

Sustainability requirements for suppliers of the DZ BANK Group

Preamble

For companies in the DZ BANK Group, the concept of sustainable development is the benchmark for a long-term corporate policy designed to meet not just economic but also ecological and social challenges. Acting responsibly is one of our core corporate aims and is expected of cooperative institutions.

The cooperative tradition involves not only the principle of contributing to the good of society, but also tackling global problems such as climate change, limited resources, poverty, demographic change, development, deforestation and endangering biodiversity. Everywhere the DZ BANK Group operates, it is regarded as a reliable partner for customers, local authorities and business partners.

In joining the Global Compact initiative of the United Nations (UN) in 2008, DZ BANK AG also acknowledged ten fundamental global principles for responsible business operations. These include observing human rights and upholding labour rights, being committed to environmental protection and avoiding corruption and bribery. These principles are an important basis for our business operations. (www.unglobalcompact.org)

Scope

The following requirements summarise the expectations of the companies of the DZ BANK Group with respect to their suppliers. The requirements are based on the principles of the UN Global Compact initiative in the areas of human rights, labour rights, environmental protection and fighting corruption, on the basis of the Code of Conduct of the BME (German Association Materials Management Purchasing and Logistics) and the applicable conventions of the International Labour Organization (ILO).

The requirements apply to all business relationships between companies of the DZ BANK Group and their suppliers and are regarded as the basis for successful business relationships. Any contractual agreements made between companies of the DZ BANK Group and contractors are not superseded by this Sustainability Declaration.

The companies of the DZ BANK Group regard the requirements as important for their respective business relationships. If any of the sustainability requirements are breached, the companies of the DZ BANK Group shall meet with the affected supplier to draw up a concrete plan of action. This also includes an escalation clause, which in extreme cases can also lead to termination of the business relationship. We expect our suppliers to document their compliance with sustainability requirements by voluntarily submitting information (supplier questionnaire of the DZ BANK Group).

The aim of the DZ BANK Group is to have an efficient supplier network that, as well as generating profit and having locations in Germany and other countries, also operates on the basis of internationally recognised and ambitious environmental and social standards. The companies of the DZ BANK Group expect their contractor to ensure that these requirements are also observed by their own suppliers and subcontractors.

Sustainability Declaration at start of business relationship with a supplier (contractor)

Observance of environmental and social issues is an important element of our procurement strategy. The Sustainability Declaration is a key part of sustainability management in the DZ BANK Group. The following expectations constitute minimum requirements in this respect and should not be regarded as a complete and exclusive list of requirements. The companies of the DZ BANK Group expect the contractor to observe and comply with respective laws and international standards.

I. Economic responsibility

The companies of the DZ BANK Group seek to have fair and cooperative business relationships with their business partners and accept responsibilities towards their suppliers, the environment and society. We expect our suppliers to have a permanent and sustainable approach to their business operations.

II. Ecological responsibility

1. Complying with statutory standards

The companies of the DZ BANK Group expect the contractor to take account of environmental protection issues during the course of business operations. The minimum requirements in this respect are national laws and regulations governing environmental protection.

2. Minimising environmental damage

The companies of the DZ BANK Group expect the contractor to minimise environmental damage, to continually update its environmental protection measures and to provide evidence of such measures upon demand.

3. Organisational measures in environmental management

The companies of the DZ BANK Group expect contractors to have or set up systematic and organised environmental management and show that it is implementing this approach in its company.

III. Social responsibility

1. Recognition of and compliance with human rights

The companies of the DZ BANK Group expect the contractor to recognise and comply with human rights. Above all, this applies to observance of 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 or forced labour

The companies of the DZ BANK Group expect that the contractor will not employ, allow to be employed or tolerate employment of anyone who does not meet the minimum age requirements under the International Labour Organization (ILO) Convention 138. The minimum age may not be below the minimum age for children to finish schooling and may not in any case be below the age of 15. The companies of the DZ BANK Group expect that the contractor

should in no way practice, knowingly tolerate or support forced labour, including slavery or involuntary forced labour for prisoners. If a national jurisdiction has stricter rules as regards child labour, these shall have priority.

3. Ensuring fairer wages and working conditions

The companies of the DZ BANK Group expect contractors to pay their staff sufficient and fair wages to ensure a reasonable standard of living. Prescribed minimum wage standards must be observed. The contractor shall ensure fair working conditions for its employees. It shall observe national laws and regulations on working hours and work safety. The companies of the DZ BANK Group expect the contractor to ensure fair working conditions pursuant to the Labour Standards of the International Labour Organization (ILO).

4. Freedom of association and the right to make collective agreements

The companies of the DZ BANK Group expect the contractor to allow its employees freedom of association and the right to make collective bargaining agreements.

5. Ensuring health and safety in the workplace

The companies of the DZ BANK Group expect the contractor to ensure health and safety standards at work for its employees in order to guard against workplace accidents and health issues. The minimum requirements in this respect are compliance with local laws and regulations concerning workplace health and safety. The companies of the DZ BANK Group expect contractors to ensure standards of health and safety at work that at least comply with the Labour Standards of the International Labour Organization (ILO) where statutory standards set lower requirements or where there are no such standards.

6. Anti-discrimination

The companies of the DZ BANK Group expect the contractor to exclude any form of discrimination (especially on the grounds of race, skin colour, gender, age, nationality, religious affiliation, disability, sexual orientation, political beliefs or social origin) at least in line with the prohibition on discrimination under the German Equality Act (*Allgemeines Gleichbehandlungsgesetz - AGG*). All employees should be protected from harassment in the workplace, especially sexual harassment.

7. Corruption

The companies of the DZ BANK Group expect the contractor not to tolerate corruption or bribery in any form or to participate in such practices in any way.

The contractor hereby states that it acknowledges the requirements listed above, implements such requirements and is prepared to document such compliance with a voluntary provision of information in the form of a supplier questionnaire from the DZ BANK Group. Should a company of the DZ BANK Group have any concrete concerns with respect to compliance with sustainability requirements by the contractor, then the contractor is prepared, with prior agreement, to allow the DZ BANK Group company to check on compliance with such requirements at the contractor's premises.

Place / Date

Name in print letters

contractor (Company)

Signature