



DZ BANK

Corporate presentation

 **DZ BANK** Group

At a glance (1/2)



Cooperative banks	814
Branches	8,566
Customers (mln)	30
thereof `shareholders´ (mln)	18.4
Employees ¹	174,300
Profit before taxes (€ mln) ¹	10,179
Consolidated total assets (€ bn) ¹	1,384

(As of 31.12.2020, 1) as of 31.12.2019)



Headquarter	Frankfurt am Main
Employees	31,410
Profit before taxes (€ mln)	1.455
Consolidated total assets (€ bn)	595

(As of 31.12.2020)

At a glance (2/2) – DZ BANK Group

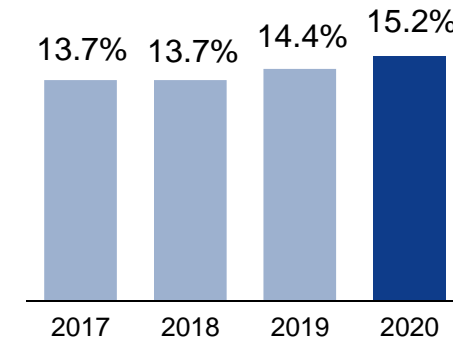
» Profitable Banking Group with profit before taxes as of 31.12.2020
€ 1,455 mln

» Second-largest German Banking Group with consolidated total assets of
€ 595 bn

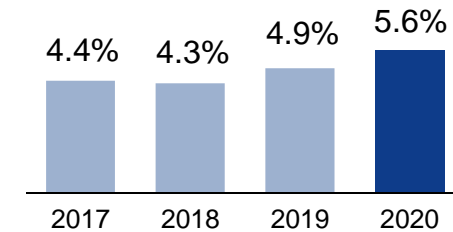
» One of the best ratings in the EU banking market (Issuer Credit Rating)

S&P	AA-
Fitch Ratings	AA-
Moody's	Aa1

Common equity Tier 1 capital ratio
(fully loaded)



Leverage Ratio
(fully loaded)






Agenda

1. Volksbanken Raiffeisenbanken cooperative financial network
2. DZ BANK Group
3. DZ BANK Group's business performance
4. Business segments
5. Contact persons

1. Volksbanken Raiffeisenbanken cooperative financial network

 **DZ BANK** Group

The three pillars of the German banking sector

	Public banking sector	Genossenschaftlicher Bankensektor	Private banking sector and foreign banks
			
Domestic market share ¹	35%	25%	< 10% (each)
Structure	<ul style="list-style-type: none"> – 5 Landesbank groups – DekaBank – 385 Savings banks 	<ul style="list-style-type: none"> – Cooperative central institution – Specialized cooperative companies – 814 Cooperative banks 	Varied

¹ Market share according to deposits of private households

Subsidiarity is key for the cooperative financial network – at its core are the local cooperative banks

Client Business

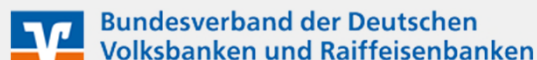


- Regional market approach
- Customer relationship



- Central institution
- Specialized service providers
- Joint market approach

Associations and Service Providers



Umbrella association for the cooperative banking sector

- Lobbying
- Strategic coordination
- Advisory, support and information
- Protection scheme

Regional- and other associations

Auditing and consulting associations

- Auditing
- Consulting and support
- Lobbying
- Education



Service companies

Various cooperative service and technology companies

- Banking Software
- IT-facilities and -support
- Advertising programmes
- ...



Cooperative protection scheme of BVR

The 'Dual System' of institution protection



BVR-ISG

BVR-Institutssicherung GmbH as direct deposit protection

- » Fulfilment of the legal requirements (EU guideline 'DGSD'¹ and German law on deposit insurance) by founding of BVR-ISG in 2015
- » BVR-ISG is an officially recognised deposit protection system as Institutional Protection Scheme
- » Safeguarding of depositor compensation by protection of customer deposits of up to € 100,000 per person per institution
- » **Deposit protection (BVR-SE and BVR-ISG)**
Comprehensive protection for customer deposits held by non-banks, including bearer bonds and certificates issued by the cooperative banks (indirectly via BVR-SE). Direct deposit protection via BVR-ISG up to EUR 100,000 per person per institute.

BVR-SE

BVR-Sicherungseinrichtung as institution protection and indirect deposit protection

- » Additional voluntary protection system since 1934
- » BVR-SE is the oldest, privately financed bank protection scheme worldwide
- » **Institution protection:** Measures for the avoidance of threatening or impending economic difficulties faced by member institutions (preventive avoidance of bankruptcy)

¹ Deposit Guarantee Schemes Directive

Cooperative protection scheme of BVR

Key figures and function



Responsible body is the national association (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. – BVR)



Monitoring by Federal Financial Supervisory Authority (BaFin)

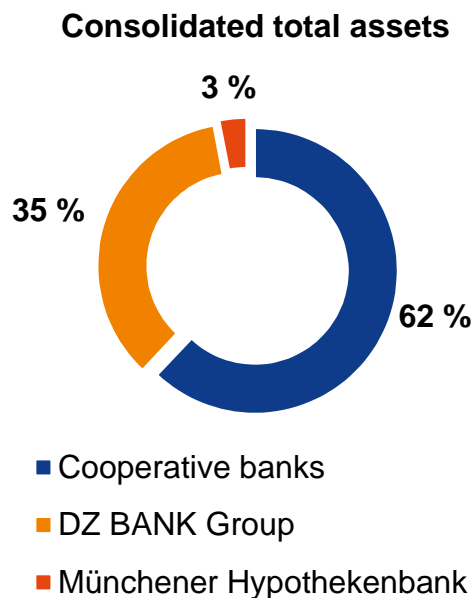


Comprehensive institution protection for all members, no bankruptcy among members since 1934



Members: 814 Cooperative banks, DZ BANK AG, DZ HYP, DZ PRIVATBANK, Schwäbisch Hall, TeamBank, DVB Bank, Münchener Hypothekenbank

Consolidated financial statement of the cooperative financial network



	2019	2018
Profit before taxes (€ mln)	10,179	7,771
Cost/income ratio (%)	62.2	69.5
Loans and advances to customers (€ bn)	845	795
Deposits from customers (€ bn)	880	842
Consolidated total assets (€ bn)	1,384	1,293
Consolidated equity (€ bn)	116.0	107.7
Common equity Tier 1 capital ratio (%) ¹	15.5	15.5
Leverage ratio (% , fully loaded)	7.8	7.8
Employees	174,300	176,600

(As of 31.12.2019)

¹ incl. § 340f HGB-Reserven

Interaction within the german cooperative financial network

30 million customers,
thereof 18.4 million `shareholders`

Shareholders



Customer relationship

Cooperative financial
network



Volksbanken
Raiffeisenbanken

814 cooperative banks

Shareholders



Products and services

 **DZ BANK** Gruppe

 Schwäbisch Hall
ist Bank. Ist immer die Bank.

 R+V

 TeamBank

 Union
Investment

 **DZ BANK**
Die Initiativbank

 **DZ HYP**

 **DZ PRIVATBANK**

 **VR Smart
Finanz**

2. DZ BANK Group



Our vision determines the strategic framework of the DZ BANK Group

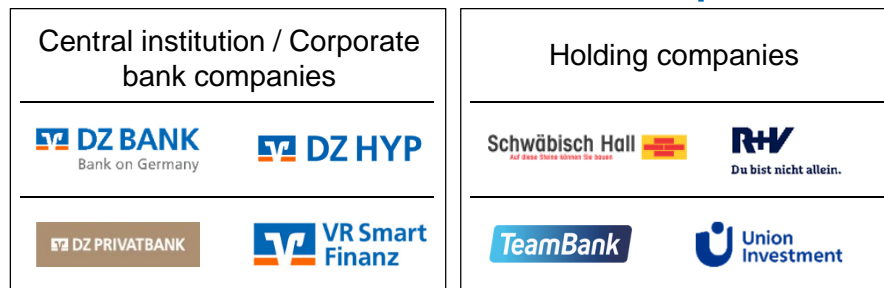
The DZ BANK Group will align itself toward the cooperative banks such that the ...



... will further develop its position as the leading financial services provider in Germany.

- » The most important requirement for the **success of the cooperative financial network** is the **strengthening of the cooperative banks** in their market (mandate for sponsorship).
- » The **high network orientation** of the central institution is reflected by the fact that the **emphasis is on the interests of the cooperative financial network** which is in **close proximity to local market conditions** and takes into account the **respective features** of the different market sections.
- » The **basis of the cooperation** between cooperative banks on the one hand and the central institution and specialized service providers of the cooperative financial network on the other hand is subject to the principles of **subsidiarity, decentralization and regional market responsibility**.

DZ BANK Group: strong brands – strong partners



Employees	31,410
Profit before taxes (€ mln)	1,455
Consolidated total assets (€ bn)	595

(As of: 31.12.2020)

» DZ BANK AG acts as the holding company for the DZ BANK Group

» Companies associated with the Central institution / Corporate bank are

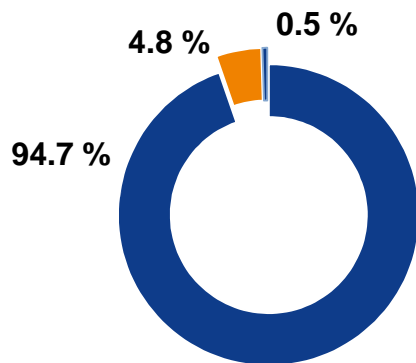
- DZ BANK AG
- DZ HYP
- DZ PRIVATBANK
- VR Smart Finanz

» Companies associated with the holding are

- Bausparkasse Schwäbisch Hall
- R+V Versicherung
- TeamBank
- Union Investment
- various other specialized institutions, e.g. ReiseBank

DZ BANK Group: shareholding structure

Shareholding structure of DZ BANK AG



(€ mln)

■ Cooperative banks (direct and indirect)	4,663
■ Other cooperative enterprises	238
■ Other	25
Total subscribed capital	4,926

Stand: 31.12.2020

Subsidiaries of DZ BANK AG: ownership stakes

 **DZ HYP** 96 %

 **DZ PRIVATBANK** 92 %

 **VR Smart Finanz** 100 %

 **R+V** 92 %
Du bist nicht allein.

 **Schwäbisch Hall** 97 %
Auf diese Steine können Sie bauen

 **TeamBank** 93 %

 **Union Investment** 96 %

DZ BANK Group companies:

DZ BANK AG – Cooperative central institution



Headquarter	Frankfurt am Main
Employees	5.291
Profit before taxes ¹ (€ mln)	244
Consolidated total assets (€ bn)	314

(As of: 31.12.2020)

» **DZ BANK** serves as **central institution** of the Volksbanken Raiffeisenbanken cooperative financial network and **commercial bank**. It is the central institution for all 814 cooperative banks in Germany, which hold the majority of its shares.

» Under the tagline 'DZ BANK. Die Initiativbank', it **supports** the business of the independent **cooperative banks** in their regions with the aim of strengthening their competitiveness. The combination of **local customer knowledge and central product expertise** has proved to be highly effective.

» Additionally DZ BANK AG acts as the **holding company** for the DZ BANK Group.

¹ Profit before taxes of DZ BANK – central institution and corporate bank

DZ BANK Group companies:

DZ HYP – Real estate and Pfandbriefbank



Headquarter	Hamburg und Munster
Employees	819
Profit before taxes (€ mln)	582
Consolidated total assets (€ bn)	94.5

(As of: 31.12.2020)


» DZ HYP is one of the leading real estate banks and one of the biggest **Pfandbrief issuers** in Germany.

» It acts as specialist, competence center and driving force of **real estate and public sector financing** for the Volksbanken Raiffeisenbanken cooperative financial network and supports the cooperative banks in their local markets.

» With its customer focused and individualized distribution approach the bank acts in its business segments corporate customers, public sector and retail customers.

DZ BANK Group companies:

DZ PRIVATBANK – Center for private banking

	
Headquarter	Luxemburg
Employees	1,169
Profit before taxes (€ mln)	38
Consolidated total assets (€ bn)	17.7

(As of: 31.12.2020)

» **DZ PRIVATBANK** is the cooperative centre of excellence for private banking for Volksbanken Raiffeisenbanken in Germany and acts as a provider of specialized services in its business segments **private banking, investment funds and financing**.

» The bank offers a **wide range of services**, from traditional asset management via asset structuring and succession planning to foundation advice and individual solutions in generation management.

DZ BANK Group companies:

VR Smart Finanz – Digital loan provider for SME customers



Headquarter	Eschborn
Employees	577
Profit before taxes (€ mln)	-45
Consolidated total assets (€ bn)	3.7

(As of: 31.12.2020)

» VR Smart Finanz is a subsidiary partner for simple SME solutions within the cooperative financial network. It acts as the expert for simple, fast and tailor-made **financing solutions** for regional SME customers and self-employed and small businesses customers of the cooperative banks.

» Its range of services includes **leasing, hire purchase and loans up to € 750,000.**

» Corporate customers can conclude **business loans online** by using the websites of the Volksbanken Raiffeisenbanken. Additionally VR Smart Finanz offers digital services surrounding financing requirements of corporate customers.

DZ BANK Group companies:

Schwäbisch Hall – Cooperative building society



Headquarter	Schwäbisch Hall
Employees	3,303
Profit before taxes (€ mln)	81
Consolidated total assets (€ bn)	81.7

(As of: 31.12.2020)

- » **Schwäbisch Hall is Germany's largest building society**, with 7.0 million customers. It is also one of the leading **home finance providers**.
- » Ever since it was established in 1931, Schwäbisch Hall has been firmly anchored in the cooperative financial network.
- » The building society's around 3,300 **field agents**¹ and about 3,300 **inhouse employees** provide customers with expert advice and support.
- » Schwäbisch Hall is also active in **foreign markets** (Eastern Europe and China) with about 1.7 million customers.

DZ BANK Group companies:

R+V – Cooperative insurance company



Du bist nicht allein.

Headquarter	Wiesbaden
Employees	14,336
Profit before taxes (€ mln)	277
Consolidated total assets (€ bn)	130

(As of: 31.12.2020)



R+V Versicherung is one of the leading insurance companies in Germany and has been on a growth trajectory for many years now. It is the second-largest insurer in both the **life and non-life sectors**.



Based in Wiesbaden, R+V enjoys the trust of more than **8 million customers**, who have insured over **25 million risks**.

DZ BANK Group companies:

TeamBank – Consumer finance provider



Headquarter	Nürnberg
Employees	1,142
Profit before taxes (€ mln)	154
Consolidated total assets (€ bn)	9.3

(As of: 31.12.2020)

» **TeamBank AG** with its **easyCredit** product family is the liquidity management specialist in the Volksbanken Raiffeisenbanken cooperative financial network.

» It provides integrated, innovative products and services that give customers easy **access to liquidity** wherever they are and whenever they want.

» The key elements of the ecosystem are the customer-friendly finance service '**easyCredit-Finanzreserve**', the seamless cross-media payment process '**ratenkauf by easyCredit**', and an **online credit agreement service**.

DZ BANK Group companies:

Union Investment – Asset manager



Headquarter	Frankfurt am Main
Employees	3,429
Profit before taxes (€ mln)	649
Consolidated total assets (€ bn)	3.6

(As of: 31.12.2020)

» The **Union Investment Group** is the **fund management** specialist within the cooperative financial network and has been developing investment solutions for retail and institutional investors for more than 65 years.

» Over 3,400 employees manage assets amounting to some **€ 380 billion**. In total, more than **4.8 million customers** entrust Union Investment with their money.

DZ BANK AG's Board of Managing Directors



Uwe Fröhlich

Co-Chief Executive Officer

- Strategy & Group Development
- Cooperative Banks/Verbund
- Communication, Marketing
- Structured Finance
- Research and Economics



Dr. Cornelius Riese

Co-Chief Executive Officer

- Strategy & Group Development
- Legal
- Group Audit



Uwe Berghaus

- Corporate Banking
- Investment Promotion



Dr. Christian Brauckmann

- Services & Organisation
- IT
- Group IT-Governance
- IT Group Coordination



Ulrike Brouzi

- Group Finance
- Bank Finance
- Group Financial Services
- Compliance



Wolfgang Köhler

- Capital Markets Trading /
Retail Clients /
Institutional Clients
- Group Treasury



Michael Speth

- Group Risk Controlling
- Credit
- Credit Services



Thomas Ullrich

- Transaction Management
- Operations
- Payments & Accounts
- Group Human Resources

DZ BANK rating overview

Bankratings		S & P	Fitch	Moody's
Issuer Credit Rating		AA [*]	Aa1	AA [*]
Outlook		negative	negative	negative
Short-Term Rating		A-1 ⁺	P-1	F1 ⁺
Long Term Counterparty Risk Assessment / Derivative Counterparty Rating		-	Aa1	AA
Emissionsratings				
Covered Bonds		AA ⁺	Aaa	-
Long Term Deposits		-	Aa1	AA
Senior Unsecured	Preferred	AA ⁻	Aa1	AA
	Non-Preferred	A ⁺	A2	AA ⁻
Tier 2		A	A3	A

As of 14.02.2021

* Joint rating of the cooperative financial network

DZ BANK rating overview – sustainability ratings

ISS-ESG assigns prime status (C+) to DZ BANK Group

Corporate ESG
Performance

Prime

RATED BY

- Prime Status since 2011**
- Rating assignment (C+) as of 13 December 2019
- Above-average commitment** to environmental and social issues

Sustainability ratings of DZ BANK AG

AA

- Consistent AA** Rating since 2015 (confirmed January 2021)
- Industry **leader** in managing most significant ESG risks and opportunities

CCC	B	BB	BBB	A	AA	AAA
LAGGARD		AVERAGE			LEADER	

22.6

- Corporate governance risk low** compared to its peers
- Medium risk of experiencing material financial impacts from ESG factors

40+	30-40	20-30	10-20	0-10
SEVERE	HIGH	MED.	LOW	NEGL.

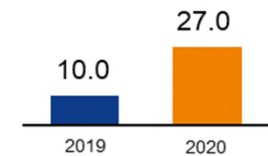
Sustainability activities

DZ BANK AG



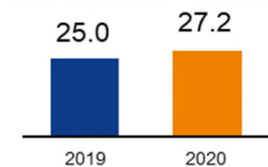
**ESG-Advisory
(structuring and
placement)**

In 2020, DZ BANK was the **lead bank for green, social and sustainable transactions** with a total volume of **more than € 27 bn.**, making it one of the top 3 syndicate banks in the sustainable bond market in Germany.



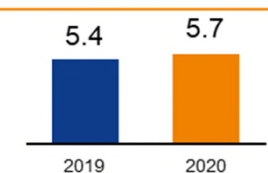
**Promotional loans
focussing on
climate matters**

DZ BANK AG will continue to assert itself as one of the largest intermediaries for **sustainable promotional loans** in Germany with a portfolio of **over € 27 bn. in 2020.**



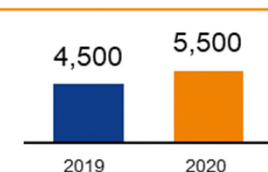
**Financing of
renewable energies**

With a financing volume of **about € 5.7 bn. in 2020**, DZ BANK AG is one of Germany's largest **renewable energies** financiers (especially wind power and photovoltaics).



**Sustainable
investment
research**

DZ BANK's sustainability research gives cooperative banks the possibility to screen their **own investments for ESG-matters**. The number of classified issuers has now grown to approx. 5,500.



Sustainability activities

DZ BANK Group

Company	Products / solutions	Exemplary quantification
 Union Investment	Sustainable asset management managed according to comprehensive and explicit sustainability criteria	€ 61 bn. assets under management in sustainable assets in 2020
 Du bist nicht allein.	Sustainable products and services in business line property and accident insurance , e.g. insurance policies for renewable energy plants Sustainable products and services in business line life and health insurance , e.g. sustainable fund policies in fund-linked pension insurance	Insurances in the renewable energy segment for 119,715 solar energy systems for 1,351 wind turbines for 1,085 biogas plants
 Auf diese Steine können Sie bauen	Financing of sustainable building , e.g. through financing new buildings, modernisations and solar energy systems	Through the financing of sustainable building the CO2 emissions reduced by 537,972 tons in 2020
	Longtime experience in managing sustainable portfolios	Approx. 20% assets under management in sustainable asset management strategies

Social commitment of DZ BANK

Society

Wide-ranging activities with a focus on “education”

DZ BANK Stiftung
ZUKUNFT GESTALTEN - IN WISSEN UND TALENTE INVESTIEREN

The **DZ BANK Stiftung** supports science, research and teaching at universities and applied universities as well as exceptional scientific research projects which are directly related to the cooperative philosophy or to banking.

Deutschland STIPENDIUM

The **DZ BANK Stiftung** supports nearly 30 talented scholarship holders each year through the “Deutschland-stipendium” Scholarship. The support is geared towards universities which focus on business and economics, computer science, or law. The foundation also awards scholarships to the **Frankfurt University of Music and Performing Arts**.

SENCKENBERG
museum frankfurt

The DZ BANK Stiftung honors the achievements of the **Senckenberg Nature Research Society** in the natural sciences. As part of the expansion of the museum, the foundation is supporting the new exhibition space "**Marine Research**" with a grant of 100,000 euros. It shows the latest achievements of research in the deep sea. This engagement recognizes in particular that diversity and sustainability are key principles of the Cooperative Financial Network.

STIFTUNG AKTIVE BÜRGERSCHAFT

The **Active Citizenship** is the competence centre for civic engagement of the Cooperative Financial Network of Volksbanken Raiffeisenbanken. A key aspect of Active Citizenship is the national encouragement of citizen foundations.

Arts and culture

Various engagements in the areas of visual and performing arts, as well as music

DZ BANK [KUNSTSAMMLUNG]


ALTE OPER
FRANKFURT

KUNSTAKADEMIE MÜNSTER
HOCHSCHULE FÜR BILDENDE KUNSTE
UNIVERSITY OF FINE ARTS MÜNSTER


Kunst akademie Düsseldorf


STÄDEL
MUSEUM

 **Oper** Frankfurt

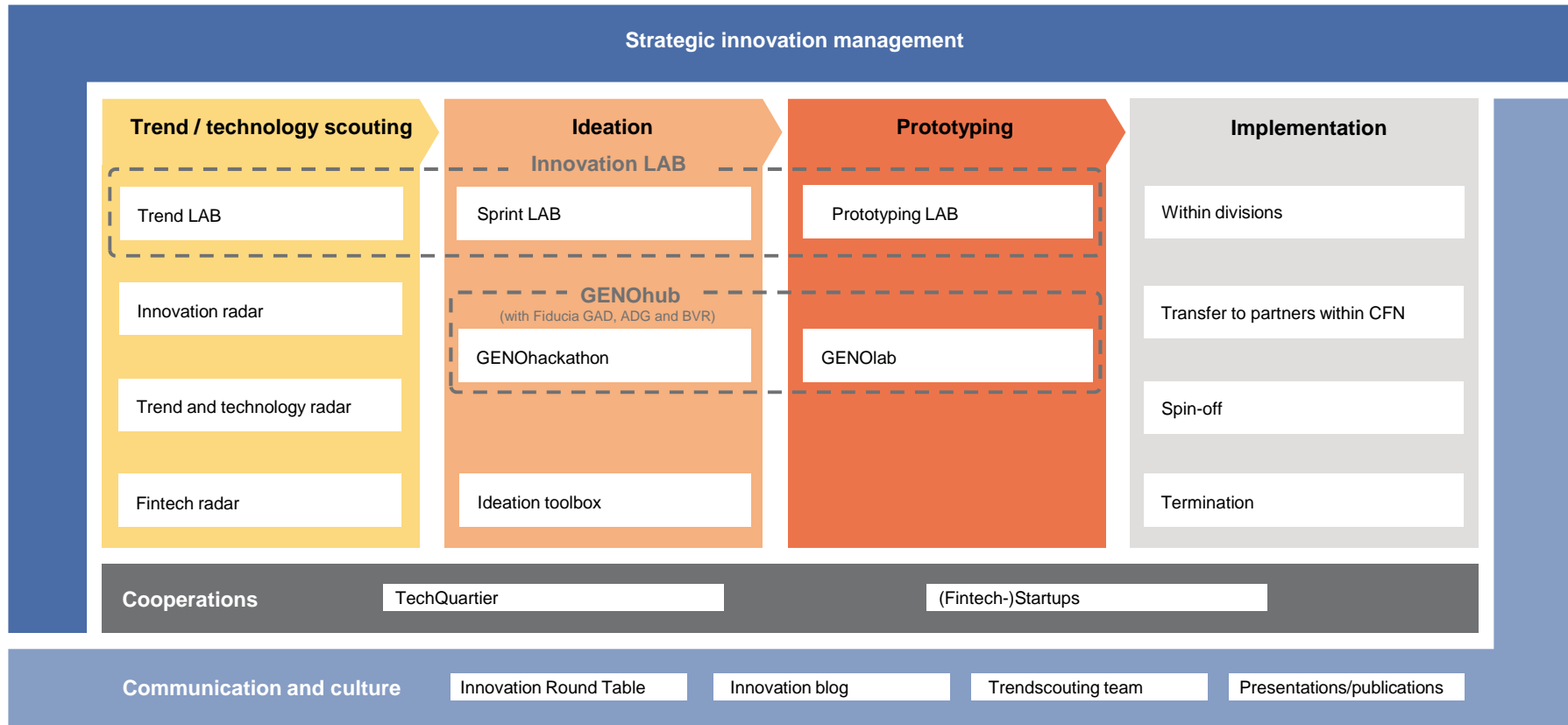

Hochschule für Musik
und Darstellende Kunst
Frankfurt am Main

Rheingau
Musik
Festival 

KIT
KIT – Kunst im Tunnel

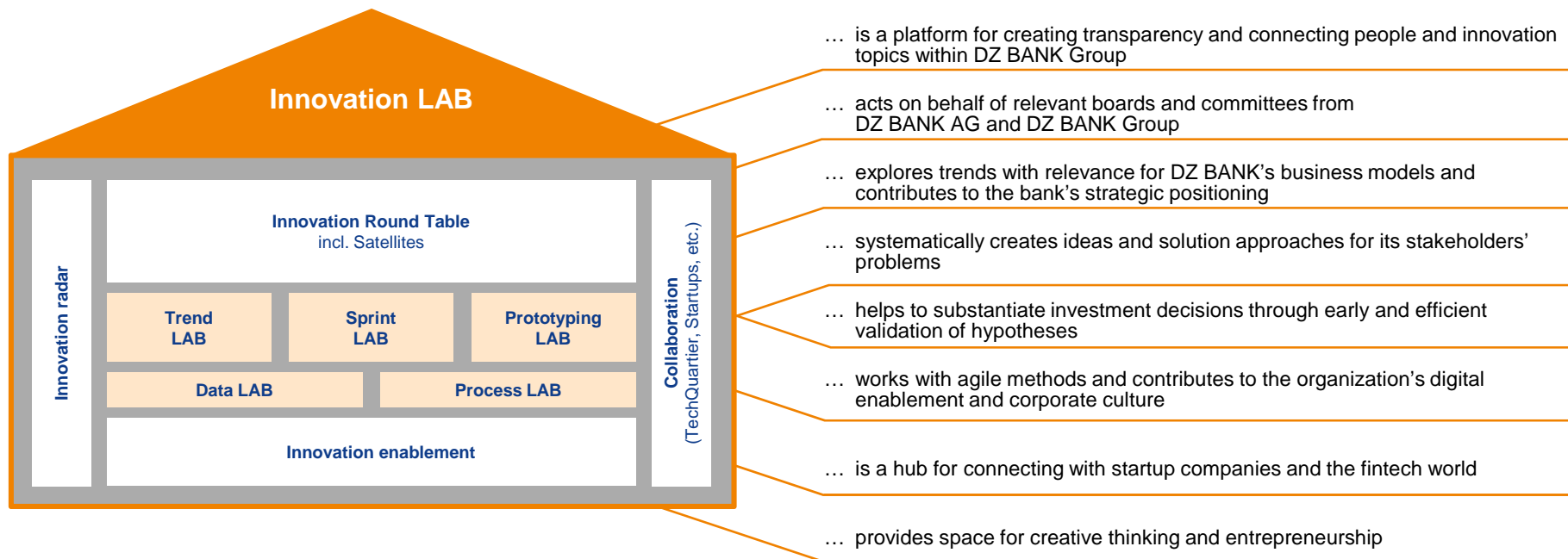
Strategic innovation management

The strategic innovation management process at DZ BANK

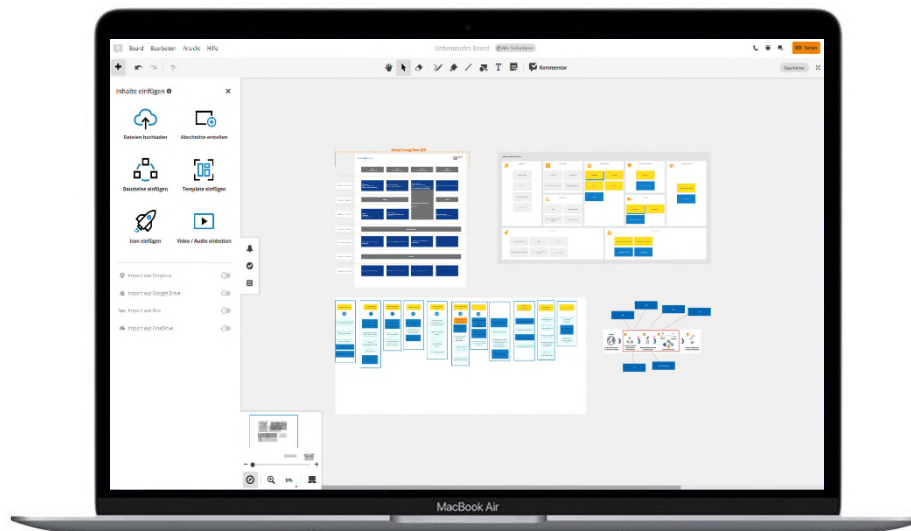


Innovation LAB Mission Statement

DZ BANK Group's „Think-and-Do-Tank“

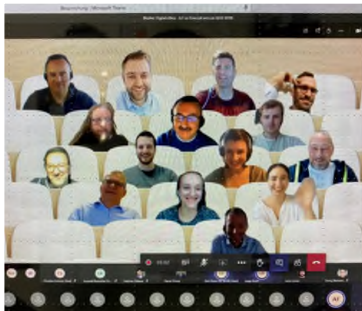


Virtual tools and hybrid methods of working allow for collaboration of greater teams within the LAB



2020: facts & figures

- Virtual and hybrid collaboration models implemented in all LAB formats
- Over 250 participants from DZ BANK Group
- Over 25 projects developed in the Innovation LAB
- 70 % implementation rate of the projects
- 96 % recommendation rate of all participants from the Innovation LAB



Digitization and Innovation

DZ BANK Group's activities

Union Investment



DZ BANK



R+V Versicherung



VR Smart Finanz



DZ BANK



Schwäbisch Hall



Union Investment



R+V Versicherung



TeamBank



DZ BANK



Schwäbisch Hall



DZ BANK



... and more than 60 further innovation projects

3. DZ BANK Group's business performance

 **DZ BANK** Group

DZ BANK Group

Key figures as of 31 December 2020



¹ Growth rate excluding DVB's wind-down portfolio: 7.6%.

² This includes a sum of €220 million required under IFRS 9 to take account of expected macroeconomic conditions resulting from the COVID-19 pandemic.

DZ BANK Group

Income statement*

€ million	Jan 1 - Dec 31, 2020	Jan 1 - Dec 31, 2019	Change (%)
Net interest income	2,797	2,738	+2.2
Net fee and commission income	2,121	1,975	+7.4
Gains and losses on trading activities	552	472	+16.9
Gains and losses on investments	166	182	-8.8
Other gains and losses on valuation of financial instruments	-22	255	>100.0
Gains and losses from derecognition of financial instruments at AC	-2	15	>100.0
Net income from insurance business	347	1,174	-70.4
Loss allowances	-678	-329	>100.0
Administrative expenses	-4,036	-4,074	-0.9
Other net operating income	210	250	-16.0
Profit before taxes	1,455	2,658	-45.3
Income taxes	-475	-778	-38.9
Net profit	980	1,880	-47.9

* preliminary, previous year adjusted

DZ BANK Group

Income statement by group company

€ million	Jan 1– Dec 31, 2020	Jan 1– Dec 31, 2019	Change (%)
BSH	81	189	-57.1
R+V	277	1,063	-73.9
TeamBank	154	152	+1.3
UMH	649	648	+0.2
DZ BANK – central institution and corporate bank	244	293	-16.7
DZ HYP	582	687	-15.3
DZ PRIVATBANK	38	36	+5.6
VR Smart Finanz	-45	-10	>100.0
DVB	-285	-108	>100.0
DZ BANK – holding function	-238	-258	+7.8
Other/Consolidation	-2	-34	+94.1
Profit before taxes	1,455	2,658	-45.3

X = companies associated with the holding

X = companies associated with the central institution / corporate bank

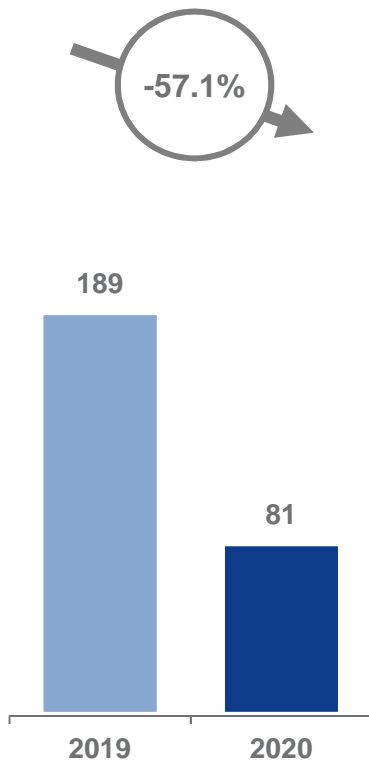
Segment Home Savings business / Residential real estate finance



Schwäbisch Hall

Profit before taxes

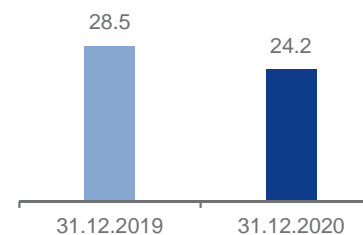
(€ million)



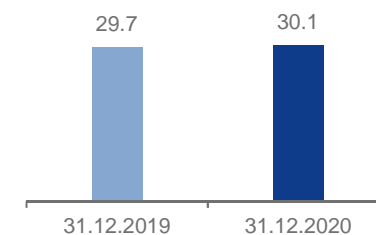
- **Home savings:** Decline in new business to €24.2 billion (2019: €28.5 billion)
- **Home finance:** New business rose to €19.1 billion (2019: €16.7 billion), outstripping average market growth
- BSH has a robust market position (market share of 30.1% in Germany)
- **Profit before taxes** adversely affected by persistently low interest rates
- Additions to provisions for building society operations lower than in the prior year and absence of the positive one-off item that had arisen in 2019 due to the disposal of BSH's Czech company

Operating performance

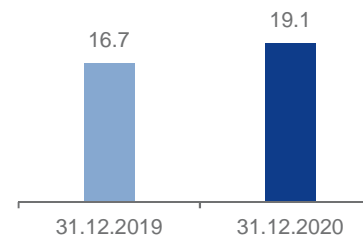
New home savings business (€ billion)



Market share in Germany (%)



New home finance business (€ billion)



BSH reports stable to good to market performance, ongoing low-interest rate environment combined with the COVID-19 situation poses a challenge

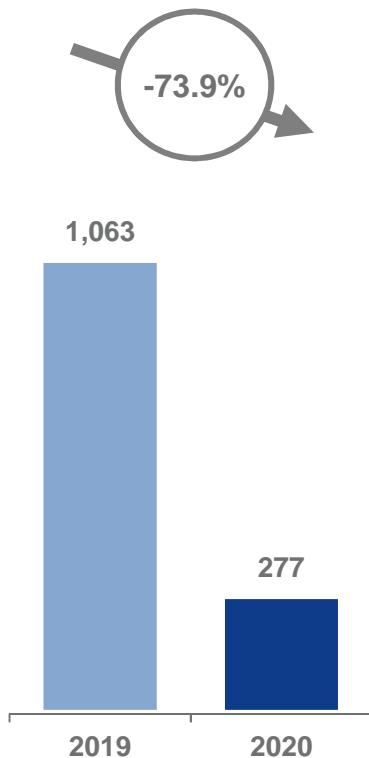
Segment Insurance



Du bist nicht allein.

Profit before taxes

(€ million)

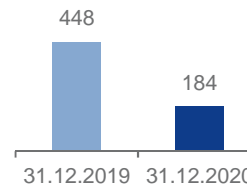


- **Gross premiums written** of €19.0 billion, significantly higher than the prior-year figure of €17.4 billion – increase in all segments
- Sharp fall in **profit before taxes** following strong prior-year result
- Decline mainly attributable to lower net gain reported under gains and losses on investments held by insurance companies (exceptionally high net gain in 2019) and an increase in claims, particularly in reinsurance, as a result of the COVID-19 pandemic

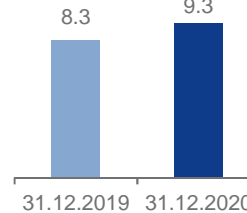
Operating performance

Life/health

Profit before taxes (€ million)

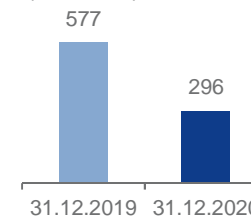


Gross premiums written (€ billion)

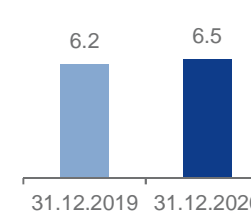


Non-life

Profit before taxes (€ million)

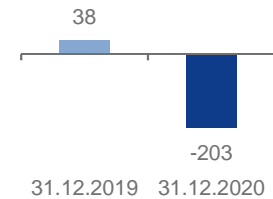


Gross premiums written (€ billion)

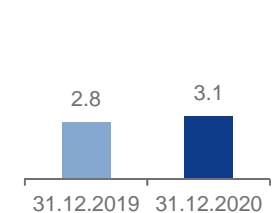


Inward reinsurance

Profit before taxes (€ million)



Gross premiums written (€ billion)



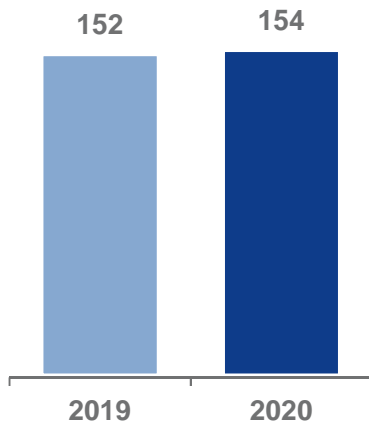
Good premium growth in all segments; group profit down significantly on the prior year – due mainly to gains and losses on investments and COVID-19 effects

Segment Consumer finance



Profit before taxes

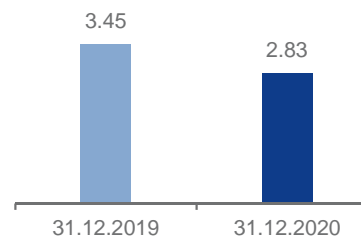
(€ million)



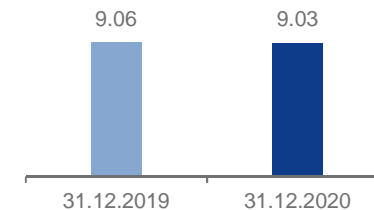
- **Volume of new business** down from €3.5 billion to €2.8 billion in challenging market environment
- **Loans and advances to customers** hold steady at €9 billion
- Further growth in the **number of customers** (up by 18,000) in a fiercely competitive market
- **Profit before taxes** on a par with prior-year period

Operating performance

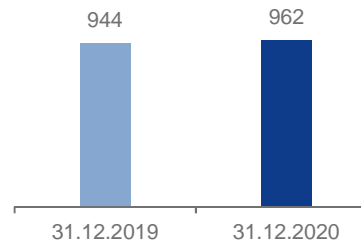
Consumer loan new business (€ billion)



Loans and advances to customers (€ billion)



Number of customers (thousand)



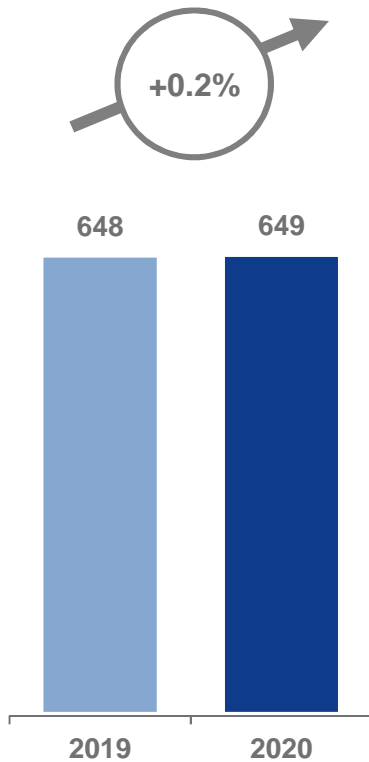
Stable performance at TeamBank, but new business down on the previous year due to the COVID-19 pandemic

Segment Asset Management



Profit before taxes

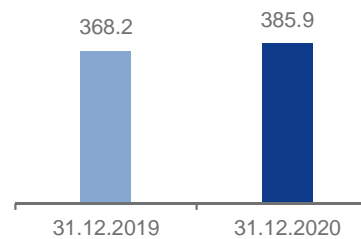
(€ million)



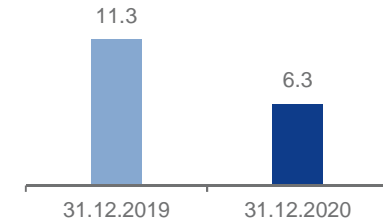
- Increase in **assets under management** to €385.9 billion (December 31, 2019: €368.2 billion)
- Compared with the prior year, **net inflows** were down from institutional clients (€6.3 billion) but up for retail clients (€8.8 billion)
- Good **financial performance** in a challenging market environment, despite changes in the valuation of guarantee commitments and the absence of the positive effect in 2019 arising from the sale of Union Investment's Polish company

Operating performance

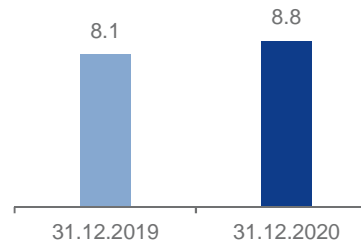
Assets under Management (€ billion)



Net inflow from institutional clients (€ billion)



Net inflow from retail clients (€ billion)



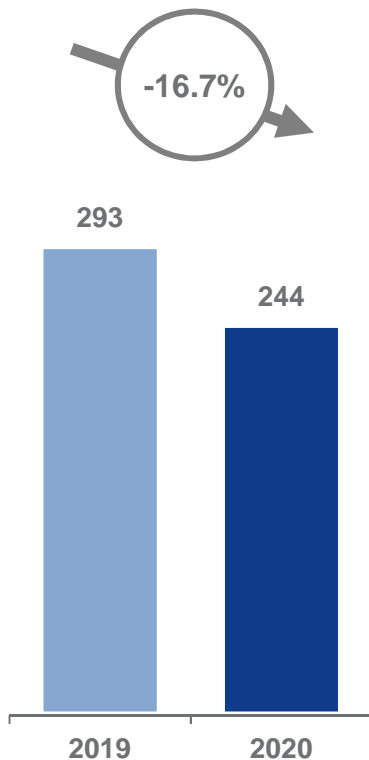
Good earnings performance in a difficult market environment

Segment DZ BANK – Central institution and corporate bank



Profit before taxes

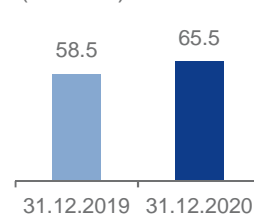
(€ million)



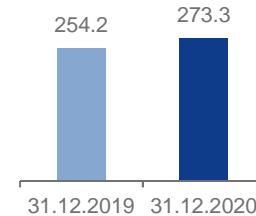
- Healthy operating business
- Rise in lending volume and cooperative financial network deposits, and high level of trading activity made a positive contribution to the **profit** in 2020; besides COVID-related increase in loss allowances
- **Corporate business:** Strengthening of the market position while still taking a conservative approach to risk
- **Capital markets:** Rise in income and volumes in all asset classes
- **Transaction Banking:**
 - Rank 4 in German depository business with € 273.3 bn
 - Good development in payment transactions
 - Rise in credit card volume

Operating performance

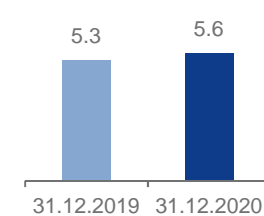
Corporate customer lending volume¹ (€ billion)



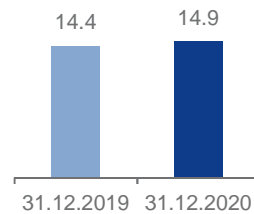
Depository (AuD) (€ billion)



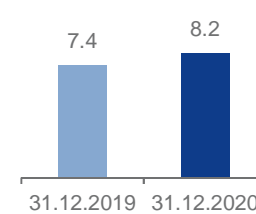
Credit card volume (€ million)



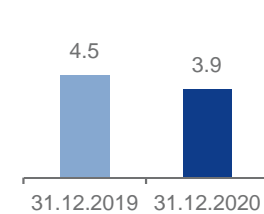
Joint credit volume (€ billion)



Number of payment transactions (billions)



Sales of investment certificates (€ billion)



DZ BANK – central institution and corporate bank reports a positive performance in the operating business

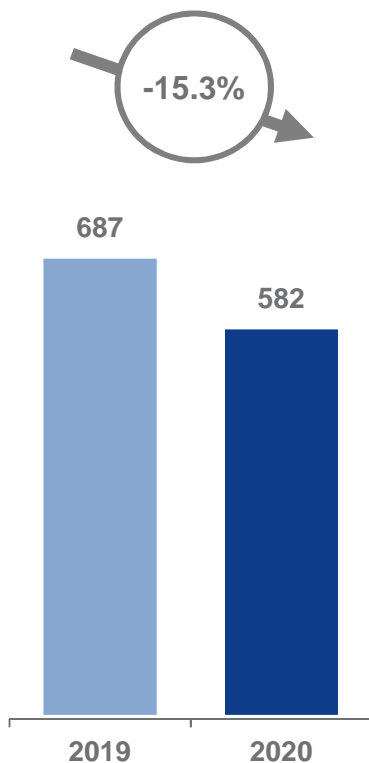
¹ Corporate banking business in Germany and Structured Finance

Segment Real Estate Finance Business



Profit before taxes

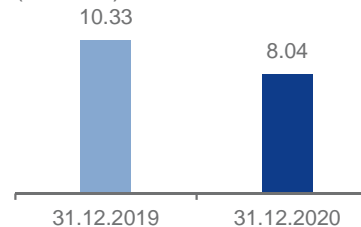
(€ million)



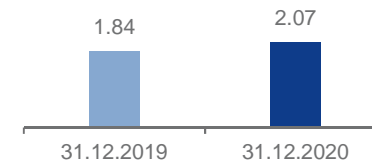
- **New business with corporate customers** down from €10.3 billion to €8.0 billion
- Growth in **new business with retail customers** (€2.1 billion compared with €1.8 billion in 2019)
- **Overall volume of real estate finance** climbed from €50.2 billion to €53.3 billion
- **Profit before taxes** influenced by good operating performance but also by high level of volatility of fair value gains and losses in the government bond portfolio

Operating performance

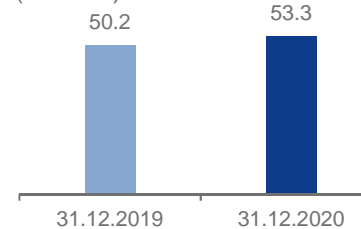
New business with corporate clients (€ billion)



New business with retail clients (€ billion)



Total volume of real estate finance (€ billion)

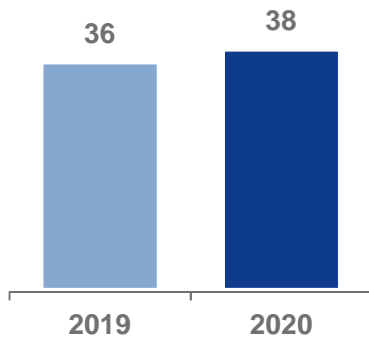


DZ HYP's business performance remains robust, gains and losses on valuation of financial instruments remain highly volatile

Segment Private Banking

Profit before taxes

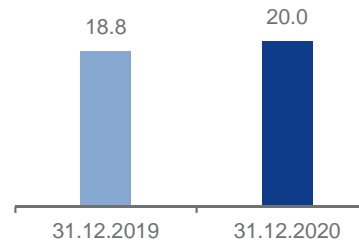
(€ million)



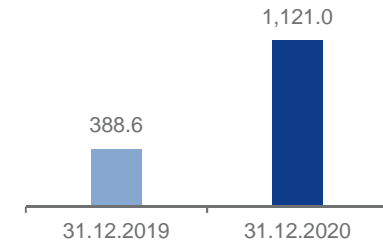
- Stable earnings situation due to good operating performance, with year-on-year growth in **assets under management in private banking** (up by 6%) and **assets under custody** (up by 16%)
- **Market conditions** remained difficult, with fierce competition and low interest rates

Operating performance

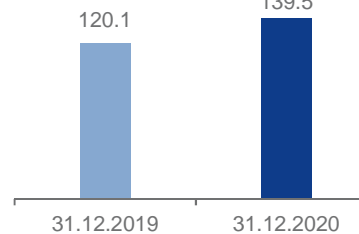
Assets under Management (€ billion)



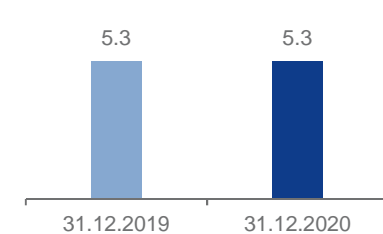
Net inflows (€ million)



Assets under Custody (€ billion)



Lending volume (€ billion)



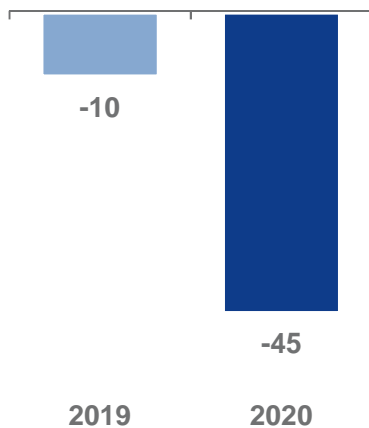
Stable performance at DZ PRIVATBANK in a difficult market environment

Segment Commercial Financing Solutions



Profit before taxes

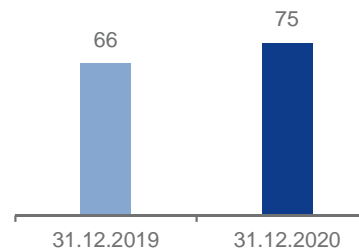
(€ million)



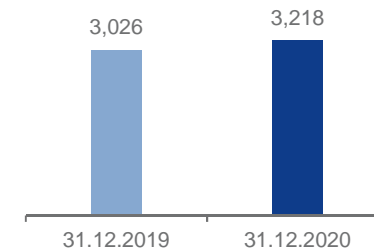
- Progress with **transformation** into a digital provider of finance for the self-employed and small businesses
- Volume of new business dips slightly to €1.25 billion (2019: €1.34 billion), but overall volume of business increases (up by €192 million)
- Increase in the **number of customers** (up by 9,000)
- **Profit before taxes** affected by the transformation and the introduction of the new VR Smart flexible development loan product as well as the increase in loss allowances due to COVID-19

Operating performance

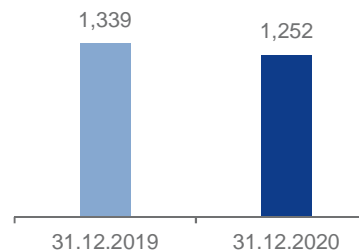
Number of customers (thousands)



Volume of business (€ million)



Volume of new business (€ million)



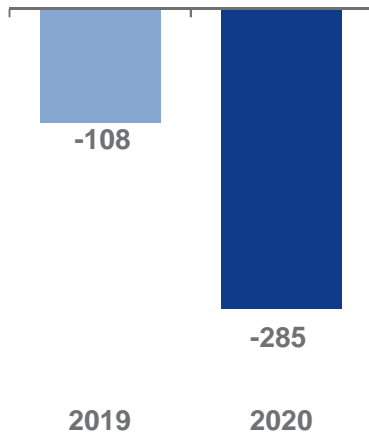
VR SF geared to the Corona situation (incl. with new product VR Smart flexibel Förderkredit), stimulus for growth expected from the relaunch of the VR Smart flexible product, while the risk situation has to be observed

Segment Transport Finance



Profit before taxes

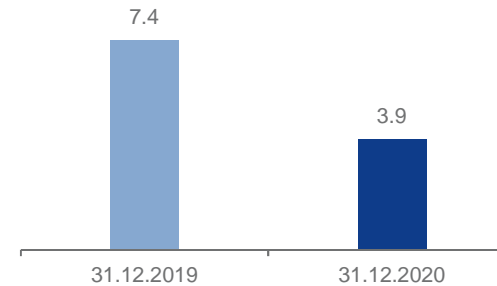
(€ million)



- **Market conditions** in maritime sectors remained difficult and were exacerbated by COVID-19 crisis
- **Contraction** due to disposals (esp. aviation at the end of 2019) and managed scaling back of the ship and offshore business
- Current **volume of customer loans** stands at €3.9 billion (was €7.4 billion at end of 2019 and €19.4 billion at end of 2017)
- **Loss before taxes** inflated by higher than budgeted loss allowances

Operating performance

Customer lending volume
(€ billion)

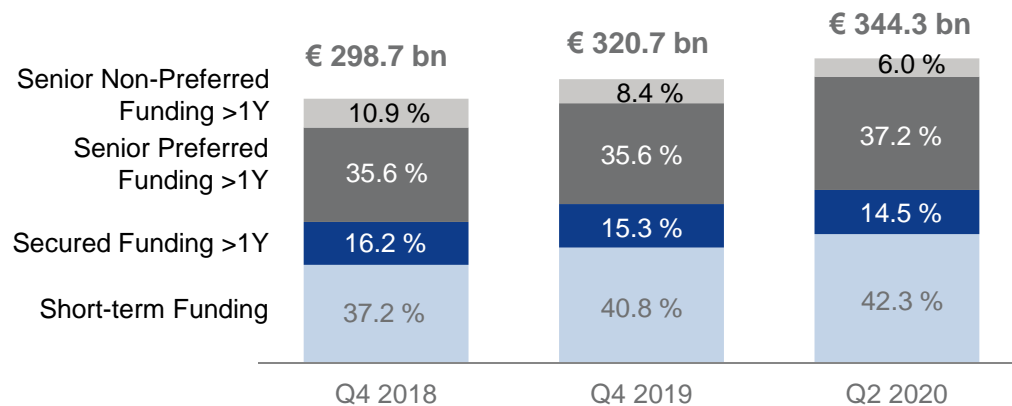


Further progress in the managed scaling back of the portfolio, results being negatively effected by significant increase in loss allowances

DZ BANK Group

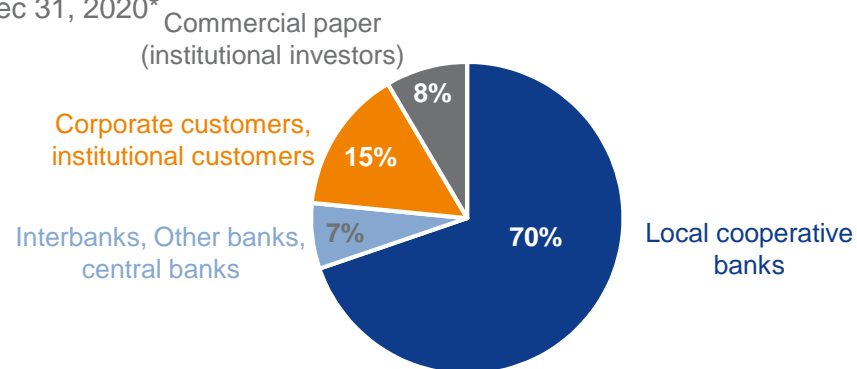
Diversified funding base

Funding structure



Unsecured short- and medium-term funding

Dec 31, 2020*



Money market funding

- Liquidity surplus of local cooperative banks provides the main basis for short-term funding in the unsecured money markets
- Corporate customers and institutional clients are another important source of funding
- Use of groupwide multi-issuer euro commercial paper program to issue money market products based on debt certificates
- Furthermore DZ BANK established a new US-CP-Head-Office-Program in 2020

Structural liquidity (>1Y)

- Funding via structured and non-structured capital market products
- Products offered for local cooperative banks' own-account and customer-account securities business and to institutional clients
- Secured funding through issuance of Pfandbriefe / DZ BANK BRIEFE by DZ BANK, DZ HYP, DVB and BSH
- Long-term funding requirements in foreign currencies are covered through the basis swap market, ensuring matching maturities

4. Business segments

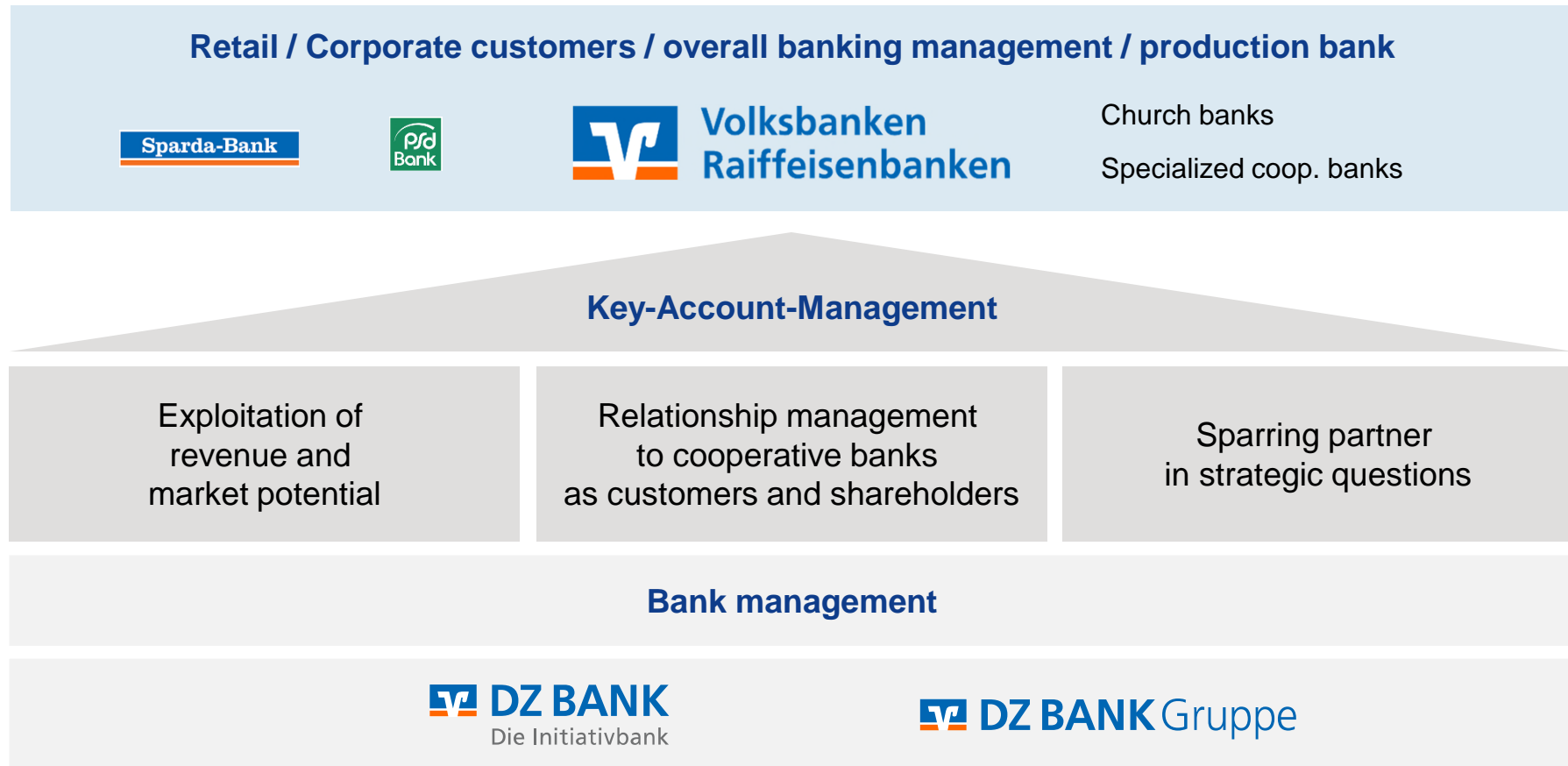
Business segments – overview



0	Cooperative Banks / Verbund	Business segments	The cooperative banks get centralized and holistic support from the Regionaldirektoren of DZ BANK AG.
1	Retail Banking		<p>Through the four business segments</p> <ul style="list-style-type: none"> ▪ Retail Banking, ▪ Corporate Banking, ▪ Capital Markets and ▪ Transaction Banking <p>DZ BANK Group delivers its strategy and range of services for the cooperative banks and their customers.</p>
2	Corporate Banking		
3	Capital Markets		
4	Transaction Banking		
5	Institutional Clients	Besides retail and corporate customers, which are defined as business segments, DZ BANK also offers services for institutional clients.	

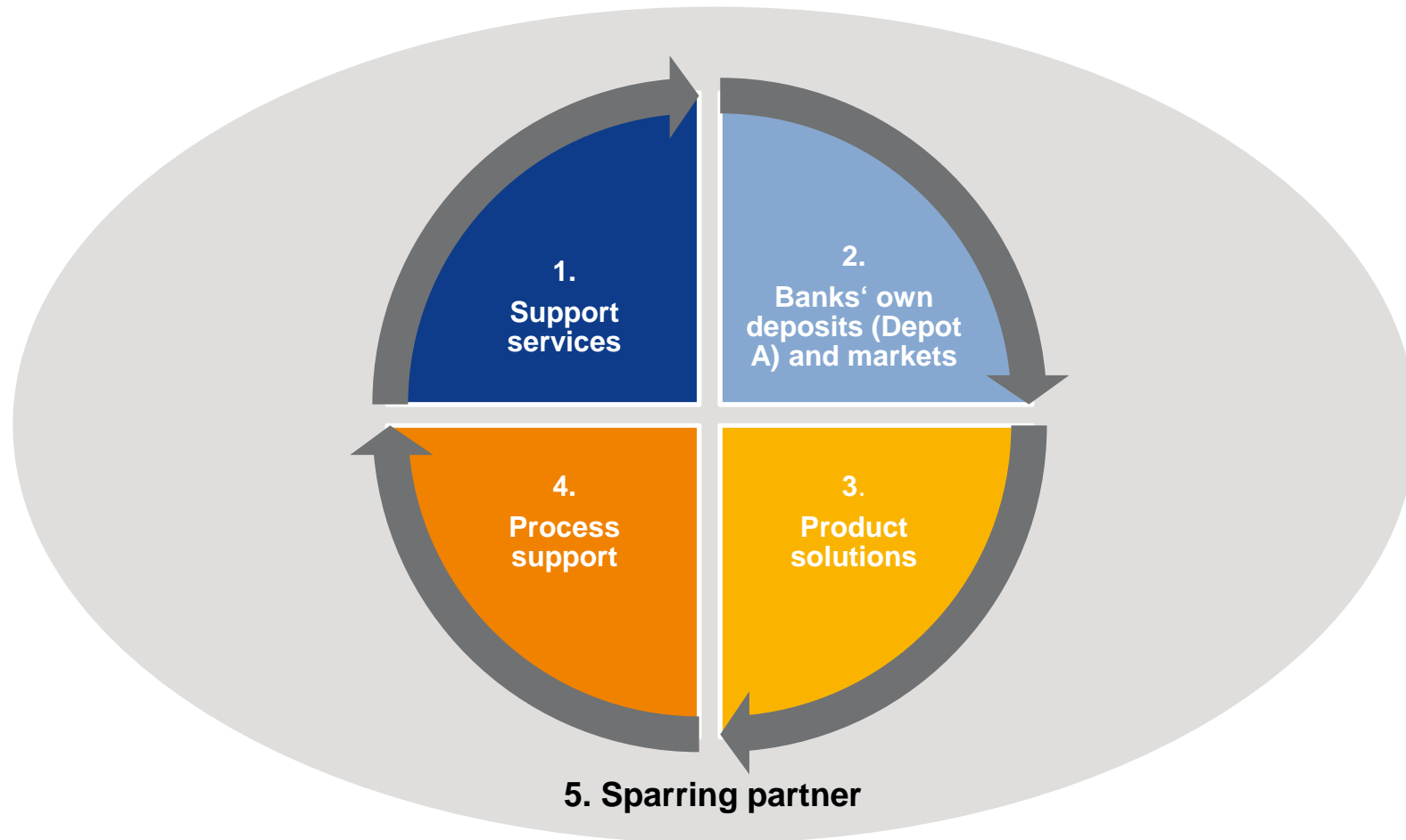
Cooperative Banks / Verbund

Holistic support for the cooperative banks from the Regionaldirektor of DZ BANK



Cooperative Banks / Verbund

Overall bank management: from the strategic setting to operational implementation



Retail Banking

DZ BANK Group



**Investment products/
Payments and cards business**



Real estate finance



Consumer finance



Private banking



**Asset management /
Investment products**



Pension plans



Du bist nicht allein.

Insurance

Comprehensive range of services

via DZ BANK Group's 'Allfinanz' approach

Competitive products

offered by the group companies in their field of competence at reasonable prices

Cooperative customer service

via local cooperative banks in their region

Retail Banking

DZ BANK AG



Orientation to clients in a highly-fragmented market

- The cooperative financial network's with leading position in structured securities¹, among other things market share of more than 39% in the express certificates product group
- Regularly among the top issuers at the "Zertifikate Award"
- Digital trading offering: „dzbank-derivate.de“ and VR ProfiBroker / -Trader
- “My investment certificates” application allows customers and consultants to experience investments digitally
- State-of-the-art market supply data via “myGIS”

¹ Source: Deutscher Derivate Verband
Market share in the structured securities product group as of 31.12.2020, Market share by volume

Retail Banking

GENO Broker GmbH



GENO Broker combines the advantages of a modern online broker with the proven financial consultancy offerings in branches of cooperative banks.

- Easy access to financial markets worldwide
- Billing against the running account in one of our cooperative partnerbanks
- Attractive product offerings: free custody of all DZ BANK AG products
- Inexpensive transaction fees
- Securities accounts for all target groups

Corporate Banking

DZ BANK Group



Bank products



**Commercial real estate
finance business**



**Leasing / Hire purchase /
Loans**



Factoring



Asset management



Financial investments



Equity finance



**Insurance /
Company pension scheme**

Growth

Support the customer with advisory ideas from a single source

Stability

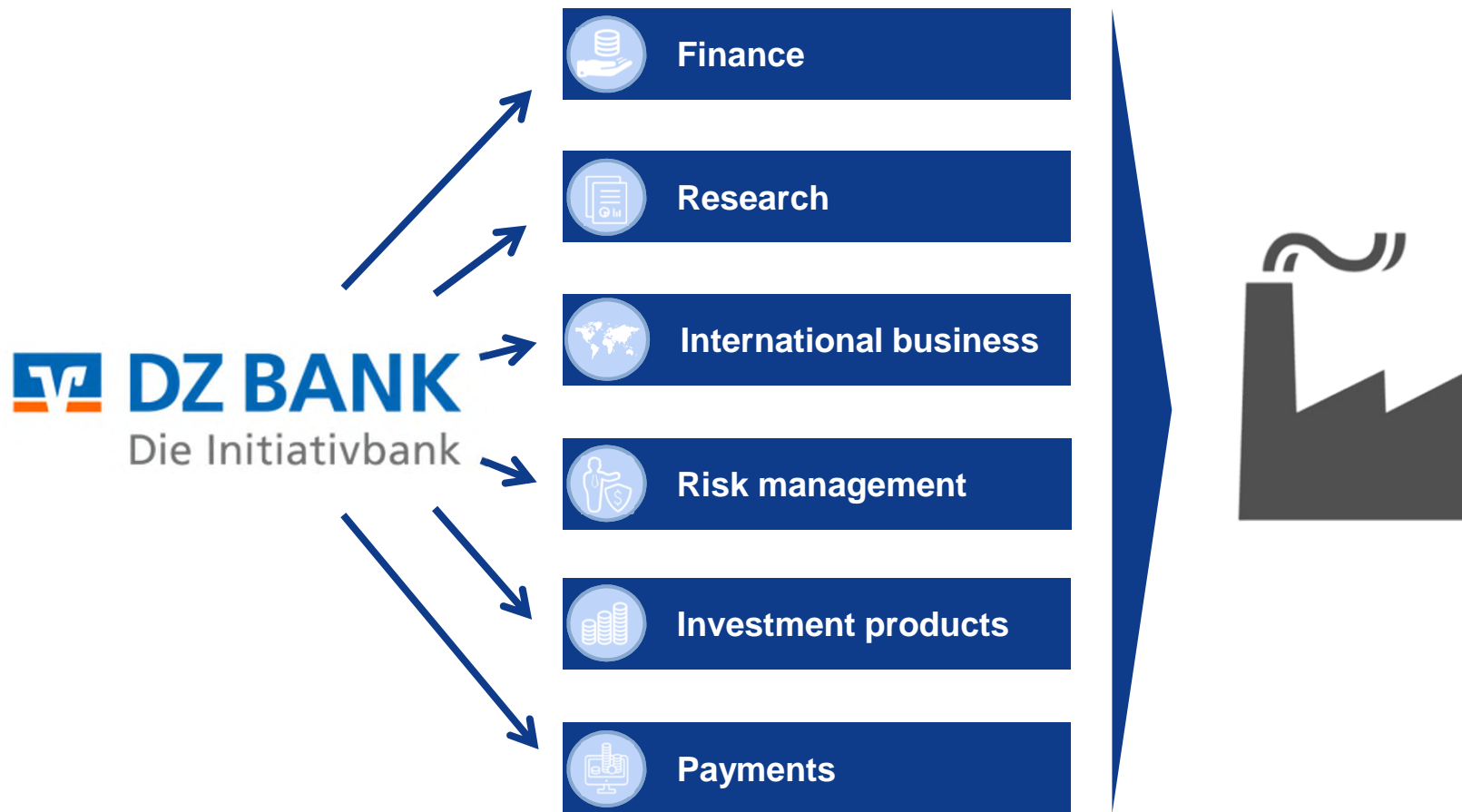
The business relationship is guaranteed by one of Europe's best bank ratings

Safety

for our customers' plans for the future based on sustainable cooperation in a strong cooperative financial network

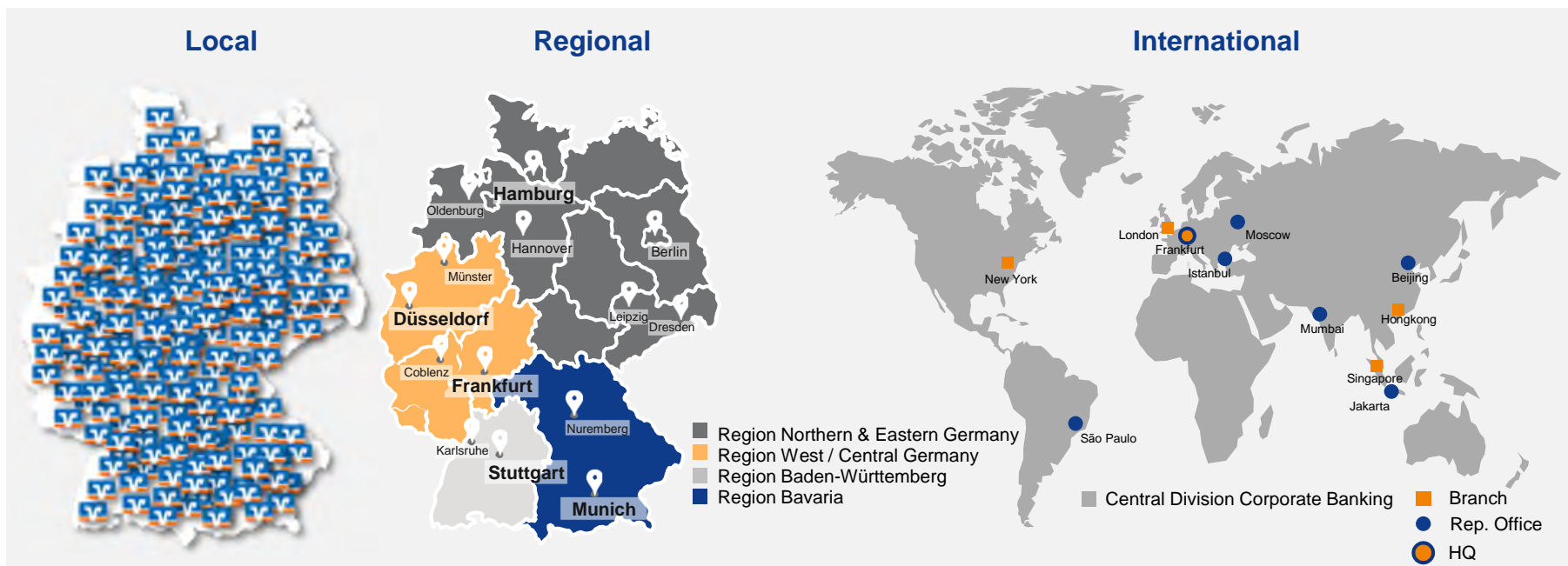
Corporate Banking

DZ BANK AG



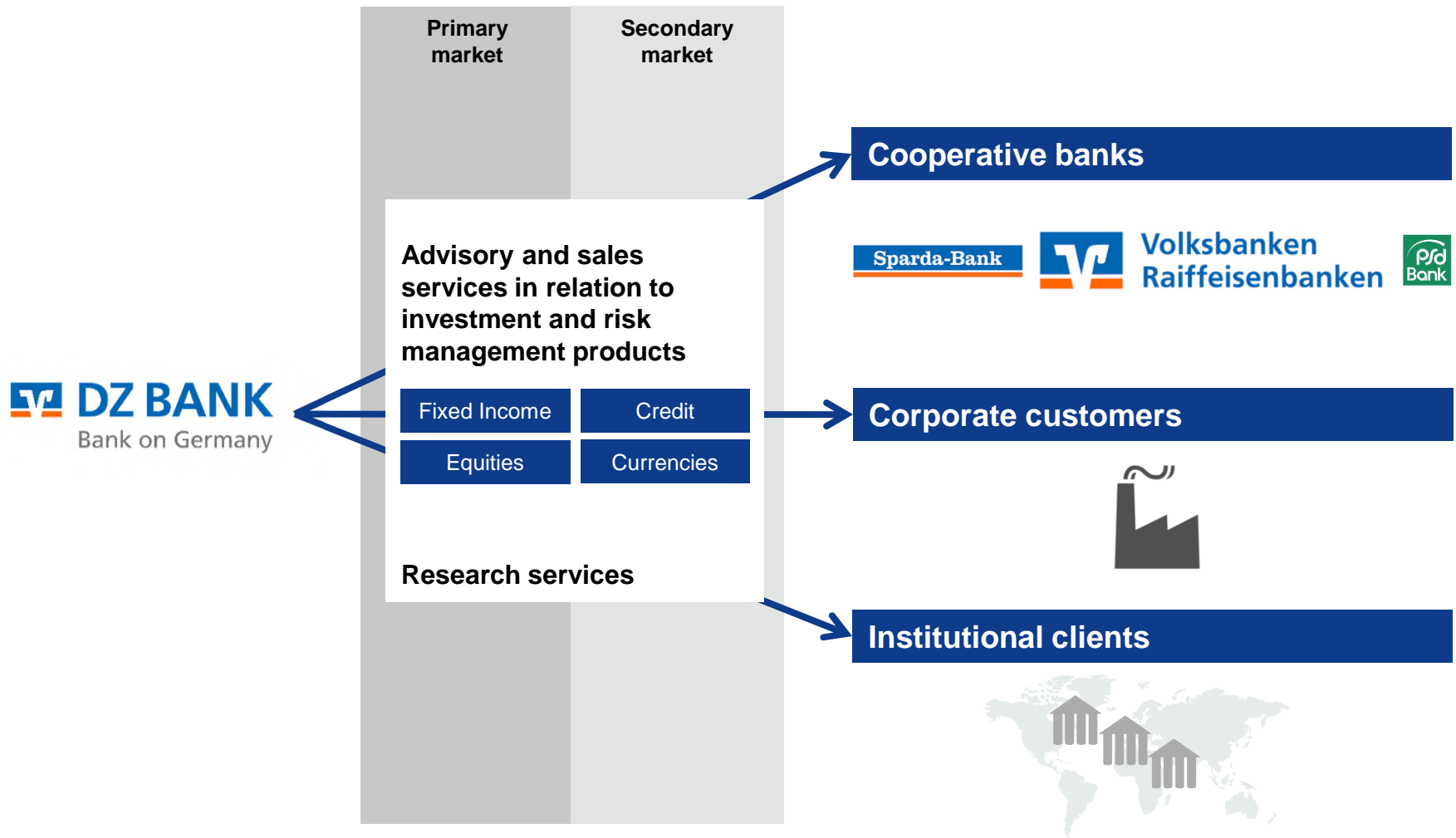
Corporate Banking

We are there for our customers: at local, regional and international level



Capital Markets

DZ BANK AG



Capital Markets

DZ BANK AG

The core task of DZ BANK AG in its role as central institution is liquidity balance and group internal finance.



Liquidity balancing function ...

- Unlimited acceptance of liquidity from cooperative banks (corresponds to indirect retail funding)
- Short and long-term refinance for the cooperative banks
- Internal group finance of DZ BANK Group

... Leads to risk allocation at DZ BANK

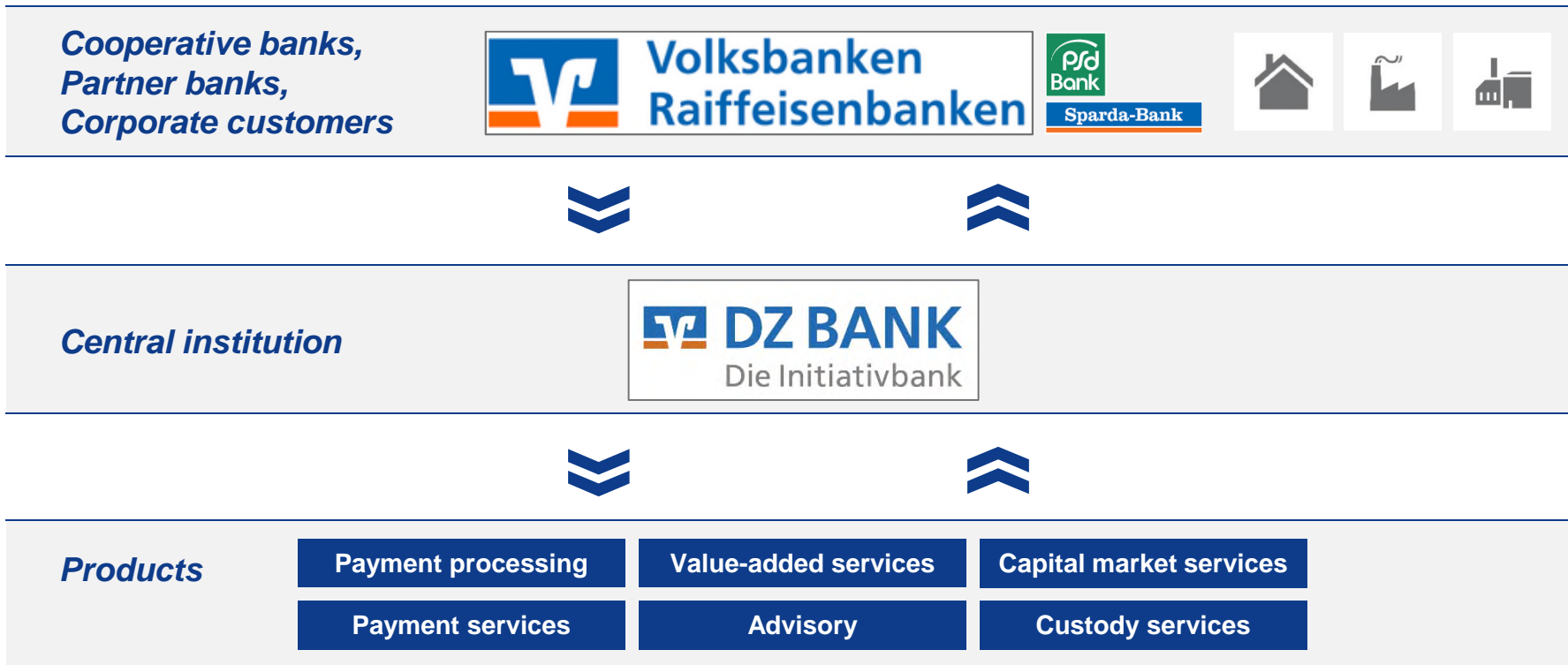
- Borrower's default risk and market price risk
- Liquidity risks (guaranteeing solvency, balance of maturity mismatches)

Risk balancing via

- Money and capital markets
- Global business partner network

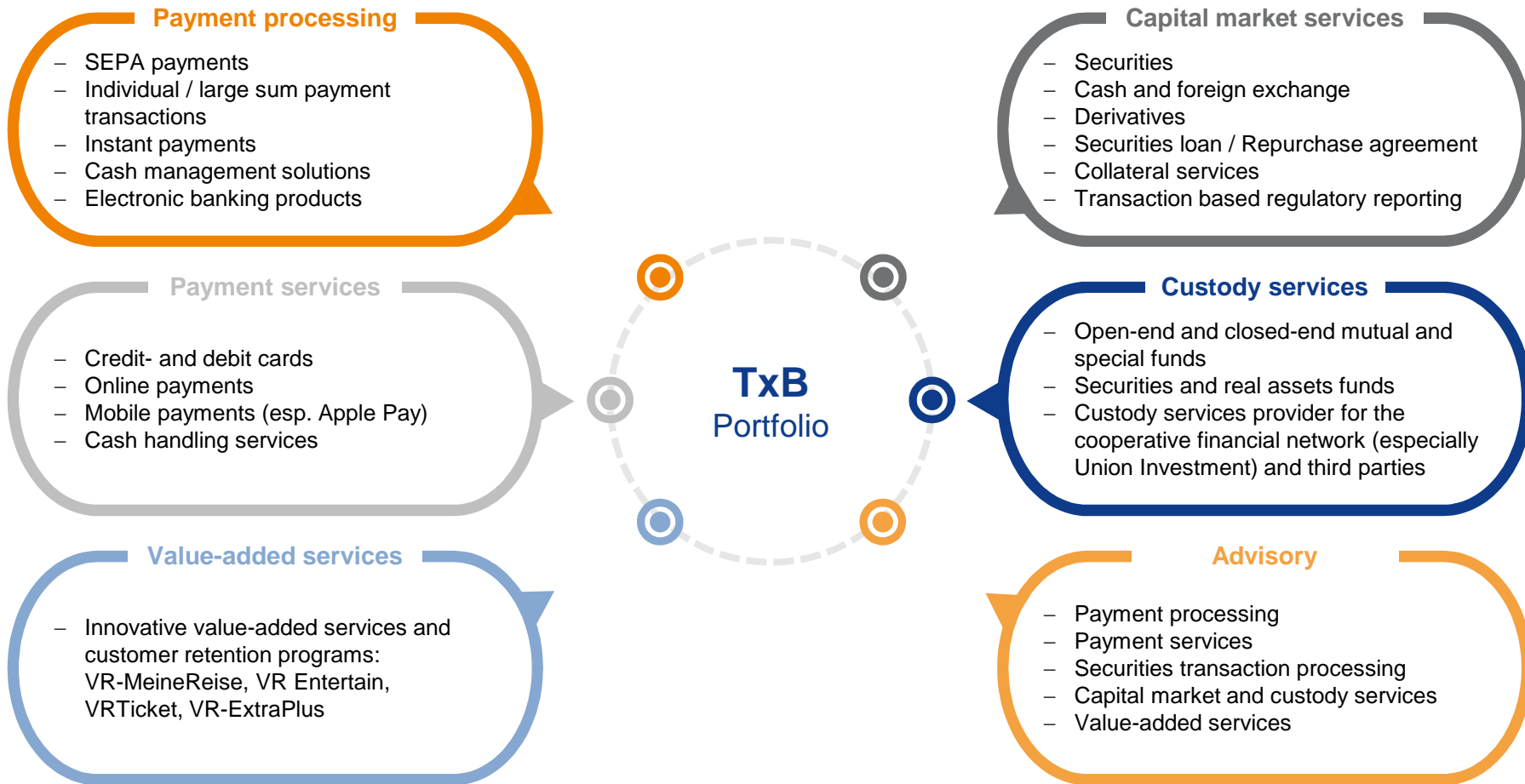
Transaction Banking

DZ BANK AG



Transaction Banking

DZ BANK AG



Institutional Clients

DZ BANK Group



Bank products and depositary



Real Estate Investments



Du bist nicht allein.

**Insurance and
Company pension scheme**



**Asset management in special
funds**



**Bank products and depositary
in Luxembourg**



**Fund management and
distribution**



Alternative Investments

Our Offers

Comprehensive know-how for the execution of money and capital market transactions

Our Experts

Specialists for primary market transactions, consulting services, risk management and experts for structured product solutions

Our Solutions

Tailor-made product concepts to sustainably support corporate goals in a challenging market environment

Institutional Clients

DZ BANK AG



5. Contact persons

Contact persons

DZ BANK AG

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