

# Investor Presentation



April 2024

# Agenda

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## Company profile

Overview | Business segments | Sustainability

02

## Facts and figures

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03

## Funding

Rating | Issuances | Cover Pools | Green Pfandbrief

04

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German banking market | Protection scheme

# 1. Company profile



# DZ HYP – at a glance

Competence center and comprehensive specialist for real estate finance and local-authority lending



Leading

Real Estate Bank

- » Leading real estate bank in Germany with strong integration in the Cooperative Financial Network
- » Leading financing partner for corporate, retail and public-sector clients with focus on the german market
- » 863 employees at 11 locations throughout Germany



Achieving

more together

- » Strong partners in the DZ BANK Group
- » Ownership: 96.4% DZ BANK, 1.9% Stiftung Westfälische Landschaft, 1.7% Cooperative Banks
- » Control- and profit and loss transfer agreement and a letter of comfort given by DZ BANK for DZ HYP



Prominent

Pfandbrief issuer

- » Major issuer of Pfandbriefe with a stable rating base
- » Permanent issuer of mortgage Pfandbriefe and public-sector Pfandbriefe
- » Targeted investment in sustainable real estate with Green Pfandbriefe



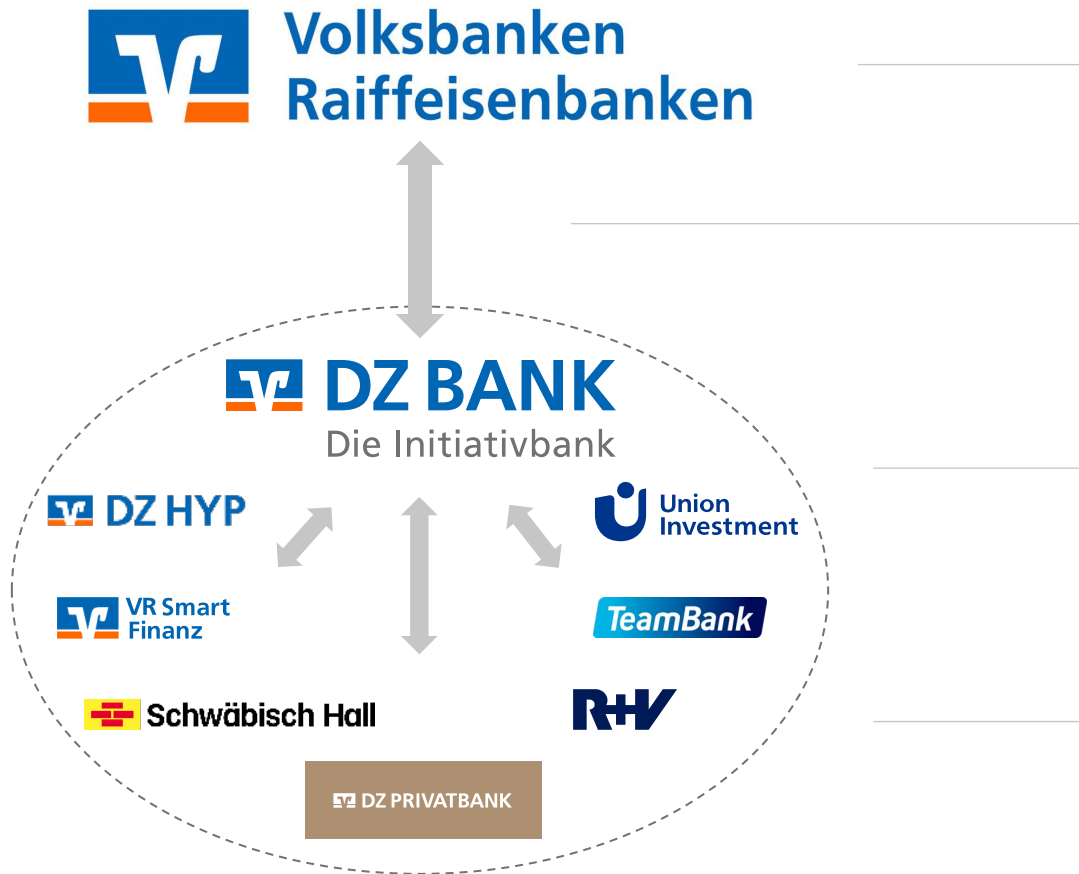
Solid

Business Figures

- » New business volume of € 8,627 mn (Dec. 31, 2022: € 10,439 mn)
- » Portfolio growth in real estate lending to € 56.9 bn (Dec. 31, 2022: € 56. bn)
- » Operating profit € 355.1 mn (Dec. 31, 2022: € 173.2 mn)
- » Total assets ~ € 77.5 bn

# DZ HYP - part of a strong group

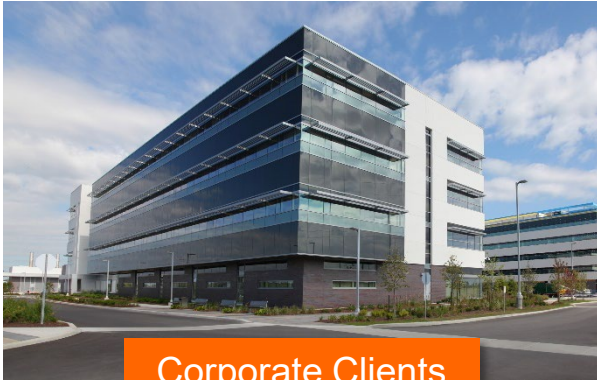
## Model of the Cooperative Financial Network



- » 697 cooperative banks with over 30 million customers and of these 17.8 million members
- » Together with the DZ BANK Group, market cultivation is carried out by the Volks- und Raiffeisenbanken
- » DZ BANK is the holding company for the companies of the DZ BANK Group
- » DZ BANK Group provides products and services to the cooperative banks and their customers

# Competence Center for Real Estate and Municipal Finance

## Business segments



- » Tailor-made financings for commercial real estate investors, and for commercial or residential real-estate developers
- » Financing of existing properties, Property development activities and Real estate projects developments
- » Core segments: housing, office, retail
- » Specialist segments: hotels, logistics, social real estate



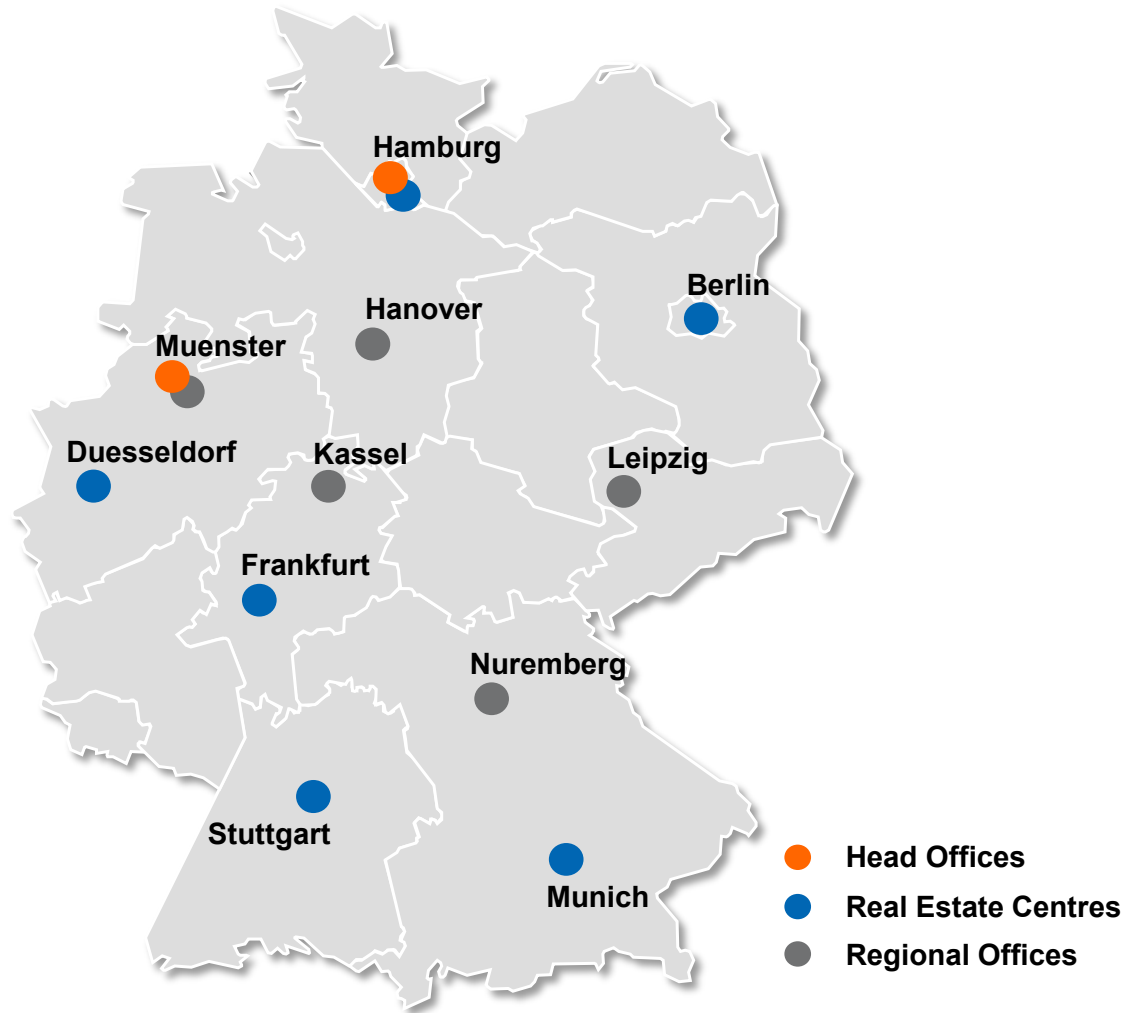
- » Financing of self-used real estate in close cooperation with the cooperative banks
- » Strong product range with up to 30 years fixed interest rates
- » Efficient processes with automated loan decision procedure up to € 1 mn



- » Financing solutions for cities, municipalities and counties as well as dependent municipal enterprises, municipal special-purpose associations, Institutions under public law (AöR)
- » Municipal loans and short-term cash loans

# Local presence across the board in the core market of Germany

Selective accompaniment into foreign markets



- » DZ HYP's nationwide presence comprises two Head Offices (Hamburg and Muenster), plus Real Estate Centres and Regional Offices across Germany
- » Covering all regions, with competent local contacts across all business segments
- » Local service to customers and partner banks, with swift decision-making processes
- » Supporting mostly institutional customers into selected foreign markets:
  - » France
  - » Netherlands
  - » United Kingdom
  - » Austria

# Sustainability at DZ HYP

## Cooperative principles as guidelines for our sustainable action



Environment

- » Implementation of ESG criteria in the lending process
- » ESG-Transparency in the corporate client portfolio created by June 30, 2024
- » Monitoring and measuring physical and transitory climate risks
- » Group-wide reduction target of greenhouse gas emissions of 65% by 2030 and climate neutrality by 2045



Social

- » In 2012, the "Diversity Charter" was signed as a fundamental principle of the company's policy and the rules of the "Fair Company Codex" were adopted.
- » Several awards as a family-friendly employer and top educator
- » Support and promotion of a large number of social institutions and projects (e.g. Hamburg Donations Parliament, Club of Rome)



Governance

- » Bundling sustainability activities: Group-wide guidelines, e.g. on the exclusion of controversial business areas/practices
- » Raising the share of women at management level to 25 % by October 31, 2025
- » Commitment to the SDGs, Paris Climate Agreement, Climate Protection Plan 2050, participant of the UN Global Compact, 2030 Agenda for Sustainable Development

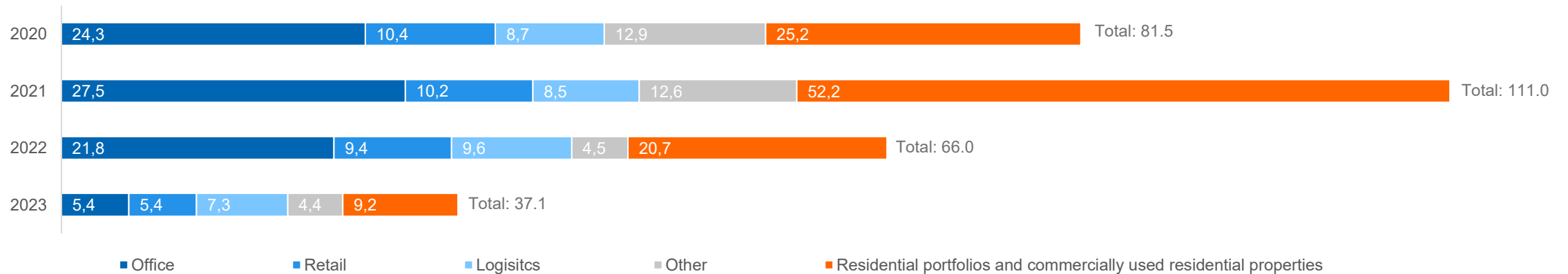


## 2. Facts and figures

# German real estate market

## Transaction volume

In € bn



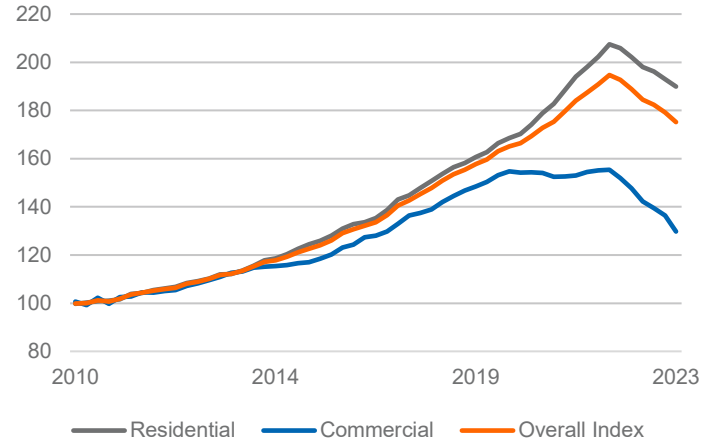
- » The sharp rise in interest rates left a clearly visible mark on the property market in 2023. In addition to the low investment volume, which halved again compared to 2022, prices for residential and commercial property fell significantly.
- » The different segments of the property market are developing differently due to specific influences. In the office market, for example, the question of future space requirements arises against the backdrop of home office and the retirement of the baby boomer generation. The subdued economic situation is also weighing on the letting business in this segment. However, there is good demand for hybrid concepts in sustainable office buildings.
- » High inflation, e-commerce and increased labour and energy costs are weighing on demand in retail sector. Compared to city center retail, demand in the local supply sector is more stable. Alternative utilization concepts, such as flats, leisure and cultural areas are being examined for city centres.
- » The rental prospects in the residential property market are generally good due to rising population figures and short supply of flats. However, high financing costs and pending investments in energy efficiency are dampening the outlook.

# The German real estate market

## Overview

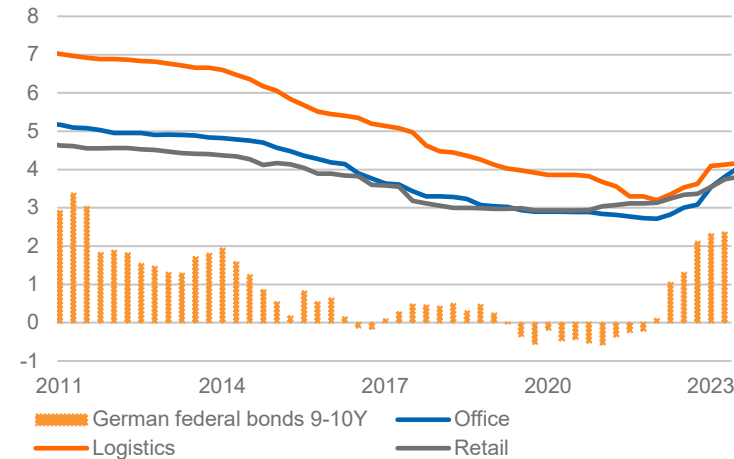
### vdp Real estate price index

2010 = 100



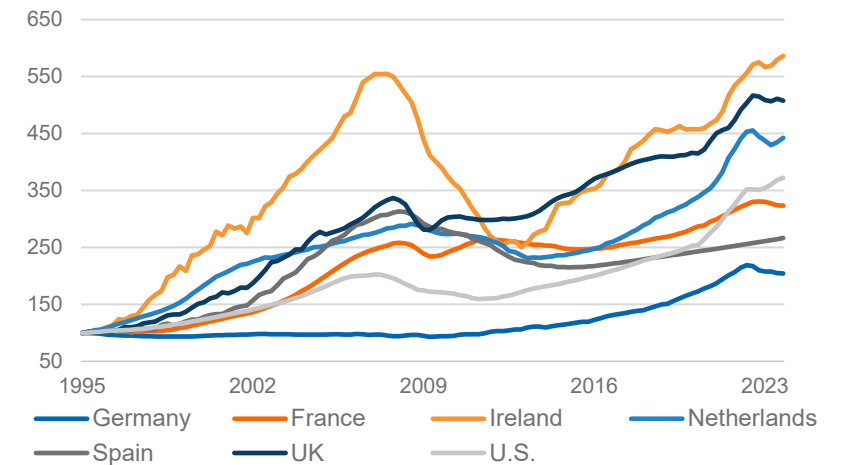
### Real estate yields in german top locations

Net initial yield, in %



### International Residential Property Price Indices

Net initial yield, in % (1995=100)



- » Prices in the German property market declined in the 2023 financial year. According to the vdp property price index, there was an average decline of 7.2 per cent compared to the final quarter of 2022. Residential property prices fell by 6.1 per cent year-on-year, while commercial property prices fell by 12.1 per cent. Even if, according to the vdp „a turnaround in property prices is not yet in sight“, the market could gradually stabilise from the summer 2024.
- » Property valuations were weighing down above all by the significant increase in rental yields from a low level, which have risen from below three per cent in some cases to a good four per cent since 2022. Compared to the even stronger increase in capital market yields, the yield advantage of property investments has become smaller.
- » The decline in property valuations is offset by a sharp rise in rents for residential, office and logistic properties in some cases, which slowed the decline in purchase prices. In the case of retail properties, the previously declining rental trend has at least stabilised.

# Key financial figures

## DZ HYP's business development

<b>New business development (€ mn)</b>	<b>12/31/2023</b>	12/31/2022
Commercial Clients	7,439	8,064
Retail Customers	753	1,624
Public Sector (originated loans to local authorities)	435	751
<b>Total</b>	<b>8,627</b>	<b>10,439</b>

<b>Portfolio Development (€ mn)</b>	<b>12/31/2023</b>	12/31/2022
Total assets	77,477	77,224
Mortgage loans	56,902	56,686
Originated loans to local authorities	8,785	9,283
Securities business <sup>1</sup>	9,007	8,690

## Profit and Loss Account<sup>2</sup>

<b>(€ mn)</b>	<b>12/31/2023</b>	12/31/2022
Net interest income	711.0	671.8
Net commission result	-14.5	-20.1
Administrative expenses	146.7	275.8
Other net operating income	16.6	16.9
Risk provisioning	-109.6	-85.6
Net financial result	-1.7	-134.0
<b>Operating profit</b>	<b>355.1</b>	<b>173.2</b>
Allocation to the fund for general banking risks	155.0	31.0
Taxes	144.2	92.6
Partial profit transfer	0.5	19.6
<b>Profits to be transferred<sup>3</sup></b>	<b>55.4</b>	<b>30.0</b>

<sup>1</sup>lending transactions with national governments and sub-sovereign entities as well as state-guaranteed corporate bonds, bank bonds and MBS; <sup>2</sup>According to HGB accounting; <sup>3</sup>Pursuant to the profit and loss transfer agreement  
12 | 44



# Key financial figures<sup>1</sup>

## Integration into DZ BANK Group

	Equity	Cost-Income-Ratio	Liquidity coverage ratio	Notes																																								
	<p>● Total capital ratio ● Tier 1 ratio ● CET1</p>	<p>● Cost Income Ratio</p>	<p>● LCR</p>																																									
<b>DZ HYP</b>	<p>Own funds: €1,896 mn</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total capital ratio</th> <th>Tier 1 ratio</th> <th>CET1</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>13,2%</td> <td>9,8%</td> <td>9,0%</td> </tr> <tr> <td>2021</td> <td>15,3%</td> <td>11,1%</td> <td>10,7%</td> </tr> <tr> <td>2022</td> <td>12,6%</td> <td>12,1%</td> <td>12,1%</td> </tr> <tr> <td>2023</td> <td>12,4%</td> <td>11,9%</td> <td>11,9%</td> </tr> </tbody> </table>	Year	Total capital ratio	Tier 1 ratio	CET1	2020	13,2%	9,8%	9,0%	2021	15,3%	11,1%	10,7%	2022	12,6%	12,1%	12,1%	2023	12,4%	11,9%	11,9%	<table border="1"> <thead> <tr> <th>Year</th> <th>Cost Income Ratio</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>45,5%</td> </tr> <tr> <td>2021</td> <td>41,9%</td> </tr> <tr> <td>2022</td> <td>42,4%</td> </tr> <tr> <td>2023</td> <td>35,2%</td> </tr> </tbody> </table>	Year	Cost Income Ratio	2020	45,5%	2021	41,9%	2022	42,4%	2023	35,2%	<table border="1"> <thead> <tr> <th>Year</th> <th>LCR</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>212,0%</td> </tr> <tr> <td>2021</td> <td>204,9%</td> </tr> <tr> <td>2022</td> <td>163,1%</td> </tr> <tr> <td>2023</td> <td>305,3%</td> </tr> </tbody> </table>	Year	LCR	2020	212,0%	2021	204,9%	2022	163,1%	2023	305,3%	<p>Regulatory capital requirements of DZ HYP covered by application of the "waiver rule" pursuant to Article 7 CRR at the level of DZ BANK Group.</p> <p>Allocation of equity for DZ HYP within the scope of Group management.</p>
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<sup>1</sup><https://www.dzbank.com/content/dzbank/en/home/dz-bank/investor-relations/reports.html>

# Business segments at a glance

## Lending Volume

In € mn

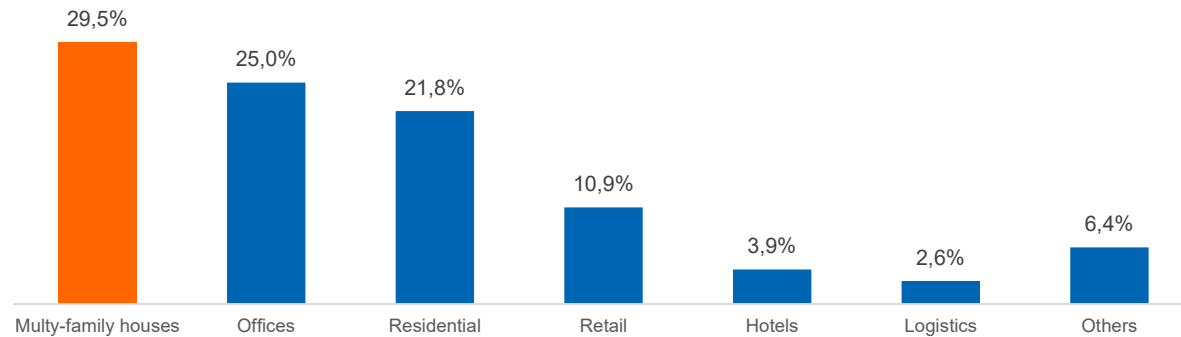


- » Conservative risk strategy with hard quantitative guidelines for credit decisions, extensive qualitative analysis of the property and its location including stress tests as well as the quality of the client relationship characterize lending in corporate client business
- » Regular portfolio reviews continue showing stable portfolio quality
- » More than 50% of the real estate portfolio consists of residential and commercial housing properties
- » No assets serving as collateral that are located in USA, Ukraine, Russia or Belarus

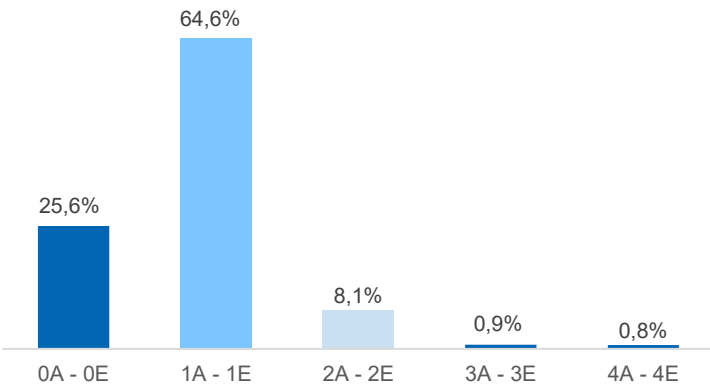
# Real estate lending operations<sup>1</sup>

## Type of property use

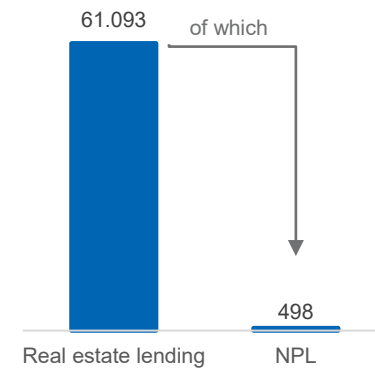
As of 12/31/2023



## Rating<sup>2</sup>

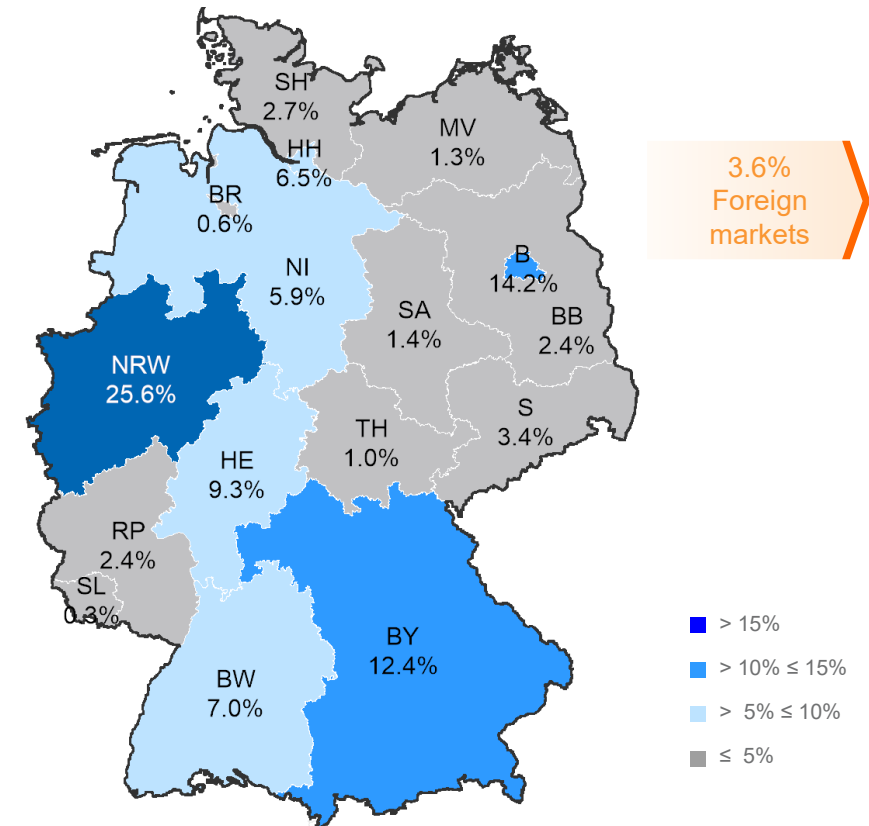


## NPL<sup>3</sup>



## Regions

As of 12/30/2023

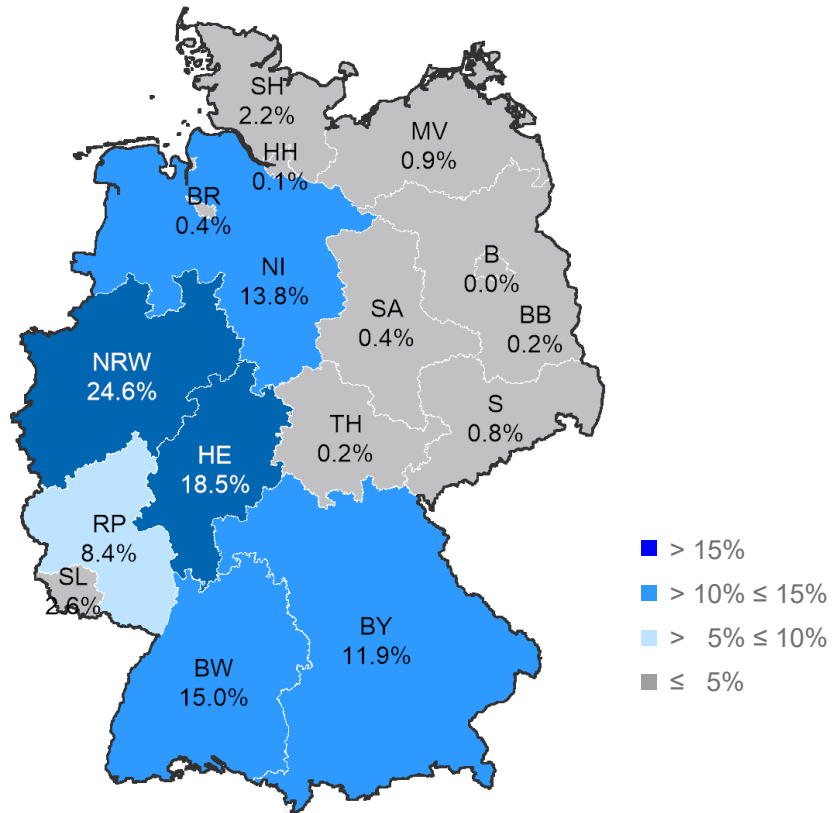


<sup>1</sup>Including irrevocable commitments; <sup>2</sup>BVR Rating; <sup>3</sup>Non-Performing Loans in € mn

# Public Sector clients<sup>1</sup>

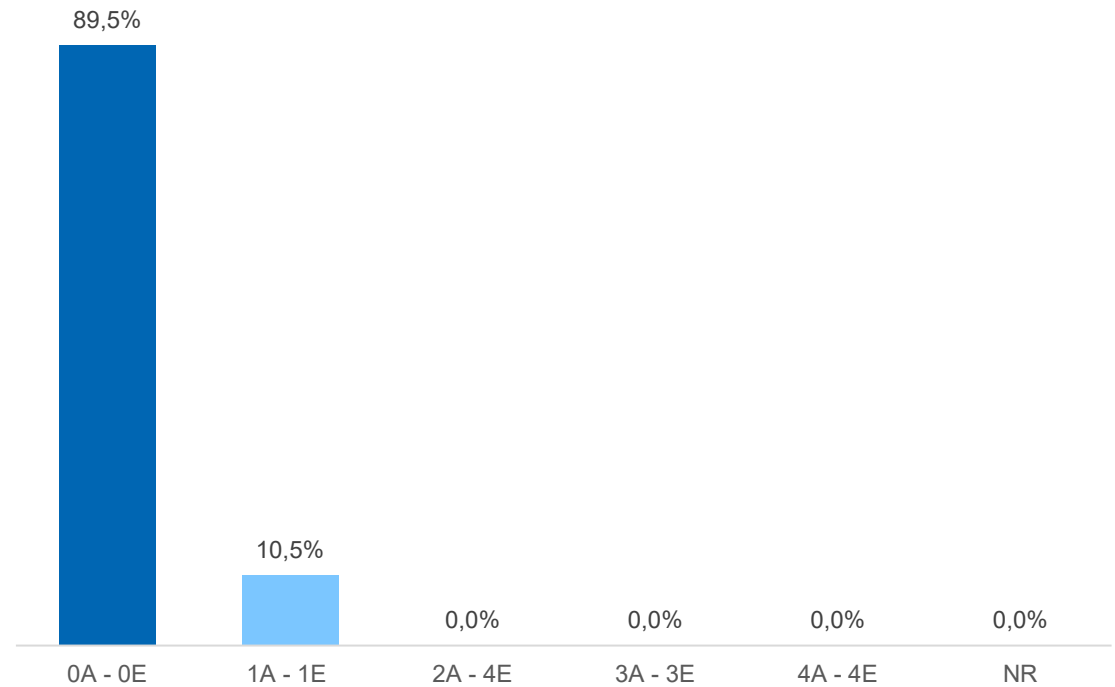
## Regions

As of 12/31/2023



## Rating<sup>2</sup>

As of 12/31/2023



<sup>1</sup>Including irrevocable commitments; <sup>2</sup>BVR Rating

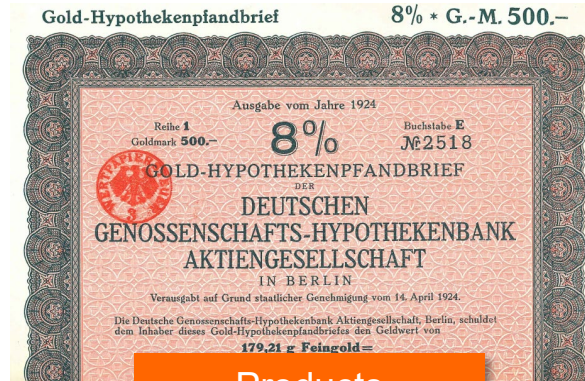


# 3. Funding



Strategy

- » Major Pfandbrief issuer of the DZ BANK Group
- » Long-term issuer with reliable issuing behavior
- » Broad investor base based on long-term business relationships
- » Senior Funding mainly within DZ BANK Group



Products

- » Pfandbriefe customized as:
  - » Mortgage Pfandbriefe as well as Public Sector Pfandbriefe
  - » Green Mortgage Pfandbrief
  - » Benchmark / Private Placements
  - » Plain vanilla / structures
  - » Wide range of maturities
- » Senior preferred issues
  - » Private placements



Rating

- » Excellent issuer ratings from Standard & Poor's, Moody's and Fitch Ratings
- » AAA/Aaa rating for both cover pools by Standard & Poor's and Moody's
- » Prime rating status in the ISS-ESG sustainability rating

# Strong refinancing base due to stable ratings

## Bank ratings

Issuer rating

Outlook

Short-term liabilities

## Covered bond ratings

Mortgage Pfandbriefe

Public Sector Pfandbriefe

## Unsecured issue ratings

Senior Preferred

Senior Non-Preferred

## S&P Global

## Moody`s

## FitchRatings

Issuer rating	A+	Aa2	AA-
Outlook	stable	stable	stable
Short-term liabilities	A-1	Prime-1	F1+
Mortgage Pfandbriefe	AAA	Aaa	-
Public Sector Pfandbriefe	AAA	Aaa	-
Senior Preferred	A+	Aa2	AA
Senior Non-Preferred	A	A3	AA-

» ISS-ESG **Prime** status ("C" Grade) as an award for **above-average commitment**

» DZ HYP ranks among the **top 20%** of the peer group with a decile rank of "2" (scale 1 - 10)

» As of 2023, DZ HYP received an ESG Risk Rating of 14.2 from Morningstar Sustainalytics and was assessed to be at Low risk of experiencing material financial impacts from ESG factors.<sup>1</sup>

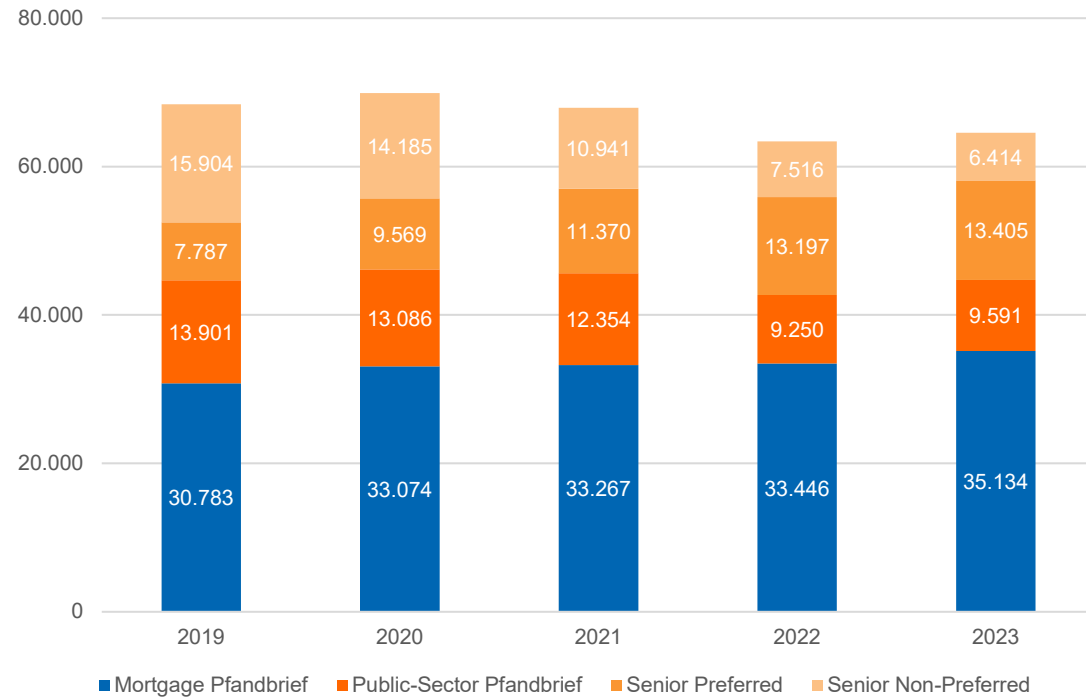


<sup>1</sup>In no event the risk rating shall be construed as investment advice or expert opinion as defined by the applicable legislation. Copyright ©2022 Sustainalytics. All rights reserved.

# Long-term funding

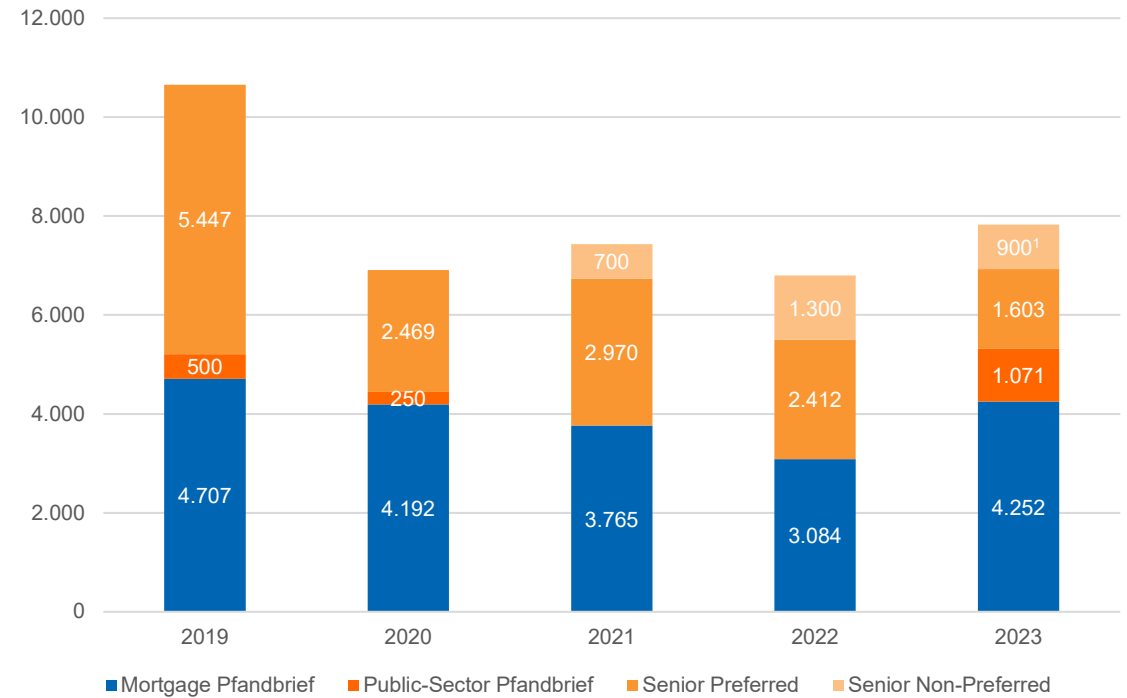
## Portfolio

In € mn as of 12/31/2023



## New issues

In € mn as of 12/31/2023



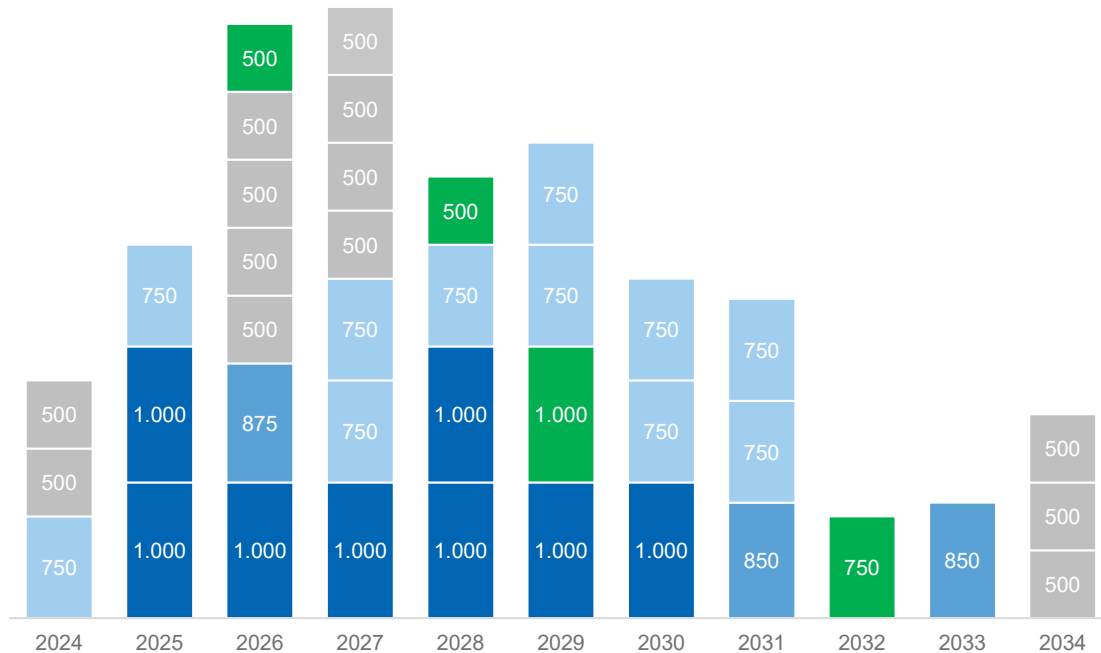
<sup>1</sup>internal MREL-eligible securities



# Long-term funding<sup>1</sup>

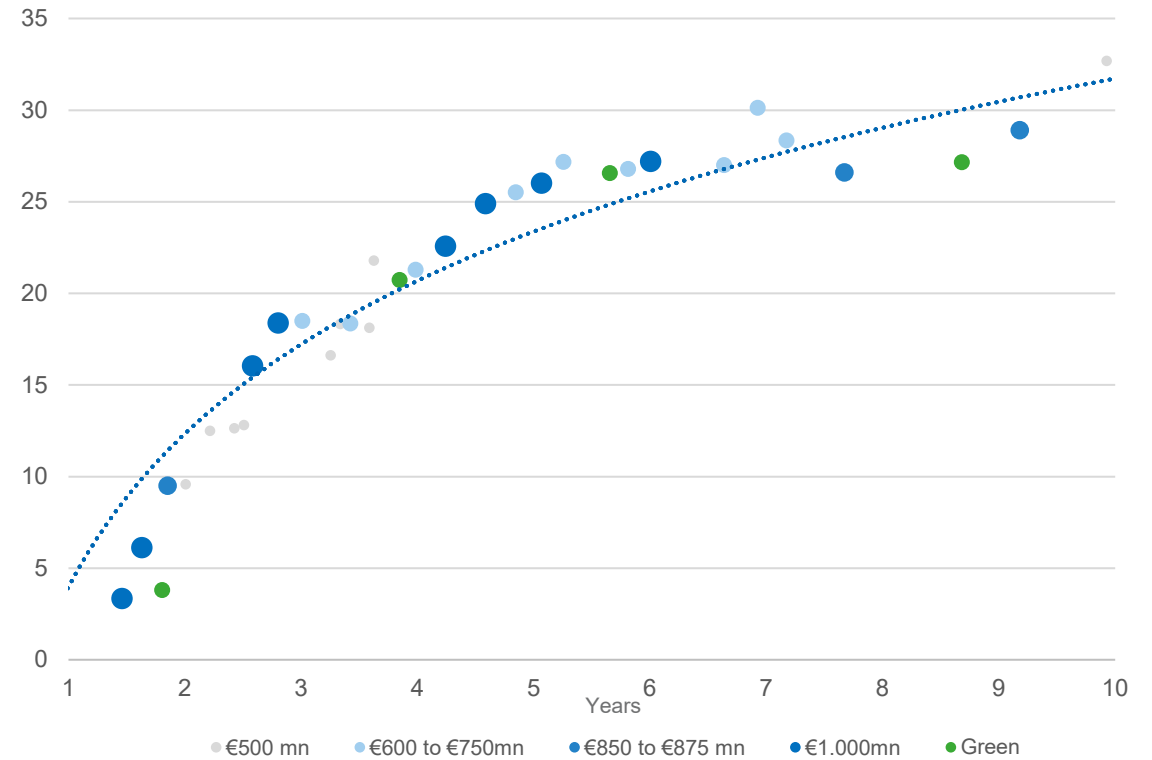
## Benchmark maturity profile

In € mn as of 03/28/2024



## Market spreads of outstanding Benchmark issues<sup>2</sup>

In BP as of 03/28/2024



<sup>1</sup>Volume: Nominal amounts; <sup>2</sup>Reference: Mid Swaps against 6 months EURIBOR; Source: Bloomberg

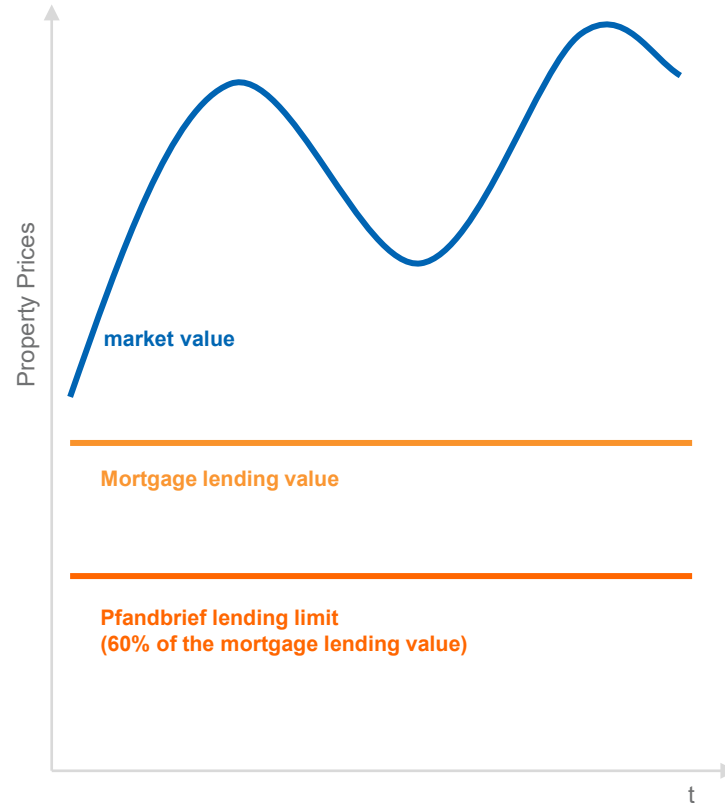
# The German Pfandbrief

## Safe haven in turbulent times



- » The German Pfandbrief Act distinguishes between the market value and the mortgage lending value of a property.
- » The mortgage lending value is based on the long-term and sustainable characteristics of the property to be mortgaged and excludes speculative elements and cyclical fluctuations in value.
- » A maximum of 60% of the mortgage lending value of a property may be used to cover a Pfandbrief.
- » In international comparison, most jurisdictions use the market value as a basis. The Pfandbrief is particularly conservative with its mortgage lending value view.

market value vs. mortgage lending value according to the German Pfandbrief Act



International Covered Bond guidelines market value vs. mortgage lending value

- Market value (between 60-80%)
- Mortgage lending value (max. 60%)
- Mortgage lending value (60/80% living/CRE)
- other assesment base



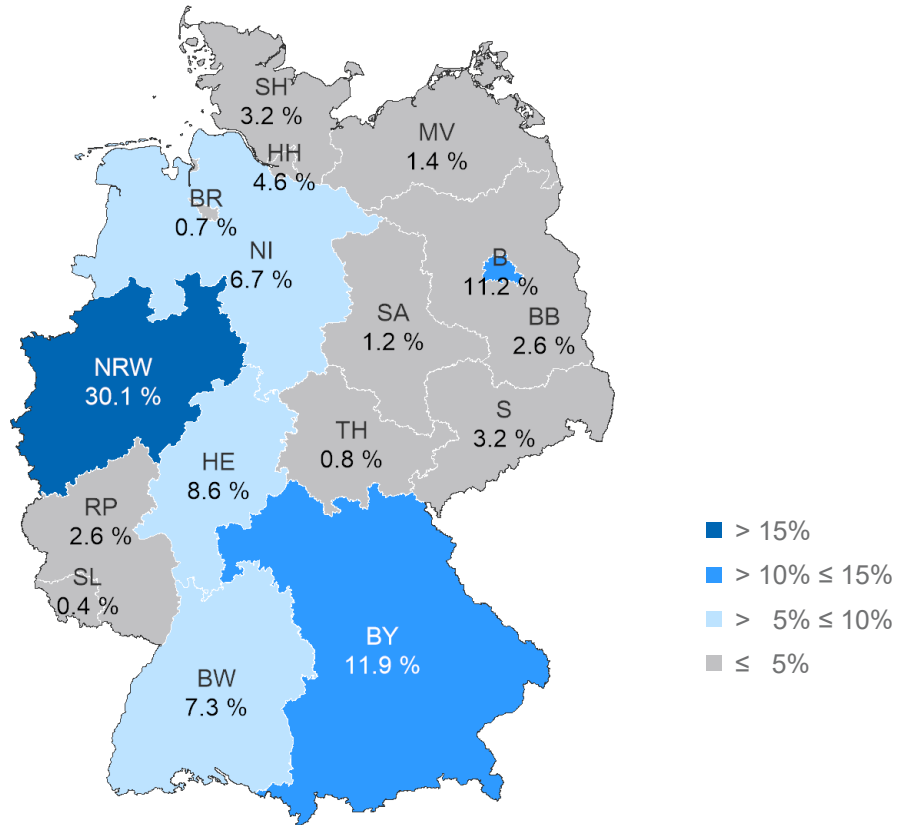
# 3.1 Cover Pools

# Composition of domestic mortgage cover pool<sup>1,2</sup>

## Ordinary cover assets

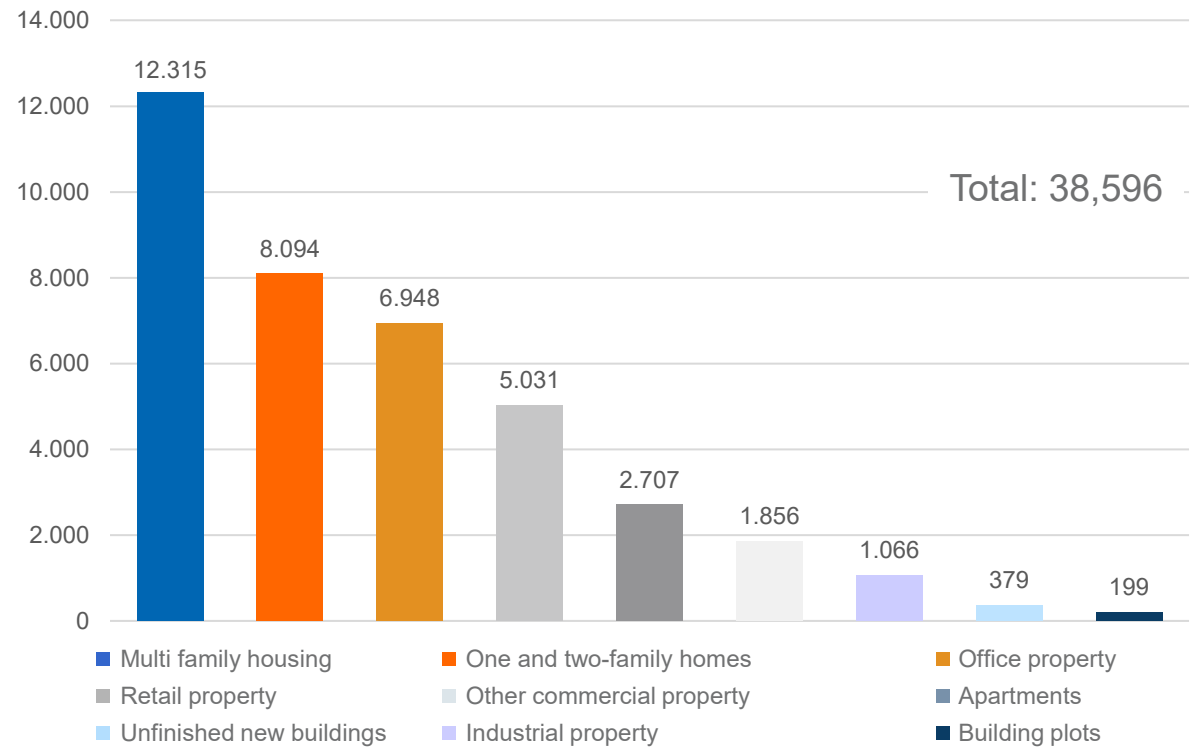
### Regions

As of 12/31/2023



### Type of property use

In € mn as at 12/31/2023



<sup>1</sup>Evaluations pursuant to section 28 of the PfandBG; <sup>2</sup>Further cover assets pursuant to §19 (1) Nr. 3 PfandBG amounting to €1,3bn (receivables from a German development bank with a state guarantee)

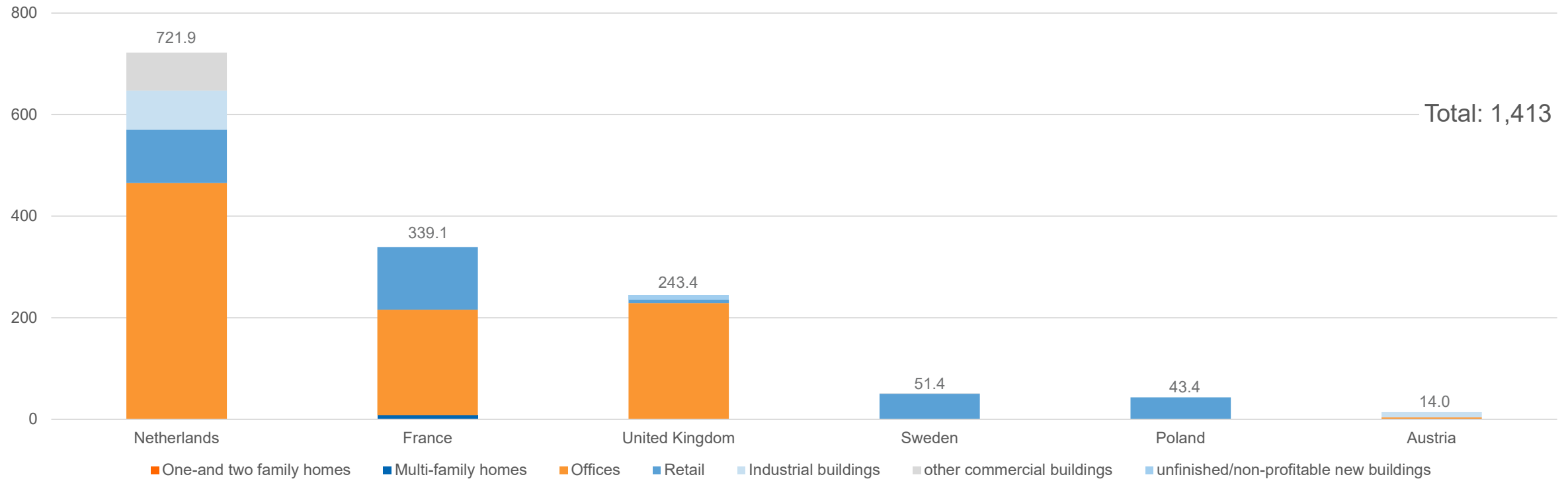


# Composition of foreign mortgage cover pool<sup>1,2</sup>

## Ordinary cover assets

### Type of property use

In € mn as of 12/31/2023

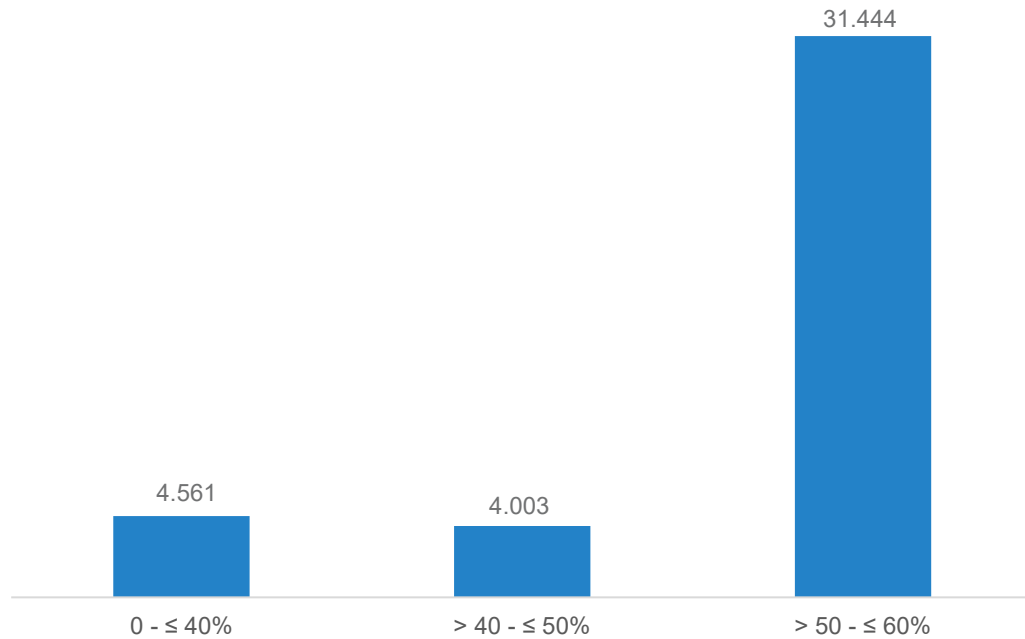


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# Further key financial indicators of the mortgage cover pool<sup>1,2</sup>

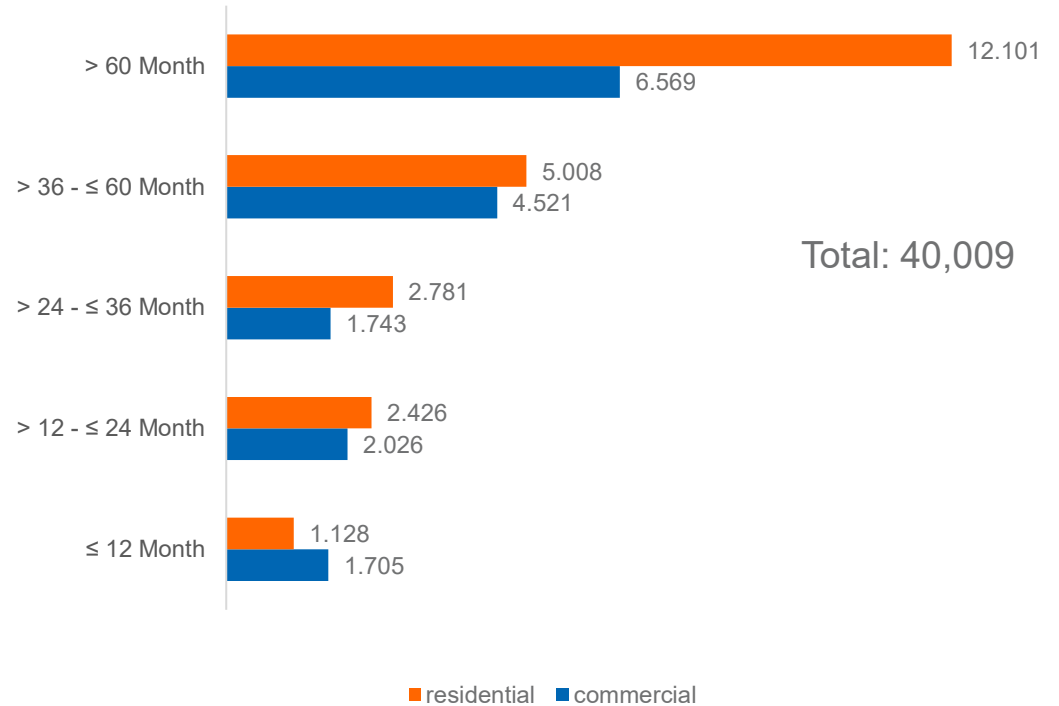
## Loan to Value Ratio (LTV)

In € mn as of 12/31/2023



## Seasoning

In € mn as of 12/31/2023

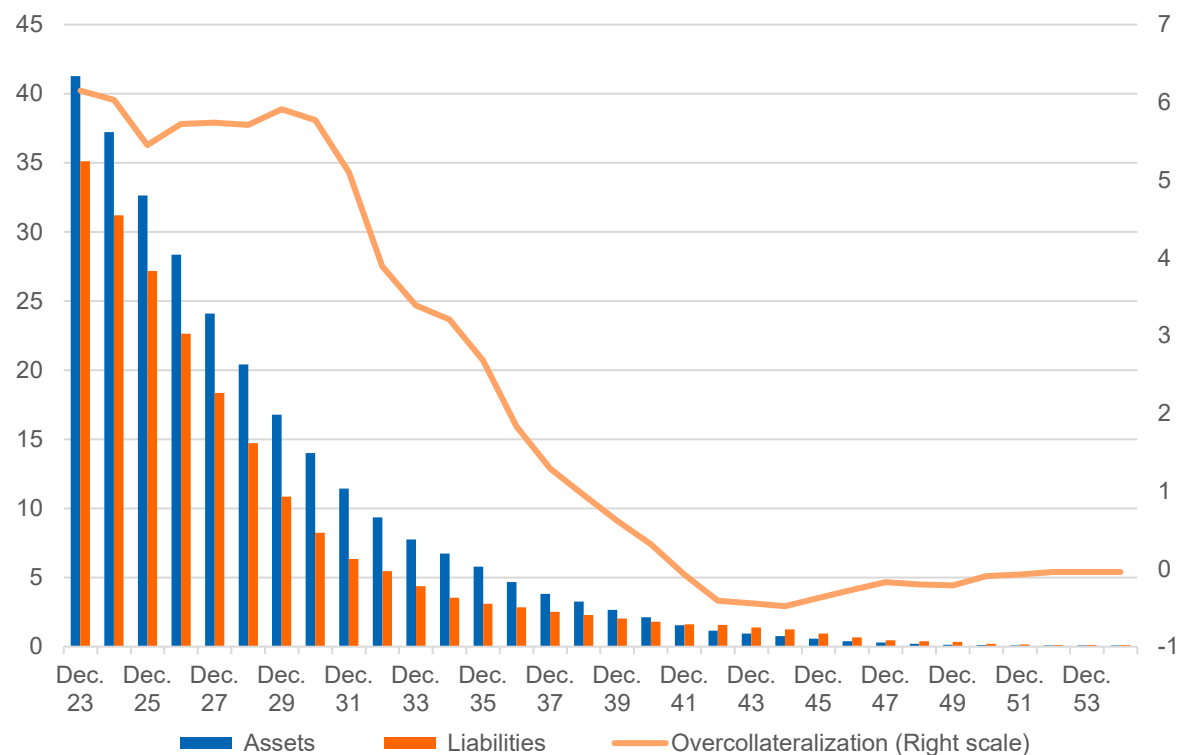


<sup>1</sup>Evaluations pursuant to section 28 of the PfandBG; <sup>2</sup>Further cover assets pursuant to §19 (1) Nr. 3 PfandBG amounting to €1,3bn (receivables from a German development bank with a state guarantee)

# Further key financial indicators of the mortgage cover pool

## Maturity profile<sup>1,2</sup>

In € bn as of 12/31/2023



## Other financial indicators<sup>3</sup>

As of 12/31/2023

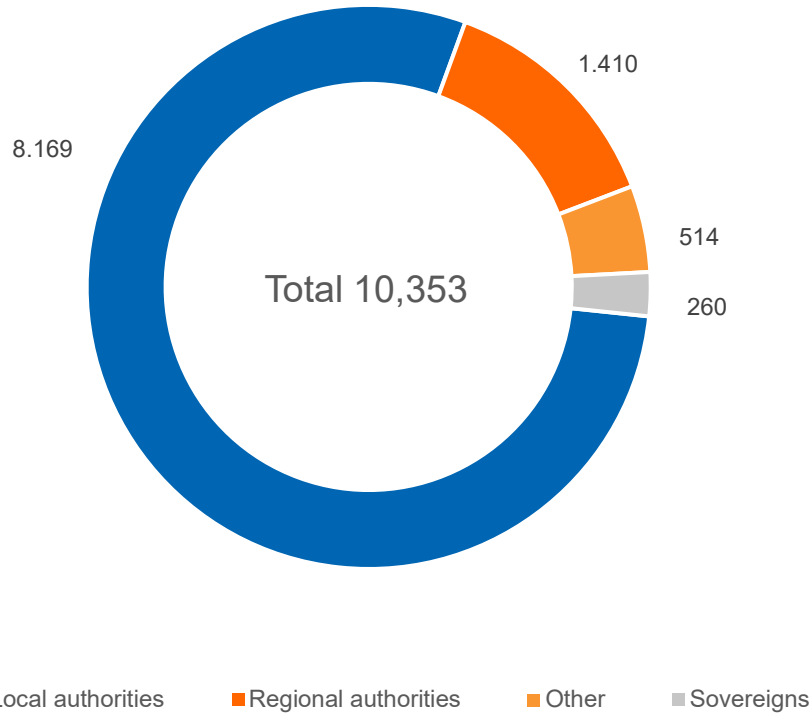
Indicator	
Total cover pool (€ mn)	41,272
Pfandbriefe total volume outstanding (€ mn)	35,125
Overcollateralization (OC) (%)	17.5
Share of fixed-rate cover assets (%)	90.0
Share of fixed-rate Pfandbriefe (%)	98.8
Weighted average LTV <sup>4</sup> (%)	54.0
NPL (%)	0.0
Weighted average Seasoning (Years)	5.3

<sup>1</sup>Nominal value; <sup>2</sup>Maturity profile shown for a period of 30 years; <sup>3</sup>Evaluations pursuant to section 28 of the PfandBG; <sup>4</sup>weighted using the mortgage lending value

# Composition of the public-sector cover pool<sup>1</sup>

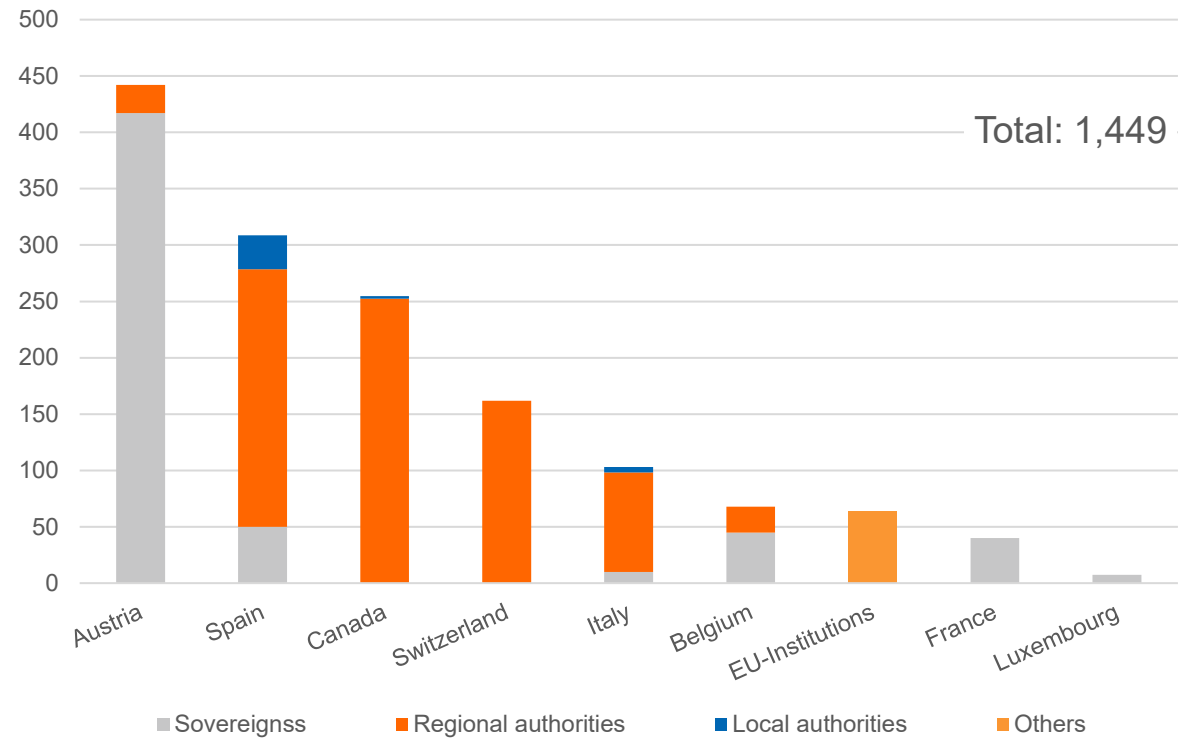
## Domestic: by borrower group

In € mn as of 12/31/2023



## International: by country and borrower group

In € mn as of 12/31/2023

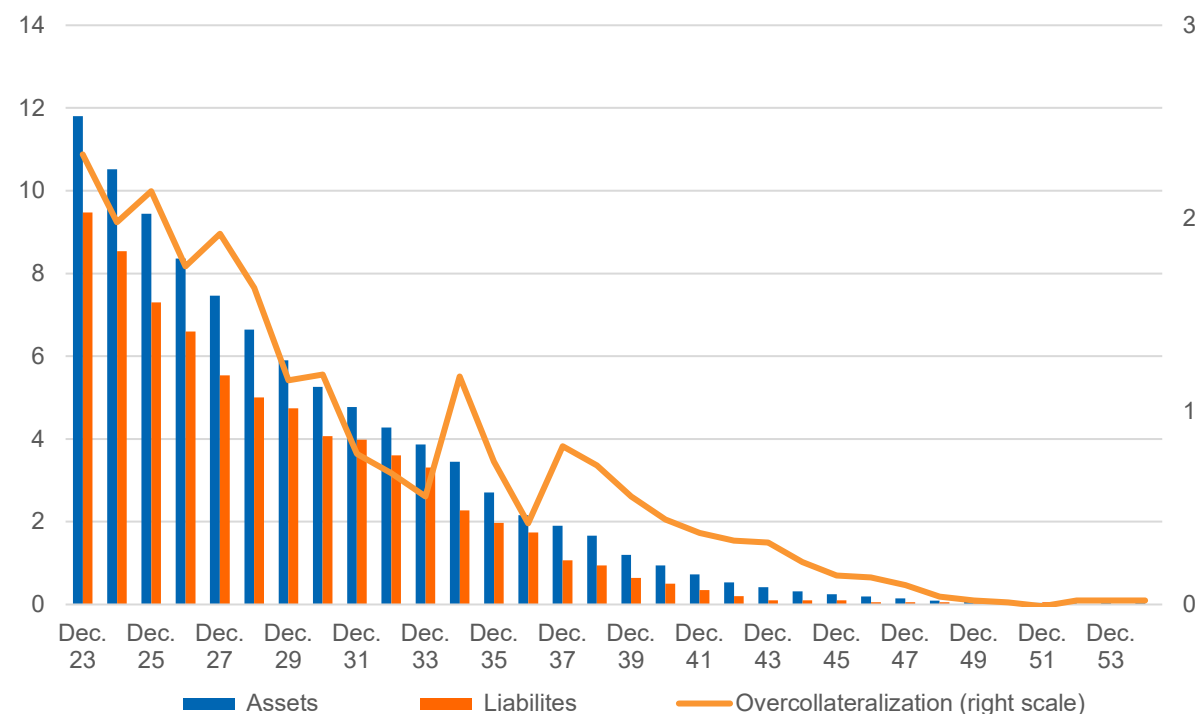


<sup>1</sup>Data collection and criteria according to §28 PfandBG

# Further key financial indicators of the public-sector cover pool

## Maturity profile<sup>1,2</sup>

In € bn as of 12/31/2023



## Other financial indicators<sup>3</sup>

As of 12/31/2023

Indicator	
Total cover assets (€ mn)	11,802
Pfandbrief total volume outstanding (€ mn)	9,474
Overcollateralization (%)	24.6
Share of fixed-rate cover assets (%)	97.0
Share of fixed-rate Pfandbriefe (%)	95.6

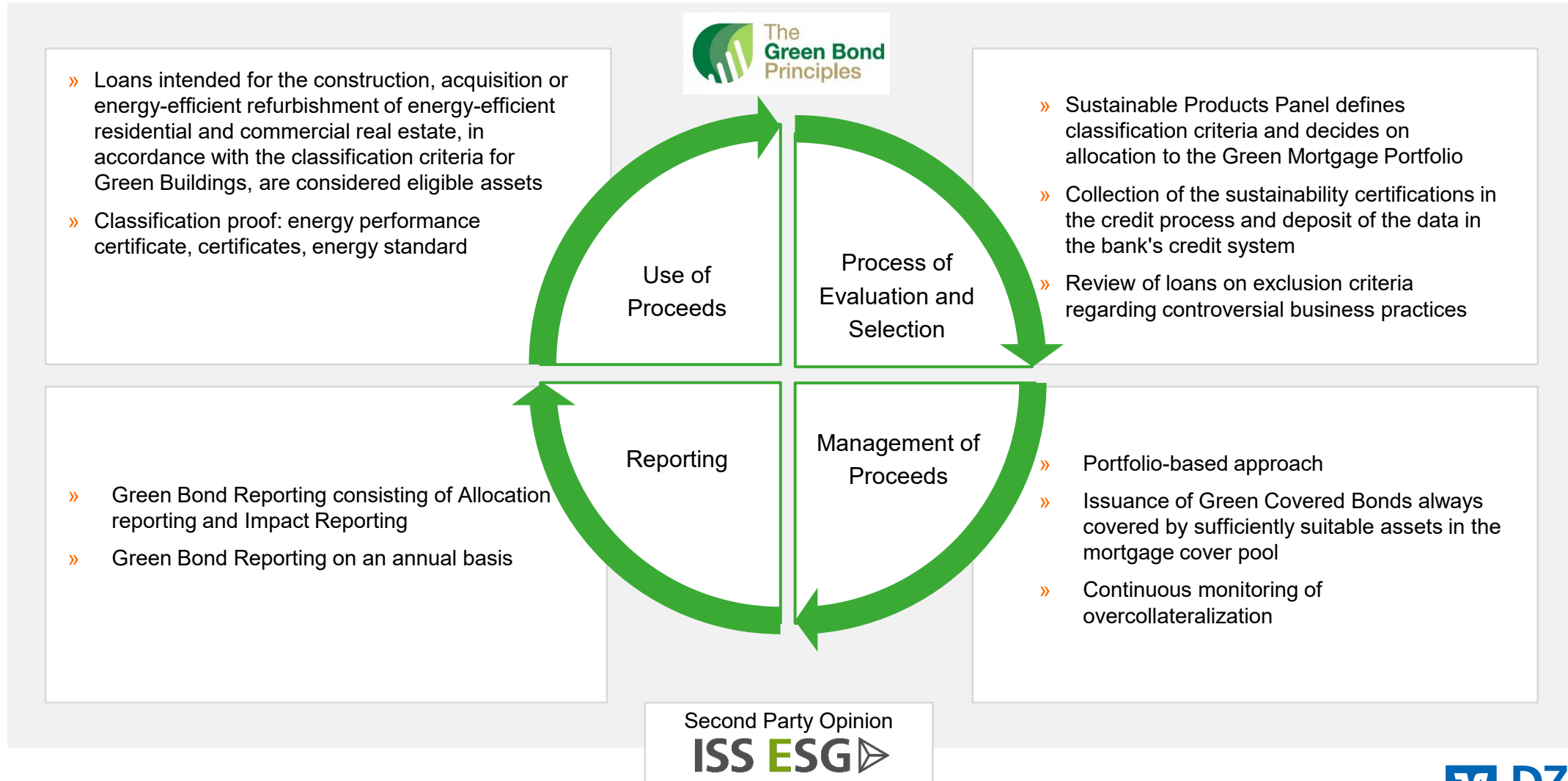
<sup>1</sup>Nominal value; <sup>2</sup>Maturity profile shown for a period of 30 years; <sup>3</sup>Evaluations pursuant to section 28 of the PfandBG



## 3.2 Green Pfandbrief

# Green Bond Principles as the basis of the DZ HYP Framework

## Key statements



# Our selection process



## Classification of buildings based on energy efficiency:

### Energy performance certificate

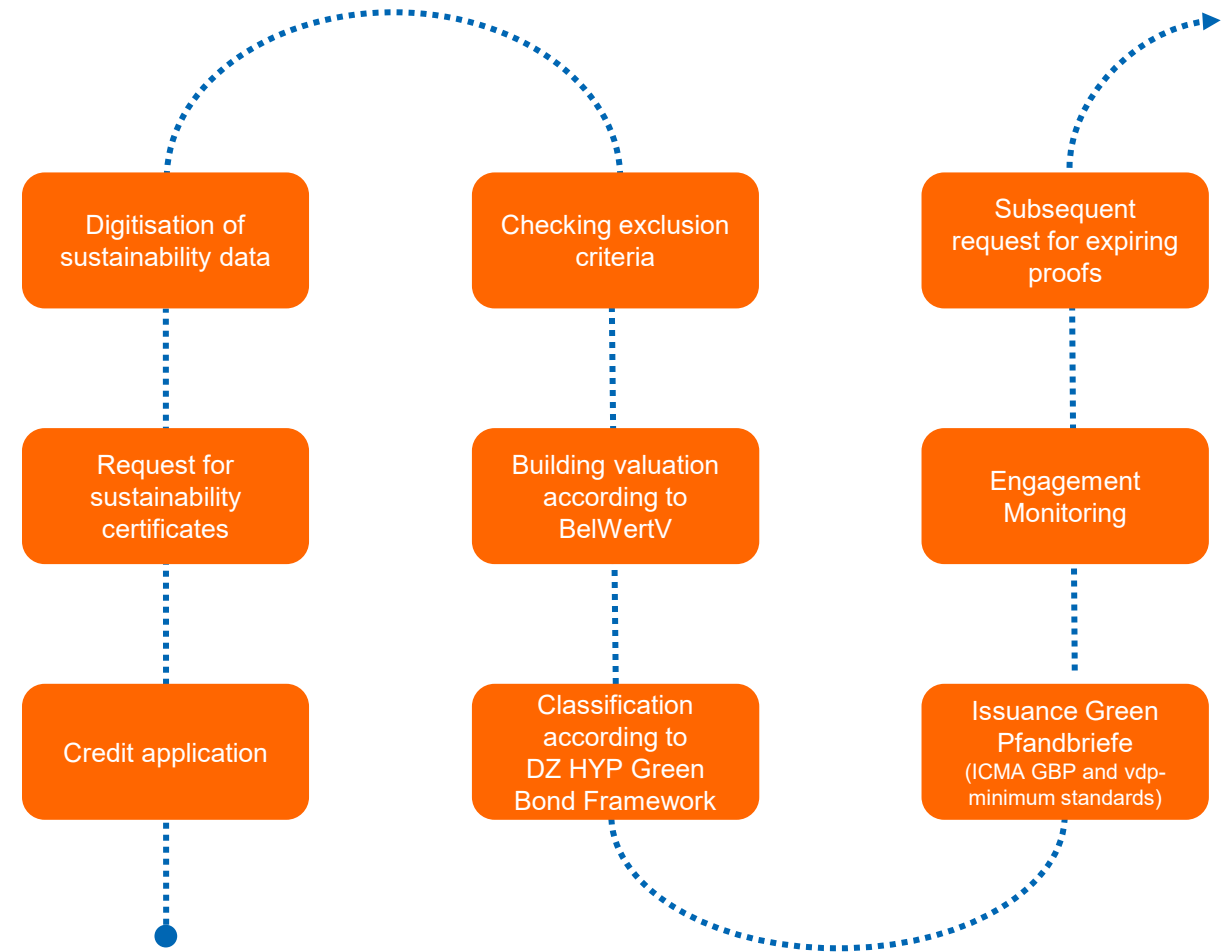
Type	Heating	Electricity
Residential	65 kWh/m <sup>2</sup>	-
Office	90 kWh/m <sup>2</sup>	70 kWh/m <sup>2</sup>
Retail	60 kWh/m <sup>2</sup>	75 kWh/m <sup>2</sup>
Hotels	95 kWh/m <sup>2</sup>	60 kWh/m <sup>2</sup>
Logistics buildings	30 kWh/m <sup>2</sup>	35 kWh/m <sup>2</sup>
Light industrials	105 kWh/m <sup>2</sup>	65 kWh/m <sup>2</sup>

### Certificates:

DGNB	Gold and platinum
LEED	Gold and platinum
BREEAM	Very Good or better

### Energy efficiency standard:

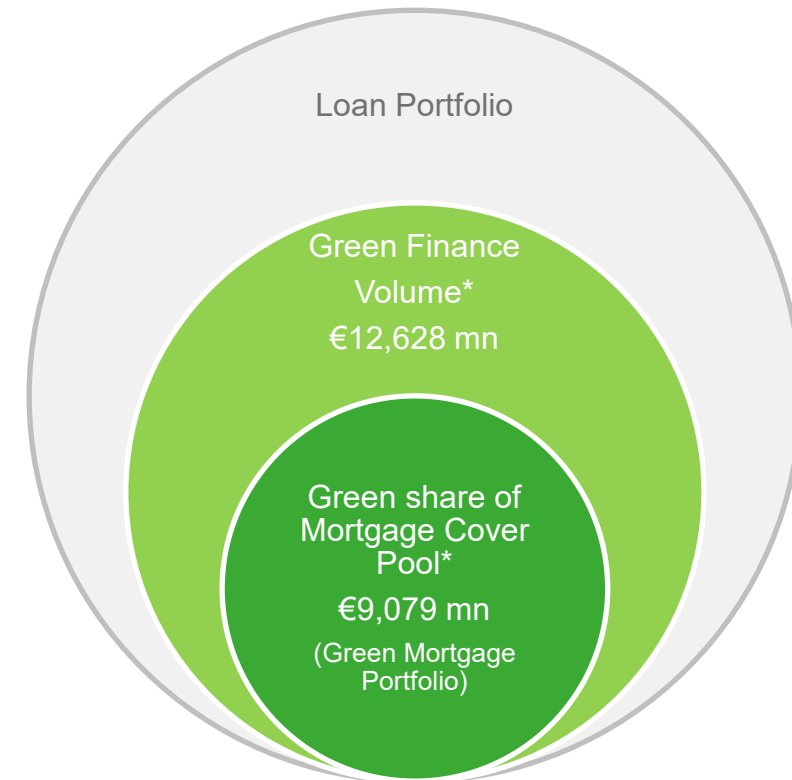
EnEV/GEG	2016
KfW Efficiency house standard	55 or better



# Management of Proceeds

## Portfolio-based management

- » Classifying eligible assets according to the selection criteria described in the Green Bond Framework
- » Eligible assets are flagged in the mortgage cover pool and form the Green Mortgage Portfolio
- » Portfolio-based management of proceeds
- » Issuance of Green Pfandbriefe require sufficient eligible assets in the Green Mortgage Portfolio
- » In the unlikely event that outstanding Green Pfandbriefe exceed the volume of eligible assets, DZ HYP will temporarily invest the liquidity in sustainable bonds and/or hold it in cash
- » Monitoring and control of the process by the Treasury department

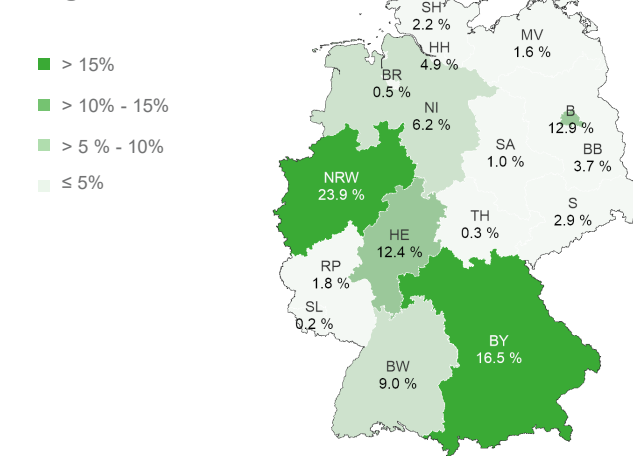


# Portfolio review

## Green Mortgage Portfolio | 12/31/2023

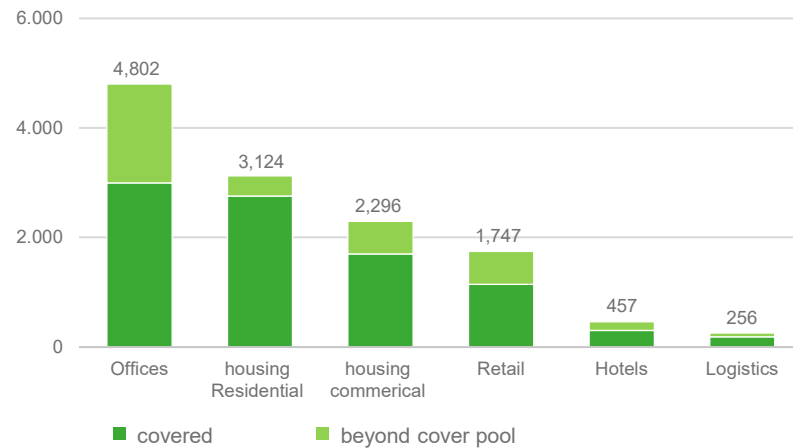
- » As of 31 December 2023, DZ HYP finances green buildings in a volume of €12,628 mn
- » Thereof, €9,079 mn are part of the mortgage cover pool and can be refinanced via Green Pfandbriefe
- » Exclusively green real estate in Germany (corporate clients & private customers)
- » Diversified real estate portfolio with a focus on residential- and office buildings

Regional distribution



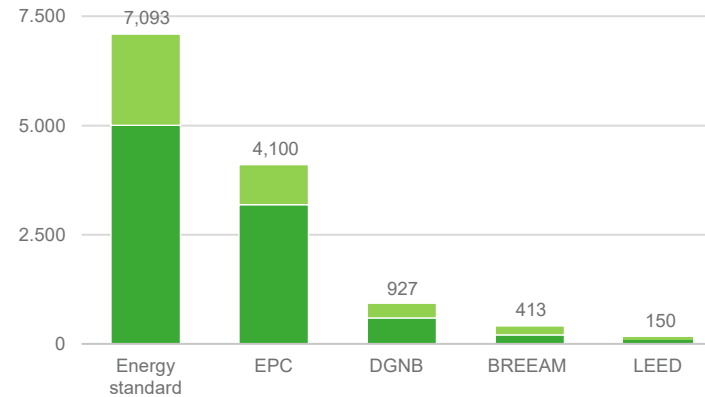
Type of property use

In € mn



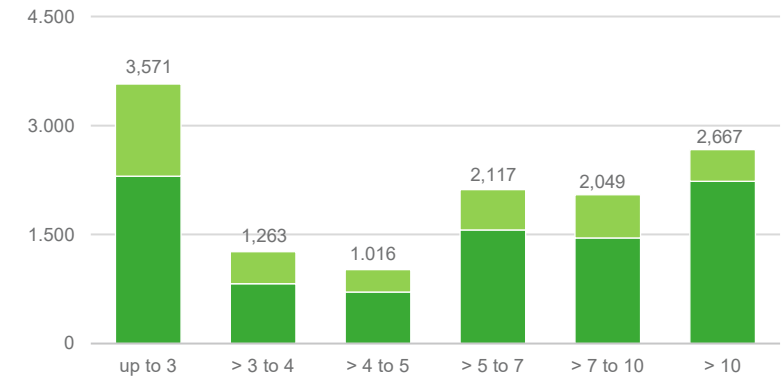
Selection criteria

In € mn



Fixed-interest period (years)

In € mn



# Reporting

## Impact Report | 12/31/2023



**15,502**  
Green residential and  
commercial buildings  
financed



**351,038 MWh**  
savings  
DZ HYP-share



**100,870 t**  
CO<sub>2</sub>-savings  
DZ HYP-share



**7.95 t**  
CO<sub>2</sub> - savings per  
€ million invested  
DZ HYP-share

- » Publication of the Green Bond Report<sup>1</sup> on an annual basis as of 31 December (in Q1 of the following year)
- » Evaluation of the allocation and development of the impact reporting by Drees & Sommer (consulting firm)
- » Methodology:
  - » Assessment of energy efficiency on the basis of collected sustainability documents
  - » Subsequently comparison with comparative buildings for specific types of use

<sup>1</sup>Green Bond Reporting: <https://dzhyp.de/en/investor-relations/informations-for-investors/green-bonds//>



# Reporting

## Impact Report | 12/31/2023

Low Carbon Buildings	Year of Issuance	Type	Signed Amount <sup>a</sup>	Reference Area <sup>b</sup>	Share of Total Portfolio Financing <sup>c</sup>	Annual final energy savings <sup>d</sup>	Annual CO <sub>2</sub> emissions avoidance <sup>e</sup>	Financing share Annual final energy savings <sup>f</sup>	Financing share Annual CO <sub>2</sub> emissions avoidance <sup>g</sup>
Unit	[yyyy]	[-]	[EUR]	[m <sup>2</sup> ]	[%]	[MWh/year]	[tCO <sub>2</sub> /year]	[MWh/year]	[tCO <sub>2</sub> /year]
DZ HYP AG	2023	Low Carbon Building	9.078.678.479	10.599.946	100,0	874.700	251.925	351.038	100.870
Office	2023	Low Carbon Building	2.995.609.401	3.212.780	33,0	253.927	70.790	88.562	25.411
Residential			4.450.175.527	4.744.543	49,0	381.354	91.579	170.383	40.903
Retail			1.142.726.234	1.658.262	12,6	164.030	64.204	65.254	25.450
Logistics			186.863.028	721.698	2,1	54.477	18.262	17.863	6.007
Hotels			303.304.290	262.663	3,3	20.912	7.090	8.977	3.099

<sup>a</sup> Legally committed signed amount by the issuer for the portfolio or portfolio components eligible for green bond financing.

<sup>b</sup> Reference area based on national definition, e.g. Energy performance certificate based, net floor conditioned area.

<sup>c</sup> Portion of the total portfolio cost that is financed by the issuer.

<sup>d</sup> Final energy savings calculated using the difference between the top 15% and the national building stock benchmarks

<sup>e</sup> Greenhouse gas emissions avoidance determined by multiplying the final energy savings with the carbon emissions intensity

<sup>f</sup> Final energy savings calculated adjusted with the financing share

<sup>g</sup> Greenhouse gas emissions avoidance adjusted with the financing share



# External Review

## Second Party Opinion

- » Review of the Green Bond Framework by ISS ESG
- » Confirmation of compliance with ICMA Green Bond Principles
- » Excerpts from the Second Party Opinion:

“This use of proceeds category has a significant contribution to SDGs 11 Sustainable cities and communities”

„the company currently shows a high sustainability performance against peers on key ESG issues faced by the Mortgage & Public Sector Finance industry“

„the Use of Proceeds financed through this bond is consistent with the issuer’s sustainability Strategy and material ESG topics for the issuer’s industry.“

„The rationale for issuing Green Bonds is clearly described by the issuer.“



# Contacts



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Head of Strategic Funding & Investor Relations

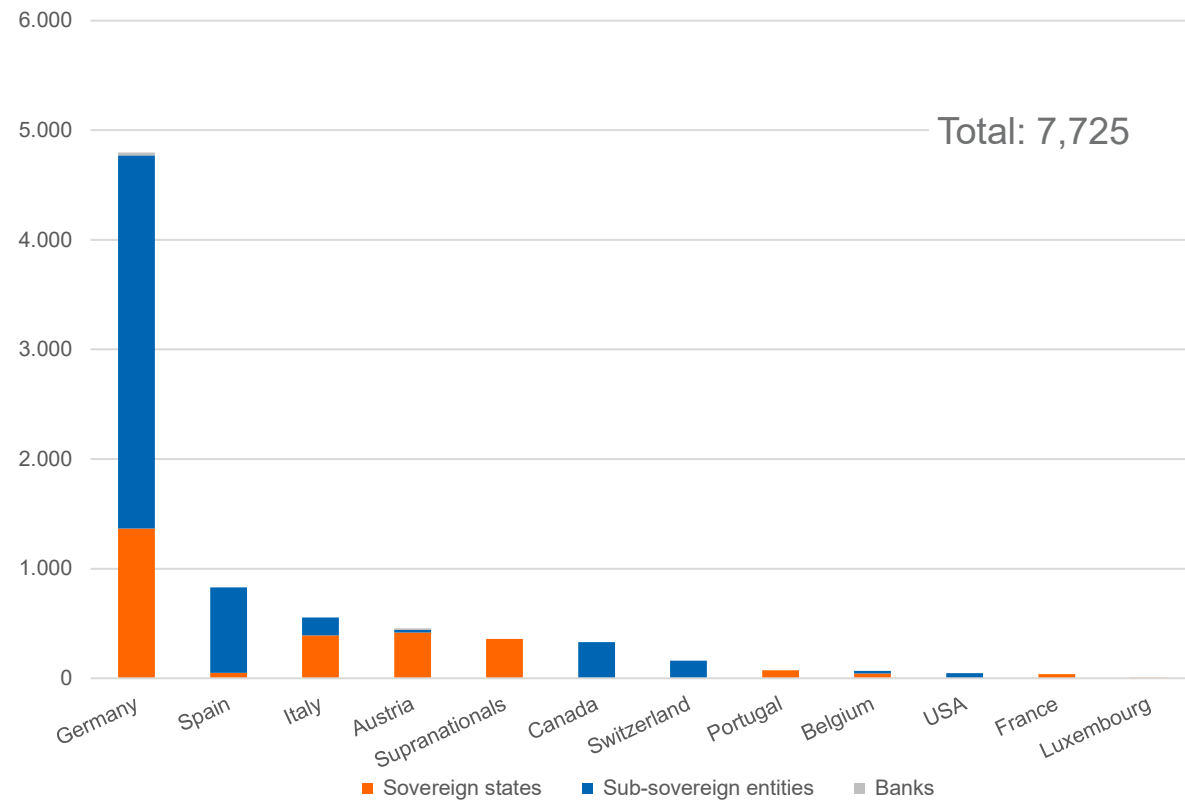
+49 40 3334-2779  
nicole.john@dzhyp.de

# 4. Appendix

# Securities portfolio<sup>1</sup>

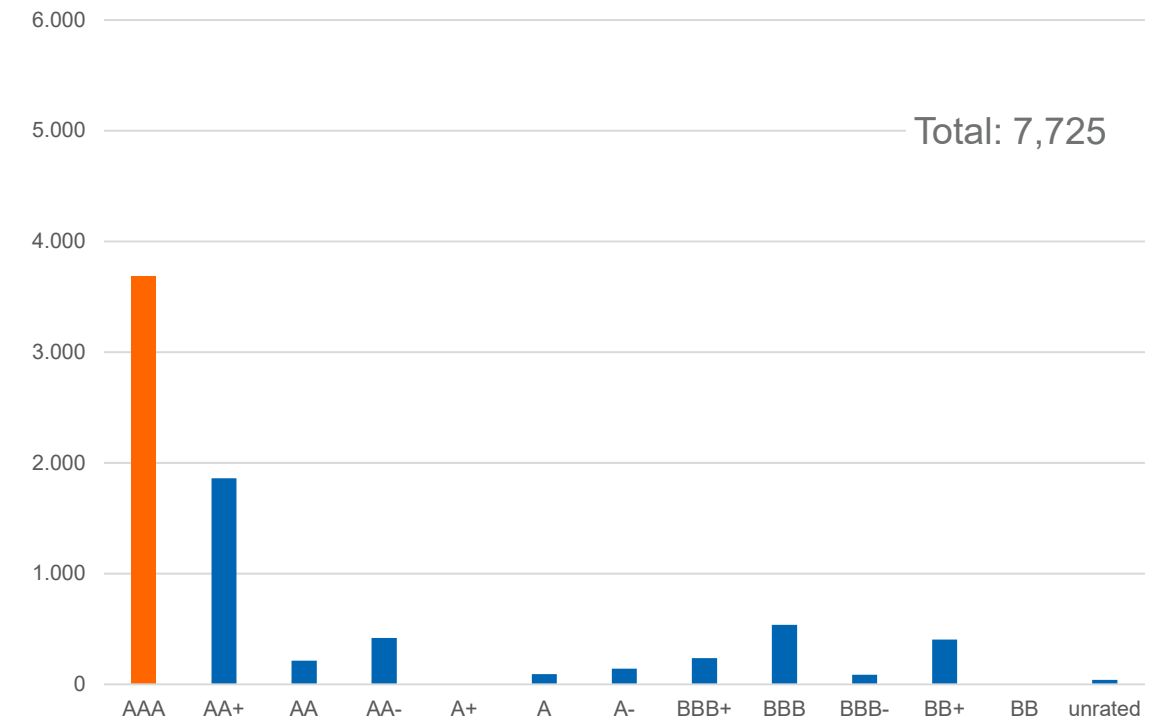
## Countries and borrower classes

In € mn as of 12/31/2023



## Ratings

In € mn as of 12/31/2023



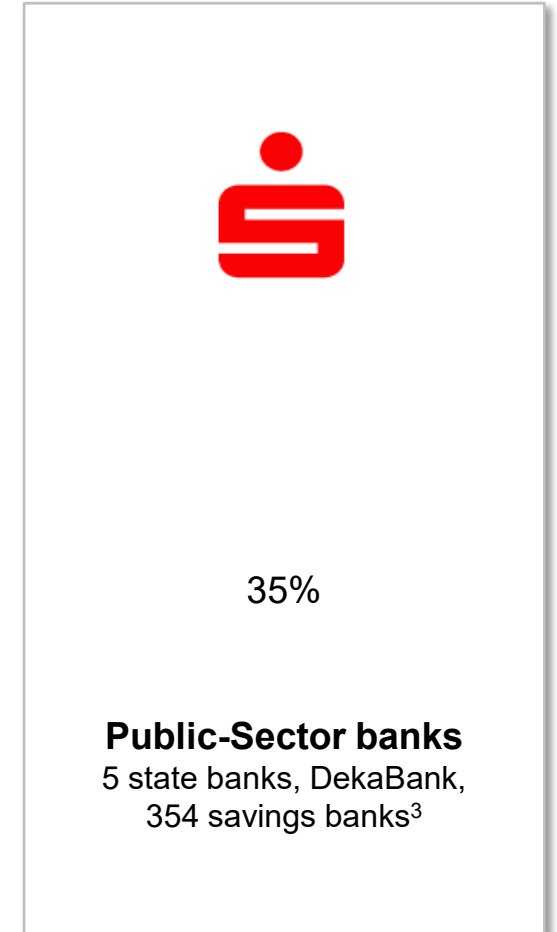
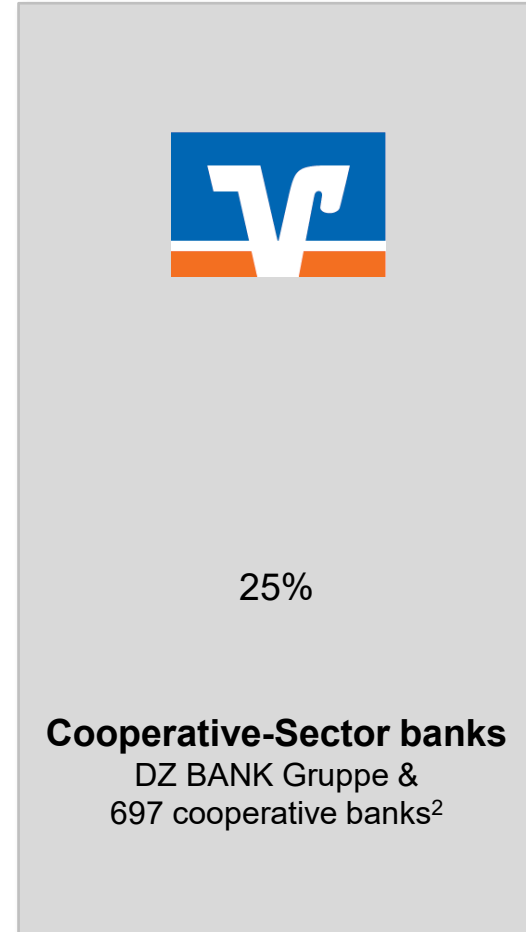
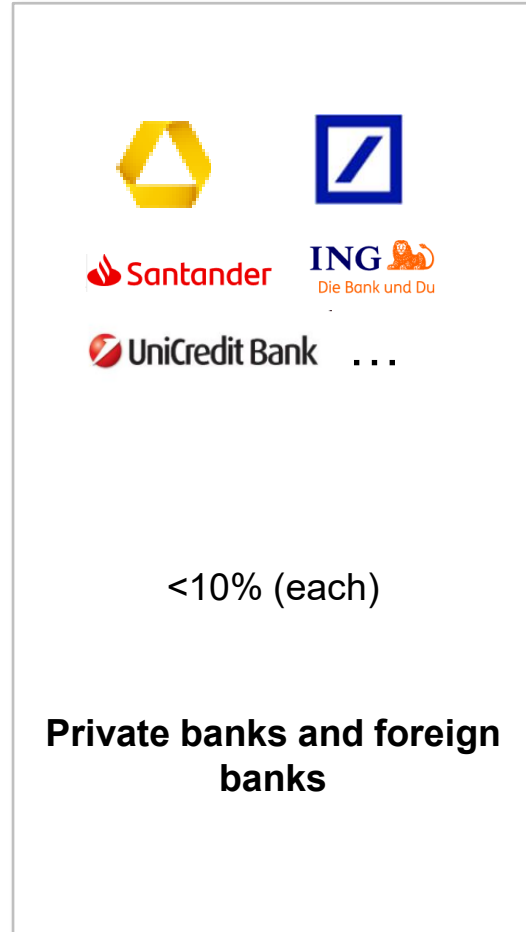
<sup>1</sup>Volume: Nominal values, promotional and development banks with government funding guarantees, categorised as "governments", excluding intragroup transaction

# The three pillars of the German banking industry



Market share (GER)<sup>1</sup>

Banking sector



<sup>1</sup>Private household deposits; <sup>2</sup>As of 12/31/2023, <sup>3</sup>As of 09/1/2023; Source: DZ BANK

# The BVR protection scheme in conjunction with the BVR Institutssicherung ensures the network's stability

## **BVR protection scheme (BVR-SE) as institution protection and indirect deposit protection**

- » exists since 1934 as voluntary protection scheme, additional to the BVR-ISG
- » is the oldest, privately finances bank protection scheme worldwide
- » takes measures for the avoidance of threatening or impending economic difficulties faced by member institutions (preventive avoidance of bankruptcy)
- » indirectly protects deposits held by non-bank customers of the affiliated institution, including bearer bonds and savings certificates, issued by affiliated institutions and held by customers



## **BVR-Institutssicherung GmbH (BVR-ISG) as direct deposit protection**

- » founded in 2015
- » fulfills the legal requirements (EU guideline ,DGSD'1 and German law on deposit insurance)
- » is an officially recognised deposit protection system as Institutional Protection Scheme
- » protects customer deposits of up to €100,000 per person per institution

<sup>1</sup>Deposit Guarantee Schemes Directive Quelle: DZ BANK

# Cooperative protection scheme of BVR



- » Responsible body is the national association (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. – BVR)
- » Monitoring by Federal Financial Supervisory Authority (BaFin)
- » Comprehensive institution protection for all members, **no bankruptcy among members since 1934**
- » Members: Cooperative banks, DZ BANK, DZ HYP, DZ PRIVATBANK, Schwäbisch Hall, TeamBank, Münchener Hypothekenbank



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