Sustainability criteria for suppliers of the DZ BANK Group

Introduction

Responsible action is part of our identity as a cooperative institution. In joining the Global Compact initiative of the United Nations (UN) in 2008, DZ BANK AG acknowledged ten fundamental global principles for responsible business operations. We view these principles as important guidance for our actions.

The sustainability criteria for suppliers of the DZ BANK Group define the DZ BANK Group's minimum expectations of its suppliers (referred to hereinafter as “business partners”) with regard to compliance with human rights, environmental and corporate due diligence obligations. When entering into a business relationship, the DZ BANK Group expects its business partners to act responsibly within the applicable legal framework and to take account of ecological, social and economic responsibility.

Scope of application

The following criteria specify the expectations of the DZ BANK Group's enterprises with respect to all business partners. These expectations are oriented on international and national standards including the principles of the UN Global Compact, the Core Labour Standards of the International Labour Organisation (ILO) and the BME Code of Conduct issued by the Bundesverband Materialwirtschaft, Einkauf und Logistik e.V. (Federal Association for Materials Management, Procurement and Logistics). The sustainability criteria for suppliers of the DZ BANK Group also take account of the requirements defined in the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz – LkSG).

The sustainability criteria for suppliers of the DZ BANK Group constitute minimum standards that are binding on the DZ BANK Group's business partners for the duration of the business relationship. The sustainability criteria do not supersede any contractual agreements already concluded by enterprises in the DZ BANK Group and the business partner; neither do they supersede any requirements set out in other laws and statutory regulations that exceed their scope.

By accepting the sustainability criteria for suppliers of the DZ BANK Group, the business partner guarantees compliance with these requirements and that they will be addressed as appropriate along its own supply chain. Within the scope of its influence, the business partner shall work towards ensuring that its direct suppliers also take these requirements into account.

I. Ecological responsibility

In terms of ecological responsibility, the enterprises in the DZ BANK Group expect compliance with environmental requirements and appropriate measures to minimise environmental damage, ideally supported by a systematic environmental management system.

1. Minimisation of environmental damage

The business partner shall minimise the environmental damage it causes and continually improve its environmental protection measures. These specifically include the reduction of CO_2 emissions, the careful use of water, and the implementation of measures to preserve air and soil quality. Where practicable, the business partner shall pursue measures to reduce environmental damage, review them at appropriate intervals and, upon request, provide the enterprises in the DZ BANK Group with suitable information on measures initiated or already implemented.

2. Organisational measures in environmental management

The business partner shall implement appropriate environmental management measures that reflect its company size, sector and risk profile. Where available, recognised standards (e.g. ISO 14001) may be applied. Alternatively, the business partner may use its own documented procedures for managing environmental aspects.

3. Natural resources and waste management

The business partner shall endeavour to use natural resources sparingly and to reuse them whenever possible. In compliance with the Minamata Convention, the business partner shall refrain from manufacturing products containing added mercury and from using mercury or mercury compounds during the manufacturing process. Furthermore, it shall not support the production or use of chemicals listed in the Stockholm Convention. The use of conflict materials, which often serve to finance armed groups, must comply with the respective statutory requirements for due diligence and review systems. The principle “Prevention before reuse before disposal” shall apply when dealing with waste. Statutory requirements must be observed when handling, collecting, storing and disposing of waste. Particular attention must be paid to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal.

II. Social responsibility

In terms of social responsibility, the enterprises in the DZ BANK Group expect their suppliers not only to recognise and observe human rights but also to comply with additional requirements:

1. Recognition and observance of human rights

The business partner shall recognise and observe human rights. This applies above all to the observance of human rights codified in the Universal Declaration of Human Rights (UDHR) of the General Assembly of the United Nations and the European Convention on Human Rights (ECHR).

2. No child labour, forced labour or any kind of slavery

The minimum age of the persons working for the business partner must comply with the specifications set out in International Labour Organisation (ILO) Convention 138. The minimum age may neither be below the age at which mandatory school attendance ends nor below the age of 15.

The worst forms of child labour (within the meaning of section 2 subsection 2 no. 2 LkSG) specified in International Labour Organisation (ILO) Convention 182 are prohibited and shall be emphatically rejected by the business partner. The business partner shall not practise, tolerate or support forced labour, e.g. forced labour resulting from debt bondage or human trafficking, torture or involuntary prison labour. If a local jurisdiction imposes more rigorous provisions, these shall have priority. The business partner shall reject all forms of slavery, practices similar to slavery, servitude and other forms of domination or oppression at the workplace, e.g. those resulting from extreme economic or sexual exploitation and/or humiliation.

3. Assurance of occupational safety and health protection at the workplace

The business partner shall guarantee appropriate health and safety at work for its employees in order to guard against accidents and health problems. The minimum requirement in this respect consists of compliance with local laws and regulations concerning workplace health and safety. In cases where legal standards are lower or where there are no such standards, the business partner shall adhere to standards of health and safety at work that are at least equivalent to the Core Labour Standards of the International Labour Organisation (ILO). These include adequate safety standards, suitable protective measures, measures to prevent excessive physical and mental fatigue, especially through the suitable organisation of working hours and rest breaks, and the appropriate training and instruction of employees.

4. Protection of freedom of association and the right to collective bargaining

The business partner shall grant its staff the right to form and join trade unions, the right to collective bargaining and the right to strike. According to International Labour Organisation (ILO) Convention 98, membership of a trade union or workers' representation does not constitute grounds for unequal treatment. The formation, joining and membership of a trade union may not be used as grounds for unjustified discrimination or retaliatory measures.

5. Guarantee of equal treatment

The business partner shall exclude any form of discrimination (based on ethnic origin, skin colour, marital status, physical characteristics, gender, age, nationality, religious affiliation, disability, sexual orientation and identity, political opinion, pregnancy, social origin, national descent, state of health and/or other unlawful criteria) in accordance with the prohibitions on discrimination set out in the German General Act on Equal Treatment (*Allgemeines Gleichbehandlungsgesetz*), which shall serve as the minimum standard. All staff must be protected from direct or indirect discrimination (e.g. with regard to hiring, promotion, remuneration, social security, social benefits and education) and from harassment at the workplace, particularly harassment of a sexual nature.

6. Guarantee of fair remuneration

The business partner shall pay its employees fair wages or salaries and social security contributions that are sufficient to ensure a reasonable standard of living. Appropriate remuneration shall be at least equivalent to the minimum wage established by the applicable law and shall otherwise be determined by the law in force at the place of employment. The business partner shall comply with legal standards and statutory regulations such as those relating to minimum wages. If there are no legal standards in the country in question, the business partner must ensure that the remuneration paid meets the requirements on fixing minimum wages set out in International Labour Organisation (ILO) Convention 131.

7. Guarantee of fair working conditions

The business partner shall guarantee fair working conditions for its employees. The business partner shall comply with national laws and regulations on working hours, occupational safety, rest breaks and holidays as well as the Core Labour Standards of the International Labour Organisation (ILO). The business partner is thus obliged to limit staff working hours to a

maximum of eight hours a day or 48 hours a week, to grant a rest period of at least 24 hours every seven days, and to limit voluntary overtime to a maximum of 12 hours a week, in accordance with the core labour standards laid down in International Labour Organisation (ILO) Convention No. 1.

8. Avoidance of harmful environmental impacts pursuant to the LkSG

The business partner shall avoid causing any harmful soil change, water pollution, air pollution, harmful noise emission or excessive water consumption that
a) significantly impairs the natural resources required for the preservation and production of food,
b) denies access to safe, clean drinking water, makes access to sanitary facilities difficult or destroys such access,
c) or harms a person's health.

9. Protection from unlawful eviction and the seizure of land

The business partner shall not carry out unlawful evictions. Furthermore, the business partner shall refrain from unlawfully taking, acquiring or developing land, forests or bodies of water that secure a person's livelihood.

10. Appropriate hiring and use of private or public security forces

The business partner is bound to refrain from hiring or using private or public security forces if, due to a lack of instruction or control on the business partner's part, there is a risk of torture or cruel, inhuman or degrading treatment, damage to life or limb, or impairment of freedom of association and the right to organise.

III. Economic responsibility

In terms of economic responsibility, the enterprises in the DZ BANK Group expect compliance with the regulations on free competition and do not tolerate any violation of the compliance requirements set out in anti-corruption and anti-money laundering legislation.

1. Compliance with legal requirements

The business partner shall implement sufficient environmental protection measures to avert risks to humanity and the environment. It shall at least fulfil the local or national legal requirements applicable to it and ensure compliance with them.

2. Free competition

The business partner is bound to observe laws for the protection of free competition and to conduct itself fairly on the market. The business partner shall not enter into agreements with other enterprises that prevent, restrict or distort free competition.

3. Anti-corruption

The business partner shall comply with the applicable anti-corruption legislation and refrain from accepting or engaging in any form of corruption or bribery. This includes all actions that could be construed as such.

4. No money laundering

The business partner shall comply with the applicable anti-money laundering legislation and duly meet its obligation to report violations.

IV. Complaints procedure and compliance with the sustainability criteria

1. Complaints procedure pursuant to the LkSG

Our business partners, their employees and subcontractors are expected to report violations and any information or findings concerning possible violations of the sustainability criteria. The business partner shall ensure that indications of possible violations of these requirements can be reported appropriately. Existing internal processes or external systems may be used for this purpose. The business partner shall inform its employees in an appropriate manner that complaints and reports can be submitted through the complaints procedure established under the LkSG by the respective enterprise in the DZ BANK Group.

2. Preventive measures implemented by the DZ BANK Group vis-à-vis a direct supplier

Should an enterprise in the DZ BANK Group have concerns regarding compliance with the sustainability criteria, the business partner shall, following prior agreement and with due consideration for operational interests, allow the enterprise concerned to conduct an appropriate review, for example by inspecting documents or carrying out an on-site review. The business partner shall cooperate in the review and provide the information required for this purpose to an appropriate extent.

The respective enterprise in the DZ BANK Group has the right to request and obtain further information on matters relating to corporate social responsibility (CSR) or sustainability by means of business partner self-disclosures (e.g. EcoVadis or standardised questionnaires) if this is deemed necessary. At the request of the respective enterprise in the DZ BANK Group, the business partner shall provide information on the measures taken to ensure compliance with the sustainability criteria.

The enterprises in the DZ BANK Group offer sustainability training to external business partners on an ad hoc basis to support the fulfilment of contractual commitments.

3. Remedial measures

The business partner must put a stop to any violations of these sustainability criteria or minimise the scope of the violation. If this is not possible within a foreseeable period, the business partner must develop appropriate measures, including a timetable and targets, to remedy the violation, submit them to the respective enterprise in the DZ BANK Group and implement them. Implementation must be documented and its effectiveness reviewed. The measures taken by the business partner must be presented to the respective enterprise in the DZ BANK Group.

4. Consequences of violations

In the event of the business partner violating the sustainability criteria set out herein, the enterprises in the DZ BANK Group shall be entitled under the provisions of the LkSG to temporarily suspend the business relationship while efforts are made to minimise the risk. The business relationship must be terminated if

1. the violation of a protected legal position or environmental obligation is deemed particularly serious,
2. the implementation of the measures set out in a concept does not remedy the violation within the period specified in the concept,
3. the enterprises in the DZ BANK Group have no milder means at their disposal and there is little prospect of increasing their ability to exert influence.

This document constitutes a declaration by the business partner to the enterprises in the DZ BANK Group with which the business partner has entered or will enter into contractual relationships. The relevant enterprises in the DZ BANK Group shall exchange this accepted document among themselves in order to document the submission of the above-mentioned declarations to each of these enterprises. Moreover, all enterprises in the DZ BANK Group shall have technical access to this accepted document. The business partner hereby declares its consent to this.

Authorised companies in the DZ BANK Group:

- Attrax Financial Services S.A., Luxemburg (AFS)
  L-Senningerberg
- Bausparkasse Schwäbisch Hall AG
  Schwäbisch Hall
- BAUFINEX GmbH
  Schwäbisch Hall
- carexpert KFZ-Sachverständigen GmbH
  Mainz
- compertis
  Beratungsgesellschaft für betriebliches Vorsorgemanagement mbH
  Wiesbaden
- CHEMIE Pensionfonds AG
  Wiesbaden
- Condor Lebensversicherungs-Aktiengesellschaft
  Hamburg
- Condor Dienstleistungs-GmbH
  Hamburg
- DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main
  Frankfurt am Main
- DZ HYP AG
  Hamburg
- DZ PRIVATBANK AG.
  Frankfurt am Main
- DZ PRIVATBANK AG; Niederlassung Luxemburg,
  L-Strassen
- DZ PRIVATBANK (Schweiz) AG
  CH- Zürich
- FKS Navigium GmbH
  Eschborn
- easymize GmbH (formerly: fragWilhelm GmbH)
  Wiesbaden
- GENO Broker GmbH
  Frankfurt am Main
- GENOFLEX GmbH
  Nürnberg
- HMV GmbH, Erlangen
  Erlangen

- HumanProtect Consulting GmbH
  Köln
- IPConcept (Luxemburg) S.A.
  L-Strassen
- IPConcept (Schweiz) AG
  CH-Zürich
- KRAVAG-SACH Versicherung des Deutschen Kraftverkehrs VaG
  Hamburg
- KRAVAG-ALLGEMEINE Versicherungs-Aktiengesellschaft
  Hamburg
- KRAVAG-LOGISTIC Versicherungs-Aktiengesellschaft
  Hamburg
- KRAVAG Umweltschutz und Sicherheitstechnik GmbH (KUSS)
  Hamburg
- Quoniam Asset Management GmbH
  Frankfurt am Main
- ReiseBank AG
  Frankfurt am Main
- R+V Allgemeine Versicherung AG
  Wiesbaden
- R+V Direktversicherung AG,
  Wiesbaden
- R+V Krankenversicherung AG
  Wiesbaden
- R+V Lebensversicherung a.G.
  Eltville
- R+V Lebensversicherung AG
  Wiesbaden
- R+V Pensionsfonds AG
  Wiesbaden
- R+V Pensionskasse AG
  Wiesbaden
- R+V Pensionsversicherung a.G.
  Wiesbaden
- R+V Versicherung AG
  Wiesbaden
- Pension Consult Beratungsgesellschaft für Altersvorsorge mbH
  Wiesbaden

- RUV Agenturberatungs GmbH
  Wiesbaden
- R+V Dienstleistungs-GmbH
  Wiesbaden
- R+V Rechtsschutz-Schadenregulierungs-GmbH
  Wiesbaden
- R+V Service Center GmbH
  Wiesbaden
- Schwäbisch Hall Facility Management GmbH
  Schwäbisch Hall
- Schwäbisch Hall Wohnen GmbH
  Schwäbisch Hall
- STARTRAIFF GmbH (formerly COMPLINA GmbH)
  Wiesbaden
- TeamBank AG
  Nürnberg
- UMB Unternehmens-Managementberatungs GmbH
  Wiesbaden
- Union Asset Management Holding AG (UMH)
  Frankfurt am Main
- Union Investment Austria GmbH (UIA)
  A-Wien
- Union Investment Management GmbH (UIN)
  Frankfurt am Main
- Union Investment Institutional Property GmbH (UII)
  Hamburg
- Union Investment Luxembourg S.A. (UIL)
  L-Senningerberg
- Union Investment Real Estate GmbH (UIR)
  Hamburg
- Union Investment Real Estate Austria AG (URA)
  A-Wien
- Union Investment Service Bank AG (USB)
  Frankfurt am Main
- Union Investment Services & IT GmbH (UIS)
  Frankfurt am Main
- Vereinigte Tierversicherung Gesellschaft a.G.
  Wiesbaden

- VisualVest GmbH
  Frankfurt am Main

- VR Consultingpartner GmbH (VRCP)
  Frankfurt am Main

- VR Factoring GmbH
  Eschborn

- VR Kreditservice GmbH
  Hamburg

- VR Smart Finanz Beteiligungs GmbH
  Eschborn

- VR Payment GmbH
  Frankfurt am Main

- VR-Smart Finanz AG
  Eschborn

- VR Smart Finanz Bank GmbH
  Eschborn

- VR Smart Guide GmbH
  Eschborn

- ZBI GmbH
  Erlangen

- ZBI Fondsmanagement GmbH
  Erlangen

- ZBI Immobilienmanagement GmbH
  Erlangen

- ZBVV – Zentral Boden Vermietung und Verwaltung GmbH
  Erlangen