	37.7%
TG 8	20.0%	21.4%	21.7%	23.5%	19.9%	23.0%	15.7%
TG 2 – 7	48.8%	48.9%	48.9%	46.8%	48.3%	49.4%	46.6%

SALARY STRUCTURE OF ACTIVE EMPLOYEES (TABLE 23b)

Deka Group in Germany (headcount)	31 Dec 2022	female	male	31 Dec 2023	female	male
Non-tariff (NT)	2,841	788	2,053	3,104	915	2,189
Tariff group (TG) total	1,253	745	508	1,359	797	562
TG 9	372	185	187	432	220	212
TG 8	295	191	104	271	183	88
TG 2 – 7	586	369	217	656	394	262
S-Broker AG & Co.KG/Management AG*	187	72	115	210	77	133
IQAM Invest GmbH*	58	19	39	60	18	42

* All employees are not subject to the collective agreement.

For employees, whose activities have a significant influence on the Deka Group's overall risk profile of – so-called "risk-relevant employees" – a part of the variable remuneration is subject to a multi-year assessment basis and risk- or performance-based payment system (deferrals) in accordance with regulatory requirements.

In accordance with the regulatory requirements for institutions and other subsidiaries of the Deka Group, variable remuneration may not exceed 100 percent of the fixed remuneration. In accordance with § 25a para. 5 of the German Banking Act (KWG), this upper limit for variable remuneration may be increased to 200 percent of the fixed remuneration by resolution of the shareholders. In the year under review, DekaBank did not make use of an increased upper limit for variable remuneration for members of the Board of Management and all other employees of the Bank.

In accordance with the guidelines of the European Securities and Markets Authority (ESMA) of 3 July 2013 and the Richtlinie über die Verwalter alternativer Investmentfonds (Directive on Alternative Investment Fund Managers) (AIFM) and the Richtlinie über Organismen für gemeinsame Anlagen in Wertpapieren (Directive on Undertakings for Collective Investment in Transferable Securities) (UCITS), the Deka Group's capital management companies are subject to a maximum cap on the total amount of variable remuneration of 200 percent of the fixed remuneration for each individual employee or business division manager.

The Deka Group's remuneration system encourages adequate risk-taking behaviour and sanctions misconduct. Particularly

relevant to the Deka Group's risk culture are those parts of remuneration that create incentives to take or avoid financial risks, such as bonus payments. With regard to the risk culture, the Deka Group aligns its remuneration policy in such a way that it is in line with the risk profile of the institution and the Deka Group. The Board of Management and the management of the subsidiaries are responsible for, approve and monitor the remuneration policy. The Board of Management, the management of the subsidiaries and senior management ensure that the Deka Group's remuneration system promotes ethical conduct and compliance with the law, regulation and internal guidelines. In addition, the variable remuneration is dependent on risk-adjusted key figures.

The remuneration policy is also designed to support the achievement of strategic business objectives, taking into account sustainability aspects, and to promote incentives for responsible and risk-conscious business conduct among employees. The effectiveness and appropriateness of the remuneration systems in the Deka Group are managed and monitored by appropriate bodies and functions, such as the Board of Directors's Remuneration Control Committee, the Deka Group's Remuneration Officer and the Deka Group's Remuneration Committee. Fixed and variable remuneration are in an appropriate relationship to each other. This is the case when, on the one hand, there is no significant dependence on the variable remuneration or negative incentives to take on disproportionately high risk positions are avoided and, on the other hand, the variable remuneration can provide an effective incentive for behaviour.

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Sustainability criteria in the Deka Group's remuneration system

Sustainability aspects are anchored in various parts of the Deka Group's remuneration system. For example, sustainability is a component of the Deka Group's Code of Ethics, which forms the basis for the assessment of good conduct, which is taken into account in the annual performance evaluation and consequently in the variable remuneration. The same applies to the efficient and sparing use of resources. Aspects relevant to sustainability are anchored in the sales area on a selective basis, for example in the form of sales targets for sustainable investment products.

In 2021, further action was required to integrate sustainability aspects into remuneration on the basis of the Sustainable Finance Disclosure Regulation (SFDR) and the requirements of the European Central Bank's (ECB) guidelines on dealing with climate-related and environmental risks. §5 of the Sustainable Finance Disclosure Regulation (SFDR) explicitly requires transparency of the remuneration policy in connection with the consideration of ESG risks. DekaBank is implementing the corresponding requirements as part of a two-stage process: In a first step, the existing sustainability elements within the remuneration system were strengthened and managers were specifically made aware of the need to take these elements into account. In a second step, climate-related and environmental risks were given greater consideration when determining the bonus pool. Key figures for climate-related and environmental risks are to be concretised and remuneration practices to promote the achievement of targets are to be derived from them. In addition, a remuneration parameter for the pursuit of diversity goals at divisional level was introduced for the first time in the year under review.

The remuneration system for the members of DekaBank's Board of Management generally complies with the remuneration principles for employees of the Deka Group and also takes into account the special regulatory requirements applicable to risk-relevant employees. The aim of the Board of Management remuneration system is to comply with regulatory requirements, including ESG criteria as well as the principles of management remuneration of the Wittenberg Centre for Global Ethics. Detailed information and remuneration data can be found in the Deka Group's remuneration report. (CF. www.deka.de/deka-group/investor-relations-en/reports-and-presentations)

The Deka Group's current risk situation is taken into account at various points in the remuneration process, such as the bonus pool calculation, compliance with the rules of conduct, the identification of risk-relevant employees and the remuneration parameters of the control units.

In addition to the employer benefits regulated in the collective labour agreement, the Deka Group offers, among other things, capital-forming benefits and group and business travel accident insurance. Permanent employees receive a largely employer-funded company pension scheme (BVV). Details of pension obligations can be found in the consolidated financial statements.

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6. Social engagement

As a member of the Sparkassen-Finanzgruppe, DekaBank has a special obligation to support the society and its common good. DekaBank fulfils its public mandate by providing financial and non-material support for various projects in all areas of social life. Out of conviction, it enters into long-term sponsoring partnerships and is involved in the areas of social welfare and sport, education and science, art, music and architecture. On the one hand, DekaBank supports renowned institutions at its headquarters in Frankfurt am Main. On the other hand, it enters into important national partnerships with other institutions of the Sparkassen-Finanzgruppe and supports projects, whose realisation is only made possible by the merger. This commitment is complemented by the Deka Art Collection and the Historical Archive with the "Dekarium" exhibition.

6.1. Goals and fields of action of social engagement

DekaBank's social engagement focuses on supporting the socially significant work of universities, museums, social organisations and other institutions. The central aim is to enable all groups in society to participate in the wide range of programmes on offer. The promotion of cultural education is of particular importance here, as it promotes social integration as well as intercultural understanding and thus an open-minded view of the world. A cosmopolitan mindset can contribute to a diverse and dynamic environment, in which innovative processes are stimulated and new ideas are generated.

DekaBank's partnerships are designed to be long-term and are characterised by intensive cooperation and an exchange based on trust. DekaBank focuses on the following areas:

- In the **area of education and science**, DekaBank aims to link science and practice by supporting academic institutions and endowed chairs, thereby facilitating a productive exchange of knowledge. One example of this is IQAM Research, DekaBank's institute for capital market research, which improves the exchange between practice and academic research, promotes quantitative research and networks experts. These collaborations enable DekaBank to set practical research priorities and thus provide impetus for the further anchoring of relevant, particularly sustainability-related topics in the financial market. In addition, DekaBank can present itself as an attractive employer through contact with academics and students and attract qualified junior staff.
- In **the areas of art, music and architecture**, DekaBank promotes a diverse range of offerings, enabling visitors to exhibitions and concerts at various levels to actively engage with very different cultural developments that shape the society. An example of this is the more than 20-year partnership with the MUSEUM MMK FÜR MODERNE KUNST Frankfurt am Main, whose aim is to promote the presentation

and communication of contemporary art so that it can fulfil its important educational mission. The programme is also explicitly aimed at employees of the Deka Group, who are often given special opportunities to take part in cultural activities. With the International Highrise Award (Internationaler Hochhauspreis, IHP), DekaBank provides impetus for sustainable building in the future.

- In the **social sector**, DekaBank's support enables its cooperation partners to offer their services to economically and socially disadvantaged population groups, particularly children and young people, on a permanent basis, thereby improving their living and educational opportunities and enabling them to participate in society. DekaBank is currently focusing its commitment in this area on supporting the Freundeskreis der Arche Frankfurt am Main e. V. The aim of the partnership is to promote the development and educational opportunities of affected children and young people and their families, thereby opening up prospects for their future. Social projects are also a focus of the two campaigns "Deka - Engagiert vor Ort!" (Deka – Making a local commitment) and "Restcent". They involve the Deka Group's employees extensively or are even largely supported by their commitment. With "Deka - Engagiert vor Ort!", DekaBank promotes the social engagement of its employees, as it often supports organisations, in which the employees themselves are involved. DekaBank's appreciation of its employees' voluntary work, which is expressed through this support, also increases employee loyalty and motivation.
- **Sport** also stands for broad social integration and participation. The Sparkassen-Finanzgruppe, with the involvement of DekaBank, therefore not only promotes top-level sport in the German Olympic Sports Association and the German Disabled Sports Association, but also supports grassroots and junior sport as the national sponsor of the German Sports Badge and as the main sponsor of the elite schools of sport.

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DekaBank identifies with sporting values and the Olympic and Paralympic ideals. DekaBank's support for a charity golf tournament series in aid of the German Cancer Aid Foundation (Deutsche Krebshilfe, DKH) shows how sport can be combined with social engagement.

- The social engagement is complemented by the Deka **art collection** and the **Historical Archive**, which provides information on the history of DekaBank and its predecessor institutions and places it in the overall historical and social context. The "Dekarium", an interactive exhibition in the Trianon, brings this knowledge to life for members of the Sparkassen-Finanzgruppe and employees of the Deka Group.

6.2. Focal points of the year under review

Education & Science

As part of its promotion of the securities culture, DekaBank has been supporting the savings banks' Stock Market Learning game (Planspiel Börse) since 2014. Simulated securities trading offers school pupils, students and trainees the opportunity to deepen their basic economic knowledge as well as their financial and capital market expertise in a fun way, enabling them to develop options for action even in difficult financial market situations. A special "sustainability" category encourages forward-looking and responsible behaviour.

The Stock Market Learning game celebrated a special anniversary in 2023. In addition to what is now the 40th annual national game round, the European Stock Market Learning game was also able to realise its 25th game round. To mark the double anniversary, a European award ceremony was held in Berlin, at which the close links between the European financial markets were emphasised and it was made clear that the promotion of securities skills is a pan-European issue.

Art

DekaBank has been involved with other institutions of the Sparkassen-Finanzgruppe for 18 years, and since 2011 has been the main partner of the Dresden State Art Collections, one of the most famous and important museums in Europe. DekaBank is particularly keen to strengthen the global and cultural-historical significance of the art collections as an outstanding museum centre and to help ensure that as many people as possible can participate in the opportunities that art and culture offer them. In 2023, DekaBank extended the partnership until 2025 in order to guarantee further planning security for this important German cultural institution.

In the year under review, DekaBank sponsored, among other things, the exhibition by the Turkish Nobel Prize winner

"Orhan Pamuk. Der Trost der Dinge" (Orhan Pamuk. The Consolation of Things). Orhan Pamuk, known as an author and poet, presents another side of his artistic creativity in the Old Masters Picture Gallery. In his famous novel "Museum der Unschuld" (Museum of Innocence), he explored the question of how objects can provide comfort. The exhibition marks the beginning of a multi-year series of programmes at the picture gallery, which aims to deepen knowledge of Turkish art and culture past and present.

Music

The Schleswig-Holstein Music Festival is one of the largest and most renowned music festivals in Europe. DekaBank has sponsored the festival together with other institutions of the Sparkassen-Finanzgruppe since 2020 and extended its commitment for a further three years in the year under review. Another decisive factor was that the festival's basic idea of bringing culture to rural regions is very well received, as evidenced by the approximately 190,000 visitors each year.

With the annual presentation of the Leonard Bernstein Award for outstanding young musicians and the "Meisterschüler – Meister" concert series, the Sparkassen-Finanzgruppe, with the participation of DekaBank, specifically promotes young musical talent. This commitment to outstanding young musicians complements the partnership with the German National Youth Orchestra, which has been in place since 2018. As part of the Rheingau Music Festival, DekaBank supports the Zukunft Klassik e. V. association, which supports and financially secures performance opportunities for young musicians.

Social & Sports

The coronavirus pandemic and the manifold effects of the Russian war of aggression in Ukraine have already had a massive impact on the work of "Arche – Kinderstiftung Christliches Kinder- und Jugendwerk e. V." in recent years. To cushion the impact of the significant price increases on needy children, young people and their families, DekaBank once again made a donation of 250,000 euros in 2023 in addition to its ongoing financial support. This made it possible to distribute a total of around 20,000 food parcels to the 29 Arche facilities across Germany.

By sponsoring the German Cancer Aid Foundation, DekaBank combines sports with social engagement. Since 2006, it has supported the charity golf tournament series, which has been organised since 1981 in aid of German Cancer Aid and German Children's Cancer Aid, and provides an annual donation of 10,000 euros in addition to all the winning prizes. Over the past 42 years, golfers throughout Germany have raised the impressive sum of around 9.1 million euros in the tournament series.

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FIELDS OF ACTION AND PARTNERS IN SOCIAL ENGAGEMENT (TABLE 24)

Fields of action	Partnership of DekaBank or Partnership together with institutions of the Sparkassen-Finanzgruppe (SFG)	Start of Support
Education and science		
School of Finance and Management	DekaBank	2020
IQAM Research: private institute for quantitative capital market research	DekaBank	2013 (foundation)
Business game stock exchange	SFG	2014
Art		
MUSEUM MMK FOR MODERN ART Frankfurt am Main	DekaBank	2002
Dresden State Art Collections	SFG	2006
documenta	SFG	2002
Music		
Federal Youth Orchestra	DekaBank	2018
Schleswig-Holstein Music Festival	SFG	2020
Architecture		
International Highrise Award (IHP)	DekaBank	2004 (foundation)
Social affairs and sport		
Freundeskreis der Arche Frankfurt am Main e. V.	DekaBank	2008
German Cancer Aid and German Children's Cancer Aid e. V.	DekaBank	2001
German Olympic Sports Confederation and German Disabled Sports Association	SFG	2008/2013
Deka – Engagiert vor Ort! employee action (foundation 2007)		
Restcent, employee action (foundation 2016)		
Deka Art Collection (development since 2003)		
Historical Archive and Dekarium (development of the archive since 2003; opening of the Dekarium in 2018)		

6.3. Donations

6.3.1. Donations by the Deka Group

In the year under review, the Deka Group donated a total of 721,271.34 euros (2022: 1,148,210.00 euros). (CF. **TABLE 25**) The highest single donation was made to the "Arche – Kinderstiftung Christliches Kinder- und Jugendwerk e. V." children's foundation.

The Deka Group generally makes donations to charitable organisations that are entitled to issue tax-deductible donation receipts. Many of the long-standing partners listed in **TABLE 24** receive the funding amount as a donation. Donations to political parties, political foundations, employers' associations or trade unions are generally excluded. Requests for donations to the Deka Group are processed by the Sustainability Management department and recorded in DekaBank's central register of donations. The Finance, Compliance and Tax departments can inspect the register of donations at any time. The allocation of donations by the Deka Group is governed by the "Donation Management" instruction. The aim of the instruction, which was last revised in 2021, is to ensure transparent and secure rules for the allocation of donations.

S – SOCIAL

KEY FIGURES OF SOCIAL ENGAGEMENT 2023 (TABLE 25)



245,614 Euro

Deka funds for **education and science** in 2023



379,047 Euro

Deka funds for **culture** in 2023



383,506 Euro

Deka funds for **social engagement** in 2023



265,025 Euro

Deka funds for **sports** in 2023

Total commitment (Euros)	2019	2020	2021	2022	2023
Social engagement and sports	408,600.00	373,097.95	1,470,580.15	1,113,702.00	648,531.94
of which social	–	–	1,231,146.88	882,500.00	383,506.60
Education and science	441,285.85	366,684.00	154,633.25	153,364.00	245,614.74
Culture	478,850.00	473,072.00	423,783.59	560,380.00	379,047.24
Environment	–	–	32,464.00	154,535.00	36,400.00
Miscellaneous	10.802,00	70.350,00	2.750,00	–	–
Total	1,339,537.85	1,283,203.95	2,084,210.99	1,981,981.00	1,309,593.92
Structure of funding (Euros)					
Donations	815,005,84	719,310.00	1,538,532.88	1,148,210.00	721,271.34
Sponsoring	524,532,01	563,893.95	545,678.11	833,771.00	588,322.58

6.3.2. Deka employees get involved

In the course of the **"Deka – Engagiert vor Ort! 2023" campaign**, further donations were made in the year under review. 25 institutions that are particularly close to the hearts of the employees or in which they themselves are involved received a donation of 1,000 euros each. Another 5 x 1,000 euros were made available specifically for projects and initiatives relating to "Environment & Nature Conservation".

The **"Restcent" campaign** was continued in the year under review. Since 2015, employees of the Deka Group have been able to donate the cent amount of their monthly salary to social institutions. DekaBank ensures the organisational implementation of the donation. At the end of the year, the total amount is donated to a charitable organisation chosen by the employees each year. In the year under review, the choice fell on MainLichtblick e. V., which fulfils the wishes of sick and disabled children. 1,381 employees took part in the year under review and raised a total of 10,500.35 euros. As this campaign is a private commitment by employees, this amount is not included in the Deka Group's total donations.

Employees also made donations in the year under review: for example, a charity run was organised to mark the 50th anniversary of Deka Sport e. V. in aid of Freundeskreis der Arche Frankfurt am Main e. V. charity. At the Deka Group's summer party, the Compliance division also organised a raffle in aid of the association Hilfe für krebskranke Kinder Frankfurt e. V. and collected donations totalling 3,143.40 euros.

G – Governance





G – Governance

7. Sustainable corporate governance

While the reduction of bureaucracy is the subject of intense debate in Germany, numerous new regulatory requirements were initiated and implemented in the area of sustainable corporate governance in the year under review. These include, for example, the entry into force of the Act on Corporate Due Diligence in Supply Chains at the beginning of the year under review, the implementation of the requirements for the publication of PAI statements in the context of the Disclosure Regulation and the Whistleblower Protection Act. As sensible as each of the above-mentioned requirements is in individual cases, as a whole they put a strain on the capacities available for monitoring and implementing the requirements. The Deka Group once again succeeded in doing so in the year under review thanks to its professional and efficient governance structures and processes.

7.1. Regulations and standards

7.1.1. Code of Ethics

The Deka Group's Code of Ethics serves as a binding framework for the ethically and morally correct conduct and actions of employees, managers, members of the Board of Management and third parties acting on behalf of the Deka Group. The current version of the Code is available on the Deka Group website. (CF. www.deka.de/deka-group/who-we-are/our-culture-and-standards-/code-of-ethics-)

The preamble to the Code of Ethics stipulates that a joint review between the manager and the employees be carried out within the framework of the appraisal interview to determine whether their conduct is in line with the Code of Ethics. For this purpose, the module "Assessment of good conduct according to the Code of Ethics" was integrated into the annual performance evaluation, which in turn flows into the calculation of the variable remuneration. Particularly serious violations of the Code of Ethics can lead to measures under labour law, civil and criminal proceedings and even termination of the contractual relationship.

In its annual review of the Code of Ethics in the year under review, the Deka Group specified the protection of whistleblowing employees, who report violations of the ethical guidelines. It thus implements the requirements of the Whistleblower Protection Act (Hinweisgeberschutzgesetz, HinSchG), which came into force at the beginning of July 2023. The updated version of the Code of Ethics emphasises that Deka Group employees do not have to fear any disadvantages in their professional activities, but can "trust that their reports will be investigated professionally and responded to appropriately".

A new addition to the Code of Ethics in this context is BaFin's whistleblower office, which can be contacted by employees

who do not wish to report suspected criminal offences to their manager, the Compliance division or the Deka Group's ombudsman.

7.1.2. External regulations and standards

In addition to internal conduct guidelines, recognition of national and international standards also underlines the Deka Group's commitment to sustainable development. This includes signing the UN Global Compact and the associated commitment to implementing ten principles of responsible corporate governance. They relate to the topic areas of human and labour rights, environmental protection and anti-corruption and thus to the aspects that are also defined as relevant in the CSR-RUG.

DekaBank has also committed to complying with the Equator Principles (EP), which focus on taking social and environmental standards into account in international project financing. In 2023, DekaBank supported a total of six (2022: 4) financings under the EP requirements. Four projects were assigned to category B (limited social and environmental impact) and two to category C (projects with minimal or no adverse environmental and social risks and/or impacts) (2022: 4 category B). DekaBank reports annually on the implementation of the principles in the relevant financings in accordance with the EP provisions. This report is published on the EP website. Further information on the consideration of sustainability criteria in the lending business is provided in **CHAPTER 4.2**.

The signatories to the PRI undertake to comply with a total of six principles for responsible investment. These include the inclusion of ESG issues in the analysis and decision-making processes in the investment area, the consideration of ESG criteria within the framework of active ownership, and regular reporting on the measures taken to implement the principles within

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the framework of the Transparency Report, which is available on the PRI website.

Starting with the reporting for 2020, signatories to the PRI, such as Deka Investment GmbH, are required to report on climate-related indicators as part of their Transparency Report. The TCFD recommendations form the basis for this reporting. (CF. **CHAPTER 8.**) DekaBank, which joined the PRI in 2020, prepared a mandatory Transparency Report for the first time in 2023 for the 2022 year under review. In principle, this would have been mandatory in 2022 – for the 2021 year under review. After the PRI comprehensively updated the reporting framework and there were therefore delays in processing the reports submitted by the signatories, the PRI postponed the start of the reporting period to 2023.

7.2. Compliance and taxes

7.2.1. Compliance

Compliance plays a key role in ensuring that the Deka Group acts in accordance with the applicable statutory and regulatory provisions. The Compliance corporate centre combines the areas of capital market and property compliance, the financial crime unit and corporate compliance. The Central Financial Crime Unit bundles the fight against money laundering, the prevention of terrorist financing, measures to prevent criminal offences and the implementation of financial sanctions and embargoes.

The Compliance corporate centre develops group-wide standards and guidelines for the Deka Group in the areas, for which it is responsible on the basis of applicable statutory and regulatory requirements. It also supports DekaBank's organisational units and the subsidiaries concerned with appropriate training and advice on the implementation, enforcement and further development of regulatory provisions. In addition, the division is involved in projects and processes - in particular in new product/market processes, product approval processes, significant changes to the operational and organisational structure and outsourcing - and works to ensure that the Deka Group complies with regulatory requirements and identifies any conflicts of interest at an early stage, avoids or manages them where possible or discloses them as a last resort.

To comply with the applicable legal and regulatory requirements, procedures and controls are implemented in the specialised units and in the Compliance Unit itself. They serve to identify and manage compliance risks and to prevent and detect irregularities. In order to identify potential compliance risks and work towards reducing them with suitable measures, the unit carries out monitoring and control tasks as a second line of defence in the so-called "3 Lines of Defence" (3LoD) model. These are an integral part of the Deka Group's compliance management system.

When identifying and assessing compliance risks, the Compliance corporate centre also takes into account risks resulting from sustainability aspects. The Deka Group defines ESG risks as part of its risk universe, which, due to their respective impact, are always viewed in the context of the other risk types and do not constitute separate risk types. Insofar as ESG risks must be taken into account in the Deka Group's products and services due to legal or regulatory requirements, they are also taken into account and reviewed in compliance monitoring activities, controls, advice, assessments and training. In this way, the Compliance corporate centre also implements the regulatory tasks specified for a compliance function in terms of sustainability requirements.

Based on the requirements of the ECB guidelines on Climate-related and Environmental Risks with regard to the expectations of the compliance function, a package of measures has been defined and is being implemented to take into account potential compliance risks from climate-related and environmental risks in all relevant compliance processes. (CF. **CHAPTER 7.3.** and **CHAPTER 8.3.**)

In the year under review, the flexible use of different work locations became more established under the heading of "New Work". Employees split their working hours between the office and their home workplace. The functionality and thus the work results of the Compliance corporate centre are not impaired by the hybrid working model. On-site audits were carried out on site and in some cases using existing technical alternatives.

DekaBank's Digital Asset Strategy fits in with its general digitalisation plans. In a multi-stage process, DekaBank is initially planning to offer custody of crypto assets. In a first step, the offer is aimed specifically at institutional customer groups of DekaBank that already have an active customer relationship and want to expand their investment spectrum to include crypto assets. In 2023, the Compliance corporate centre continued to support the Deka Group's activities relating to digital assets by advising the Bank on the application process for authorisation from the competent supervisory authority for crypto custody and on the further development of the crypto securities register in line with compliance requirements.

There were no significant violations of environmental compliance or socioeconomic compliance laws and regulations in the reporting period. There were no cases, for which fines or non-monetary sanctions were imposed. As in previous years, there were also no fines for non-compliance with legal and administrative regulations in the year under review.

Consulting and training

In order to inform employees about the relevant regulations and processes for complying with legal and regulatory require-

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ments, the experts in the Compliance unit conduct regular or organise mandatory training sessions throughout the Deka Group on the topics, for which they are responsible. The training concept is generally based on a combination of classroom training with web-based training, online training, special training and training letters. Ad-hoc training courses on selected topics are also offered as needed. In the year under review, training was provided in all of the above-mentioned formats.

As in previous years, all new employees took part in initial training course on compliance in the year under review. In addition, all employees are required to complete web-based training courses on the topics of prevention of money laundering and terrorist financing, fraud prevention, financial sanctions/embargoes, capital market compliance and risk culture when they join the company and at prescribed intervals. A total of 59 training courses on compliance topics were held in the year under review (2022: 50).

Combating fraud, corruption and bribery

DekaBank has standardised the key elements and principles, including the associated processes and measures, for an effective fraud prevention system to prevent criminal acts that could endanger the assets of the institution or the individual companies in the "Deka Group Fraud Prevention System".

In addition, in connection with the fight against corruption, the framework conditions, under which gifts and invitations as well as the granting of any other benefits from and to third parties may be accepted or extended, have been defined for the Deka Group. The approval process is binding for all employees, including the Board of Management.

In principle, employees may not request, accept or grant gifts or invitations in connection with their work, either for themselves or for third parties, if this could jeopardise the interests of the Deka Group or its customers. Provided it complies with the applicable laws and standards, the granting of gifts and invitations is, to a certain extent, compatible with standard market practice. However, as the professional independence of all parties involved may be called into question, employees are required to avoid even the mere appearance of conflicts of interest.

The experts in the Compliance unit are available to all employees as contact persons for questions on integrity issues. Their contact details are communicated to employees when they join the company as part of the induction training for new employees and are available on the Intranet at all times.

For the Deka Group, the risk of corruption is regularly surveyed and assessed as part of the Fraud Prevention Forum. The current overall assessment showed a medium risk in net terms, i.e. after applying the security measures, a compara-

tively low residual risk remains compared to the gross assessment. As in previous periods, there was no information in the most recent analysis period that employees were under investigation by the criminal prosecution authorities for corruption offences.

As part of the analysis of criminal offences, special cases such as greenwashing, unauthorised tax structuring models and the use of private means of communication for business communication were also taken into account in the current assessment. Although the issue of greenwashing has led to an increase in the offence category affected, the overall risk has remained at medium risk, as in previous years.

Prevention of money laundering and terrorist financing and compliance with sanctions and embargoes

Through the "Group-wide minimum standards for the prevention of money laundering and terrorist financing", DekaBank, as the parent company, defines the obligations to be complied with within the meaning of the German Money Laundering Act (Geldwäschegesetz, GwG) and the German Banking Act (Kreditwesengesetz, KWG) on the basis of the annual risk analysis. This ensures transparency regarding customers and the underlying shareholder structure in Germany as well as in the subsidiaries. The Deka Group's overall risk with regard to money laundering and terrorist financing was categorised as low based on the annual risk analysis.

Furthermore, DekaBank, as the parent company, defines requirements for compliance with applicable sanctions and embargoes and for the implementation of sanctions-related measures through the "Group-wide minimum standards on financial sanctions". Particularly against the backdrop of the continuing dynamic, complex and uncertain development of the sanctions environment in 2023 due to the war in Ukraine and the associated tense geopolitical situation, identifying risks, complying with sanctions and maintaining sanctions compliance is essential for the Deka Group. In order to identify and control risks related to sanctions and embargoes, transactions and customer/business partner portfolios are checked against applicable sanctions lists, among other things. In addition, a technical solution has been implemented for sanctions checks on trading in financial instruments.

Whistleblower system

The Deka Group's compliance system includes a whistleblower system. This ensures that information from employees and also from external persons about potential and actual breaches of legal regulations and requirements, in particular the Money Laundering Act, as well as illegal or dishonest actions, can be reported in confidence to DekaBank's external ombudsman. The ombudsman examines the facts of the case and forwards the relevant information to DekaBank while maintaining confidentiality. As a lawyer, he is subject to the

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lawyer's duty of confidentiality. The whistleblower system thus ensures the anonymity and protection of whistleblowers.

In the year under review, the whistleblower system was supplemented with legal requirements concerning § 8 of the Act on Corporate Due Diligence in Supply Chains. Due to the Whistleblower Protection Act (Hinweisgeberschutzgesetz, HinSchG), which came into force in July of the year under review, a number of additions were made to the legal requirements in training documents and on the Deka Group's Internet and Intranet sites. (CF. **CHAPTER 3.1.2.**) In 2023, five reports were received via the ombudsman (2022: 2).

Conflicts of interest

The Board of Management is responsible for establishing, approving and monitoring the implementation and maintenance of effective policies to identify, assess, manage and mitigate actual and potential conflicts of interest and has tasked the Compliance unit with managing conflicts of interest.

The Deka Group has implemented principles for dealing with conflicts of interest that apply to all employees and all relevant Group companies. According to the principles, all appropriate precautions must be taken to identify and avoid or manage conflicts of interest. If conflicts of interest cannot be avoided or sufficiently managed, they must be disclosed as a last resort.

The Deka Group's principles for dealing with conflicts of interest state,

- under which circumstances a conflict of interest that could significantly harm the interests of one or more customers exists or could arise;
- which procedures to initiate and which measures to take to prevent or manage these conflicts.

If employees of the Deka Group have indications that conflicts of interest actually or potentially exist, these must be reported immediately to the Compliance corporate centre in order to check whether there is a conflict of interest. In addition, the Compliance unit, with the involvement of the relevant specialist unit, assesses whether the measures already taken or planned for prevention, resolution or monitoring the conflict of interest are sufficient, whether the management or other internal units should be informed and whether the conflict of interest must be disclosed.

Conflict of interest management is the subject of regular compliance reports. The reports contain information on the activities, in which a conflict of interest has arisen or may arise in the course of ongoing activities and on the measures taken to manage, avoid or mitigate the conflict of interest. If necessary, an ad-hoc report may be made. The conflict of interest management described above also includes conflicts of interest in relation to

- Membership of another body,
- Cross-shareholdings with suppliers and other stakeholders and
- Related parties, their relationships, transactions and outstanding balances.

7.2.2. Taxes

General principles

Taxes are a state's most important source of revenue for the fulfilment of its sovereign tasks, especially the comprehensive provision of services of general interest for its citizens. Taxes therefore also serve to fulfil the tasks associated with the sustainable development of states as defined in the United Nations Sustainable Development Goals (SDGs). For the Deka Group, the SDGs are an important reference for the orientation of its sustainability-related goals and measures.

As part of the Sparkassen-Finanzgruppe with its public-law sponsorship, the Deka Group takes full account of the applicable tax law requirements in all relevant business activities and in all its companies. Wherever it operates, the Deka Group complies with the applicable tax laws and regulations in relation to its own tax liabilities and all banking services and products offered.

The Deka Group clearly rejects offensive tax avoidance strategies and the commercial exploitation of its own tax position. Artificial, abusive tax structuring without non-tax substance and without a business basis is not carried out by foreign subsidiaries, branches and representative offices either in Germany or abroad.

The aforementioned principles correspond to the Deka Group's Tax Compliance Culture as part of its Tax Compliance Management System (Tax CMS). In 2023, the Tax CMS was certified for appropriateness and effectiveness by an external auditor in accordance with the principles of proper auditing of Compliance Management Systems of the Institute of Public Auditors in Germany (IDW PS 980).

Group transfer prices

The Deka Group consists of DekaBank Deutsche Girozentrale (DekaBank) and its domestic and foreign subsidiaries. It also maintains branches and representative offices abroad. The Deka Group is committed to the basic principle that a company's profits should be taxed where the value is created. Business relationships with local foreign units are organised in accordance with the Arm's Length Principle and the rules of international tax law and local tax laws.

Services within the Deka Group are charged in accordance with the cost-plus method. In justified exceptional cases, the cost-plus method is deviated from in favour of the profit split method. The internationally applicable transfer pricing rules

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are taken into account in all decisions in order to determine appropriate transfer prices that are accepted by all tax authorities involved. In Germany, transfer prices are reviewed annually by the Federal Central Tax Office as part of the timely tax audit.

Low-tax countries and preferential tax regimes

Locations that favour business relocations for tax purposes are avoided. No income is generated from low-tax countries or preferential tax regimes within the meaning of the Foreign Tax Act. These guiding principles are implemented through numerous written regulations and procedures for the fulfilment of tax obligations with clear allocations of responsibilities and with specific instructions and guidelines for employees. Accordingly, the following procedures, among others, are not permitted:

- Support for transactions that create the appearance of tax evasion
- Assessment of remuneration based on tax savings of customers or business partners
- Participation in transactions with the purpose of anonymous participation in offshore companies in violation of notification obligations
- Collaboration with a customer or business partner to abuse foreign legal systems
- Dividend arbitrage transactions in any form

On the basis of these guidelines, the Deka Group does not act or advise with the aim of creating international structures to avoid taxes. It does not participate in transactions with international structures if it is obvious that they are aimed at avoiding taxes. The Deka Group observes both (supreme court) financial case law and (financial) administrative opinion in the form of guidelines, decrees, rulings and letters and takes a risk-averse interpretation of the law in cases of doubt. It communicates actively, transparently and constructively with the relevant tax authorities on an ad hoc basis.

DekaBank also liaises directly with the tax authorities, the Hessian Ministry of Finance (HMdF) and the Federal Ministry of Finance (BMF) on tax issues. Indirectly, DekaBank can express its position on certain tax issues via the associations, e.g. the German Savings Banks Association (Deutscher Sparkassen- und Giroverband, DSGV), German Investment Funds Association (Bundesverband Investment und Asset Management, BVI), Association of German Public Banks (Bundesverband Öffentlicher Banken Deutschlands, VÖB) and the Structured Securities Association (Bundesverband für strukturierte Wertpapiere, BSW). DekaBank can also exchange views on tax issues through its own statements, contributions and participation in the associations' working groups, particularly if DekaBank and/or its stakeholders could be affected by changes to tax legislation or its interpretation.

7.3. Risk management

7.3.1. Definition and delimitation of ESG risks

The Deka Group defines ESG risk as the risk that business activities with links to the areas of climate and environment, social affairs or corporate governance may lead to developments or events that result in a deterioration in capital resources or liquidity, either directly through the Deka Group's own business operations or indirectly through customers and business partners. ESG risks are drivers of the main types of risk that require special attention due to their significance. They are always viewed in the context of the relevant risk types and are not considered in isolation.

Even against the background of the ECB Guidelines on climate-related and environmental risks, these are currently of particular importance to the Deka Group as part of the ESG risk in the context of risk management. The Deka Group distinguishes in particular between physical, transitory and other climate-related and environmental risks. Physical climate-related and environmental risks primarily comprise the effects of individual extreme weather events and their consequences (acute) and long-term changes in climatic and environmental conditions (chronic), but also non-climate-related events such as earthquakes and volcanic eruptions. Transitory climate-related and environmental risks relate to effects that may arise directly or indirectly as a result of the adaptation process towards a lower-emission and more ecologically sustainable economy. Other climate-related and environmental risks include effects due to climate-related and environmental events and developments that are not attributable to physical or transitory climate-related and environmental risks. These include, for example, the loss of biodiversity or the spread of tropical diseases.

7.3.2. Key points of climate-related and environmental risk management

To ensure a targeted and consistent approach to climate-related and environmental risks, a catalogue (fact cards) of drivers of climate-related and environmental risks was developed, in which the specific events and impact chains for all participants in the economic cycle are described. The fact cards form the basis for further instruments and procedures for identifying and managing climate-related and environmental risks.

The specific impact of the risks on the Deka Group depends in particular on the current portfolio, the macroeconomic environment and the specific climate-related and environmental risks. Various interrelated approaches are used to regularly and systematically identify and assess the impact of ESG risks on the Deka Group's business activities and risk profile. These include, in particular, the business environment analysis and

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the significance analysis. (CF. **CHAPTER 8.2.1.** and **CHAPTER 8.3.1.**)

Climate and environmental scenarios are developed as part of the internal stress testing programme in order to assess the short to long-term effects of climate-related and environmental risks on the risk profile and earnings position. The scenarios used in 2023 include both physical risks in the form of a drought and transitory risks in the sense of a delayed transition. The scenarios used in stress testing were also developed taking into account the scenarios published by the Network for Greening the Financial System (NGFS). (CF. **CHAPTER 8.2.3.**)

The Deka Group utilises the findings from the application of the aforementioned instruments both in the strategic orientation of the various business divisions, for example in the development of business strategy and capital planning, and in the targeted management of potential ESG risks in relevant business and decision-making processes. This is ensured both by regular reporting of climate-related and environmental risks and by risk type-specific qualitative guidelines on risk tolerance.

DekaBank uses various targeted procedures to actively manage climate-related and environmental risks in the context of individual business transactions. In addition to the ESG Scorecard (CF. **CHAPTER 4.2.**), this also includes proactive reputational risk management in relevant business processes. (CF. **CHAPTER 7.3.3.**) Furthermore, climate-related and environmental risks are limited by qualitative guidelines, including the negative list, minimum standards for financing and the sustainability filter for proprietary investments. In addition, specific indicators – Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs) – are used for targeted management and active monitoring of certain climate-related and environmental risk aspects and risks. (CF. **CHAPTER 8.4.**)

In order to further develop the management of climate-related and environmental risks, the business environment and significance analyses are continuously refined, Deka's own long-term scenario is developed and internal and external reporting is refined.

Detailed information on the processes and instruments used in the analysis, assessment and management of climate-related and environmental risks can be found in **CHAPTER 8.**

7.3.3. Dealing with sustainability-related reputational risks

The interdependencies between ESG and reputational risks are taken into account by means of holistic reputational risk management. In order to effectively and consistently counter reputational risks, the Deka Group has established a uniform group-wide methodology and governance for managing reputational risks in connection with its business activities. In this context, ESG-driven reputational risks are taken into account as part of the risk inventory and business processes.

In portfolio-related reputational risk management, ESG-driven reputational risks are explicitly reflected in the fundamental risk scenarios and become the subject of strategic corporate management by way of risk quantification. In addition to the portfolio-oriented approach, the Deka Group ensures proactive management of ESG-related reputational risks in particular. On the basis of the 3LoD model, the 1LoD identifies the reputational risk inherent in the activities, for which it is responsible - in the case of counterparty risks with the involvement of the 2LoD in the back office function - and makes an initial assessment. Above a defined risk level, a business activity may no longer be approved in the standard process. If the 1LoD continues to adhere to its plan, the 2LoD, in this case the reputation management function, must therefore conduct an independent second assessment of the business activity; if this confirms a significantly increased criticality from the group's point of view, the final approval authority lies with the Board of Management.

The Reputational Risk Management mandate for the independent second assessment is carried out under the joint responsibility of the Risk Control and Board Staff & Communications units in the Reputational Risk Task Force. Its mandate is to independently assess, as objectively as possible, the short to medium-term consequences of all relevant business activities for the Deka Group's reputation vis-à-vis its stakeholders. The Board of Management reserves the right to make decisions on activities that are deemed critical and the management of the subsidiaries reserves the right to make decisions.

The company's business and risk strategy form the assessment framework for these votes. In the course of 2024, they are to be supplemented by an explicit Reputational Risk Tolerance - analogous to the concept of Risk Appetite - as an operational management framework for the careful handling of particularly sensitive areas of the business activity from a reputational risk perspective. The aim of the measure is not only to ensure a uniform and more comprehensible external image for stakeholders, but also to have a strong impact on employees and thus promote a sustainable risk culture.

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7.4. Data protection and information security

7.4.1. Data protection

Basics and organisation

The Deka Group's Data Protection unit works to ensure compliance with the legal provisions and internal requirements for the protection of personal data, in particular the EU General Data Protection Regulation (GDPR) and the Federal Data Protection Act (BDSG).

The Data Protection Officer organisational unit (OU) of DekaBank has a primary advisory and monitoring function in accordance with its statutory duties. In addition, the Operational Data Protection organisational unit is responsible for implementing individual tasks relating to data protection requirements, maintaining the register of processing activities, handling data protection breaches, processing data subject enquiries including information obligations, training and providing support for data protection impact assessments.

The Data Protection Officer and his/her deputy have been appointed for DekaBank and its domestic subsidiaries – with the exception of the subsidiary S Broker AG & Co. KG, which has its own Data Protection Officer.

Data protection requirements are implemented as part of the processes and specifications of the Data Protection Management System (DSMS). The DSMS is based on the requirements of ISO 27701 "Security techniques – Extension to ISO/IEC 27001 and ISO/IEC 27002 for privacy information management – Requirements and guidelines" and the standard data protection model version 3.0. The standard data protection model describes a method for data protection consultation and auditing on the basis of standardised assurance objectives. The processes include, in particular, the protection of data subjects' rights, the fulfilment of information obligations towards customers and employees and the documentation of processing activities. In order to be able to react quickly to changes in the regulatory framework, we monitor legal developments, case law and publications by data protection supervisory authorities. Any necessary measures resulting from this are implemented within the framework of the processes and specifications of the DSMS.

Raising awareness and informing employees

Pursuant to Section 39 (1a and b) of the GDPR, data protection officers must familiarise all employees involved in the processing of personal data with the aim and content of the data protection regulations. In this context, the employees of the Deka Group are obligated in writing to maintain confidentiality in accordance with the GDPR.

Employees are also informed of their rights and obligations as data protection officers and of the risks for the company and for themselves associated with a breach of the applicable provisions. This also includes information about possible sanctions as a result of violations of data protection and data security measures.

In order to raise awareness of data protection and inform employees about new regulatory developments, all employees are regularly trained on how to deal with these risks and on the requirements of data protection. Data protection coordinators also provide support as an interface in the specialist departments in communicating and implementing data protection requirements. A training rate of 100 percent of employees was achieved over the course of the year.

In the year under review, all enquiries from data subjects were answered within the legally prescribed deadlines; there were no complaints on data protection issues.

Audits and reporting

The Data Protection Officer also monitors compliance with data protection requirements. The corresponding monitoring activities are carried out on the basis of a multi-year risk-oriented control plan. The results of the audits are made transparent to the departments; if necessary, remedial measures are agreed upon and their implementation is tracked. All monitoring activities planned for the 2023 year under review were implemented.

DekaBank's Board of Management and the management teams of the subsidiaries are regularly informed about the results of data protection audits and potential data protection risks. In addition, a regular meeting is held with the Chief Risk Officer to discuss current data protection issues.

7.4.2. Information security

Information security management in accordance with ISO 27001

DekaBank's Information Security Management System (ISMS) comprises guidelines, structures and processes as well as technical functions designed to ensure appropriate handling of information risks. DekaBank's aim is to protect the Bank, its customers and partners from information risks, while ensuring the protection of confidentiality, integrity and availability of business and customer information.

Information security is centrally managed by DekaBank's Information Security Officer, who has a direct reporting line to the Board of Management. Based on DekaBank's information security strategy, he/she sets appropriate security requirements to achieve the defined security level for the entire Deka Group, which also apply to DekaBank's relevant service providers. In designing the measures, the ISMS is guided by the

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requirements of ISO 27001, an internationally recognised standard for information security.

When defining information security methods and procedures, DekaBank maintains contacts with security organisations, government authorities and industry associations and coordinates with other banks from the Sparkassen-Finanzgruppe in order to identify and respond to risk-prone developments in the area of information security at an early stage. The exchange also helps to keep the approaches and methods for ensuring information security up to date.

DekaBank considers the management of security incidents and ensuring operational resilience to be integral components of its security and continuity strategy. The increasing challenges in the area of cyber security require a proactive approach. DekaBank utilises procedures for the early detection of and effective response to security incidents to ensure the protection of customer data and services. In addition, DekaBank strengthens its operational resilience through continuous risk assessment and comprehensive Business Continuity Management (BCM).

Internal and external monitoring actions

In order to identify and avoid cyber threats, DekaBank has established information security requirements at the levels of data, applications, systems and infrastructure and therefore for all areas of activity required under ISO 27001. Compliance with the requirements, both in the Deka Group companies and at the service providers, is regularly monitored in order to identify information risks at an early stage and deal with them appropriately. In addition, an external audit based on the ISO 27001 standard is carried out every two years to check the functionality and effectiveness of the ISMS.

In order to ensure adequate transparency on information risks, the Board of Management and the respective management of the subordinate companies are informed on a quarterly basis about existing information risks and their status in risk treatment as part of an established reporting system.

Training and awareness measures

All Deka Group employees are responsible for complying with information security policies and procedures. In order to raise awareness of information risks and to keep them informed of new developments, all employees receive regular training on how to deal with these risks and ensure information security.

Business Continuity Management

DekaBank operates an efficient Business Continuity Management (BCM) system that ensures the continuation of time-critical business processes in the event of an emergency. In addition to taking precautions against emergencies, the management of crisis situations is also taken into account. The focus here is on four possible failure scenarios:

- Infrastructure failure (e.g. buildings)
- IT system failure (e.g. applications and office communication)
- Staff shortage
- Service provider failure

These scenarios also include possible physical climate-related and environmental risks as part of ESG risks, for example an infrastructure failure due to extreme weather events. For the systematic identification of risks, all business processes are regularly reviewed within the framework of a Business Impact Analysis (BIA) with regard to the potential effects of the scenarios. If necessary, measures are taken and resources are made available to reduce the risk of failure and its possible consequences. For example, time-critical applications are hosted redundantly in the data centres. For all time-critical processes and resources, contingency and business continuity plans are prepared by the specialist departments and updated at least once a year. These contain both fallback procedures for the failure of a resource and the procedure for returning the affected process to normal operation.

All measures are regularly checked for their effectiveness and appropriateness and tested in practice. The tests cover all four failure scenarios so that, for example, the alternative locations and IT solutions provided for the building failure can be examined for their functionality. In addition to the internal tests, DekaBank's service providers are also checked to ensure that IT service providers, for example, can guarantee the contractually agreed availability times for the respective applications in emergency situations. In addition, annual risk-orientated BCM audits of the service providers are carried out to check whether they are able to provide their services on a permanent basis.

7.5. Complaint management

The Deka Group has implemented a management system for customer complaints that ensures an effective and transparent procedure for dealing with complaints. Among other things, it ensures that incoming customer complaints are immediately forwarded to the relevant specialist unit and processed there. This is also where tips and suggestions for improvement from the complaints can be recorded.

DEVELOPMENT OF THE NUMBER OF COMPLAINTS
(TABLE 26)

	31 Dec 2021	31 Dec 2022	31 Dec 2023
Number of complaints	5,487	4,448	2,709

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The European Commission has set up a European online dispute resolution platform that consumers can use to settle disputes arising from sales or service contracts concluded online out of court. Customers also have the option of submitting their complaints to the DSGV's consumer arbitration board and the ombudsman's office of the German Investment Funds Association (Bundesverband Investment und Asset Management, BVI) as well as to the German Federal Financial Supervisory Authority (BaFin), the Luxembourg supervisory authority Commission de Surveillance du Secteur Financier (CSSF) or the Joint Conciliation Board of the Austrian Banking Industry. In the year under review, the Deka Group received 74 complaints (2022: 115) via these channels; there were no main issues.

In 2023, there was one complaint relating to environmental issues submitted via formal procedures in accordance with the previous criteria used in the year under review. No complaints were submitted on the topic of corruption or the human rights impact of the Deka Group's activities.

In line with the ECB guidelines on climate-related and environmental risks, ESG factors are to be given even greater consideration in complaints management from 1 January 2024. To this end, processes have been established in collaboration with DekaBank's Risk Controlling department to present ESG-related complaints as an ESG complaints indicator for the first time, taking additional criteria into account.

7.6. Idea and innovation management

7.6.1. Idea management

DekaBank's idea management for the Deka Group runs via a web-based platform that employees of the Deka Group can use to submit their ideas for improving processes or for new products and services. The crowd-sourcing approach of this platform enables employees to actively participate in the further development and evaluation of the published ideas. Indications of potential problems and risks are also helpful for the relevant department, which decides whether an idea should be implemented. In addition to the Deka Group, 40 other savings banks and affiliated institutions are currently using the "S-Innovation" platform developed by DSGV, DekaBank and Sparkassen-Finanzportal for their ideas management.

In the year under review, employees submitted a total of 81 ideas (2022: 100). It should be noted that, for capacity reasons, there were no ideas competitions or campaigns in 2023 that regularly lead to a higher level of employee participation. Campaigns with a sustainability-related context are already planned for 2024. 13 percent of the ideas from the year under review dealt with ESG topics, putting this category at the fourth place overall among the ideas submitted. Examples include the ideas "Adaptation of published graphics for people

with red-green vision impairment" and "Mobile bicycle workshop". In the products category - at third place with 16 percent - there was a proposal for a fund with focusing on sustainable infrastructure measures. At the first place with 21 percent were proposals for the design of processes, and at the second place with a share of 18 percent were specific ideas for real estate management.

Seven ideas were awarded cash prizes totalling 2,000 euros, while nine other employees received non-cash prizes. At 157,200 euros, the savings and additional income from the proposals are roughly the same as in the previous year (2022: 145,200 euros). This was due to ideas submitted in the two previous years, whose annual savings are carried forward over three years in each case. These include, for example, proposals on fees for securities lending and switching providers for terminals for financial information and market data.

After a successful start in 2022, the second tree planting campaign took place on 14 October 2023 in the Schmittchen-Brombach district in the Taunus. This was triggered by the #GemeinsamNachhaltig (#SustainableTogether) ideas competition, which was held in autumn 2021. Deka Group employees and their families were invited to take part in the campaign. Around 70 people planted 500 trees under the guidance of the Forest Ranger. The municipality of Schmittchen was also delighted to receive a donation of 5,000 euros from DekaBank.

S Broker AG & Co KG also has an ideas management system. Employees can submit ideas via the Intranet, which are then reviewed and made available for all employees to vote on. The ideas with the best ratings are honoured with a cash bonus of 400 euros.

7.6.2. Innovation management

Strategic innovation management relies on the participation of as many employees as possible in the development of innovative solutions in order to consolidate the culture of innovation, promote the digital transformation throughout the Deka Group and strengthen its competitiveness. In an end-to-end innovation process, relevant trends are identified and recommendations for action are derived. Together with the specialist units, concrete approaches are generated and validated as part of innovation management.

The process is financed via the corresponding investment portfolio and managed by the Innovation Board, which decides on the basis of pitches whether to pursue the implementation of the ideas. Three innovation boards were held in the year under review, at which eight ideas were positively evaluated. Thematically, these ideas and solutions centred on topics such as Artificial Intelligence (AI), Blockchain & Distributed Ledger Technology (DLT) and end customer interfaces.

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Responsible for the implementation of new digital solutions are the Digital Multichannel Management department for the digitalisation of the technical interfaces to the customers, the IT department as well as the relevant specialist departments together with the respective department head for the digitalisation of processes.

7.7. ESG ratings

7.7.1. Significance of ESG ratings for the Deka Group

In the course of the upswing in sustainable capital investments, which is also due to regulatory requirements, ESG ratings issued by specialised rating agencies have become even more important. For the vast majority of institutional investors and providers of sustainable investment solutions, they provide the information on the sustainability quality of issuers - companies and states - that they need to implement their individual sustainability concepts. In the case of companies, the ESG ratings regularly include information on activities in business divisions perceived as controversial or possible violations of recognised standards, such as those defined in the principles of the UN Global Compact. In addition, the agencies comprehensively assess the quality of the issuers' sustainability management, whereby future-oriented aspects, such as the suitability of the issuers' climate strategy for achieving the Paris climate goals, play an increasingly important role in addition to the status quo.

Parallel to the increasing influence of ESG ratings on capital investments, the discussion about the quality and informative value of ESG ratings intensified in the year under review. The starting point here was the fact that the agencies sometimes arrive at different assessments of the quality of sustainability management and possible breaches of sustainability standards for the same issuers. It should be noted that there is currently no standard for assessing the sustainability performance of companies and that the agencies take different approaches to assessing companies.

EU regulation for ESG rating agencies

In view of the great importance of ESG data for the implementation of the regulatory requirement to take relevant criteria into account when making financing and investment decisions, the EU Commission took the first steps towards regulating the previously unregulated market for ESG ratings in the year under review. The EU Commission's proposals for increasing "the reliability and transparency of ESG ratings" include the following aspects:

- Authorisation and supervision of ESG rating providers by the European Securities and Markets Authority (ESMA)

- Comprehensive formal requirements for the processes for preparing ESG ratings, e.g. for quality assurance and the annual review of the methodology
- Prohibition of certain activities, e.g. advisory activities for investors or companies
- Comprehensive transparency obligations regarding the methodologies and models used and the underlying assumptions used by the agencies in their ESG rating activities

In particular, these requirements should make it easier for users of ESG ratings to understand why ESG rating agencies arrive at different ratings for individual issuers. The EU Commission's proposals do not yet include any specifications for the content of ESG ratings or the ESG criteria to be used.

As an issuer of public bonds, mortgage bonds, bearer bonds and certificates under the Green Bond Framework, it is also important for DekaBank to meet the requirements of the ESG rating agencies so that it can successfully place its bonds with the growing number of sustainability-oriented investors. The ESG ratings are therefore an important reference for the design of sustainability management and the specialised agencies are a central target group for sustainability reporting. At the same time, the criteria used by the agencies reflect the requirements of important stakeholder groups of the Deka Group, such as environmental associations, human rights organisations and trade unions. Finally, the Deka Group uses the ESG ratings as a basis for analyses of the strengths and weaknesses of its sustainability management, also in comparison with other banks. ESG issues relating to the ongoing development and implementation of the sustainability strategy are regularly reported in the ESG Circle and, where necessary, brought to the meeting of the DekaBank Board of Management for discussion and decision.

7.7.2. Current ESG ratings of the Deka Group

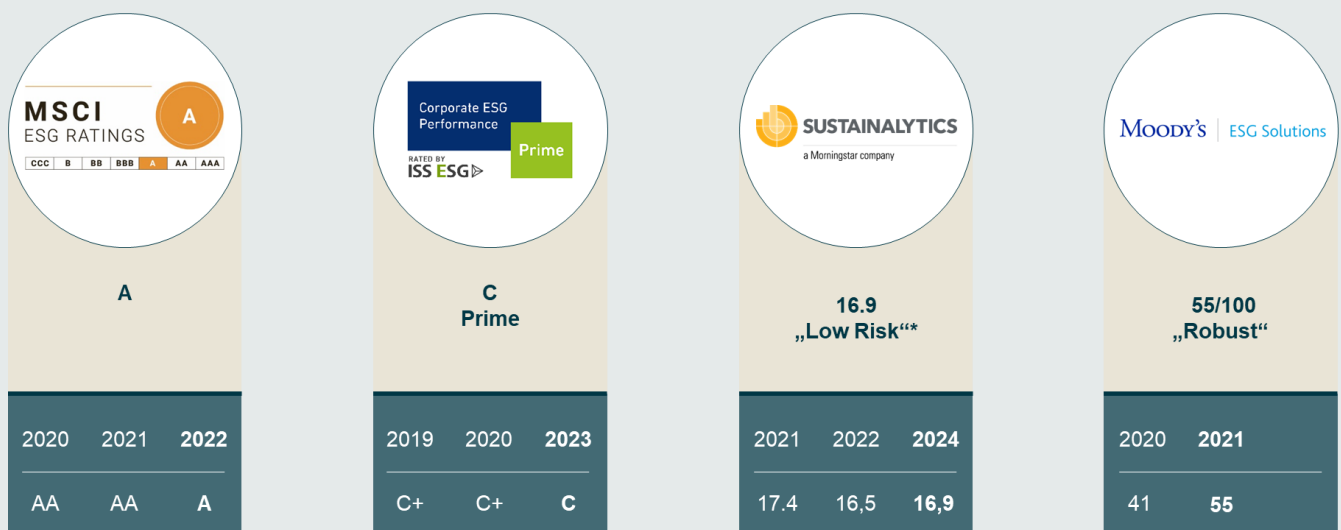
As ESG ratings are not generally updated annually, there has only been one change in the Deka Group's ratings by the four leading ESG rating agencies compared with the previous year. (CF. **FIGURE 7**) In the current rating, ISS ESG rated the Deka Group's sustainability-related performance as C on a scale ranging from A+ to D-, one level below the previous rating from 2020. The Deka Group has comprehensively analysed the reasons for the slight downgrade and has already implemented measures to remedy the deficits identified by ISS ESG. ISS ESG also gave a particularly positive assessment for the Deka Group's sustainability reporting in terms of the quality of the information and the coverage of the relevant sustainability topics.

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In the year under review, the rating was updated by Sustainalytics, an agency belonging to Morningstar. The Deka Group is rated with a value of 16.9 on the scale ranging from 40+ to 0 (best value) and achieves the classification "Low Risk". In the 2021 Moody's rating, the Deka Group achieved an overall score of 55 points on the scale from 0 to 100, giving it the "Robust" status. With this result, the Deka Group was ranked 13th out of 97 in the "Retail and Specialised Banks" peer group on the assessment date and was therefore only five percentage points below the highest rating category of "Advanced". The rating agency MSCI ESG continues to give the Deka Group the third-best A rating.

Overall, the Deka Group's ESG ratings confirm the high level of its sustainability-related measures

ESG RATINGS OF THE DEKA GROUP (FIGURE 7)



Status of ESG ratings according to the annual ESG rating reports: MSCI ESG: 10/06/2022; ISS ESG: 23/08/2023; Sustainalytics: 24/01/2024; Moody's ESG Solutions: 05-2021; * Copyright ©2024 Sustainalytics. Further information: www.deka.de/deka-group/our-responsibility/how-we-practice-sustainability/sustainability-reports-and-ratings

Climate protection in the struggle with interest and debt

Dr Ulrich Kater, Chief Economist at DekaBank

According to the latest United Nations assessment from November 2023, the Earth is on track to warm by 2.4° Celsius to 2.9° Celsius. This includes all previous international climate protection pledges. The United Nations also notes that greenhouse gas emissions reached a new all-time high in 2022. They are therefore making an urgent appeal to the global community to increase and accelerate climate protection efforts. This also applies to the financing of adaptation to the consequences of climate change. According to the United Nations, there is a huge funding gap. Estimates put the annual global capital requirement at between 215 billion US dollars and 387 billion US dollars by 2030, compared to a 15 percent reduction in funding from an already low level to just 21 billion US dollars in 2021. This challenging climate protection situation has been compounded by an additional complication.

Over the past two years, an unexpected area of tension has emerged between debt, financing costs and green transformation. The European Commission's Green Deal was launched in December 2019. The overarching goal is to make a European contribution to limiting global warming to well below 2° Celsius by the end of the century. At that time, the European capital market was still characterised by "zero interest rates" and in some cases even negative yields on government bonds. There was no end in sight to the low financing costs. However, this changed with the inflation trend. In the summer of 2022, when the inflation rate was just under 9 percent, the ECB ended the period of negative deposit rates and raised them to 0 percent. The ECB deposit rate has now reached 4 percent. Financing costs have risen worldwide due to the measures taken by central banks to combat inflation. In the USA, yields on ten-year government bonds have since risen to more than 5 percent. This was the case for the last time in 2007.

It remains uncertain whether the measures taken so far will be sufficient in their dampening effects on demand and inflationary psychology to actually reach the target of 2 percent. The macroeconomic machine cannot be controlled so delicately with the universal key of the base rate. Whether companies will actually allow profit margins to fall temporarily in order to compensate for rising wages and not pass them on any further, and whether wage increases will then slow down again, will be at the centre of macroeconomic interest in the coming year. Uncertainty as to whether inflation will reach the 2 percent target at the latest by 2025 is therefore likely to remain high for the time being. DekaBank does not expect key interest rates to change in the period up to around mid-2024, as the hurdles for decisions in either direction are relatively high given the stalemate in the ECB Governing Council. The most likely scenario is therefore a longer phase of unchanged key interest rates, even if the central bankers regularly emphasise the data dependency of their future course.

The interest rate trend is also important for the EU recovery fund, from which a large amount is earmarked for the green transformation. According to the EU, the financing costs could be over 100 billion euros higher than planned due to the new interest rate landscape. How this amount is to be raised is still unclear. However, only just under 175 billion euros have been disbursed from the EU recovery fund, which is worth around 724 billion euros. The rising financing costs are also increasing the pressure on countries to make adjustments to their climate protection spending. The situation is exacerbated by the development of debt. Rising financing costs are easier to bear with a reduced debt level. However, after the Green Deal was launched in winter 2019, the coronavirus crisis broke out. Huge rescue packages were put together in many countries to stabilise the economy. Since the start of the pandemic, public debt in the major EMU countries has risen by between 5 percent and 15 percent in relation to the respective national gross domestic product. In Germany, the debt brake also comes into play. In order not to jeopardise the effectiveness of the legally enshrined debt brake, the German Constitutional Court has prohibited the transfer of 60 billion euros, which was intended to combat the coronavirus crisis, to a climate and transformation fund.

But the air is also getting thinner on the other side of the Atlantic, as the dispute in the US over the debt ceiling has shown. In addition to high national debt and significantly higher interest rates in some countries, there is also a decreasing political willingness to protect the climate. According to the latest findings of climate research, more needs to be done more quickly to prevent temperatures from exceeding 1.5° Celsius by 2050.

It was not only EU Commission President Ursula von der Leyen, who made it unmistakably clear in her State of the Union address in September of the year under review that the green transformation will definitely continue. Against this backdrop, it can also be assumed that a lot of money will continue to be made available for climate protection. However, due to the new financial and debt environment as well as increasing political headwinds in some areas, the willingness to pay is likely to decrease. The strengthening and acceleration of the green transformation called for by the scientific community is currently not in sight in terms of the provision of financial resources.

Meanwhile, the debate continues as to what contribution the financial sector can make to the governments' climate goals. Based on previous experience with transformation regulations and incentive programmes by the financial sector, one main direction is emerging, in which the monetary sector can support the transformation. The aim is to adapt the business strategies of borrowers to the path towards climate goals with the support of lenders. The instruments used in the financial sector are risk management, advisory services and, ultimately, the capital allocation decisions themselves. In detail, however, there are still differences of opinion between regulators, financial companies

and climate lobbyists as to what degree of commitment and responsibility falls to the financial sector. For example, climate-related Non-Governmental Organisations (NGOs) have very different ideas about financial sector initiatives such as GFANZ. In this situation, it has not yet been possible to develop a standardised regulatory framework for financial relations under a transformation regime, which makes it difficult for both lenders and borrowers to make their own plans.

The role of the financial sector as a policy implementation aid in the reorganisation of entire economies should not be overestimated. A centralised approach to achieving predetermined planning targets is difficult in a market economy; it is just as difficult for public authorities as it is for the management of financial service providers. The general framework conditions for economic activity are therefore of crucial importance in the reorganisation process. The instruments of economic policy are diverse. They range from prohibitions and incentives for transformation to the use of market-based instruments. Specifically, these framework conditions include setting clear and consistent targets, building infrastructure, pricing emissions, incentivising transformation and an effective supply policy that creates the resource base for the Herculean task of climate transformation through growth and full employment. In particular, after the first few years of experience with the climate-friendly reorientation of financial regulation, these discussions show that the right balance between policy areas has not been found. In this context, monetary policy as an instrument of economic policy has its hands tied, as its primary goal is to combat inflation.

Reporting on climate-related and environmental risks





8. Reporting on climate-related and environmental risks based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

By signing the "Self-commitment by German Savings Banks to climate-friendly and sustainable business practices", DekaBank, as part of the Deka Group, has committed itself to supporting companies, private individuals and local authorities on their path towards greater sustainability and for effective climate protection by providing appropriate financial services. As the Wertpapierhaus of the savings banks, it works together with its partners to achieve the goals of the Paris Climate Agreement for the entire economy and provides its customers with competent and comprehensive support in the transformation to a climate-neutral economy. At the same time, the Deka Group keeps an eye on the physical and transitory risks that climate change may pose for its customers and for its own business development. The Deka Group reports on how it deals with these risks in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

These recommendations for comprehensive and comparable climate reporting, developed by the TCFD on behalf of the Financial Stability Board (FSB), define the four topic areas of Governance, Strategy, Risk Management and Metrics & Targets, which are to be reported on as part of a TCFD report and which structure this chapter on climate-related and environmental risks reporting. Against the backdrop of regulatory requirements, the Deka Group also takes into account the "Guide on climate-related and environmental risks" issued by the European Central Bank (ECB) in this chapter. For this reason, "climate-related and environmental risks" or "climate and environmental risks" are regularly referred to below. In

addition, the Deka Group takes into account other ESG-related risks as part of its risk management, which are discussed in **CHAPTER 7.3**.

The numerous measures described below within the Deka Group, i.e. the individual business divisions, corporate centres and sales organisation, and in particular in the management of securities and real estate portfolios, are embedded in an overarching climate strategy perspective, which the Deka Group worked intensively to develop further in the year under review.

The Task Force on Climate-related Financial Disclosures (TCFD) and the implementation of its recommendations in chapter 8.

In order to provide banks and investors in particular with comprehensive and comparable information and data on how companies deal with the risks resulting from climate change, the TCFD, which was set up by the Financial Stability Board (FSB) of the G20 countries, published recommendations for uniform climate reporting in mid-2017.

The primary aim of the recommendations is to quantify the financial impacts of climate change on companies. This is intended to provide both companies and their investors with a sound basis for developing and implementing a climate strategy. In addition, the recommendations are intended to help in the decision-making processes regarding lending and capital investment. The recommendations relate to the following four fields of action:

- **Governance:** Information on the coverage of climate-related risks and opportunities in corporate governance. The corresponding information can be found in **CHAPTER 8.1**.
- **Strategy:** Information on the actual and potential impact of climate-related risks and opportunities on the company's business activities, strategy and financial planning. The corresponding information can be found in **CHAPTER 8.2**.
- **Risk management:** Information on the identification, assessment and management of climate-related risks. The corresponding information can be found in **CHAPTER 8.3**.
- **Metrics & Targets:** Description of the targets and metrics that are collected or implemented to assess and manage climate-related risks and opportunities. The corresponding information can be found in **CHAPTER 8.4**.

Deka Investment GmbH has supported the TCFD goals as a supporter since 2018. Further information on the TCFD: www.fsb-tcfid.org

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The information in chapter 8. regularly relates to different organisational units or business divisions of the Deka Group. A distinction is made between the following areas:

- As the parent company, **DekaBank** forms the Deka Group together with its domestic and foreign subsidiaries. With regard to risk management standards, the bank's procedures, e.g. in the context of identifying and managing climate-related and environmental risks, are generally valid throughout the Deka Group. There are content links with chapters 2. and 7. of the Sustainability Report. The bank is also responsible for activities in connection with real estate and special financing and they are linked to the content of chapter 4.2. of the Sustainability Report.
- The business division **Asset Management Securities (Asset Management Wertpapiere, AMW)**, which includes Deka Investment GmbH, Deka Vermögensmanagement GmbH, Deka International S.A. and IQAM Invest GmbH, combines the activities for managing securities, in particular mutual and special funds, and offers high-quality asset management solutions for every market environment. There are content links with chapter 4.1.2. of the Sustainability Report.
- The business division **Asset Management Real Estate (Asset Management Immobilien, AMI)**, which includes Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH, provides fund products and advisory services related to real estate or real estate financing in the customer and proprietary business of the savings banks and other institutional investors. There are content links with chapter 4.1.3. of the Sustainability Report.

As in previous years, information on the importance of climate protection in the Deka Group's own business operations, e.g. the management of owner-occupied properties and commuter traffic, is summarised in chapter 3.2. of the Sustainability Report.

The climate-related and environmental activities are regularly embedded in the structures and processes for managing ESG aspects. In order to avoid repetition in the Sustainability Report, the TCFD Report therefore refers to statements in other chapters of the Sustainability Report, where this is relevant to the presentation of climate-related and environmental measures.

Reporting is based on the recommendations of the TCFD and includes information on most of the requirements formulated therein. The following aspects are not yet included in the reporting:

- Strategy – Impact of climate-related problems on financial performance
- Metrics & Targets - key figures for measuring climate-related risks and opportunities, including disclosure of these for historical periods, climate-related key performance indicators in the remuneration policy, key figures for assessing the short, medium and long-term impact of climate-related risks on the lending process, the determination of an internal CO₂ price, alignment of the lending process with a 2° Celsius target, specification of the WACI for each product or investment strategy and the specification of the most important climate-related targets, any interim targets and the methods used to calculate these targets.

8.1. Governance – Climate aspects in corporate management

8.1.1. Supervision of the management of climate-related and environmental risks and opportunities

DekaBank's Board of Management has overall strategic responsibility for climate and environmental issues as well as other sustainability aspects. Operational responsibilities with responsibility for implementing these aspects are decentralised to the individual departments. The business activities of the subsidiaries are recorded at the level of the business divisions. In order to provide the Board of Management and other decision-makers with the relevant information to fulfil this responsibility, various structures and reporting formats have been established in the Deka Group in recent years to deal with climate-related and environmental issues.

Since January 2023, for example, cross-departmental information and centralised discussion of relevant ESG topics has been held monthly at DekaBank's Board of Management meeting under the agenda item "ESG strategy and transformation". This ensures the involvement of the full Board of Management as a decision-making and escalation body for cross-sectional ESG and therefore climate-related and environmental issues, as well as for areas of decision-making with significant strategic or economic implications. The heads of Strategy & HR and Board of Management Staff & Communications are responsible for the preliminary work and attend the meetings. Depending on the topic and operational responsibility, other department heads or their deputies are involved, for example the head of Risk Controlling on a regular basis.

Below the management body, the cross-departmental ESG Circle coordinates the networking of various ESG topics between the business divisions and central departments several

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times a year. The aim of the ESG Circle is to create transparency and regular professional dialogue on ESG topics and to coordinate ESG topics for further discussion at DekaBank's Board of Management meeting under the aforementioned "ESG strategy and transformation" agenda item. The Deka Group's strategic and operational ESG Management (Sustainability Management) provides overarching, coordinative support for climate-related and environmental issues as well as other ESG aspects. (CF. **CHAPTER 2.2.3.**)

DekaBank uses an ESG dashboard as a tool for systematically informing the Board of Management, which is constantly being further developed. Key ESG indicators are summarised in this internal reporting system, which also includes climate-related indicators such as GHG emissions. These specific key figures and their development are reported quarterly to the full Board of Management and, via the ESG Circle, to its members and the Deka Group's ESG multipliers. (CF. **CHAPTER 2.2.3.**) Information, reporting and decision-making formats firmly anchored in the process instructions, for example management committees such as the Risk Management Committee (MK Risk) and established line and project management processes, also serve to keep the Board of Management informed.

The following formats in particular are used for targeted reporting on the results of the risk analyses and the assessment and management of climate-related and environmental risks in risk management to the responsible bodies:

- The group-wide assessment of the significance of climate-related and environmental risks as drivers of existing risk types is determined as part of the significance analysis. (CF. **CHAPTER 8.3.1.**) The results are incorporated into the annual risk inventory process, the overall results of which are approved by the Board of Management and discussed with the Risk and Credit Committee. (CF. **CHAPTER 8.2.1.**)
- Prospective effects of climate-related and environmental risks on the Deka Group are determined as part of specific climate stress scenarios and regularly reported to the Stress Testing Committee. (CF. **CHAPTER 8.2.1.**)
- The quarterly risk report is used to report and assess selected risk-related key performance indicators (KRIs) with regard to climate-related and environmental risks for the purposes of targeted monitoring and management. This report is made available to the MK Risk, the Board of Management and the supervisory bodies.

The business environment analysis format is used to create additional transparency about changes in the business environment driven by climate-related and environmental risks and their impact on the Deka Group's business model. (CF. **CHAPTER 8.2.1.**)

Compliance with regulatory requirements

Insofar as ESG risks and thus climate-related and environmental risks must be taken into account in the Deka Group's products and services due to legal or regulatory requirements, they are also included in compliance monitoring activities, controls, advice and compliance training. Processes are also in place to ensure continuous monitoring of new legal regulations and requirements. This also includes new legal regulations and requirements on climate-related and environmental risks.

Responsibility for regulatory monitoring and implementation monitoring is decentralised to the respective divisions/companies. The Compliance division has the central coordination function and maintains the inventory of all relevant initiatives (regulatory initiatives list). The process is designed to ensure that the new legal regulations and requirements relevant to the Deka Group are identified, key regulations and requirements are derived from them and corresponding processes and procedures are implemented to ensure compliance.

The need to expand the reporting channels or develop additional reporting content is constantly reviewed in the light of new findings from the integration of climate-related and environmental risks into bank and risk management.

Comparable committees and information formats for coordinating climate-related and environmental activities and for informing the relevant bodies have also been established in the business divisions AMW and AMI. Both business divisions regularly inform DekaBank's Board of Management via the reporting lines about climate-related and environmental issues, such as the implementation status of climate-related and environmental projects.

AMW business division

In the AMW business division, the "ESG Research & Strategy" unit in the "Sustainability and Corporate Governance" department is responsible for climate-related and environmental issues and regularly informs the Sustainability Risk Committee, which comprises the CEOs of Deka Investment GmbH and Deka Vermögensmanagement GmbH, the Chief Investment Officer (CIO) and the Chief Risk Officer (CRO), about strategic climate-related and environmental measures and progress. One focus is on climate strategy management activities in the context of the Net Zero Asset Managers Initiative (NZAM), which Deka Investment GmbH and Deka Vermögensmanagement GmbH joined in 2021. (For NZAM, CF. **CHAPTER 2.3.2.1.**) Other topics dealt with in this committee are the management of PAI, exclusions as part of the risk level model and other strategic climate-related and environmental

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measures. The Sustainability Risk Committee formulates recommendations for the management of the companies concerned, which then adopt the resolutions.

In the course of implementing the requirements associated with joining NZAM, a monitoring and reporting structure was set up within the AMW business division with regard to the initiative's objectives and the progress achieved. Climate-related key performance indicators (Net-Zero KPIs) are defined and reported to the Net-Zero Operational Steering Committee and the Sustainability Risk Committee every six months. The Operational Steering Committee is made up of the heads of the Portfolio Management departments and representatives of the ESG team. Its task is to discuss the current development of climate-related key figures and, if the decarbonisation target path is exceeded, to identify possible measures and recommend them to the Sustainability Risk Committee. The corresponding activities and progress of other asset managers from NZAM are monitored and analysed (Net Zero Peer Benchmarking) and key results are also communicated to the Board of Management. In addition, a regular exchange takes place with the representatives of NZAM and market activities relating to decarbonisation and target setting are monitored and analysed in order to derive impulses for the further development of the division's Net Zero strategy.

AMI business division

The management of the AMI business division is informed on a quarterly basis about the progress made in implementing key climate-related and environmental measures as part of a status report. The monthly "AMI Cockpit", the business division's central management reporting system, also reports on key climate and other sustainability-related indicators. It contains all relevant key performance indicators at the company level and the relevant details of the special assets for the respective month. This also includes climate-related and environmental key figures for individual product groups and at the level of the special assets. In addition, the AMI Cockpit contains summarised information on current climate and sustainability topics.

8.1.2. Assessment and management of climate-related and environmental risks and opportunities

The business divisions take account of climate-related and environmental topics in their line and project activities. The result will also be incorporated into the Deka Group's medium-term planning in future. In project portfolio management, all ESG projects and therefore also climate-related and environmental projects are marked separately and are therefore easily identifiable. In this context, climate-related and environmental topics are taken into account in line additional requirements and project planning, for example.

The findings from the annual significance analysis as part of the risk inventory, including the results of the stress testing for climate-related and environmental risks and a business environment analysis, form the basis for making adjustments to the strategic objectives and necessary operationalisation at the business division level. (CF. **CHAPTER 8.3.1.** and **CHAPTER 8.3.2.**)

With a focus on climate-related and environmental risks, projects and initiatives were carried out across the group in the year under review in order to create the conditions for the business divisions to be able to allocate relevant GHG emissions to their activities and assess them. (CF. **CHAPTER 8.4.**) This inventory serves in particular as a basis for drawing up sector-based decarbonisation paths for the medium and long-term time horizon, taking into account the Paris climate goals and the voluntary commitments made.

Additional KPIs and KRIs were derived in the year under review to manage specific overarching or separate aspects of climate-related and environmental risks in line with the strategic, operational and risk strategy objectives. These include, for example, GHG-related KPIs and KPIs based on physical risks. (CF. **CHAPTER 8.4.**)

With regard to the consideration of ESG risks in the lending business, the Deka Group generally excludes various lending transactions in its negative list of the credit risk strategy. (CF. **CHAPTER 4.2.1.**) DekaBank uses a sustainability filter for new investments in its proprietary investments. In addition, segment-specific minimum standards are specified in the credit risk strategy, which also include ESG aspects. Furthermore, the ESG Scorecards are used to assess the risks associated with ESG factors. (CF. **CHAPTER 4.2.**)

AMW business division

In the AMW business division, the integration of climate-related aspects into business, project and budget plans was further advanced in the year under review. An important element of the strategic orientation in the topic area climate is the aforementioned membership of Deka Investment GmbH and Deka Vermögensmanagement GmbH, which belong to the business division, in NZAM. Even though Deka International S.A. has not formally joined NZAM, the activities to avoid reputational risks also include its activities insofar as Deka Investment GmbH or Deka Vermögensmanagement GmbH is responsible here as asset manager.

In the "Sustainability and Corporate Governance" department, climate-related and environmental risks and opportunities are assessed and managed using various interlinked measures. Firstly, thresholds for adverse sustainability impacts (PAI) have been defined as part of the Sustainable Finance Disclosure Regulation (SFDR) depending on the product categorisation. These thresholds are firmly anchored in the investment

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process so that the investment is sold or excluded if the threshold is exceeded.

Secondly, issuers are monitored as part of a risk level model with a view to ESG controversies, downgrades in the ESG rating or ad-hoc disclosures and categorised on the basis of proprietary ESG research. Depending on the severity of the ESG risk, issuers are excluded for specific or all products. More far-reaching exclusions are submitted to the Sustainability Risk Committee, which then formulates recommendations to the managements, which make the final decision on a possible exclusion.

The third relevant component in this context is the management of Net Zero targets. The progress of the key figures is reviewed twice a year and presented to the Sustainability Risk Committee. This committee formulates recommendations on any measures to be taken, on the basis of which the managements adopt resolutions.

Direct dialogue with the companies, in which investments are made and the use of the voting and speaking rights associated with shares at annual general meetings have gained in importance in recent years as an instrument of sustainable capital investment and are also used extensively by the AMW business division in the management of climate-related and environmental risks. (CF. **CHAPTER 4.1.2.5.**) When implementing corresponding measures in the context of NZAM, the business division builds on established processes. In accordance with its "Voting Policy Principles for Annual General Meetings 2023", Deka Investment GmbH reserves the right to refuse to ratify the actions of the Board of Management at Annual General Meetings if the expectations defined in the guidelines, for example for a climate strategy, are not met:

"Deka reserves the right to vote against the discharge of the Board of Management on a case-by-case basis in the event of violations of Environmental, Social and Governance (ESG) matters.

Deka expects the Board of Management to develop a climate strategy, commit to carbon neutrality by 2050 at the latest, define interim targets along the way, report transparently on the progress made towards achieving these targets and fulfil them. If the management is unable to present such a climate strategy or repeatedly fails to meet the targets, Deka reserves the right to vote against discharging the Board of Management."²⁰

AMI business division

In the AMI business division, climate-related and environmental aspects are assessed as part of the annual business environment analysis at company level. The results of this analysis are

taken into account in the business planning, which is also updated annually, within the framework of the relevant planning parameters and, if necessary, the measures required to deal with the identified risks are initiated. These include, in particular, the adjustment and further development of the sustainability strategy and the resulting budget planning, the analysis of potential effects on transactions or the geographical allocation of the real estate portfolios and possible adjustments in the sales planning of the special assets. (CF. **CHAPTER 8.2.**)

During the process of purchasing real estate for the special assets, numerous relevant sustainability indicators, such as current energy values and data on PAI, are collected and systematically recorded in the purchase documentation. The CO₂ emissions of the individual properties are derived from the energy values and compared with the CRREM values. The key figures are assessed as part of the transaction process by the Acquisitions and Disposals and Real Estate Project Management units as well as by the fund management. An additional review by the second line is ensured by the Risk Controlling unit. Systematic recording in the purchase documentation also ensures that the management is involved.

In addition, sustainability indicators for the real estate portfolio are prepared monthly at company and fund level and made available to the management as part of management reporting. The reporting includes both consolidated key figures at company level for all special assets under management, e.g. information on the CRREM path, as well as specific sustainability key figures for the individual real estate funds.

8.2. Strategy – Climate aspects in the business model and strategy

8.2.1. Identification of climate-related and environmental risks and opportunities

The Deka Group uses various qualitative and quantitative approaches to systematically identify and assess climate-related and environmental impacts on the business model and the risk landscape over a short, medium and long-term horizon.

The systematic identification of climate-related and environmental risks is subject of the regular risk inventory. For this purpose, a separate significance analysis was integrated into the overall context of the risk inventory, which is specifically geared towards the identification and analysis of climate-related and environmental risks. Scenario analyses are also used within the framework of macroeconomic stress testing in order to assess the medium and long-term effects of climate-related and environmental risks in particular.

²⁰ CF. www.deka.de/privatkunden/ueber-uns/deka-investment-im-profil/corporate-governance.

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A structured business environment analysis is carried out annually to create additional transparency about changes in the business environment driven by climate-related and environmental risks and their short, medium and long-term impact on the Deka Group's business model and business activities. As part of this analysis, climate-related and environmental risks and opportunities and their impact on the business model in terms of business activities, products and markets are analysed in a targeted manner.

The basis for the systematic identification of climate-related and environmental effects on the business model and the risk profile is the definition of relevant drivers of climate-related and environmental risks. To this end, DekaBank has developed a catalogue and described the fundamental impact chains and transmission channels on market participants as well as the business operations and business activities of the Deka Group. Climate-related and environmental risks are categorised as physical (acute, chronic and climate-independent), transitory and other climate-related and environmental risks. (CF. **CHAPTER 7.3.1., CHAPTER 8.3.1., TABLE 27**)

Results of the significance analysis/risk inventory

The group-wide assessment of the significance of climate-related and environmental risks as part of ESG risks is carried out using various complementary tools as part of the annual risk inventory. The influence of climate-related and environmental risk drivers on the main risk types is analysed. (CF. **CHAPTER 8.3.1.**)

The results show that climate-related and environmental risks are significant drivers for the main risk types, particularly in the medium and long term. These assessments are often due to second-round effects, e.g. macroeconomic upheavals, which were assumed in the two macroeconomic scenarios "drought" and "delayed transition" analysed in the year under review.

With regard to liquidity risk, climate-related and environmental are categorised in the short term primarily with regard to the category of "Other climate-related and environmental risks". In addition to biodiversity, biological diseases are also assigned to this category. Experience in connection with the coronavirus pandemic has shown that such pandemics can lead to distortions on the global money and capital markets and therefore have a significant impact on liquidity risk.

Procedure and results of the business environment analysis

The structured business environment analysis creates transparency regarding changes in the business environment driven by climate-related and environmental risks and their potential impact on the business model over various time horizons. The observation horizon of the business environment analysis is

five years in the short to medium term. For the long-term horizon of more than five years, a qualitative analysis is carried out for three defined climate scenarios - "scheduled transition", "delayed transition" and "Hot House World" - based on the climate scenarios of the NGFS.

Characteristics of the climate scenarios used

"Scheduled transition"

To combat climate change, the CO₂ price will be continuously increased in line with the planning communicated by the EU, and obsolete and emission-intensive technologies will be banned. Renewable energies are being expanded and the requirements for the circular economy are increasing. Extreme weather events occur sporadically.

"Delayed transition"

Due to advancing climate change and increased extreme weather events, the CO₂ price will increase drastically from 2030 onwards. Innovative and low-emission technologies displace emission-intensive competitors. Raw material and water prices rise sharply, while the expansion of renewable energies is being driven forward. Consumer behaviour is strongly influenced by sustainability.

"Hot House World"

The insufficient efforts of the political community have led to global warming well above the 1.5° Celsius target. The absence of bans on emission-intensive technologies and a low CO₂ price as well as associated low transport costs lead to moderate producer prices. However, strong global warming leads to a more frequent occurrence of extreme weather events, an increase in water and air temperatures, the absence of snowfall and a strong increase in water prices. Tropical diseases are also increasingly spreading in the northern hemisphere.

In internal workshops with experts from the relevant areas of the Deka Group, a structured analysis and description of the impact of climate-related and environmental risks on five environmental factors and the business model is carried out as part of the business environment analysis. The following key environmental factors were derived for the Deka Group for the analysis:

- Customers / Distributors / Society
- Competitors
- Regulatory / Legal
- Technology
- Macroeconomics / Capital market

All business divisions and Treasury are analysed separately, including Sales, in the short and medium term time horizon of up to five years, taking into account both risks and opportunities. If potential noticeable effects are identified in individual

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business divisions, a more in-depth analysis is carried out to determine how materiality would materialise in customer groups, product segments, sectors or geographical regions.

The next step involves a further assessment of relevant identified effects on strategic planning and financial planning, taking into account the time horizon. This ensures that any need to adjust the business model at business division level is identified at an early stage.

The business environment analysis is updated annually. The analysis carried out in the year under review showed that physical climate-related and environmental developments and events do not have any considerable impact on the Deka Group's business model in the short to medium term with regard to the environmental factors. The assessment of the influence of transitory climate-related and environmental aspects is similar on both the opportunity and risk side. Potential effects on the business model are most likely to arise from the "regulatory/legal" environment factor analysed. In particular, a further intensification of regulatory measures could have a noticeable impact on the business activities of the business divisions, e.g. in the form of rising HR and consulting costs for the implementation of additional required measures.

Climate-related risks and opportunities

In principle, it can be observed that certain climate-related risks and opportunities apply equally to the sectors shown in **TABLE 27** and therefore have similar impact chains, although the degree of impact can vary depending on the sector and company. For example, regardless of the sector, increasing extreme weather events can lead to the destruction or damage of production facilities and, as a result, to interruptions in production. Likewise, stricter legal regulation or political measures to protect the climate and the environment can lead to a loss in value of certain assets due to necessary investments or additional costs. Overall, it can be assumed that climate-related and environmental risks will require companies in the sectors listed below to invest in the transformation to more sustainable operating and production processes.

TABLE 27 shows typical, sector-specific opportunities and risks, but these should only be seen as examples and are not exhaustive. It should also be noted that the opportunities and risks presented do not apply equally to all companies in the respective sector. Depending on the location and the specific production processes, certain risks may occur more frequently and be more severe.

RISKS AND OPPORTUNITIES IN RELEVANT SECTORS (TABLE 27)

Sector	Physical & transitory risks	Opportunities
Construction (incl. cement/steel)	Rising CO ₂ emission prices can increase operating costs.	Securing a competitive advantage through early decarbonisation, as customers have to account for upstream GHG emissions in the value chain (demand-induced opportunity).
Chemistry	Heat-related low water levels in rivers can make the delivery of raw materials more difficult and lead to disruptions in supply chains.	The demand for new chemical processes could increase as a result of decarbonisation efforts, for example electrolyzers for the production of green hydrogen.
Renewable energies	Increasing chronic risks (including changes and instability in wind conditions, heat stress) can lead to a loss of efficiency in wind and solar power plants and consequently to falling yields.	The energy transition is leading to an increase in demand for renewable energies, among other things with corresponding incentive systems.
Vehicle production	The transition from combustion engines to electric motors and the associated investment costs could have a negative impact on earnings due to investments and parallel operation.	Technology changes from the combustion engine to electromobility open up new business opportunities, such as the operation of charging infrastructures.
Real estate	Permanently high temperatures can lead to rising operating costs and a deterioration in energy efficiency due to the need for cooling.	By focusing on Taxonomy conformity, the future viability of real estate as an asset class can be secured.
IT & Telecommunications	Extreme weather events can damage relevant parts of the infrastructure such as radio masts and cable routes and lead to high repair costs.	Increasing demand for data transmission due to advancing climate change, e.g. through real-time monitoring of climate data, Smart-City technologies for more efficient resource consumption or virtual conferences.
Conventional energies & infrastructure	High pricing of GHGs leads to rising operating costs in all sectors of fossil energy generation.	The energy transition requires the expansion of the rail network and hydrogen infrastructure, among other things, and thus opens up new business opportunities.
Food and luxury foods	Temporary droughts, chronic water shortages or a permanent rise in temperatures can lead to falling yields and even crop failures.	The approval of genetically modified plants that are less sensitive to heat can lead to increased yields and the stabilisation of harvests.
Transport (incl. ships, aviation)	Outdated technologies can have a negative impact on earnings if emission prices rise.	New technologies can lead to fuel savings or the use of alternative energy sources and have a positive impact on earnings.

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AMW business division

Climate-related and environmental risks relevant to the AMW business division are identified and assessed as part of the Deka Group's annual risk inventory and the Deka Group's business environment analysis. This includes aspects of business operations as well as topics relevant to special assets from a group perspective. As part of macroeconomic stress testing, DekaBank quantifies the impact of the defined stress events on the Assets under Management of the business division as a whole. In addition, the "Sustainability and Corporate Governance" unit manages climate-related and environmental risks and opportunities in accordance with the three-part approach described in **CHAPTER 8.2.1.** for the AMW business division. In addition, the largest CO₂ emitters in the portfolio are regularly identified. (CF. **CHAPTER 8.1.2.**)

AMI business division

The specific business environment analysis, which follows the annual risk management process, concludes that there are no significant climate-related and environmental risks at company level for the property sector for the three-year time horizon. The focus of the business division's climate-related measures is therefore currently on the medium-term time horizon. It should be noted that there are opportunities to reduce the impact of climate change on the properties and the impact of the properties on climate change both in the short term, e.g. through concrete measures to improve energy efficiency of properties, and in the medium term within the framework of investment planning in the special assets.

The risks and strategies at special asset level are also analysed as part of the annual risk assessment of the business division. The opportunities and risks identified in this process can be decisive for strategic decisions at business division level.

Special assets AMI

In order to take account of the special features of the real estate asset class at the level of the special assets, in particular the lower fungibility, longer time horizons are taken into account in the AMI business division. For example, the short-term time horizon for concrete action planning is three to five years, while the medium-term time horizon, which is relevant for investment planning, covers a period of ten years. Long-term time horizons of more than ten years are particularly relevant for the analysis of the effects of climate change on the properties and the resulting strategies for dealing with the risks.

Risk monitoring and management of sustainability-driven developments or events is carried out using various strategies, procedures and processes in the investment process and throughout the entire holding period of the assets. While social risks and risks relating to responsible corporate governance are monitored in a standardised manner using a scoring system, environmental risks are mapped using various models,

e.g. in Limit Management Systems and Monte Carlo simulations to determine the Value at Risk (VaR). Technical and environmental external analyses are used. Climate-related and environmental risks depend largely on the location of the properties, which is why individual analyses are carried out. For flood risks in particular, the respective micro-location and the individual construction method determine the risk content. However, property-specific factors such as energy optimisation potential also play a role when considering transitory risks.

The results of the quarterly analyses are integrated into the management reporting, in which the individual investment limits of the special assets are also presented. If the fund-specific sustainability targets and investment limits are breached, demand- and situation-based measures are taken in consultation with the management and the responsible fund management team, taking into account the interests of the investors.

8.2.2. Dealing with the impact of climate-related and environmental risks and opportunities

At the level of DekaBank and its banking divisions as well as the AMW and AMI business divisions, numerous approaches are already being pursued to systematically deal with the effects of climate-related and environmental risks and opportunities in business activities.

In the Financing business division, climate-related and environmental aspects are systematically integrated into the segment-specific ESG Scorecards (CF. **CHAPTER 4.2.**), which are used in the lending process and also in portfolio management.

A central approach for dealing with climate-related and environmental risks and opportunities in the Deka Group is generally the sectoral approach with a high GHG intensity. The Deka Group's sector specialists support the business divisions with their assessments in order to be able to make a sound judgement of the need for activities with regard to climate-related and environmental risks in the strategy, financial planning or risk process.

In the strategy area, climate-related and environmental risks are taken into account as part of a due diligence process when reviewing the acquisition or sale of equity investments. In our own business operations, climate-related and environmental requirements are defined and tracked in the sustainability declaration that major suppliers must sign before entering into a business relationship with the Deka Group. (CF. **CHAPTER 3.2.1.**) Climate-related and environmental risks are also reviewed and assessed in an annual process in the Deka Group's outsourcing management.

AMW business division

In the AMW business division, climate-related and environmental risks are comprehensively considered and managed in

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the investment process. For example, in the course implementing the Sustainable Finance Disclosure Regulation (SFDR), limits are set for the PAI indicator on greenhouse gas (GHG) intensity. In order to record and assess climate-related and environmental risks that are not reflected in the available ESG ratings of external providers, the AMW division uses a specific risk level model for the investment process, which incorporates analyses of climate-related and environmental risks from its own ESG research and other external sources. Based on the model, issuers are monitored with regard to ESG controversies, ESG rating downgrades or ad-hoc reports and categorised on the basis of proprietary ESG research. Depending on the severity of the risks, issuers are excluded for specific or all products. More far-reaching exclusions are submitted to the Sustainability Risk Committee, which then formulates recommendations to the managements, which make the final decision on a possible exclusion.

In the course of pursuing the goals from the aforementioned signing of the NZAM, the AMW business division aims to successively decarbonise the portfolio, which will reduce the climate-related and environmental risks to the value and performance of the funds.

The interim targets for 2030 defined in the NZAM relate to the self-managed mutual funds that are managed in accordance with Net-Zero. AMW identifies the most CO₂-intensive emitters and requires them to set science-based targets in line with the 1.5° Celsius target as part of its engagement activities. If the company does not make a verifiable transition over time, AMW will consider divesting the investment. Any measures will be presented to the Sustainability Risk Committee, which will then formulate recommendations to the managements, which will make the final decision on a possible divestment.

The Glasgow Financial Alliance for Net Zero (GFANZ)

The Glasgow Financial Alliance for Net Zero (GFANZ) is the world's largest coalition of financial institutions committed to decarbonising the economy and achieving Net Zero GHG emissions by 2050 at the latest. Its members include more than 650 banks, insurance companies, asset managers and other financial service providers that are members of at least one sector-specific Net Zero alliance, such as NZAM.

The GFANZ was launched in April 2021 by the UN Special Envoy on Climate Action and Finance and the COP26 Presidency in partnership with the UNFCCC Race to Zero campaign to coordinate efforts across all sectors of the financial system to accelerate the transition to a Net Zero economy. All members of the Alliance commit to achieving Net Zero GHG emissions by 2050 at the latest, have also set interim targets for 2030 and report regularly on their progress. Further information on the GFANZ: www.gfanzero.com

AMI business division

The long-term framework for the activities in the AMI business division is the aspiration to achieve climate neutrality for all economic activities at business division level and for the entire real estate portfolio of the special assets by 2050 at the latest. By aligning with the Paris climate goals, the main aim is to reduce the potential impact of transitory risks. In order to achieve this goal, numerous measures to improve energy efficiency are being implemented in the real estate portfolio. These include trialling the photovoltaic guideline that has been developed, which aims to increase the use of energy from photovoltaic systems in commercial properties in the future, on a test portfolio. On the other hand, the current and forecast CO₂ emissions of properties are taken into account in the investment decisions of the special assets.

An important basis for the analysis and evaluation of the specific emissions of individual properties or the entire portfolio is the Carbon Risk Real Estate Monitor (CRREM). This science-based tool takes into account various variables, e.g. the type of use of a property and its location, and provides information on the maximum level of energy consumption and CO₂ emissions that should be achieved at certain times in order to achieve the Paris climate goals. These CRREM target paths are continuously adapted by the research project to current developments and improved data bases. (CF. **CHAPTER 4.1.3.**)

8.2.3. Resilience of the strategy to climate-related and environmental risks

To review its resilience to climate-related and environmental risks, DekaBank again calculated the impact of various climate stress scenarios in 2023. The scenarios used cover both physical and transitory risks over a medium and long-term horizon. The transitory scenario assumes a temperature increase of 1.6° Celsius compared to the level before the start of industrialisation. The scenarios were developed taking into account the scenarios published by the NGFS. The procedure – compression of long-term effects to the next five years with the assumption of a stable balance sheet approach without taking into account technological progress or mitigating measures – was comparable to the specifications in the ECB Climate Stress Test 2021.

As mentioned above, significant effects were identified for the current portfolio and the analysed climate-related and environmental risk aspects for all material risk types in the medium and long term, which are attributable in particular to possible second-round effects, e.g. due to supply chain disruptions or macroeconomic distortions. Overall, however, there is only a moderate impact on both the utilisation of risk-bearing capacity and the Common Equity Tier 1 capital ratio. Overall, the results of the climate stress tests across all risk types illustrate the resilience of the Deka Group's business model to climate-related and environmental risks.

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In addition, risk type-specific vulnerabilities were analysed in more detail as part of the significance analysis using specific evaluations. For example, the default probabilities and loss ratios of business partners from the potentially affected portfolio segments (countries and sectors) were specifically analysed with regard to counterparty risk.

8.3. Risk management – Climate aspects in the risk management system

8.3.1. Identifying and assessing climate-related and environmental risks

The Deka Group pursues various interrelated approaches to identify and assess climate-related and environmental risks. In addition to the business environment analysis already described (CF. **CHAPTER 8.2.1.**), this includes in particular the significance analysis described below, which is carried out annually as part of the risk inventory.

Definition and delimitation of climate-related and environmental risks

In order to ensure a uniform understanding of ESG risks throughout the Deka Group, these risks are clearly defined and classified within the framework of the risk taxonomy. Due to the macroeconomic significance and regulatory focus, the analysis focuses on climate-related and environmental risks as a particular aspect of ESG risks. For DekaBank, climate-related and environmental risks are part of ESG risks and describe the danger that business activities with points of contact with the areas of climate and the environment could lead to developments or events that result in a deterioration in capital resources or liquidity, either directly through the bank's own business operations or indirectly through customers and business partners. In accordance with the ECB guidelines on climate-related and environmental risks, DekaBank considers climate-related and environmental risks together in this context and distinguishes between physical, transitory and other climate-related and environmental risks. For the Deka Group, climate-related and environmental risks are drivers of the established risk types that require special attention due to their significance. They are generally viewed in the context of the relevant risk types and not as a separate risk type.

Direct and indirect impact of climate-related and environmental risks

Climate-related and environmental risks can affect DekaBank's business operations and business model via different transmission channels. In principle, a distinction can be made between direct effects on DekaBank and its business operations (direct effects) and effects via business activities, such as lending business or outsourced services (indirect effects). Depending on the severity of climate-related and environmental risks, systemic effects may also occur, for example effects on the stabil-

ity of the financial market, which may affect all market participants. As a result, DekaBank may be affected by such risks and their impact without itself being affected directly or indirectly via its customers. Accordingly, in the case of climate-related and environmental risks, a distinction must be made between local and supra-regional events and market-wide or sector-specific effects.

DekaBank's specific exposure therefore depends, among other things, on the current portfolio and current business activities, the macroeconomic environment and the specific climate-related and environmental event. In addition, the respective period under consideration must be taken into account. For example, as climate change progresses, both an increase in the number of weather events and their intensity can be expected. In addition, an increase in the negative effects of climate events can be expected to lead to an intensification of political initiatives as well as rising premiums or uninsurability against weather and natural disasters. As a result, impacts can change and intensify via the transmission channels.

OVERVIEW OF THE CLIMATE-RELATED AND ENVIRONMENTAL RISKS CONSIDERED (TABLE 28)

Category	Examples
Physical climate-related and environmental risks	Acute Flooding, wind and rainfall disasters, drought, acute temperature extremes
	Chronic Chronic changes in water bodies, chronic changes in living conditions, sea level rise, changes in water temperature
	Climate-independent Earthquakes, volcanic eruptions, tsunamis, natural disasters
Transitory climate-related and environmental risks	CO ₂ emissions and price increases, resource price increases, resource scarcity, climate-related and environment-related legal and compliance risks
Other climate-related and environmental risks	Loss of biodiversity, biological hazards/diseases, environmental accidents

Significance analysis

The fact cards with a detailed description of the drivers of climate-related and environmental risks form the basis for the significance analysis. They are used as the basis for a detailed risk type-specific and cross-risk type analysis of climate-related and environmental risk drivers with regard to the portfolio, the established material risk types and all of the bank's business activities. This allows the question to be answered for each material risk type as to whether and, if so, which risk drivers have a significant influence on this risk type. The significance analysis is carried out for the short (up to one year), medium (two to five years) and long term (longer than five years) observation horizons.

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DATA SOURCES FOR THE SIGNIFICANCE ANALYSIS (TABLE 29)

Climate-related and environmental risks	Data	Counterparty risk	Market price risk	Operational risk	Business risk	Liquidity risk
Physical	Location information on business partners	X	X	X	X	X
	Regional distribution of savings bank sales					X
	S Broker deposits					X
	Heat map (counterparty risk)					X
	Sector impact	X	X			X
	Location-related risk forecasts/ Country exposure	X	X	X	X	X
	Potential loss in market value of securities in the event of physical climate-related and environmental risks	X	X	X	X	X
	Further geo-data (e.g. population density, river courses)					X
Transitory	Emission data	X	X	X		
	Potential loss in market value of securities for transitory climate-related and environmental risks	X	X	X	X	
	Sector impact	X	X			
	Country impact	X	X			
	Scenario parameters (NGFS)	X	X	X	X	
	Literature on transition effects					X
Comprehensive	Structural features/Risk information	X	X			X
	Parameterisation of ECB climate stress test				X	X

In order to take into account risk type-specific characteristics, different impact mechanisms, macroeconomic interdependencies and differentiated data availability, the significance analysis is carried out using the complementary components of the risk type-specific approach and scenario-based analysis via macroeconomic stress testing. For each risk type, risk type-specific procedures such as heat maps, location analyses and risk type-specific scenario analyses are used to analyse which risk drivers may occur within the observation horizon due to

the business activities and risk landscape and which of these drivers may have a significant impact. Quantitative risk type-specific threshold values are used to assess significance. Both internal and external data are used for the analyses and supplemented by expert estimates. (CF. **TABLE 29**) As a result of the significance analysis carried out in the year under review, there is a climate-related and environmental risk with a significant extent for each risk type in at least one observation horizon.

Application example of the significance analysis: Operational risk

The following application example explains the specific procedure for analysing the significance of operational risk. On the one hand, physical climate-related and environmental risks can influence operational risk, particularly in the form of disruptions to business processes caused by extreme weather events at the Deka Group's own locations and the locations of its service providers. On the other hand, transitory climate-related and environmental risks can result in an increased compliance and legal risk, for example due to increasing regulatory complexity or unexpected legal changes.

In order to assess the impact of physical risk drivers on the company's own locations and those of the service providers, a survey was first carried out of the Deka locations relevant to the provision of services and the locations of the main out-sourcings. These were then compared with the location-related risk data of an external provider for each risk driver. Workshops were also held to assess physical and other climate-related and environmental risks such as biological hazards (pandemics). In particular, the experiences of the coronavirus pandemic, such as its impact on event management in the sales units, were taken into account.

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The main basis for assessing the significance of the transitory risk drivers was the Deka Group's comprehensive database of current risk scenarios and historical loss events from operational risks, which were systematically marked in terms of their impact by ESG risk factors. On this basis, workshops were held with the decentralised operational risk experts to estimate the expected frequency of occurrence and loss amount with a focus on climate-related and environment-related legal and compliance risks per business division or organisational unit, differentiated according to short-term (up to one year) and medium-term (1-5 years) time horizons.

For both physical and transitory risk drivers, the group-wide established matrix for assessing non-financial risks was applied, which measures the probability of occurrence and the extent of damage in standardised levels and defines risks with higher levels in both dimensions as material risks. This definition was transferred to the assessment of significance, so that if at least one significant risk is identified, the associated risk driver is categorised as significant. As the second component of the significance analysis, the results of the climate stress scenarios were used as part of macroeconomic stress testing in accordance with the procedure applied across all risk types for the medium to long-term (> 5 years) time horizon. The risk driver under consideration was categorised as significant if the VaR for operational risks as a relevant key figure showed a defined change (significance threshold) compared to the base scenario at least one point in time.

Risk management process in the AMW and AMI divisions

At the level of the capital management companies (KVGs), the AMW and AMI business divisions follow DekaBank's risk management process. As part of the annual risk inventory described above, the specific climate-related and environmental risks at the KVG level are analysed for the respective business division. Climate-related and environmental risks at special assets level are also regarded as drivers of the main risk types, in particular market price, liquidity and counterparty risk. Appropriate handling of these investment-related (AMW) and real estate-related (AMI) climate-related and environmental risks is ensured by various KVG-specific measures in the investment process and in the KVG's own risk controlling.

8.3.2. Management of climate-related and environmental risks

Based on the findings from the significance analysis, climate-related and environmental risks are successively integrated into the risk control instruments for their management. Due to the mechanisms of action specific to the risk types, risk type-specific approaches to the management of climate-related and environmental risks are used in addition to cross-risk type specifications and guidelines.

For example, climate-related and environmental risks as drivers of counterparty risk within the Deka Group are limited by numerous procedures and qualitative guidelines, such as the negative list and minimum standards for financing. ESG Scorecards are used in the credit approval process to assess the risks associated with ESG factors. (CF. **CHAPTER 4.2.**) In addition, with a view to climate-related and environmental risks as drivers of market price risks, a sustainability filter for proprietary investments and exclusion criteria as part of the collateral policy, i.e. specifications on securities collateral accepted, are used.

8.3.3. Integration of climate-related and environmental risks into general risk management

The results of the significance analysis are used to further develop the suitability of the existing management framework,

e.g. monitoring and indicators, procedural requirements and mitigation measures. In addition, the results are used to create transparency regarding the drivers of climate-related and environmental risks, particularly with regard to the significant medium- and long-term effects on business divisions in order to review the strategic business focus. Overall, the review and derivation of impulses for the management instruments follows the materiality principle. According to this principle, climate-related and environmental risks that have a significant impact are to be included in management and monitoring in particular.

Accordingly, specific key performance indicators (KPIs/KRIs) have been developed for the regular assessment of climate-related and environmental risks and the achievement of strategic business objectives in connection with these. Selected KPIs are used for active management and are therefore also limited and supplemented by a large number of other KPIs for continuous monitoring of specific climate risk- and environmental risk-related aspects. (CF. **CHAPTER 8.4.**) In addition, the results of the significance analysis are used to further develop the qualitative guidelines for dealing with climate-related and environmental risks in the risk strategy and the transaction-related requirements, e.g. exclusions, minimum requirements for borrowers or procedural requirements. In addition, the need to utilise specific mitigation measures, e.g. by reducing existing positions or regularly monitoring certain portfolios, is regularly reviewed.

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As part of regular reporting, particularly in the form of the risk report and the ESG Dashboard, the Board of Management is regularly provided with an up-to-date picture of the key aspects associated with climate-related and environmental risks.

AMW and AMI business divisions

Responsibility for managing risks and identifying opportunities in the management of portfolios lies with the respective portfolio managers in the AMW and AMI business divisions. This also includes responsibility for climate-related and environmental risks and opportunities. By providing comprehensive information on climate-related and environmental risks and opportunities of portfolios and issuers, the portfolio managers are supported in the best possible way in fulfilling this responsibility.

In principle, the transition to a low-carbon economy can have both a negative and a positive impact on the financial performance of the product range of the AMW and AMI business divisions. This depends on various factors, for example, in the case of equity portfolios, on the sectors and countries in which the companies in whose shares the fund invests operate and how the individual companies deal with the challenges of the transition. The same applies to the transition of real estate in AMI's special assets. The comprehensive consideration of the relevant factors at a macroeconomic and business level requires a profound understanding of the effects of the transition as well as extensive and resilient data. On this basis, investment strategies can be adjusted if necessary. The AMW and AMI divisions are continuously working to improve the scope and quality of the required information.

In the investment process in the AMW business division, climate-related and environmental criteria are taken into account in particular through fund-specific, fund group-specific and general exclusions, the integration of corresponding criteria in the target fund selection process, the definition of specific investment universes for funds and other products with sustainability characteristics and the use of specific research, e.g. on the climate risk management of individual issuers. For real estate, the property-specific transition and the respective physical risks are particularly relevant. The portfolio managers receive comprehensive training in order to be able to include climate-related and environmental risks in portfolio management on the basis of their respective sector expertise. In addition, the "Sustainability and Corporate Governance" unit manages climate-related and environmental risks and opportunities in accordance with the three-part approach described in **CHAPTER 8.2.1.** for the AMW business division.

Within the framework of risk controlling, i.e. the 2LoD, climate-related and environmental risks are integrated into the methods and processes as follows:

- In the launch process of the mutual and special funds, it is ensured that climate-related and environmental requirements can be monitored. In particular, this includes the monitoring of exclusions, limits and other investment restrictions as well as controlling of market price, liquidity and credit risk. In addition, other risks arising from climate-related and environmental aspects are assessed, particularly in the case of mutual funds. As a result of the audits, changes or adjustments can be made to the product or processes if necessary.
- Within the scope of the investment limit check, the KVG-wide, fund group-specific and fund-specific climate-related and environmental restrictions such as exclusions or limits are monitored. This takes into account the different risk requirements and sustainability preferences of investors and investor groups, while also addressing reputational risks at the KVG level and implementing regulatory requirements.
- In the counterparty risk, assessments of climate-related and environmental risks are incorporated qualitatively into the overall assessment of default risk. This involves a close exchange between the relevant specialist units.
- In the market price risk of AMW's products, climate-related and environmental risks are taken into account within the framework of market price risk stress tests. The focus is thus placed on ad-hoc events, as measurable effects on relevant market parameters have historically been observed mainly when extreme events occur. Long-term developments have no noticeable effects in the regular controlling processes or are already priced in. The amount of discounts in the stress tests is derived from historical events. In the AMI business division, these are mapped using product-specific methods, e.g. Monte Carlo simulation for direct real estate funds and scoring models for credit and real estate umbrella funds.
- In the liquidity risk of AMW's products, climate-related and environmental risks are taken into account in the same way as market price risk as part of liquidity risk stress tests.
- The climate-related and environmental risks of AMI's products are monitored and managed in an integrated manner in the existing risk system of the special assets or, if this is indicated on a product-specific basis, added via suitable secondary models. Transitory and physical risks, for example, are measured and limited in the real estate risk model. In terms of content, the model quantitatively measures current and future issues in comparison to the CRREM model mentioned above and physical risks based on risk events and real estate characteristics. In addition, the stress tests have been expanded to include such scenarios.

When analysing the strategic climate focus of the special assets, a distinction must be made between Article 6 and Article 8 funds in accordance with the Sustainable Finance Disclosure Regulation (SFDR). All retail funds and one institutional product, and therefore just under 69 percent of the Asset Management volume (as of 31 December 2023), are

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classified under Article 8 and pursue the strategy of remaining below the 2° Celsius scenario of CRREM with regard to emissions. The remaining funds (31 percent of the Asset Management volume) are classified as Article 6 funds and do not pursue a direct alignment with the 2° Celsius goal of the Paris Climate Agreement. All products are monitored with regard to ESG risks. In accordance with the above classification, the special assets have investment limits that are checked for compliance during the purchase process and in the inventory phase. In addition, climate-related risks are continuously monitored and reported using differentiated systems.

In addition, Risk Controlling regularly analyses risk interactions between the main risk types (counterparty, market price, liquidity and operational risk). This is analysed using chains of effects between risk sub-types. The climate-related and environmental risk affects the main risk types via the risk sub-types.

8.4. Metrics & Targets – Climate-related indicators and targets

In the year under review, a systematic review of the management framework was carried out with regard to management-relevant key figures in the climate-related and environmental risk context. As a result, the Board of Management defined KPIs and KRIs for the management and monitoring of climate and environment (risk) relevant aspects at DekaBank, which will be successively operationalised in the next step.

For the purpose of monitoring, additional key figures will be used in future that relate to specific climate and environmental (risk) characteristics of the portfolio, e.g. the evaluation of the ESG Scorecard or the volume of Green Bond-eligible assets. The indicators selected for the purpose of management and monitoring are to be reported regularly to the Board of Management from 2024.

The further improvement of ESG data availability and quality, taking into account the specific challenges of the individual business divisions, will continue to be a focus of project activities in 2024.

Climate-related and environmental indicators for the Deka Group's business operations

As in previous years, the environmental indicators for the Deka Group's business operations, including the GHG emissions of the properties used by the group itself, energy and water consumption and the volume of transport and waste, can be found in **CHAPTER 3.2**. The GHG emissions from business operations are calculated using the VfU tool, which is a globally recognised standard for the accounting of operational environmental indicators for financial institutions.

Financed Emissions

"Financed Emissions" are GHG emissions that must be taken into account in connection with financing and capital investments. They count as Scope 3 emissions and are also referred to as 3.15-emissions based on the corresponding classification in the Greenhouse Gas Protocol.

When interpreting the data, it should be noted that its significance also depends on the respective financing activity. In the case of project financing, for example in the infrastructure or real estate sector, where there is a direct relationship between a loan and a specific project, the GHG emissions caused by the project can be directly attributed to the lenders in the narrower sense of financed emissions. The situation is different in the securities sector, for example when the shares of a company are purchased on the stock exchange for a Deka fund. In this case, the purchase price does not flow to the company, but to the seller of the shares. Financed emissions are defined here as the GHG emissions that are attributable to the purchased shares in purely mathematical terms. For example, if an investor holds 1 percent of a company's shares, 1 percent of the company's GHG emissions are attributed to him/her as part of the financed emissions. In practice, the Enterprise Value Including Sash (EVIC) is used as a reference value for the attribution of GHG emissions instead of the share capital and thus the market capitalisation of the company.

Due to the different informative value, the Deka Group does not aggregate the key figures for the financed emissions and presents them - where available - separately by business divisions in Chapter 8.4. No financed emissions are reported for the AMI business division, as the investments made as part of the real estate funds do not justify a corresponding allocation. Instead, the CO₂ emissions arising from the operation of the properties, in which the funds are invested, are reported for the real estate funds.

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Assets in sectors with comparatively high GHG emissions

As part of the TCFD recommendations, four sectors are defined whose economic activities are associated with comparatively high direct or indirect GHG emissions. This is accompanied by the requirement formulated by the TCFD to disclose the assets for these four sectors that are linked to these sectors via the various business divisions or in connection with DekaBank's economic activities. In addition to financing, this also includes proprietary investments.

TABLE 30 provides an overview of the gross carrying amount of DekaBank's assets in the four sectors specified by the TCFD. These are primarily assets associated with the energy and utilities sector, the transport sector and the real estate sector. Accordingly, the gross carrying amount as of 31 December 2023 is around 13.45 billion euros, which corresponds to a share of 15.85 percent of DekaBank's total assets.

CO₂-RELATED ASSETS OF DEKABANK (TABLE 30)

Sector according to TCFD	Sector according to DekaBank	Gross carrying amount (in million euros)
Energy	Energy	2,858.27
Means of transport	Transport and warehousing	1,412.30
Materials and real estate	Real estate	9,129.33
Agriculture, food and forestry products	Agriculture	44.90
Total		13,444.80
in % of total assets		15.85

Financing business division

DekaBank generally assumes that companies in sectors with a high CO₂ intensity are exposed to a higher degree of transitory risks. It has therefore analysed the extent, to which financing exists in corresponding sectors. (CF. **TABLE 31**) Due to the strategic focus of the business division, the majority of the Deka Group's lending activities are in the financial sector and with public-sector borrowers. Exposures in sectors with a fundamentally higher CO₂ intensity mainly relate to the real estate sector, the transport sector and conventional energy & infrastructure.

In the Financing business division, various approaches are currently being pursued to record the GHG emissions for the various financings (financed emissions) and other meaningful key figures on the climate-related and environmental quality of the financings and to identify the associated risks. The diversity of the financing sectors and individual specialised financings poses a challenge.

FINANCED EMISSIONS IN THE FINANCING BUSINESS DIVISION (TABLE 31)

Financing area	Financing volume as of 31 Dec 2023 (in billion euros)	Financed emissions (in million tCO ₂)	Data coverage
Means of transport	3.3	3.1*	92%
Renewable/conventional energies & infrastructure	5.0	6.5	Not specified
Real estate	11.2	Not specified	Not specified
Savings banks & public financing	7.7	Not specified	Not specified

* Value as of 31 December 2023, taking into account the emission values as of 31 December 2022

Financed emissions in the Financing business division at a glance

In the Financing business division, the financed emissions are calculated taking into account the financing volume and the financed companies or projects. With regard to the financing volume, the aim is to determine the financial institution's "fair share" of the financed business by applying an attribution factor. For unlisted corporate customers, for example, the attribution factor is calculated from the ratio of loan utilisation to the customer's total assets. For commercial real estate financing, on the other hand, the loan utilisation is often compared with the market value of the building when the loan is granted.

Corresponding key figures are available as of 31 December 2023 for transport finance. (CF. **TABLE 31**) Systematic reporting for the other business divisions – renewable/conventional energies & infrastructure, real estate and savings bank & public sector financing – is currently still being developed or tested in order to meet the requirements of the CRR on the cut-off date 30 June 2024.

Transport financing

In the area of transport finance, with a focus on the financing of ships and aircraft, the first reliable data on the associated financed emissions (Scope 3 emissions) is available, which is mainly provided by external service providers such as Marsoft and Cirium.

The consumption data for the ship and aircraft portfolio is collected once a year for the previous year. Only the composition of the respective portfolios and credit ratings changes during the year. New additions are approximated. An approximation of the Scope 2 and Scope 3 values for ships and aircraft was carried out for the first time as of the reporting date of 31 December 2023. This was based on published data from various relevant market participants, from which an average proportionality was derived.

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The financed emissions are allocated to the bank on the basis of the relationship between the volume of debt financing and the asset value of the financed ship or aircraft as of 31 December 2023. The CO₂ emission values taken into account relate to 31 December 2022 due to delays in the provision of data by the external service providers. Taking these values into account, the total financed emissions calculated as of 31 December 2023 were 3.1 million tonnes (CF. **TABLE 31**) or around 1.08 kgCO₂ per euro financed.

After DekaBank joined the Poseidon Principles Initiative in 2022, the CO₂ data from the previous financial year for the ship financing portfolio is determined as part of the Poseidon Principles reporting. It should be noted that ships with a deadweight tonnage of less than 5,000 tonnes and ships under construction are not taken into account. In the year under review, DekaBank achieved a Climate Alignment Score of 4.2 percent, putting it in an above-average position compared with other signatory financial institutions. In the aircraft financing portfolio, the CO₂ figures are based on real data for the aircraft financed.

For exposures in the transport sector (12.0 percent of the gross loan volume in the financing business division), transitory risks are mitigated by means of suitable standards, for example by meeting applicable minimum environmental standards, observing marketability and third-party usability as well as specifications regarding the remaining useful life at the end of the loan term. The overall business strategy is geared towards financing new ships so that the latest technologies and technological leaps are incorporated into the portfolio over time.

Infrastructure financing

In infrastructure financing, the financing of renewable energy generation and the associated infrastructure is important with regard to climate-related and environmental risks and opportunities, which is why its volume is continuously recorded separately. As of 31 December 2023, financing for renewable energies reached a gross volume of 1.46 billion euros (2022: 1.43 billion euros). (CF. **TABLE 32**)

GROSS FINANCING VOLUME FOR RENEWABLE ENERGIES
(TABLE 32)

	31 Dec 2022	31 Dec 2023
Gross financing volume of renewable energies and their infrastructure (billion euros)	1.43	1.46

Exposures in the "Infrastructure (project) financing" category (9.4 percent of the gross loan volume of the Financing business division) are primarily related to public utilities, but to a lesser extent also to gas-fired power plants, whose economic

risk is largely borne by fixed power purchase agreements with public utilities.

Real estate financing

Physical and transitory risks in the financing of real estate (41.3 percent of the gross loan volume of the Financing business division) are taken into account and mitigated on the basis of risk strategy guidelines. These guidelines include, in particular, the focus on portfolio financing, the exclusion of speculative real estate financing, the systematic consideration of third-party usability as well as location factors, short residual terms and the availability of insurance.

In the case of real estate financing, building certification with a recognised sustainability certificate allows conclusions to be drawn about climate-related and environmental quality, as energy efficiency, for example, is a key assessment criterion here. Social aspects are also taken into account in the comprehensive assessment of the property. The Deka Group therefore attaches great importance to the appropriate certification of the real estate it finances, with a focus on commercial real estate. As of 31 December 2023, a total of 85 percent of the financed real estate in new business had been awarded such a certificate (2022: 69 percent).

AMW business division

The AMW business division is working on defining and introducing various key figures to record climate-related and environmental risks in the managed securities portfolios. Important starting points here are the requirements of the Sustainable Finance Disclosure Regulation (SFDR) and the NZAM voluntary commitment. As part of the NZAM initiative, the Scope 1 and 2 emissions for the initially committed portfolio are collected using the key figure "Weighted Average Carbon Intensity" (WACI). It describes the weighted average carbon intensity of a portfolio by setting the GHG emissions of a company, in which a fund invests, in relation to the company's turnover. The calculated figure for the company's GHG emissions is then multiplied by the share the investment has in the total portfolio. The result provides information on whether a portfolio invests in companies with a higher or lower GHG intensity compared to other portfolios or to an appropriate benchmark.

The WACI is thus an important indicator both for concrete investment decisions at individual companies and for the management of portfolios. The year 2019 was determined as the base year here, from which the data is collected and documented annually in order to form a historical time series and to be able to manage the development of emissions intensity of relevant portfolios in line with NZAM targets. Data on Scope 1 and 2 emissions is also available for portfolios not committed to the NZAM initiative and data on Scope 3 emissions for some portfolios managed in the AMW business division. The corresponding data are provided by the ESG rating

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agency MSCI ESG. In calculating its carbon footprint, the business division utilises the recommendations of the Partnership for Carbon Accounting Financials (PCAF), which comprehensively addresses the requirements of the GHG Protocol.

As signatories to NZAM, Deka Investment GmbH and Deka Vermögensmanagement GmbH have currently committed to managing around 37 percent of the assets under management in the AMW business division in line with the objectives of the NZAM initiative. Taking into account the current method and data coverage, 27 percent of the AMW product portfolio - over 200 fund products - are thus managed compatibly with a 1.5° Celsius path. In 2022, the relevant key figures were determined for the included portfolios. Based on this, the business division monitors these key figures every six months and uses them as part of the NZAM initiative to manage decarbonisation. The goal is to reduce the WACI for the included portfolios by 50 percent by 2030. As of 30 June 2023, a continuous reduction in WACI can even be seen below the target path.

The current coverage of 37 percent of the volume of assets under management is to be successively increased in future and will include all portfolios under management by 2050 at the latest. In addition, sector targets for emission-intensive sectors are already being addressed. As the AMW business division is guided by the Asset Owner Alliance Target Setting Protocol as part of the NZAM, sector targets are to be measured and defined on the basis of physical intensity. There is not yet a sufficient data basis for this. Sector targets will be defined in future depending on the availability of data and management decisions.

As part of the implementation of the requirements of the Sustainable Finance Disclosure Regulation (SFDR), further climate-related and environmental criteria, such as the CO₂ footprint at product level, are to be included in the relevant publications in addition to the WACI. In addition, the respective key figures will be published in aggregated form for all securities in the portfolio on the respective KVG website from 30 June 2023 onwards.

Financed emissions in the AMW business division

As part of the implementation of the requirements of the Sustainable Finance Disclosure Regulation (SFDR), the Deka Group published the declarations on the main adverse impacts of investment decisions on sustainability factors for the relevant business divisions and subsidiaries for the first time as of 30 June 2023.

These PAI statements include information on the financed emissions for all companies in the AMW business division, broken down by scope categories. The vast majority of the relevant emissions in all companies relate to Scope 3

emissions. (CF. **TABLE 33**) The information relates to the average of the quarter ends in 2022. The statements of the individual companies can be found at www.deka.de/deka-gruppe/unsere-verantwortung/wie-wir-nachhaltigkeit-leben/nachhaltigkeitsbezogene-offenlegung.

As with the financed emissions in the AMW business division, a significant proportion of the company-related data here also comes from the ESG rating agency MSCI ESG or alternatively directly from the counterparty's publications.

FINANCED EMISSIONS IN THE AMW BUSINESS DIVISION (TABLE 33)

Company	Assets under management (in billion euros)	Financed emissions (in million tCO ₂)	Data coverage (in %)
DekaBank	6.94	2.83	52.22
Deka Investment GmbH	212.13	82.41	53.38
Deka Vermögensmanagement GmbH	34.73	11.85	53.78
Deka International S.A.	50.10	21.62	68.78

With regard to data coverage, it should be noted that data on financed emissions is currently only collected and reported for companies. When interpreting the company-related data, it should be noted that this is obtained from the leading international ESG rating agency MSCI ESG. Most of the data used by the agency comes from companies that already report their GHG emissions comprehensively. However, as this is not yet the case for some of the companies, the GHG data must be estimated for a smaller proportion of the companies in the relevant funds and portfolios. This approach generally allows data to be reported for more than 95 percent of the relevant companies.

Financed emissions of own investments

The information on the financed emissions of own investments relates to 31 December 2023. The generally recognised and publicly accessible PCAF formulas are used to calculate the financed emissions. The basis is the reported Scope 1 to 3 emissions of the capital market counterparties available on the reporting date.

FINANCED EMISSIONS OF OWN INVESTMENTS (TABLE 34)

	Volume (in billion euros)	Financed emissions (in million tCO ₂)	Data coverage (in %)
Own investment portfolio	9.77	0.83	87.44

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As with the financed emissions in the AMW business division, a significant proportion of the company-related data here also comes from the ESG rating agency MSCI ESG or alternatively directly from the counterparty's publications.

AMI business division

In the AMI business division, the CO₂ footprint of the investment assets held in trust has been recorded since 2019. The challenge in recording the consumption data for an international portfolio lies in the lack of uniform European and international standards for recording and calculating corresponding key figures. For this reason, activities in the AMI business division focus on continuously improving the quality of the consumption and emissions data collected for the special assets properties. To this end, internal standards for recording and processing were further refined and harmonised during the reporting period. Working groups in the German Investment Funds Association (Bundesverband Investment und Asset Management, BVI) and the German Property Federation (Zentraler Immobilienausschuss e. V., ZIA) are also working on establishing a uniform understanding across the sector so that the data collected and reported will also be binding, comparable and transparent externally in future. As a result of these efforts, it can be seen that the annual fluctuations in CO₂ emissions are becoming less pronounced, which can be seen as an indicator of the increasing informative value of the key figures. On this basis, reliable annual comparisons of the key figures are possible.

Real estate-related CO₂ emissions in the AMI business division

Data on operational CO₂ emissions for the properties, in which the real estate funds invest, is currently available for all funds classified under Article 8 or 9 of the Disclosure Regulation. They account for just under 69 percent of the total volume of funds managed by Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH. The tenants' energy consumption and the associated CO₂ emissions are, if they are not known, calculated from general consumption figures or energy performance certificates. If this is also not possible, standard industry benchmark values are used as an approximation.

The operation of all properties across the entire portfolio caused a total of 460,702 tonnes of CO₂. Retail funds accounted for 377,066 tonnes and institutional funds for just under 123,636 tonnes. (CF. **TABLE 35**) This corresponds to emissions of 44 kg CO₂/m² for the retail funds and 30 kg CO₂/m² for the institutional funds. The comparative figure for the institutional funds for 2021 was 37.0 kg CO₂/m².

In total, 44 percent of the relevant data in the properties could be recorded or calculated directly. The data for the emission values not currently covered in this way are based on suitable benchmark values. This means that complete data coverage can be achieved for both companies for the funds with sustainability features.

ABSOLUTE CO₂ EMISSIONS OF THE REAL ESTATE FUNDS WITH SUSTAINABILITY FEATURES (TABLE 35)

Company	Assets under management (in billion euros)	Operational emissions from the properties (in tCO ₂)*	Data coverage (in %)**
Deka Immobilien Investment GmbH	37.74	0.28	100
WestInvest Gesellschaft für Investmentfonds mbH	9.46	0.18	100

* In relation to property assets, issues of liquidity investments are not included
 ** In relation to the property assets

The CO₂ emissions of the individual investment assets are compared with the respective CRREM path in order to assess how successful the decarbonisation measures in the investment assets are. CRREM provides specific, science-based reduction paths per country and per property use type as shown. These are calculated using the "CO₂ budgets" that are still available if the 1.5° Celsius or 2° Celsius target is to be met. The country-specific requirements and the special features of the respective types of property use are therefore taken into account. Adequate decarbonisation measures can be determined and planned by comparing the individual CO₂ emissions of the properties with their respective CRREM paths.

Consideration of Principal Adverse Impacts (PAI) for real estate

An analysis of climate-related aspects also takes place within the framework of the assessment of the most significant adverse sustainability impacts (Principal Adverse Impacts, PAI) for real estate prescribed by the Disclosure Regulation, for which metrics are defined. These include the shares of investments in real estate related to the extraction, storage, transport or production of fossil fuels. The investment share of properties in the real estate portfolios that are actively involved in the extraction, storage, transport or production of fossil fuels for consumption or utilisation by third parties is recorded. As of 31 December 2022, this share was 0.004 percent in both companies Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH.

Secondly, the proportion of investments in properties with poor energy efficiency is calculated as part of the PAI. For this purpose, the market value-weighted share of property values

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with poor energy efficiency is recorded in relation to all market values of the property values in the portfolio that are obligatory for compliance with the regulations for the preparation of Energy Performance Certificates (EPC) or for "Nearly Zero-Energy Buildings" (nZEB). The following are considered energy inefficient

- properties built before 31 December 2020 with an energy performance certificate C or worse and
- properties built after 31 December 2020 with a primary energy demand worse than the threshold set in the requirements for ultra-low energy buildings.

The share of properties with poor energy efficiency based on the very strict PAI requirements in the portfolio of Deka Immobilien Investment GmbH was 67.8 percent in calendar year 2022, and that in the portfolio of WestInvest Gesellschaft für Investmentfonds mbH was 67.1 percent. Energy consumption intensity, measured in GWh/m², is reported as a voluntary criterion. Here, the value for both companies was 0.0002 GWh/m².

PAI reporting at company level with further explanations of the results can be viewed at www.deka.de/deka-gruppe/unsere-verantwortung/wie-wir-nachhaltigkeit-leben/nachhaltigkeitsbezogene-offenlegung.

Alignment-Reporting 2023





9. Reporting within the framework of Article 8 of the Taxonomy Regulation: Alignment Reporting 2023

9.1. Introduction

In order to achieve greenhouse gas neutrality by 2050, the EU Commission is counting on the support of the financial industry, among others. From a political and regulatory perspective, the financial industry is assigned the central function of steering capital flows into sustainable investments and ensuring a high level of market transparency. In order to create clarity and legal certainty as to what constitutes a sustainable investment, the European Commission has created an EU-wide classification system for sustainable economic activities in Regulation (EU) 2020/852 (hereinafter referred to as the "Taxonomy Regulation"). According to this Taxonomy Regulation, around 100 economic activities in 13 sectors are to be evaluated in terms of their impact on the climate and the environment. In particular, the EU Taxonomy also includes a catalogue of concrete technical requirements that an economic activity must fulfil in order to be classified as compliant with the taxonomy.

The Taxonomy Regulation came into force in July 2020 and initially comprised a catalogue of economically sustainable activities in relation to the environmental objectives (Umweltziele, UWZ) of climate change mitigation and adaptation (UWZ 1 and 2).

The Delegated Regulation (EU) 2022/1214 ("delegated act on nuclear and gas") of 22 March 2022 added six new economic activities in the areas of nuclear and gas energy to the economic activities defined in the Taxonomy Regulation.

In June 2023, a total of 13 additional activities were added for environmental objectives 1 and 2 (Regulation (EU) 2023/2485). These include activities in the manufacturing industry, aviation and infrastructure measures to prevent flooding. At the same time, the economic activities and the assessment criteria for the other UWZ 3 to 6 (sustainable use of water resources, transition to a circular economy, pollution prevention and protection of ecosystems and biodiversity) were published for the first time by Regulation (EU) 2023/2486.

The reporting obligations of the various players in the financial market, including those of credit institutions, are specified in Regulation (EU) 2021/2178. All (non-)financial companies that are obliged to submit a non-financial statement in accordance with the Accounting Directive 2013/34/EU are required to report in accordance with the Taxonomy Regulation. For the 2021 and 2022 years under review, transitional regulations applied to credit institutions, according to which seven key performance indicators (KPIs) on taxonomy compliance and the composition of their assets had to be disclosed initially.

From the reporting date of 31 December 2023, institutions must report on the taxonomy compliance of their assets and the Green Asset Ratio (hereinafter "GAR") for UWZ 1 and 2 for the first time. For the information on UWZ 3 to 6 and the other activities of UWZ 1 and 2 published in June 2023, a transitional arrangement of two years applies, during which only taxonomy compliance must initially be reported. The reporting obligations for the respective environmental objectives are shown in **FIGURE 8**.

The Deka Group must therefore disclose the KPIs for the share of taxonomy-compliant economic activities for UWZ 1 and 2 in accordance with the Taxonomy Regulation for the first time as of 31 December 2023.

An environmentally sustainable or taxonomy-compliant economic activity is an economic activity that fulfils the requirements laid down in Article 3 of the Taxonomy Regulation by

- making a significant contribution to at least one of the six environmental objectives (CF. **FIGURE 8**), (Art. 3a, Taxonomy Regulation)
- not causing significant harm to other environmental objectives (Do No Significant Harm (DNSH) criteria), (Art. 3b, Taxonomy Regulation)
- meeting the minimum social safeguards (Art. 3c, Taxonomy Regulation)

The application is based on the delegated acts for the supplementary definition of the technical assessment criteria, which the EU Commission has adopted pursuant to Article 23 of the Taxonomy Regulation (Annex I for environmental objective 1 and Annex II for environmental objective 2).

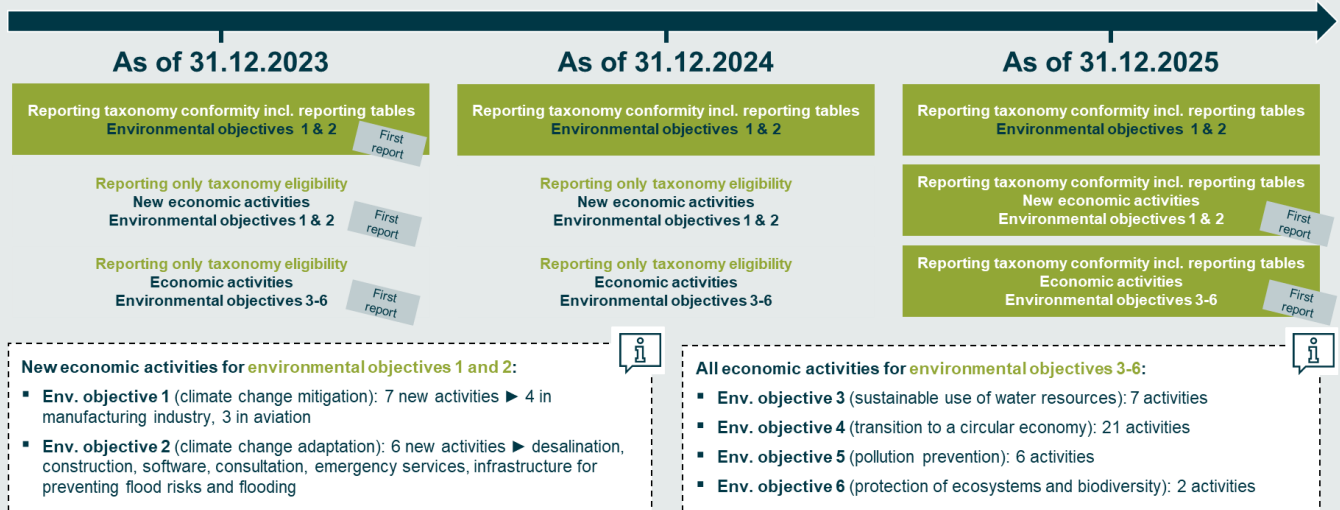
The key figures determined within the framework of the requirements of the Regulation in the following reporting templates are particularly important taking into account

- the Deka Group's integrated business model as the Wertpapierhaus for the savings banks, with its focus on asset management business and the
- geographical and systemic limits of the Taxonomy Regulation.

The Deka Group's business model as an end-to-end solutions provider is designed to address the needs of savings banks and their customers and to provide all the necessary asset management and banking services for the securities business of the savings banks and their customers. As a partner, the Deka Group also provides targeted sales support.

Alignment-Reporting

REPORTING OF TAXONOMY ELIGIBILITY AND COMPLIANCE DIVIDED INTO ENVIRONMENTAL OBJECTIVES AND REPORTING DATES (FIGURE 8)



The core business consists of providing customer-oriented securities and real estate investments. (CF. CHAPTER 4.1.) In this context, financing is to be classified as a complementary service along the entire value chain of asset investment and management. (CF. CHAPTER 4.2.)

Through the Financing business division, the Deka Group supports the savings banks in refinancing. New business activities also focus on loans that can be placed and serve as attractive investments for institutional investors. Financing is both transferred to the bank's own balance sheet in the banking book and passed on as investment products for other banks and savings banks or other institutional investors in the form of club deals or syndications. It is also possible to participate in loans arranged by third parties.

The Special Finance sub-division acquires asset-based transport and infrastructure financing as well as export financing. Infrastructure financing is focussed on the national and international finance of (renewable) energy, grid, supply, transport and social infrastructure. Transport finance includes the financing of aircraft and ships and, to a lesser extent, rail transport.

The Real Estate Finance sub-division offers financing for the office, retail, hotel and logistics property classes at selected locations in Europe and North America as well as financing for open-ended property funds.

The Taxonomy Regulation aims to define environmentally sustainable activities by providing companies, the financial sector and policy makers with definitions of which economic activities can be considered environmentally sustainable.

The delegated acts ("Climate Delegated Act" Annex I and II) of the Taxonomy Regulation describe taxonomy-eligible economic activities and thus also specify the scope of possible taxonomy-compliant assets. Taxonomy-compliant assets nevertheless include real estate financing to private individuals (private construction financing or retail business), which is not part of the Deka Group's business model.

Financing to borrowers outside the European Economic Area (EEA) may not be classified as taxonomy-compliant, even if the economic activity (purpose) can be considered environmentally sustainable. This also applies to the same extent to Special-Purpose Vehicles (SPVs) inside and outside the EEA, regardless of the taxonomy eligibility or taxonomy conformity of the object of financing. As part of the Supplementary Regulation to Article 8 of the Taxonomy ("Environment" and "Climate" Delegated Act 2023/2485) of 21 November 2023, further financing, for example under activity 6.18 "Leasing of aircraft", was classified as taxonomy-eligible in UWZ 1. Taxonomy eligibility will initially be disclosed for this activity as of 31 December 2023. However, no taxonomy compliance check has yet taken place.

Alignment-Reporting

9.2. Quantitative data

Taxonomy conformity: Template 0 – 5 and Green Asset Ratio (GAR)

From the 2023 year under review and when the full scope of reporting comes into force, the Deka Group is obliged to publish the GAR for the activities of UWZ 1 and 2, for which key figures on taxonomy compliance already had to be disclosed in the 2021 and 2022 years under review. The GAR indicates the ratio of taxonomy-compliant transactions to a defined portion of the Deka Group's assets (so-called "Covered Assets").

Covered assets are calculated from Total Assets (= balance sheet total), whereby exposures to central governments, central banks and supranational issuers as well as trading book exposures are not taken into account. The calculation of the relevant key figures is based on regulatory financial reporting and the regulatory scope of consolidation.

A licensed taxonomy tool is used to check and document the taxonomy eligibility and taxonomy conformity of financing with a specific purpose. In the case of financing and exposures without a specific purpose, publicly available data and data from external data providers are used for taxonomy eligibility and taxonomy conformity. Exposures to financial institutions, for which there was no publicly available data on taxonomy compliance as of the reporting date, are assessed and recognised as non-taxonomy-compliant.

The GAR and the composition of the underlying calculation parameters are presented in the reporting templates published in conjunction with this Sustainability Report. The information on taxonomy eligibility and taxonomy conformity must be disclosed on a revenue basis²¹ and on a CapEx basis.²²

Template 0 – Overview of the KPIs

Reporting table 0 serves as an overview of the KPIs to be disclosed by credit institutions in accordance with Article 8 of the Taxonomy Regulation. The GAR portfolio (main KPI) as well as the GAR inflows (reporting table 4) and the KPIs for financial guarantees and assets under management (reporting table 5) must be disclosed as of 31 December 2023.

The Deka Group defines GAR as the main KPI. This is 0.84 percent (turnover-based) and 1.27 percent (CapEx-based).

The value for the "total environmentally sustainable assets" of the main KPI of 0.41 percent is calculated from the financing with a known purpose that has been verified as taxonomy-compliant in relation to the Covered Assets. It shows the share of taxonomy-compliant risk positions (gross carrying amounts). If no information is available from non-financial companies on

taxonomy eligibility and taxonomy conformity ratios on the basis of turnover or capital expenditure (CapEx), the Deka Group has recognised these risk positions as non-taxonomy-compliant in line with the procedure used in previous years.

For the GAR, loans, debt securities and equity instruments to companies subject to the Non-Financial Reporting Directive (NFRD) (financial companies, non-financial companies and other financial companies) as well as households and local authorities (municipalities and local authorities, whose purpose is to finance public housing or special financing) must first be analysed for taxonomy eligibility and, in a second step, for taxonomy conformity.

If the economic activity of the respective financing can be assigned to UWZ 1 (climate change mitigation) or UWZ 2 (climate change adaptation) and subsequently fulfils the required criteria, which are checked using the taxonomy tool, the respective financing is reported as taxonomy-compliant.

Financing to borrowers outside the European Economic Area (EEA) may not be classified as taxonomy-eligible and therefore also not as taxonomy-compliant, even if the economic activity (purpose) can be regarded as environmentally sustainable. This also applies to the same extent to Special-Purpose Vehicles (SPVs) inside and outside the EEA, regardless of the taxonomy eligibility or conformity of the object of financing.

On the basis of the current legal situation and the continued possibility of interpretation regarding the inclusion of SPVs, different approaches prevail among financial institutions. The Deka Group does not include financing to SPVs in the GAR.

(see separate reporting table 0 "Overview of the KPIs to be disclosed by credit institutions in accordance with Article 8 of the Taxonomy Regulation")

²¹ Corresponds to the share of taxonomy-compliant activities in a company's total turnover

²² Corresponds to the share of taxonomy-compliant investments in a company's total investments

Alignment-Reporting

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

Main KPI	Green asset ratio (GAR) stock	Total environmentally sustainable assets			% coverage (over total assets) (**)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
		KPI (****)	KPI (****)	KPI (****)			
		0,41%	0,84%	1,27%	32,86%	32,26%	34,86%

Additional KPIs	GAR (flow)	Total environmentally sustainable activities			% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
		KPI	KPI	KPI			
Trading book (*)		0,24%	0,24%	0,25%	16,54%		
Financial guarantees		0,19%	0,19%	0,19%			
Assets under management		0,00%	0,95%	1,84%			
Fees and commissions income (**)							

(*) For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 225a(1) of the CRR
(**) Fees and commissions income from services other than lending and debt institutions shall disclose to reporting information for this KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.
(***) Total assets covered by the KPI cover banks' total assets
(****) based on the Turnover KPI of the counterparty
(***) based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used
Note 2: Access to the reporting templates: cells shaded in black should not be reported.
Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026. SMEs' inclusion in these KPIs will only apply subject to a positive result of an impact assessment.



Template 1 – Assets for the calculation of GAR (by turnover & CapEx)

Reporting table 1 contains detailed information on the assets used to calculate the GAR. On the one hand, the composition of the banking book exposures to companies subject to the NFRD²³ is disclosed by customer group and information on the amount of taxonomy-eligible and taxonomy-compliant exposures per environmental objective. The table also contains the exposures to companies not subject to the NFRD that do not fall under the provisions of the Taxonomy Regulation, regardless of the economic activity or sustainability of the purpose of the financing. The composition of the Covered Assets as the denominator of the GAR can be found in column a of the reporting table. Reporting table 1 also contains information on taxonomy-eligible and taxonomy-compliant financial guarantees and assets under management.

(see separate reporting tables 1 "Assets for the calculation of GAR (Turnover)" and "Assets for the calculation of GAR (CapEx)")




²³ Companies that are obliged to provide non-financial reporting.

Alignment-Reporting

Template 2 – GAR sector information (by turnover & CapEx)

Reporting table 2 provides a detailed breakdown of all taxonomy-compliant assets per environmental objective for non-financial corporations (non-financial companies) that are active in relevant sectors in accordance with the Taxonomy Regulation (taxonomy-eligible sectors).

(see separate reporting tables 2 "GAR sector information (Turnover)" and "GAR sector information (CapEx)")




Template 3 – Illustration of GAR in relation to inventory (by turnover & CapEx)

Reporting table 3 provides a detailed breakdown of the GAR portfolio as of 31 December 2023 as a percentage and broken down by turnover and CapEx. In this reporting template, the values for the portfolio per environmental goal are set in relation to the covered assets, which also form the denominator of the GAR.

(see separate reporting tables 3 "GAR KPI inventory (Turnover)" and "GAR KPI inventory (CapEx)")

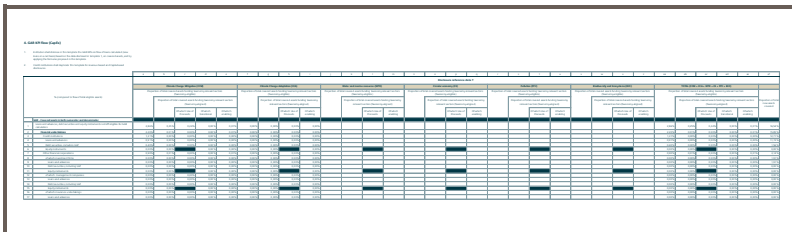
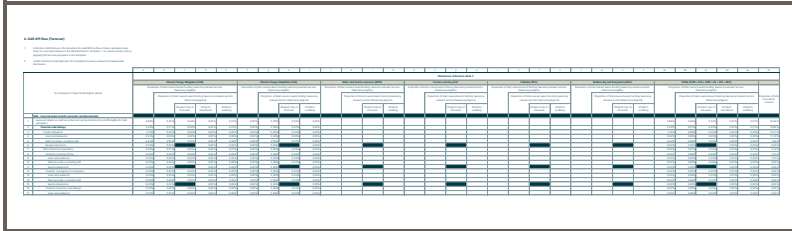



Alignment-Reporting

Template 4 – Illustration of GAR in relation to new business (by turnover & CapEx)

Reporting table 4 shows an overview of new business inflows as of 31 December 2023 and thus provides a detailed presentation of GAR in relation to new business in the year under review. The structure of reporting table 4 is similar to the structure of reporting table 1. Reporting table 4 must also be disclosed twice, separately for turnover and CapEx. In this reporting template, the values for the inflows per environmental objective are set in relation to the Covered Assets, which also form the denominator of the GAR.

(see separate reporting tables 4 "GAR KPI inflows (Turnover)" and "GAR KPI inflows (CapEx)")



Alignment-Reporting

Template 5 – KPIs for off-balance sheet items (by turnover & CapEx)

Reporting table 5 provides an overview of the taxonomy-eligible and taxonomy-compliant financial guarantees and Assets under Management (AUM). The reporting table is disclosed both for the portfolio as of the reporting date and for new business. For each environmental objective, the values for the portfolio or inflows are set in relation to the Covered Assets of the financial guarantees or AUM, which also form the denominator of the respective financial guarantee KPI or AUM KPI in the reporting table. The information on new business relates to financial guarantees that were newly issued in the year under review 2023.

The information on new business in assets under management is based on the gross sales performance of the respective products in the reporting period.

As of the reporting date of 31 December 2023, taxonomy information on the AUM of IQAM Invest GmbH is not taken into account. The share of IQAM Invest GmbH's AUM in the total AUM of the Deka Group is around 2 percent of total AUM and therefore has no material impact on the AUM GAR.

The AUM of Deka Immobilien Investment GmbH and WestInvest Gesellschaft für Investmentfonds mbH are also recognised as non-taxonomy-compliant. In the year under review, the companies collected energy performance certificates for the fund properties and prepared climate risk assessments. Overall, however, the available data is not yet sufficient to fulfil the high requirements for taxonomy conformity.

(see separate reporting tables 5 "KPI off-balance sheet risk positions (Stock, Turnover)", "KPI off-balance sheet risk positions (Stock, CapEx)", "KPI off-balance sheet risk positions (Flow, Turnover)" and "KPI off-balance sheet risk positions (Flow, CapEx)")



View



View



View



View

Alignment-Reporting

Nuclear and gas energy: Annex XII disclosure templates in accordance with Article 8(6) and (7)

In March 2022, the catalogue of potentially sustainable economic activities was expanded to include six additional activities in the nuclear and gas sectors. In order to achieve a high degree of transparency regarding investments in nuclear and gas, the regulation contains separate disclosure requirements for the corresponding exposures.

Reporting form 1 for nuclear and gas energy

Reporting form 1 for nuclear and gas energy shows in which of the six defined economic activities in the nuclear and gas sectors the Deka Group is active.

(see separate reporting form "1 Activities in the areas of nuclear energy and fossil gas")

Template 1 Nuclear and fossil gas related activities		
Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
Row	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO



View

Alignment-Reporting

Reporting form 2 for nuclear and gas energy (by turnover & CapEx)

Reporting form 2 discloses the amount and percentage of taxonomy-compliant economic activities according to the six economic activities relating to nuclear and gas energy. The information relates exclusively to the so-called Covered Assets listed in template 1. This reporting form must be disclosed twice, separately for turnover and CapEx.

(see separate reporting forms "2 Taxonomy-compliant economic activities (Denominator) (Turnover)" and "Taxonomy-compliant economic activities (Denominator) (CapEx)")

Template 2 Taxonomy-aligned economic activities (denominator) (Turnover)		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in M€ EUR	%	Amount in M€ EUR	%	Amount in M€ EUR	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	16,93	0,02%	16,93	0,02%	-	0,00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	451,64	0,82%	450,91	0,82%	0,73	0,00%
8.	Total applicable KPI	468,57	0,85%	467,84	0,85%	0,73	0,00%



View

Template 2 Taxonomy-aligned economic activities (denominator) (CapEx)		Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount in M€ EUR	%	Amount in M€ EUR	%	Amount in M€ EUR	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	3,58	0,01%	3,58	0,01%	-	0,00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	27,65	0,05%	27,65	0,05%	-	0,00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/139 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	672,51	1,22%	671,79	1,22%	0,73	0,00%
8.	Total applicable KPI	703,74	1,27%	703,02	1,27%	0,73	0,00%



View

Alignment-Reporting

Reporting form 3 for nuclear and gas energy (by turnover & CapEx)

Reporting form 3 differs from reporting form 2 in that the information relates to the numerator of the GAR and not to the Covered Assets. The reporting form must be disclosed twice, separately for turnover and CapEx.

(see separate reporting forms "3 Taxonomy-compliant economic activities (Numerator) (Turnover)" and "Taxonomy-compliant economic activities (Numerator) (CapEx)")

Template 3 Taxonomy-aligned economic activities (numerator) (Turnover)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation		Climate change adaptation	
		Amount in M€ EUR	%	Amount in M€ EUR	%	Amount in M€ EUR	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	16,93	3,61%	16,93	3,62%	-	0,00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	451,64	96,39%	450,91	96,38%	0,73	100,00%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	468,57	100,00%	467,84	100,00%	0,73	100,00%



Template 3 Taxonomy-aligned economic activities (numerator) (CapEx)

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation		Climate change adaptation	
		Amount in M€ EUR	%	Amount in M€ EUR	%	Amount in M€ EUR	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	3,58	0,51%	3,58	0,51%	-	0,00%
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	27,65	3,93%	27,65	3,93%	-	0,00%
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annex I and II to Delegated Regulation 2021/0139 in the numerator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	672,51	95,56%	671,79	95,56%	0,73	100,00%
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	703,74	100,00%	703,02	100,00%	0,73	100,00%



Alignment-Reporting

Reporting form 4 for nuclear and gas energy (by turnover & CapEx)

Reporting form 4 discloses the amount and percentage of taxonomy-eligible but non-taxonomy-compliant economic activities according to the six economic activities relating to nuclear and gas energy. The reporting form must also be disclosed twice, separately for turnover and CapEx.

(see separate reporting forms "4 Taxonomy-compliant but non-taxonomy-compliant economic activities (Turnover)" and "Taxonomy-compliant but non-taxonomy-compliant economic activities (CapEx)")

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities (Turnover)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation		Climate change adaptation	
		Amount in Mln EUR	%	Amount in Mln EUR	%	Amount in Mln EUR	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	0,24	0,00%	0,24	0,00%	-	0,00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	20,19	0,04%	20,19	0,04%	-	0,00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	0,22	0,00%	0,22	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4.049,13	7,33%	4.049,13	7,33%	-	0,00%
8.	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	4.069,78	7,33%	4.069,78	7,33%	-	0,00%



View

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities (CapEx)

Row	Economic activities	Proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation		Climate change adaptation	
		Amount in Mln EUR	%	Amount in Mln EUR	%	Amount in Mln EUR	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	0,24	0,00%	0,24	0,00%	-	0,00%
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	16,92	0,03%	16,92	0,03%	-	0,00%
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 202/121/39 in the denominator of the applicable KPI	-	0,00%	-	0,00%	-	0,00%
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	4.024,39	7,29%	4.024,39	7,29%	-	0,00%
8.	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	4.041,55	7,32%	4.041,55	7,32%	-	0,00%



View

Alignment-Reporting

Reporting form 5 for nuclear and gas energy (by turnover & CapEx)

Reporting form 5 discloses the respective amount and percentage of non-taxonomy-eligible economic activities according to the six economic activities relating to nuclear and gas energy. The reporting form must also be disclosed twice, separately for turnover and CapEx.

(see separate reporting forms "5 Non-taxonomy-eligible economic activities (Turnover)" and "Non-taxonomy-eligible economic activities (CapEx)")

Template 5 Taxonomy non-eligible economic activities (Turnover)			
Row	Economic activities	Amount in Mn EUR	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4,46	0,01%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	50.688,46	91,77%
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	50.692,92	91,78%



View

Template 5 Taxonomy non-eligible economic activities (CapEx)			
Row	Economic activities	Amount in Mn EUR	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	26,24	0,05%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2,61	0,00%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	0,00%
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	50.457,13	91,36%
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	50.485,98	91,41%



View

Additional KPIs according to Annex V Del. VO (EU) 2023/2178

In June 2023, the economic activities and technical assessment criteria for UWZ 3-6 and other potentially sustainable activities in UWZ 1 and 2 were defined, for which only information on taxonomy eligibility must be disclosed in the first two years under review (2023 and 2024).

The economic activity of the respective financing is decisive for taxonomy eligibility. Taxonomy eligibility ratios published by the respective companies, which are not yet published as of the reporting date of 31 December 2023, must be used for risk positions without a purpose. The reason for this is that no estimates may be used to determine the taxonomy eligibility ratios in the Taxonomy Regulation, which is why the corresponding exposures are classified as not taxonomy-eligible.

As of the reporting date of 31 December 2023, the Deka Group had no taxonomy-eligible exposures relating to UWZ 3 to 6 and the new activities relating to UWZ 2. The new activities relating to UWZ 1 are taxonomy-eligible with an exposure of 326.6 million euros based on both turnover and CapEx. This corresponds to 0.59 percent of the Covered Assets.

Alignment-Reporting

9.3. Qualitative disclosures

on compliance with Regulation (EU) No. 2020/852 in the business strategy, product design processes and cooperation with customers and counterparties

The Deka Group aligns its sustainability strategy with the global challenges of climate change and sustainable development and the associated political, regulatory, social and customer-related requirements. It was one of the first signatories to the "Self-commitment by German Savings Banks to climate-friendly and sustainable business practices" and thus manifests its stance in the form of a corporate assumption of responsibility for society in achieving global climate targets. Regulatory requirements are realised from the joint perspective of the customer and the regulator. The Taxonomy Regulation also results in corresponding requirements that are coordinated and implemented within the Deka Group.

For the mandatory reporting of the share of taxonomy-compliant assets (GAR), only risk positions towards customers that are subject to non-financial reporting requirements (NFRD obligation) were taken into account. The assessment of the NFRD obligation for customers domiciled in the EEA was determined using a negative demarcation to small and medium-sized enterprises (SMEs). Due to the Deka Group's business model, this regularly involves the financing of Special-Purpose Vehicles (SPVs), the purpose of which was classified as taxonomy-compliant. If the taxonomy-compliant exposures of these customers were included in the GAR, this turnover-based GAR would increase by 2.90 percentage points to 3.75 percent. The CapEx-based GAR would increase to 4.17 percent.

The situation described above regularly affects the financing of renewable energies, but also the real estate financing business. In addition, financed activities that promote a transformation of the economy towards a low-carbon world cannot

be fully reflected in the taxonomy and are therefore not taken into account. For example, the financing of a container ship, which is also operated with green methanol, could not be assessed as taxonomy-compliant, as the lack of availability of green methanol in the ports means that at least 75 percent of this ship's operations cannot be ensured with this CO₂-free fuel.

The same applies to the availability of data in the real estate financing business, for example. In many cases, customers and the market are still unaware of which documents and data are required to fulfil taxonomy conformity. The Deka Group expects a significant improvement in this area in the coming years.

It can be assumed that with the full implementation of the taxonomy, expanded information will be available that will significantly increase the transparency of the sustainability of business partners and their activities. Impulses generated from this will be continuously taken up and considered in the further development of the business model.

In addition to the Taxonomy Regulation, the Sustainable Finance Disclosure Regulation 2019/2088, which came into force on 10 March 2021, is also an essential measure within the framework of the EU Action Plan on Financing Sustainable Growth. The Disclosure Regulation transposes the requirements of the European Sustainable Finance Disclosure Regulation (SFDR) into national law. This regulates the disclosure obligations of financial service providers with regard to the consideration of sustainability issues in their strategies, processes and products. The Deka Group's implementation of the requirements of the Disclosure Regulation can be found on the Deka Group's website. (CF. www.deka.de/deka-gruppe/un-sere-verantwortung/wie-wir-nachhaltigkeit-leben/nachhaltigkeitsbezogene-offenlegung)

About the report





About the report

For the 2023 year under review, DekaBank complies with the provisions of the "Act to Strengthen Non-Financial Reporting by Companies in their Management and Group Management Reports" (CSR Directive Implementation Act) in conjunction with the provisions in Sections 289 and 315 of the German Commercial Code (Handelsgesetzbuch, HGB) by preparing a joint non-financial report for the Deka Group (the Deka Group includes DekaBank Deutsche Girozentrale as the parent company and the subsidiaries in accordance with the IFRS scope of consolidation (CF. www.deka.de/deka-group/investor-relationships-en/reports-and-presentations, Annual Report of the Deka Group, Note 81 "Disclosures on shares in subsidiaries" and Note 83 "List of shareholdings") and DekaBank Deutsche Girozentrale as part of the Sustainability Report 2023 and publishes it on its website by 30 April 2024. Taking into account the principle of materiality, the non-financial report focuses on these companies insofar as they make a significant contribution to the Deka Group's sustainability performance. The following companies are to be considered: bevestor GmbH, Deka Immobilien Investment GmbH, Deka International S.A., Deka Investment GmbH, Deka Vermögensmanagement GmbH, IQAM Invest GmbH, S Broker AG & Co. KG and WestInvest Gesellschaft für Investmentfonds mbH.

Unless otherwise stated, the information in this report relates to the Deka Group. Individual key figures in the area of environmental management relate to individual locations. Where this is the case, this is noted.

Unless otherwise stated, all information in the Sustainability Report relates to the reporting period from 1 January 2023 to 31 December 2023. Thus, the reporting period of the sustainability reporting corresponds to that of the financial reporting.

The Deka Group sees itself as an organisation that is focused on customer benefit across all levels and divisions and uses the strengths of its integrated business model, which is based on asset management as well as banking business, to this end.

Compliance with reporting standards

The Sustainability Report complies with the guidelines of the Global Reporting Initiative (GRI) in the current version "GRI Standards". The GRI guidelines are a globally recognised standard for sustainability reporting. The Deka Group declares that it has taken the greatest possible care in preparing this report and that, to the best of its knowledge, the information contained in this report is correct and no material circumstances have been omitted. All information in the report generally relates to the calendar year 2023. Where this is not the case, this is noted accordingly. (CF. GRI Content Index at www.deka.de/deka-group/our-responsibility/how-we-practice-sustainability/sustainability-reports-and-ratings)

Content requirements of the CSR Directive Implementation Act (CSR-RUG)

Section 289c of the German Commercial Code defines the contents of the non-financial report. In addition to describing the company's business model, the non-financial report should also refer at least to the aspects listed below if they are material for understanding the course of business and the impact of the company's own activities. Essentially, these are the same aspects that the Deka Group undertook to take into account comprehensively when signing the UN Global Compact. The significance of the five aspects for the Deka Group ("internal view") is presented below.

In addition to these aspects required by the CSR-RUG, the Deka Group reports in this Sustainability Report 2023 on further objectives and measures that specific target groups of the report, in particular the ESG rating agencies, consider material for understanding the Deka Group's sustainability-related commitment and the impact on employees, the environment and society. This takes into account the fact that individual ESG rating agencies only use publicly available sources of information for their assessments, in particular sustainability reports and non-financial reports.

Environmental issues

Environmental issues are relevant to the Deka Group in various contexts. One of these is the consideration of environmental criteria in financing. Here, non-compliance with environmental standards, for example in the case of infrastructure projects, can lead to delays in the completion of the projects and therefore possibly to delays or even defaults in servicing the financing, as well as to reputational damage. Such risks can be minimised by observing international standards, e.g. the Equator Principles. These aspects are discussed in chapters 4.2. "Sustainability in lending" and 7.1. "Regulations and standards". Secondly, from the Deka Group's perspective, it is also important to minimise the direct impact of its activities on the environment. The targets and measures for this area are documented in chapter 3. "Sustainable banking operations".

Not least as a result of the recommendations of the TCFD and the ECB in their guidance on managing climate-related and environmental risks, the risks of climate change have become even more important for the financial sector. The Deka Group has therefore summarised the relevant information and data on dealing with climate-related and environmental risks in chapter 8. based on the TCFD's recommendations on the structure and content of corresponding reporting.

About the report

Employee issues

Employees are the foundation of the Deka Group's business activities. In this context, it is particularly important – also against the backdrop of demographic change – to recruit and retain employees in the numbers and with the qualifications required to provide the services. At the same time, from the employees' point of view, it is essential to take appropriate measures to ensure their employability in terms of skills and health. The Deka Group's efforts in areas such as training and further education, promoting diversity and equal opportunities and occupational health and safety are discussed in chapter 5. "Employees – Sustainable human resources management".

DekaBank falls within the scope of the Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG), which came into full force on 1 January 2023. As part of the implementation of the legal requirements, various measures were already carried out in the year under review, which are reported on in chapter 3.1.2.

Social issues

Promoting development at local and regional level and supporting local authorities in fulfilling their tasks in the economic, regional political, social and cultural sphere is enshrined in the Savings Banks Act and therefore also guides the Deka Group's actions. Its extensive social activities are described in chapter 6. "Social engagement".

Respect for human rights

Respect for human rights is important in the banking sector, especially in connection with the financing of infrastructure projects. This often involves dealing with local communities. By taking the Equator Principles into account in corresponding financing, DekaBank ensures that human rights aspects are taken into account in the financing. On the one hand, this is intended to avoid risks both for the implementation of the projects and for Deka Bank's reputation. Secondly, negative

impacts on the people affected by the financed projects should be excluded as far as possible.

The UK Modern Slavery Act 2015 also refers to the responsibility of companies to eliminate slave labour in the supply chain. It obliges all companies doing business in the UK to make a declaration of what measures they have taken to ensure that there is no "slave labour" in their supply chain. The Deka Group is also required to make such a declaration based on its business activities in the UK. It is published on the Deka Group's website. In the year under review, the role of Human Rights Officer was established as part of the implementation of the Act on Corporate Due Diligence in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG) and a policy statement on human rights was published with the scope of our own banking operations and procurement processes. Further information on these topics can be found in chapters 2.2.2. "Fields of action of ESG management", 3.1.2. "Procurement", 4.2. "Sustainability in lending" and 7.1. "Regulations and standards".

Combating corruption and bribery

Compliance with legal and regulatory requirements with regard to combating corruption and bribery is one of the basic requirements of responsible corporate governance. Violations of these standards regularly lead to legal – including financial – sanctions and a loss of reputation. The Deka Group's corresponding guidelines and measures for combating corruption and bribery are documented in chapter 7.2.1. "Compliance".

With regard to the risks associated with non-financial aspects, it should be noted that all significant risks are intensively discussed in the Risk Management Committee and reported to the Board of Management and the relevant supervisory bodies.

Audit Opinion





Audit Opinion on the Implementation of the CSR Directive Implementation Act

Audit task

The audit of the separate non-financial report is twofold:

The Board of Directors has the duty to review the content, although it may also commission an external review of the content. The auditor checks whether the separate non-financial report has been submitted and published by 30 April of the following year. The auditor does not perform a substantive audit.

DekaBank commissioned AGIMUS GmbH Umweltgutachterorganisation und Beratungsgesellschaft to conduct an external review of the content of the joint separate non-financial report (Sustainability Report 2023) of DekaBank Deutsche Girozentrale and the Deka Group. The joint separate non-financial report was reviewed by the independent experts Dr Ralf Utermöhlen and Dr Julia Norden in February 2024.

Our responsibility is to examine the statements in the Sustainability Report for comprehensibility, completeness and accuracy in accordance with the requirements of the German Act to Strengthen Non-Financial Reporting by Companies in their Management and Group Management Reports (CSR Directive Implementation Act), the German Commercial Code (HGB), Regulation (EU) 2020/852 (Taxonomy Regulation), the framework of the Global Reporting Initiative (GRI Standards) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In addition, we were commissioned to make recommendations for the further development of environmental management and sustainability management based on the results of our environmental audit.

Independence and quality assurance of the environmental audit organisation

We have complied with the requirements for independence of environmental audit organisations and other professional conduct requirements for a third-party audit and performed our audit of the Sustainability Report in the procedural context of the certification and on-site audit of the environmental management system in accordance with ISO 14001.

Audit activities

We conducted our audit in accordance with the professional requirements for environmental auditors. In doing so, we planned and performed the engagement in accordance with the principle of materiality so as to provide our opinion with reasonable assurance.

The selection of the audit procedures is at the dutiful discretion of the environmental auditor and was carried out in the professional and substantive context of the audit procedures for certification according to ISO 14001.

A particular focus of the audit in 2024 was the numerous activities throughout the Deka Group to implement the new legal and regulatory requirements relating to sustainable finance, human rights and climate-related risks.

Within the scope of our environmental audit, we carried out the following activities, among others:

- Interviewing employees in the departments responsible for preparing the report about the process for preparing the report and about the internal control system related to this process;
- Reviewing the sustainability and climate strategy documents and gaining an understanding of the environmental and sustainability organisational structure, the stakeholder dialogue, the assessment of sustainability and climate-related risks and the development process for the company's environmental and sustainability programme;
- Interviewing employees of the specialist departments responsible for individual chapters of the report;
- Inclusion of procedures and documentation of the systems and processes for the collection of data and disclosures, in particular for the systemic derivation of KPIs to be reported by financial institutions in accordance with the Taxonomy Regulation and related delegated acts;
- Aggregation of selected disclosures; analytical assessment of the disclosures in the report;
- Plausibility check and aggregation of the sustainability data and its verification;
- Conducting audits and site visits during the ISO 14001 audit at the Frankfurt/Main site;
- Obtaining further evidence to support the information in the report by inspecting internal documents and reports and records from external service providers.

We have corrected errors identified in the draft of the report and incorporated missing information on a smaller scale.

Verdict

After completing the audit, the two experts concluded that the joint separate non-financial report (Sustainability Report for DekaBank Deutsche Girozentrale and the Deka Group for the period from 1 January 2023 to 31 December 2023) complies with the statutory requirements of the German Commercial Code (HGB), the CSR-RUG and the Taxonomy Regulation for the separate non-financial report and meets the reporting standards of the Global Reporting Initiative (GRI Standards). The TCFD report included was prepared in accordance with the TCFD recommendations.

Braunschweig, 9 February 2024



Dr. Julia Norden

Dr. Ralf Utermöhlen
(Environmental Auditor,
DE-V-0080)



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INFORMATION ON THE INTERNET

You can find the Deka Group's Sustainability Report 2023 on our website deka.de/deka-group/our-responsibility/how-we-live-sustainably/sustainability-reports--ratings

OTHER RELEVANT WEBSITES

- www.deka.de/privatkunden/aktuelles/anlageideen
- www.deka.de/deka-group/our-responsibility/how-we-practice-sustainability
- <https://www.deka.de/deka-gruppe/unsere-verantwortung/wie-wir-nachhaltigkeit-leben/nachhaltigkeitsbezoogene-offenlegung>
- www.deka.de/privatkunden/ueber-uns

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EDITORIAL

NKI – Institut für nachhaltige Kapitalanlagen GmbH in close coordination with the departments of the Deka Group

CONCEPT AND DESIGN

Templeton & Webster GmbH

VALIDITY OF INFORMATION

This document is a translation of the corresponding Deka Group Sustainability Report 2023, which was written in German. In case of any inconsistency or translation-related differences the German language version shall prevail.