

Dr. Cornelius Riese  
DZ bank  
Platz Der Republik  
Frankfurt am Main  
60265 Germany

**Thursday 8 December 2022**

Dear Dr. Riese,

I am writing to share ShareAction's 2022 banking survey '**In Debt to the Planet. An assessment of the 25 largest European banks' biodiversity and climate strategies.**'. We are extremely grateful for your contribution to our report and for all the positive engagement we have had this year with DZ bank.

With COP27 now behind us and little progress made, we need the financial sector to lead the way if we are to reach the Paris climate goal net-zero by 2050. Banks have the opportunity to play a critical role by reducing the financing of harmful activities and increasing the finance to low-carbon alternatives.

The report assesses the themes critical to achieving net zero by 2050 and ranked banks based on the performance of their policies. We also highlight leading practice and call out banks whose policies are falling behind their peers.

Our research shows that Europe's largest banks are not yet doing enough to address the twin crises of climate change and biodiversity loss. This exposes banks to risks which pose a serious threat to future revenue and reputation, as well as posing material risks to our planet and everyone on it. While we recognise that the turbulent economic and political environment this year has created challenges, we urge banks to urgently strengthen their climate change and biodiversity policies.

To support you with identifying priorities for 2023, we have outlined three key asks for climate change and one key ask for biodiversity for DZ bank which will be the focus of our engagement next year:

- Set a 2030 overarching target to reflect its fair share of absolute emissions reduction across all activities.
- Set 2030 or earlier targets for the most carbon-intensive parts of their portfolio. Targets for oil & gas, coal and power should not be delayed any further unless the bank has made a credible commitment to phase out coal (mining and power) and oil & gas. Oil & gas targets must be expressed on an absolute basis.
- Publish a plan by end 2023 at the latest to restrict financing for new oil & gas. This should include excluding asset financing to new oil & gas fields, new upstream oil & gas projects, and all unconventional oil & gas projects including related infrastructure such as pipelines, as well as a plan to restrict financing for new oil and gas at the corporate level. This can include:

- a. a commitment to require clients to publish transition plans by a specific date, setting out red lines for it, and specifying that these plans must prohibit the development of new oil & gas fields;
- b. a commitment to exclude oil & gas companies with expansion plans.

Biodiversity loss poses material risks to banks and requires urgent action. We encourage DZ bank to prioritise taking action on biodiversity loss with the same urgency as climate change and publish a standalone biodiversity strategy ahead of its 2024 AGM.

We are committed to engaging with and supporting DZ bank in the development of its policies and targets, and hope that our constructive dialogue will continue throughout 2023. As a next step, the banking team would appreciate the opportunity to present our report to you in the new year. Leyla Arpacioğlu, Engagement Manager (Banks – Climate change and Biodiversity), will be in touch shortly to organise this with you.

I truly wish you and your team a wonderful Christmas break and I'm looking forward to building on our valuable relationship in 2023.

Warm regards,

A handwritten signature in black ink that reads "Catherine Howarth". The signature is written in a cursive, flowing style.

Catherine Howarth

CEO

ShareAction