

# DekaBank Deutsche Girozentrale

**Type of Engagement:** Annual Review

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## Introduction

Between October 2020 and November 2022, DekaBank Deutsche Girozentrale (“DekaBank” or the “Bank”) issued green bonds aimed at financing or refinancing projects related to the development and implementation of renewable energy projects, specifically on- and offshore wind and solar energy projects. In October 2023, DekaBank engaged Sustainalytics to review the projects funded with proceeds from the issued green bonds (the “Nominated Projects”) and provide an assessment as to whether the projects met the use of proceeds criteria and the reporting commitments outlined in the DekaBank Green Bond Framework 2020 (the “Framework”).<sup>1,2</sup> Sustainalytics provided a second-party opinion on the Framework in September 2020<sup>3</sup> and another one on the Framework’s update in April 2023.<sup>4</sup> This is Sustainalytics’ third annual review of allocation and reporting of the instruments issued under the Framework, following previous reviews in November 2022<sup>5</sup> and October 2021.<sup>6</sup>

## Evaluation Criteria

Sustainalytics evaluated the Nominated Projects based on whether they:

1. Met the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

**Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs**

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
Renewable Energy	Loans to finance or refinance equipment, development, construction, operation, distribution, infrastructure and maintenance of renewable energy sources; as well as the connection of renewable energy production units to the electricity grid and the transportation through the network	<ul style="list-style-type: none"> <li>• Renewable energy capacity financed</li> <li>• Energy output</li> <li>• Estimated annual GHG emissions avoided in tons of CO<sub>2</sub> equivalent.</li> </ul>

<sup>1</sup> DekaBank, “DekaBank Green Bond Framework”, (2020), at: [https://www.deka.de/site/dekade\\_deka-gruppe\\_site/get/params\\_E74320049/10701220/DekaBank%20Green%20Bond%20Framework\\_EN\\_20200908.pdf](https://www.deka.de/site/dekade_deka-gruppe_site/get/params_E74320049/10701220/DekaBank%20Green%20Bond%20Framework_EN_20200908.pdf)

<sup>2</sup> The DekaBank Green Bond Framework was updated in April 2023 and is available at: [https://www.deka.de/site/dekade\\_deka-gruppe\\_site/get/params\\_E1859786955/16943776/DekaBank%20Green%20Bond%20Framework\\_EN\\_20230404.pdf](https://www.deka.de/site/dekade_deka-gruppe_site/get/params_E1859786955/16943776/DekaBank%20Green%20Bond%20Framework_EN_20230404.pdf)

<sup>3</sup> DekaBank, “Second-Party Opinion Deka Bank Green Bond Framework”, (2020), at: [https://www.deka.de/site/dekade\\_deka-gruppe\\_site/get/params\\_E381126195/10701217/DekaBank%20Green%20Bond%20Framework%20Second-Party%20Opinion\\_Sept2020A.pdf](https://www.deka.de/site/dekade_deka-gruppe_site/get/params_E381126195/10701217/DekaBank%20Green%20Bond%20Framework%20Second-Party%20Opinion_Sept2020A.pdf)

<sup>4</sup> DekaBank, “Second-Party Opinion DekaBank Green Bond Framework”, (2023), at: [https://www.deka.de/site/dekade\\_deka-gruppe\\_site/get/params\\_E1859786955/16943776/DekaBank%20Green%20Bond%20Framework\\_EN\\_20230404.pdf](https://www.deka.de/site/dekade_deka-gruppe_site/get/params_E1859786955/16943776/DekaBank%20Green%20Bond%20Framework_EN_20230404.pdf)

<sup>5</sup> DekaBank, “DekaBank Annual Review”, (2022), at: <https://www.deka.de/deka-group/investor-relations-en/own-issues/green-bond-en>

<sup>6</sup> DekaBank, “DekaBank Annual Review”, (2021), at: [https://www.deka.de/site/dekade\\_deka-gruppe\\_site/get/params\\_E303903876/13024292/DekaBank%20Green%20Bond%20Annual%20Review%202021.pdf](https://www.deka.de/site/dekade_deka-gruppe_site/get/params_E303903876/13024292/DekaBank%20Green%20Bond%20Annual%20Review%202021.pdf)

<b>Green Buildings</b>	Loans to finance or refinance new or existing energy-efficient commercial buildings in Germany, the UK and France	<ul style="list-style-type: none"> <li>• Estimated ex-ante annual energy consumption in kWh/m<sup>2</sup> or energy saving in MWh</li> <li>• Estimated annual GHG emissions reduced or avoided in tons of CO<sub>2</sub> equivalent.</li> </ul>
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### Issuer's Responsibility

DekaBank is responsible for providing accurate information and documentation relating to the details of the funded projects, including description of projects, amounts allocated and project impact.

### Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from DekaBank's green bonds. The work undertaken as part of this engagement included collection of documentation from DekaBank and review of said documentation to assess conformance with the DekaBank Green Bond Framework 2020.

Sustainalytics relied on the information and the facts presented by DekaBank. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by DekaBank.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

### Conclusion

Based on the limited assurance procedures conducted,<sup>7</sup> nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed projects do not conform with the use of proceeds criteria and reporting commitments in the DekaBank Green Bond Framework 2023. DekaBank has disclosed to Sustainalytics that it raised a total of EUR 158,199,000 between October 2020 and November 2022, and allocated these proceeds fully as of August 2023.

<sup>7</sup> Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the funded projects, including description of projects, their estimated and realized costs and impact, as provided by the issuing entity, which is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

## Detailed Findings

Table 2: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
<b>Use of Proceeds Criteria</b>	Verification of the projects funded with proceeds from the green bonds to determine if projects aligned with the use of proceeds criteria outlined in the DekaBank Green Bond Framework 2020.	All projects reviewed complied with the use of proceeds criteria.	None
<b>Reporting Criteria</b>	Verification of the projects funded with proceeds from the green bonds to determine if impact of projects was reported in line with the KPIs outlined in the DekaBank Green Bond Framework 2020.	All projects reviewed reported on at least one KPI per use of proceeds category.	None

## Appendix

### Appendix 1: Allocation and Reported Impact by Eligibility Criteria<sup>8</sup>

DekaBank's green bonds raised EUR 158,199,000 between October 2020 and November 2022, all allocated towards refinancing a portfolio of loans for eligible projects valued at EUR 197.8 million as of August 31, 2023.

Use of Proceeds Category	Technology	Amount allocated (EUR)	DekaBank's share of capacity (MW) <sup>9</sup>	Energy production 2022 for DekaBank's share (GWh) <sup>10</sup>	Planned energy production for DekarBank's share (GWh/year)	Annual estimated CO <sub>2</sub> reduction for DekaBank's share (tCO <sub>2</sub> e/year) <sup>11,12</sup>
Renewable Energy	Solar energy	29,785,000	21	36	36	6,550
	Onshore wind energy	168,019,000	502	808	1388	48,450
<b>Total</b>		197,804,000	523	844	1424	55,000

<sup>8</sup> Reported impact data is as of August 31, 2023.

<sup>9</sup> In cases where DekaBank does not finance the entire project, the Bank's share of the capacity, installed capacity and annual CO<sub>2</sub> reduction were calculated in proportion to its share of the financing.

<sup>10</sup> DekaBank has communicated to Sustainalytics that it totals energy production data every June for the preceding year. The energy production data for 2023 will be available on June 2024 and incorporated in the 2024 allocation report.

<sup>11</sup> DekaBank calculates annual CO<sub>2</sub> reduction by multiplying the total annual amount of power generated in MWh by each country's specific CO<sub>2</sub> emissions factor, following the International Energy Agency Emissions Factors 2022.

<sup>12</sup> The figures represent the CO<sub>2</sub> savings for the entire project. For projects which were not operational for the whole of 2022, calculation of the annual CO<sub>2</sub> reduction is based on planned production.

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