DZ BANK
Bank on Germany

Corporate Responsibility

Bank values

Taking a stand:
Sustainable lending processes

DZ BANK is conscious of its responsibility toward its workforce, society, and the environment, and of its duty to ensure good governance. We use a uniform group-wide procedure for sustainable lending which is based on an extensive catalog of criteria.

DZ BANK
Bank on Germany

Corporate Responsibility

product types in the joint credit business with the cooperative banks, to loans under blanket approval agreements, and to exposures that do not exceed the volume threshold for mandatory ratings.

Credit assessment procedure

DZ BANK applies a uniform bank-wide credit assessment procedure for sustainable lending. This procedure is based on a comprehensive sustainability checklist, sector-specific principles, and rejection criteria.

The credit risk strategy specifies that the entities in the Bank sector of the DZ BANK Group must treat their partners fairly and, as part of the sustainability strategy, not enter into any lending arrangement that could prejudice the reputation of the group. Based on these principles, a policy on sustainable lending was drawn up and approved in 2017. The policy applies to the majority of the management units involved in credit approvals and contains rejection criteria that apply to specific controversial assets, sectors, and business practices. These criteria are designed to preclude all transactions that do not meet minimum environmental, social, and governance requirements or involve increased risk of reputational damage for the DZ BANK Group. Individual companies within the DZ BANK Group may apply additional, further-reaching rejection criteria.

DZ BANK
Bank on Germany

Corporate Responsibility

DZ BANK's sustainability checklist, which has been in use since 2009, is based on the ten principles of the United Nations Global Compact and the Equator Principles. We use the list to assess all the factors relevant to a loan that may affect ecological or social risk. The assessments conducted by our experts look at business partners, customers, suppliers, sector, commercial focus, and other aspects.

Sectoral rules for sensitive industries

For the assessment of loan applications from sensitive industries, DZ BANK uses its 'sectoral rules' in addition to the sustainability check. These provide a frame of reference for loan approvals. Processing in accordance with the sectoral rules is an integral part of the sustainability check.

Sectoral rules exist for forestry, extractive industries, dam projects, maritime industries, and palm oil. DZ BANK uses the fundamental sustainability checklist to assess loan applications from the agribusiness and livestock farming sectors. At the same time, we do everything we can to make sure that our customers adhere to animal welfare standards and to environmental, animal welfare, and consumer protection legislation.

Sectoral rules for sensitive industries

DZ BANK
Bank on Germany

Corporate Responsibility

Commodities (oil & gas, and metals & mining):	Compliance with international conventions such as the standards of the International Labour Organisation (ILO) Adherence to or reference to best production practices such as those that minimize pollution of the environment from the raw material extraction process or eliminate the use of toxic substances
Dams:	Provision of statement disclosing the extent to which the recommendations of the World Commission on Dams (WCD) have been taken into account
Palm oil:	Membership of the Round Table for Sustainable Palm Oil (RSPO) or an organization with at least equivalent standards Submission of a "The No-deforestation, No-peat and No-exploitation" (NDPE) policy By 2030, for the full volume of palm oil and its inputs and crude products (whether from own source or purchased from third parties): Full traceability to the plantations of origin of the palm fruits (Traceability to Plantation), and full RSPO certification or recognized certification with at least equivalent standard

Rejection criteria for lending

DZ BANK
Bank on Germany

Corporate Responsibility

ture project financing applications for coal-fired power plants. In 2020, DZ BANK further developed and sharpened existing exclusion criteria, in particular in the areas of weaponry, significant environmental risks, coal and human rights.

Weaponry

No financing in connection with arms transactions of any kind (financing of supplies, manufacturing and trading companies) to/from countries with significant human rights violations, or outside NATO and/or in areas of tension, unless they are approved subject to the condition of a subsequent approval by the Federal Security Council

No financing of controversial weapons, i.e.

Significant environmental risks

No financing of companies or activities with significant risks for the environment (e.g. uranium mining)

No financing of oil or gas extraction by means of fracking or from oil shale and oil sands

No financing of mining activities using the Mountain Top Removal process

Coal power

No financing of new or existing coal-fired power plants

No financing of activities upstream in the value chain for thermal coal, especially mining, trade and directly related activities

No indirect financing of companies with an increased share of coal if no will to transform is

DZ BANK
Bank on Germany

Corporate Responsibility

mines, cluster bombs, autonomous weapons, or munitions containing uranium

No financing in relation to the manufacture or trade of controversial weapons

No financing of companies involved in the development, manufacture, maintenance, operation, or trade of controversial weapons or their core components, unless it can be ruled out that the funds will be used for controversial weapons

Prostitution

No business in the pornography industry or similar sectors (prostitution)

Gambling

No business with companies engaged in controversial forms of gambling

Significant human rights abuses

No financing of companies that violate UN Global Compact, UN Guiding Principles on

DZ BANK
Bank on Germany

Corporate Responsibility

DZ BANK Policy Exclusion Criteria, Sector Principles and Sustainability Checklist

Previous topic

Next topic

Bank values
Sustainable financial products

Bank values
Sustainability research

DZ BANK
Bank on Germany

Corporate Responsibility