



Activity Report 2023

Figures, Data, Facts.



Editorial

Dear Internet Community,

For DENIC, its members and the internet industry in general, 2023 was a year of multiple dynamic adjustments and changes, both in the micro- and in the macro-cosmos.

In June 2023, DENIC eG moved to a new domicile located directly at the river Main. Along with the office premises, we also relocated the data center, which was simultaneously optimised in terms of space and energy requirements. Our great joint effort has paid off. At our house-warming party, DENIC employees and members alike were impressed by the modern location with a view to the Frankfurt metropole.

The driving force behind all our considerations and actions is maintaining and enhancing the security and stability of our TLD infrastructure. We therefore closely monitor what is happening on the market and in the legislative field. In the policy and regulatory environment, there have been quite a few changes, too

2023 was characterised by extensive new developments and requirements. We focussed on the NIS 2 Directive. In an intensive exchange with our members, we worked out a cooperative solution approach with which we are well equipped to meet the new challenges.

As a founding member of the Information Sharing and Analysis Center for European Top Level Domains, EUR TLD ISAC, and as the new manager of the Secretariat of the Internet Governance Forum Germany (IGF-D), we are actively involved in shaping the future of the internet.

Another important milestone for us last year was the acknowledgement of our subsidiary DENIC Services GmbH & Co. KG by ICANN as the sole Designated Data Escrow Agent worldwide with a business volume of about 219 million domains. It underscores the central role we assume for a future-proof internet and demonstrates the trust placed in us as an organisation.

Our joint success as a Cooperative is reflected in the solid 1.3-percent growth of the .de domain, we have achieved in 2023, contrary to the general trend. It proves how well our Cooperative is positioned thanks to the broad spectrum of knowledge and experience of our members.

We look forward to staying actively involved in shaping the domain industry together and in guiding our Cooperative into a successful future.

With best regards

Executive Board of DENIC eG

Executive Board of DENIC eG



Thomas Keller



Martin Küchenthal



Andreas Musielak



Sebastian Röhler



2023

ICANN 78 Hamburg

After 25 years, DENIC was local host
for nearly 3,000 guests

New Premises

DENIC's new office at
Theodor-Stern-Kai 1 was opened
and we moved in.

NIS 2 Working Group

Intensive exchange between members
and DENIC experts for a successful
implementation of the new regulations.

IGF-D Secretariat

DENIC shares its extensive
experience to shape the development
of internet governance at
national level.

more than 2 Mio international domains

11.4% of all .de domains are
registered from abroad.

1.3% Growth to 17.7 million domains

Above-average growth
among ccTLDs



Collaboration

DENIC and .de: Key Player for the German Namespace on the Internet

With 17.7 million registered .de domains, DENIC is an important hub for many activities on the internet. We answer about seven billion queries every day, within a fraction of a second, and ensure that all the contents and services on the internet are reliably available 24/7 all over the world. We are very proud to manage and operate this important resource of the internet in Germany as an impartial infrastructure service provider.

Our core tasks are

- Operation of a worldwide name server network for the Top Level Domain .de
- Operation of the registration database for the central administration of all .de domains
- Provision of information services.

An Organisation of Critical Importance for Secure Public Utility Supply

Without the internet, neither Germany as a business location nor our digital society could work properly today. The technical systems behind .de thus are of vital importance and classified as part of Germany's critical infrastructures (KRITIS). DENIC as the institution running this important resource has a crucial role regarding public utility and safety in Germany. For us, this goes along with a strong commitment to the highest level of information security. Our holistic approach is considered exemplary and makes us a pioneer in this field.

Long-term Success with Cooperative Approach

Solidarity has been a guiding principle of DENIC from the very beginning. The organisational form of a not-for-profit member community is globally unique among all the domain registries. The cooperative approach has proven a model of continuous success.

.de is one of the leading domain endings of the world and the number one among country-targeted Top Level Domains. For domain registrants in Germany, the national ending .de very often is the first choice. It accounts for an impressive share of almost 70 percent in the German market.

Self-Administration and Participation: A Future-Proof Concept

One pillar of our success is the independent and reliable operation of our technical infrastructure. The other is our membership of roughly 300 companies from all sectors of the IT and telecommunications industry in Germany and abroad.

Our constant exchange with them on an equal footing ensures the continuous advancement of our products and services under a self-regulated domain management. It is the very basis for our solid engagement in a broad range of fields in the interest of our members.

Multiple and Diverse Engagement

In 2023, we strongly expanded the direct contact and intensive exchange with our members through working groups and other event formats. DENIC experts also participated in many conferences and other meetings of the internet and domain industry worldwide.

Moreover, we are actively involved in the relevant bodies and standardisation organisations and thus consistently live our commitment to the evolution of an open and secure internet. DENIC thus helps to make sure that the internationally recognised standards for operating a domain registry meet the requirements of modern times.

Community Is Strength

The good collaboration in our Cooperative also is beneficial for the domain holders since their needs and the developments on the market are directly taken into consideration.

The collective competence of all our Cooperative members and our staff is the very foundation for us to reliably provide a secure infrastructure for the internet also in the future.

Stable Basis

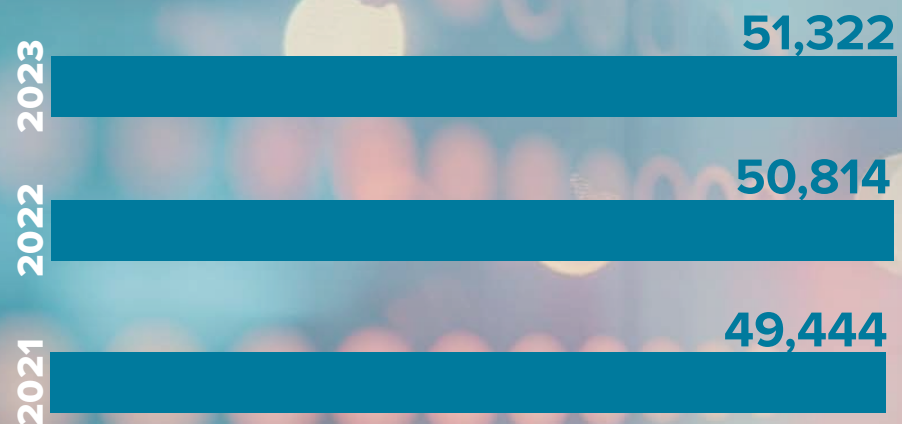
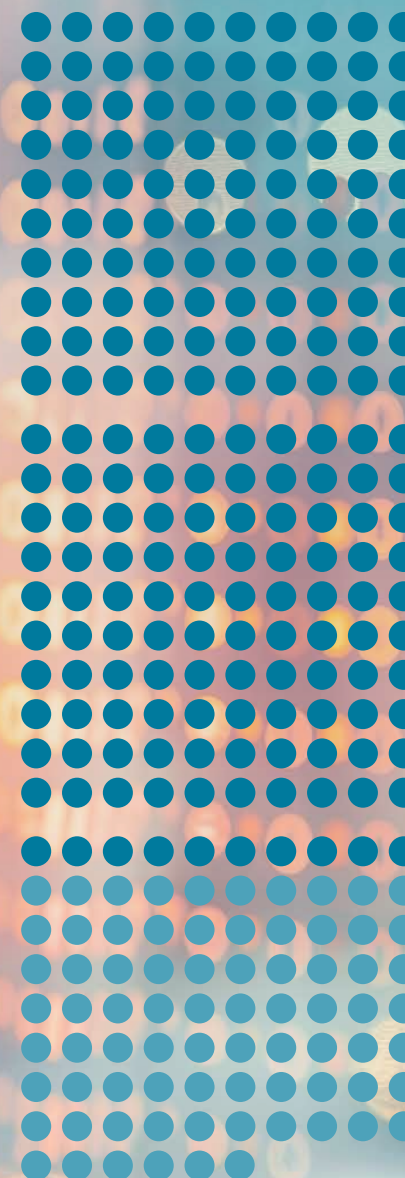
Financial Position

Financial Position	K€	2023	2022	2021
Gross Earnings		14,655	13,428	13,592
Payroll & Material Expenses		14,168	12,769	12,982
Annual Surplus		44	5	2

From the annual surplus of EUR 43,906.89, the amount of EUR 4,390.69 was allocated to the statutory reserve as stipulated by the bylaws.

Income & Expenses

2023 Income	K€	2023 Expenses	K€
Turnover Members	15,499	Material Expenses	1,257
Other Operating Income	214	Payroll Expenses	9,765
Other Operating Turnover	198	Depreciations	544
Total Gross Income	15,911	Other Operating Costs	4,403
Net Earnings Before Tax (EBT)	107	Total Operating Costs	15,968
Annual Surplus	44		

 Total Income Workforce Membership

76
Members from
Abroad

.de in the Focus

Development of .de Domains

The German country code .de concluded 2023 with another significant increase. On 31 December, a total of 17,653,928 .de domains was registered. This is a plus of 1.3 percent or just over 230,000 domains within one year.

National: The total number of .de registrations by German-based holders increased by roughly 65,000 over that time. Once again, North Rhine-Westphalia stood out with a particularly positive development (+31,000 or +0.9%). The 2023 average national growth rate of 0.4 percent was exceeded by 230 of the 400 urban and rural districts. Except for Berlin and Saarland, all German federal states scored a plus. When considering all areas of Germany, it can be seen that domain growth was achieved above all in the 294 rural districts, whereas the numbers in the 106 cities tended to stagnate.

International: .de domains are becoming ever more popular for domain holders residing outside Germany. In 2023, they grew by 170,000. For the first time ever, more than 2 million .de domains (2,016,525) are registered in the name of international holders. This corresponds to 11.4 percent of all the .de domains under management. The champion among foreign countries of origin remains the United States with a share of 31 percent, but .de is very popular in the European Union, too.

Development of .de Domains as of 31 December



GERMANY

88.6%

+
65,000
Domains

North Rhine-Westphalia
3,434,204 = **22%**

Bavaria
2,735,047 = **17.6%**

Baden-Württemberg
2,069,031 = **13.3%**

Lower Saxony
1,466,836 = **9.4%**

Hesse
1,307,423 = **8.4%**

Berlin
970,279 = **6.2%**

Rhineland-Palatinate
663,972 = **4.3%**

Hamburg
617,931 = **4.0%**

Schleswig-Holstein
565,778 = **3.6%**

Saxony
550,949 = **3.5%**

Brandenburg
313,082 = **2.0%**

Thuringia
230,302 = **1.5%**

Saxony-Anhalt
189,545 = **1.2%**

Mecklenburg Western Pomerania 178,409 = **1.2%**

Saarland 141,022 = **0.9%**

Bremen 134,271 = **0.9%**

WORLD

11.4%

+170,000
Domains

US
618,751 = **30.7%**

Netherlands
260,606 = **12.9%**

Austria
159,609 = **7.9%**

Portugal
147,570 = **7.3%**

Switzerland
101,685 = **5%**

United Arab Emirates
68,029 = **3.4%**

Vietnam
64,951 = **3.2%**

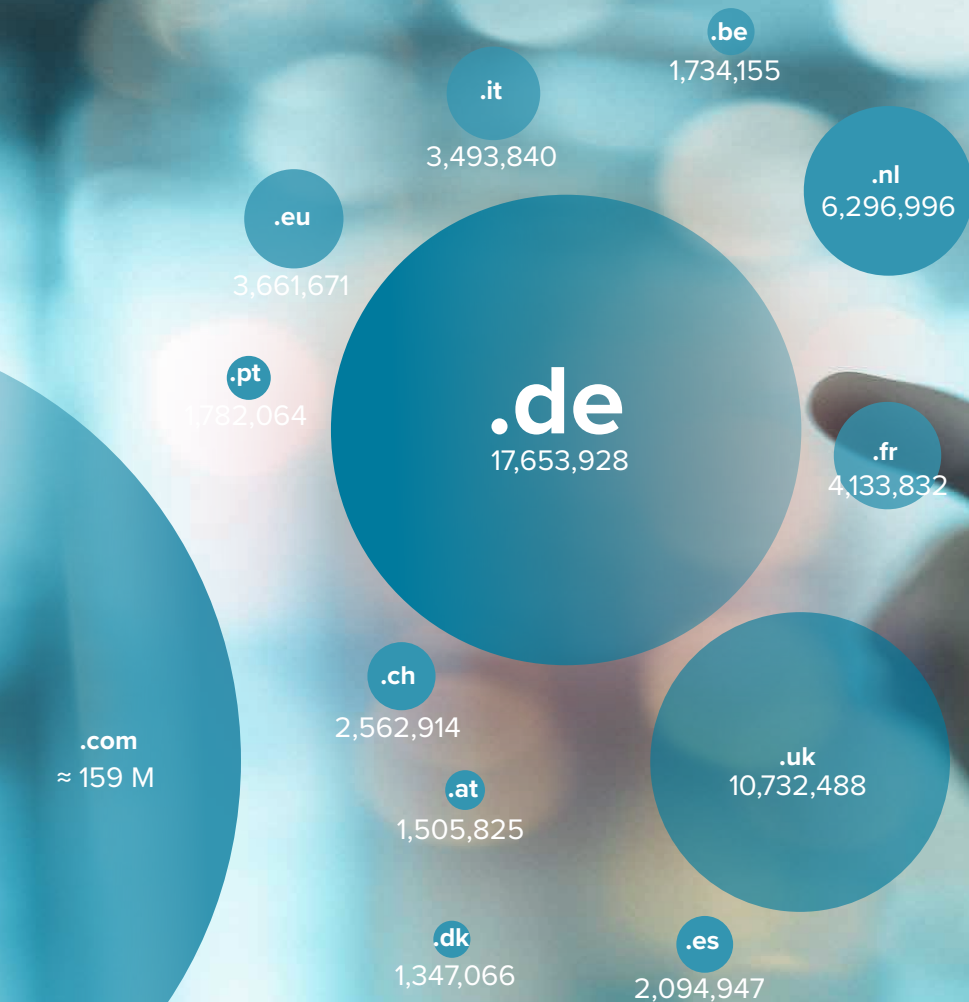
Great Britain
63,979 = **3.2%**

Belize
46,625 = **2.3%**

France
39,549 = **2%**

Others
445,171 = **22.1%**

.de Compared on an International Level



.de is
#1
of the european
ccTLDs

Government & Regulatory Affairs

Regulation

The trend in recent years towards more state regulation of internet services and infrastructures has continued in 2023. This mainly refers to initiatives of the European Commission and their implementations under national law. DENIC seeks to contribute to shaping legislation, which is often geared towards large platforms and service providers, with a clear emphasis on technical aspects, in such a way that the technical internet infrastructure can continue to be provided neutrally and cost-effectively in line with the community's interests, while upholding its own high standards of stability and reliability. To this end, DENIC engages at European level, by agreeing on joint political positions in close cooperation with the operators of other ccTLDs under the umbrella of the Association of European National Top Level Domain Registries, CENTR, as well as at national level, by liaising with the government and competent authorities, both in direct contact and through active cooperation in industry bodies and other exchange formats.

In January 2023, the revised legislation on measures for a high common level of cyber security across the European Union (**NIS2 Directive**) entered into force. Defining new minimum requirements for the cyber security of critical infrastructures, the amended directive has to be transposed into national law by the EU member states by October 2024. In Germany, the lead ministry's draft bill for the NIS2 implementation act was undergoing consultation between federal government departments involved at the end of 2023. For the domain industry, the NIS2 Directive entails numerous changes. In the future registries and registrars will be obliged to collect

and maintain accurate and complete registration data and to make such data available at least to legitimate access seekers but also, under certain circumstances, to the general public. In addition, the amended directive contains numerous other obligations for improved cyber risk management and enhanced safeguards for network and information systems, at corporate level.

The Regulation on European Production Orders and Preservation Orders for electronic evidence in criminal proceedings (**e-Evidence Regulation**) entered into force in August 2023. Its provisions will begin to apply in 2026, after a transition period of 36 months. Domain name registries and registrars fall within the scope of the regulation. The new rules aim to facilitate and speed up cross-border investigations by enabling national judicial authorities in one EU Member State, in order to identify a perpetrator, to gain access to digital evidence and/or ask the preservation of specific data directly from service providers in other EU Member States. Since October, DENIC has been a member of the expert group convened to provide expertise to the EU Commission during its preparation of the necessary implementing measures for the establishment of the decentralised IT system foreseen in the regulation, to ensure safe communication among the relevant authorities and with the service providers to whom their orders are addressed.

In spring 2022, the European Commission issued two proposals for **Regulations to reform Geographical Indication Protection** within the EU Single Market, aimed to improve the existing regulation covering agricultural goods and to establish an additional framework to include for craft and

industrial products. For the first time, protection was envisaged to be extended to domain names, and monitored via a Domain Name Information and Alert System (DIAS) to be set up at the European Union Intellectual Property Office, EUIPO. In a feasibility study conducted by the Commission in September, DENIC raised concerns regarding the planned DIAS. Both legislative projects were finalised at the end of 2023, omitting the mandatory establishment of a DIAS, yet requiring the Commission to re-evaluate the feasibility and necessity of such system within 18 months after the regulations' entry into force.

In September 2022, the EU Commission published a draft regulation for a **Cyber Resilience Act (CRA)**. Its purpose is to establish standardised EU-wide rules for the placing on the market of products or software with digital elements that are directly or indirectly connected to another device or network. A framework of harmonised cyber security requirements will govern the planning, design, development and maintenance of such products, with obligations to be met at every stage of the value chain and extending throughout the entire product life cycle. As a user and provider of open-source software, DENIC followed the legislative process closely. From dialogue negotiations in December emerged that open-source software will mostly be excluded from CRA provisions.



Internet Policy

With the goal to gain reasonable influence on the governance of technical internet infrastructure, DENIC has long been a committed player in the participation processes of the inter-

net's top level coordination organisation ICANN (Internet Corporation for Assigned Names and Numbers), as a member of the Country Code Names Supporting Organisation (ccNSO). The ccNSO, a sub-structure within ICANN, represents the interests of the operators of country code top level domains (ccTLDs). DENIC's management and policy staff are continuously involved in this arena both through regular on-site attendance and close networking at ICANN's periodic public meetings, but above all through ongoing virtual collaboration in a wide variety of committees and working groups, some of which are cross-community and some chaired by DENIC representatives. Here, fundamental processes are evaluated and policies developed, which pave the ground for decisions that are deemed significant from DENIC's perspective.

At the end of November, DENIC's Senior Policy Advisor Peter Koch was elected to the ccNSO Council, becoming one of three representatives from Europe within the ccNSO's 18-member supreme body. His three-year term will start in March 2024.



Internet Governance

As a key player of Germany's technical internet community, DENIC's ambition is to stimulate a wider public's interest in internet governance and to raise awareness among policy-makers for the potentially far-reaching effects of their decisions on the open, free and secure internet. This comes with the aim to participate in the decision-making and implementation of solutions for the technical management and further development of critical internet resources and the political problems arising from their use.

To this end, DENIC regularly participates in the United Nations Internet Governance Forum (UN-IGF) and the associated regional forum EuroDIG. For many years, a DENIC representative has also been a member of the Steering Committee of the Internet Governance Forum Germany (IGF-D). After taking over and running the IGF-D secretariat since the beginning of 2023, DENIC has intensified its involvement in the national IGF, by organising and coordinating the initiative's activities. During the year, the secretariat offered a wide range of interactive discussion platforms ranging from various webinars through the IGF-D annual conference in September to a dialogue session that formed part of the Federal Government's Digital Summit programme in November. In addition, a mailing list was set up for interested parties that serves to share the latest information from the local IGF community and provide regular information on opportunities for getting involved in multistakeholder processes.

Further DENIC internet governance activities in 2023 included its contribution to the multi-stakeholder dialogue series organised by the Federal Government to collaboratively develop principles for Germany's first Strategy for International Digital Policy, as well as its following up on the consultation process surrounding the Global Digital Compact, a UN initiative in the run-up to the 2024 Future Summit that could challenge the decades-old multi-stakeholder model of internet governance.



News

New Services in the DENIC Cloud

Future-Proof Technology for the .de Realtime Registry System and the Domain Query

Already last year, DENIC started its own cloud. In June 2023, we also migrated our Realtime Registry Interface (RRI) to the DENIC Cloud. More than 22 million requests from our roughly 300 members are now processed in realtime in the cloud every day. The domain query with 170 thousand queries daily has been transferred to the cloud, too.

With the container-based microservice architecture of our cloud solution, DENIC follows up on its course of consistently establishing sustainable technologies. The concept of sub-applications of the smallest possible size has several advantages, such as better distribution and scalability. Moreover, it makes our systems even more reliable. Due to the new design, our RRI and the other services in the DENIC Cloud can meet our high standards for response times and performance under peak load even better than before. With the high-performance and stable RRI, another centerpiece of the .de registry is now running in our cloud.

Information Security at the Highest Possible Level

As the manager of .de, DENIC is responsible for a resource of fundamental importance for the proper functioning of the Internet in Germany. High-level information security thus is vital to ensure that our services remain stable and secure despite the increasing number and changing scenario of cyber threats.

Smooth collaboration of the parties responsible, well-established processes, adequate measures and a high level of awareness among the DENIC employees as well as good cooperation with other country-code Top Level Domains are crucial in this context.

All this provides a solid basis for us to successfully meet the multiple requirements in the field of information security.

ISO/IEC 27001 Certification

As a critical infrastructure operator we are obliged to have, among other things, an Information Security Management System (ISMS) in place. Every three years, this system, which defines the measures and processes to guarantee, control, check and consistently improve information security at DENIC, is submitted to an extensive re-certification audit. The auditors of TÜV Nord rated our ISMS as excellent again in the third re-certification cycle.

It works in an integrated approach together with our Business Continuity Management System (BCMS). With this approach we can meet all legal requirements effectively and efficiently in the practice with high quality. Independent communication channels ensure that we remain capable to act even in emergency situations.

Attack Detection Systems

Attempts to attack digital infrastructure have become commonplace. Therefore, it is not only an obligation for DENIC to have the attack detection systems required by the Act for the

Federal Office on Information Security (BSI) for critical infrastructure operators in place, but we also consider them a self-evident measure. In 2023, we put the focus on network-based attack detection and implemented an Intrusion Detection System (IDS). The traffic on the network is constantly checked in realtime for potential anomalies and threats. If potential threats or suspicious activities are identified, this triggers warnings or alarms and, if necessary, suited mitigation measures are taken.

Our Attack Detection System is complemented by our Security Information Event Management (SIEM). This has also been expanded in 2023, and we have optimised the communication and exchange between the Information Security and other teams in particular.

With our SIEM and IDS, we are very well equipped to prevent and mitigate vulnerabilities and attacks. This has been confirmed and certified by independent auditors during the KRITIS audit.

"Finally, we have a central platform in Europe for an information exchange between registries, which is focussed on security aspects."



Daniel Kremer
Head of Information Security

Information Sharing and Analysis Center for Top Level Domains

Cyber threats do not stop at national borders. Therefore, the operators of the European Top Level Domains established the first "European Information Sharing and Analysis

Center" (EU TLD ISAC) in 2023, supported by CENTR, the association of the European ccTLD registries. The European Top Level Domain Information Sharing and Analysis Center wants to strengthen the security and resilience of TLDs and promote collaboration and information sharing. With annual conferences and joint exercises to practice processes and procedures across national borders, the ISAC takes proactive measures to enhance cyber security in Europe. DENIC is represented by Marius Gabler as information security officer. With DENIC Board Member Thomas Keller co-chairing the TLD ISAC Steering Committee on top of that, we can give strong impulses for the future course of the new Information Sharing and Analysis Center and can help shape threat defence in Europe.

Proactive Approach for Enhanced Network and Information Security: The NIS 2 Directivee

The NIS 2 Directive for a high common level of cyber security across Europe is one of the central issues of the domain industry in 2023. Among other things, it wants to create a culture of security in all sectors that rely heavily on information and communication technologies. As a critical infrastructure provider for .de, we have a particular obligation here. According to the Directive, DENIC as Top Level Domain registry and DNS provider is categorised as an "essential entity" and is therefore subject to the regulations.

Article 28 of the NIS 2 defines additional obligations for Top Level Domain registries and institutions that offer domain registration services, like the DENIC members, which have

a strong impact on the processes related to domain holder data. Explicit cooperation between the various parties involved is requested with regard to this aspect in order to avoid that data are collected twice.

A Cooperative Approach to a Joint Solution

To master this task in a sensible and responsible way, we created a NIS 2 Article 28 Working Group with our members. While the process of transposing the European Directive

into national German law has been ongoing, we discussed the requirements of the new legislation and proactively worked out a draft solution how to implement them for the .de registry. In numerous workshops, we could collect valuable information and ideas concerning the needs of our community.

Thanks to the great commitment of our members in the workshops and in particular in the NIS 2 Working Group we are well prepared for the transposition of the Directive into German law. We will work together on further details in 2024 with follow-up working groups for technical implementation and policy aspects.

"We started the discussion about the NIS 2 requirements at an early stage in order to be ready to go when the German law is passed. Our aim is to find a suitable solution for DENIC and its members that is at least compatible with the solutions of other registries."



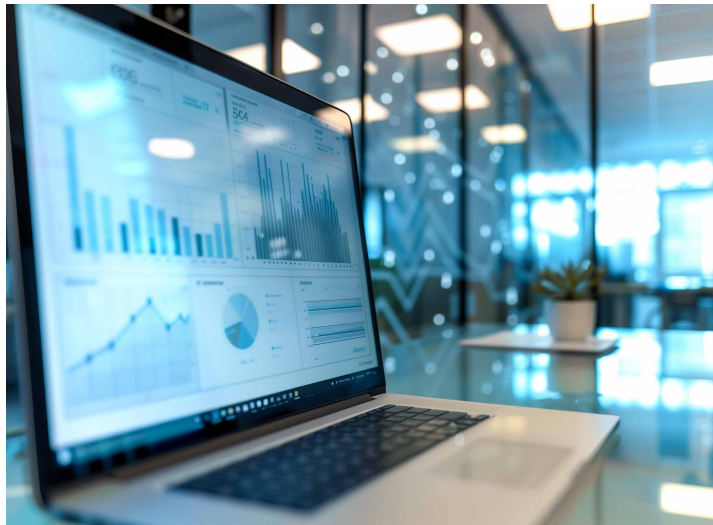
Pawel Kowalik
Head of Product Management

Cross-National Processes and Standards

We shared our proposal for the domain industry in webinars and workshops, for instance in Hamburg at the ICANN 78 conference, and thus strongly contributed to raising awareness for the NIS 2 issue. Together with other registries, we are working within the umbrella organisation of European top level domains, CENTR, to standardise the data verification process required by the Directive for the various countries as far as possible in the interest of our registrars and to define common technical standards.

Transparency to Foster Good Data Quality: The DENIC Dashboards

To make it easier for our members to fulfil the NIS 2 requirements for data verification and quality, we provide various



dashboards. In 2023, we added a data quality dashboard, which gives a good overview of the data quality of the domains managed by our members.

"By developing various tools and models, we have identified ideal solutions to meet the requirements of NIS 2."



Robin Gontermann
Product Owner Data Science

The DENIC Name Server Network – The System for Navigating .de

The DENIC name servers receive almost 6.5 billion requests from all parts of the world every day to access websites and services with the German country-code extension .de. At peak times, they surge up to 125,000 per second. DENIC operates a worldwide name server network to ensure that this works smoothly and, above all, quickly.

In 2023, we replaced the hardware of 11 name server locations. It goes without saying that the new components are state of the art – with excellent performance and significantly lower energy consumption. Thanks to their compact design, they also need less room in the data centers.

Another distinct advantage is their much more efficient administration: It takes less than 24 hours to completely shut down a location, replace the hardware and put the servers back into productive operation.

For administrating our name servers, we use a central control structure, which was created by us for this specific purpose, and which is managed from Germany. This structure makes it possible to automatically reconfigure the name servers or to deploy new software in next to no time. We can thus respond very quickly and flexibly to attacks, errors or special security requirements.



Continuous hardware optimisation will remain a central task in the future in order to ensure the optimal accessibility of .de domains.

Our Focus: A Perfect Distribution of Name Server Locations

To ensure an efficient structure of our name server network and to identify potentially necessary expansion, we always monitor the number and origin of the queries that arrive at our name servers. This enables us to react to the consistently increasing demand for name server resources and to optimise the response time for .de domains worldwide.

"Whatever we do, it is our aim to ensure that internet users can access a domain via our name servers in seconds – regardless of time and place."

In 2023, we specifically analysed the Asian region. It turned out that some requests for .de domains were not answered directly by local servers in Asia, but were forwarded to Europe, for example. This created unnecessary latencies. With new specific routing guidelines, we have ensured that such requests are now answered directly in Asia.



Jens Finkhäuser
Product Owner DNS

We also use the analysis of the name server requests to make decisions about future locations. Our architecture with automated installation allows us to integrate purely virtual name server locations into the existing global hardware set-up. This makes us extremely flexible. Moreover, in the coming year, we intend to set up further new locations.

Not Limited To .de: Our Infrastructure Serves 35 Million Domains

Today, the infrastructure provided by DENIC is "home" to more than 35 million domains and thus 10 percent of all domains registered – a really impressive number.

Our DNS infrastructure is not only used for our .de zone, we also make it available to operators of other country codes. This service is offered as 'DENIC Anycast' and is a routing and addressing method in which several globally dispersed servers can be reached by the same IP address. Anycast customers benefit from reduced response times for DNS queries, capacity reserves to deal with load peaks, and significantly enhanced resilience for optimum attack mitigation and handling of server failures.

Responsibility for servicing the Anycast customers rests with our subsidiary DENIC Services GmbH & Co. KG. They are now provided with detailed monthly reports based on service level agreements and detailed data on maintenance/disruptions, name server requests for a specific location, size of the zone, etc.

Via an interface, customers can directly query realtime data and view the status of their zone at any time, including traffic data. They can also deliver a new zone, which will subsequently be available within a few hours.

Our zone receivers have fully supported IPv6 since 2023 and enable our Anycast customers to deliver their zones via IPv6 in addition to IPv4 – which means a considerable increase in redundancy and reliability.



.de Registry Lock

In most cases, one's own domain is the precious core of one's online presence. With .de Registry Lock, the domain holder has full control over their domain data. The service offers best possible protection against external attacks or accidental misconfiguration.

More and more domain holders, and in particular companies, realise the importance of such protection and the far-reaching impact a loss of control over one's own domain may have. Last but not least due to intensified information efforts about and support in implementing this additional security feature, the number of .de domains with Registry Lock has grown considerably in 2023.

Engagement

Committed to the Digital Future

Taking an active part in shaping and promoting a free, secure and inclusive internet for the benefit of the global internet community is core to us. We consider it a major responsibility next to our important role as technical service provider.

Forums and Committees

In 2023, we took over the management of the secretariat of the **Internet Governance Forum Germany (IGF-D)**. The IGF-D offers a discussion platform to various stakeholder groups – government, parliament, business, academia, civil society, the technical community and the German Internet Governance Youth – for exchanging views and ideas about internet governance and how to shape it.

We are also actively involved in the first Top Level Domain Information Sharing and Analysis Center in Europa (**EUR TLD ISAC**) established in 2023. Thomas Keller, member of DENIC's Executive Board co-chairs the **ISAC Steering Committee**. ISAC wants to strengthen the security and resilience against cyber threats and improve mitigation of cyber crime.

At **CENTR**, the umbrella association of European ccTLDs, Sascha Kämpf – Product Manager at DENIC – has been co-chair of the Admin Working Group for several years and our Head of Marketing, Ulrich Retzlaff, took on the role of co-chair of the CENTR Marketing Working Group in 2023. The CENTR working groups focus on an open and fruitful exchange of best practices between the European registries.

As to the **ICANN** environment, DENIC Policy Advisor Peter Koch has been elected to the Council of ICANN's Country Code Names Supporting Organisation (ccNSO). The ccNSO offers ccTLDs like .de a platform for exchanging experiences and develops guidelines for the interaction between ccTLDs and ICANN. Our enhanced involvement reflects our commitment to visibility and our determination to help shape the future of the internet.

Conferences and Working Groups

Next to the above-mentioned activities, we have increased our presence at important conferences in 2023. We co-organised the international **ICANN 78** in Hamburg and contributed to its great success, last but not least with our NIS 2 workshops, the German Night and the ccNSO Cocktail.

At **CloudFest**, the world's largest conference for cloud, hosting and internet services, we were contact point and competent partner for domains, anycast and escrow at our booth.

We were also present at the **Domain pulse**, the most important event for current topics, tendencies and trends all around domains in the German-speaking area in the Swiss city of Winterthur in February 2023. The annual expert congress is a good opportunity for us to get informed about the latest trends and technical developments. The event is organised in terms by DENIC, nic.at and SWITCH, and we will be the host of the 2025 congress in Dresden.

Additionally, we are actively involved in the interest of our members in numerous working groups and committees, e.g. within the framework of the IETF, RIPE or the Internet & Jurisdiction Policy Network.



Sponsoring and Promoting Young Talents

Promoting young professionals regards DENIC as an essential task because they will be the ones to determine the future of the internet. Therefore we have been the main sponsor of the **European Summer School on Internet Governance (EuroSSIG)**, which trains and educates future players in the internet governance realm, from the very beginning.

Moreover, we actively support initiatives like "**Jugend hackt**" and "**PM Friends**" and have been a training company for IT professions for decades. We do this because we want to generate enthusiasm for the domain industry among young people and benefit from their impulses.

We have also supported the **CASTForum (Competence Center for Applied Security Technology)**, which is related to the Technical University of Darmstadt, with our membership in 2023. The forum is responsible for imparting knowledge and providing advice on IT security technology.

Our Members Are the Basis of the DENIC Cooperative

Our members are the heart of our organisation and the most important factor for driving .de's consistent growth and ensuring the innovative force of the Cooperative. During the visits to our members, we had many open and very constructive discussions and took home valuable ideas. In the working group on the EU directive on cyber security, our NIS 2 WG, we jointly developed a draft solution for .de domains, which we are finalising in 2024.

An intensive and fruitful dialogue also is characteristic for our other event formats, like the NIS 2 workshops or the Members@DENIC meeting.

Sustainability Management & Corporate Social Responsibility

We are not only committed to a reliable internet, but we also engage in a sustainable future. We build on environmentally friendly measures such as the use of green energy, regional products and a climate-neutral post service. In terms of technology, too, we are increasingly relying on virtual, resource-saving solutions to render a contribution to climate protection. Moving our office to new energy-efficient premises featuring modern, climate-friendly technology is another contribution to protecting the environment.

The DENIC forest in the vicinity of Frankfurt has grown to include about 1600 trees by now, and we also continue to collect used mobile phones to support the insect protection fund of NABU, a German nature and biodiversity conservation union.

DENIC and the DENIC staff support the volunteer association "Arche Frankfurt e.V." to help people in difficult situations in life. We further gave a donation to the Frankfurt association for children suffering from cancer "Verein Hilfe für krebskranke Kinder Frankfurt e.V." (Hfkk).

For us, sustainability is not just a trend but a responsibility towards the environment and future generations – and we are committed to help create a world worth living in.

DENIC Services

At the end of 2018, the DENIC subsidiary DENIC Services GmbH & Co. KG was founded [<https://denic-services.de/>]. The KG operates the business fields Data Escrow, Anycast DNS and DENICdirect, all of which it has taken over from DENIC eG. They are progressively complemented by independent new business fields such as Digital Escrow. The KG's turnover has increased consistently since its foundation, and it is successfully expanding its business activities in collaboration with DENIC eG.

You find information about the KG and its business fields at:

www.denic-services.de/en

2023 was a very successful year for the KG. The DENIC subsidiary won several proposals which brought along large new customers. It could thus increase its market share considerably, especially in the field of Data Escrow. In addition to that, DENIC Services was appointed sole Designated Escrow Agent of ICANN worldwide.

● Data Escrow for .eu

Winning EURid for our Data Escrow Service was a huge market success for the DENIC Services KG. The future-proof design of our subsidiary's Data Escrow and its extensive experience in this area combined with its high-quality service convinced the operators of the important European .eu ccTLD. The successful conclusion of this agreement marks an important step. ccTLDs are increasingly noticed to strive safeguarding continuous and reliable operation in case domain management is outsourced to an external service provider.

This trend opens up great new potentials for our KG's Data Escrow Service.

New Customers for Anycast DNS

The network of globally distributed Anycast DNS servers is constantly expanded and becoming more attractive. In 2023, our subsidiary won the ccTLDs of Italy and Canada as new customers and was awarded the bid for the Spanish ccTLD already for the second time. CIRA, the Canadian registry, also is a backend service provider for gTLDs. Thus winning CIRA, also made the KG an indirect anycast provider for a few well-known gTLDs.

Based on DENIC's anycast infrastructure, the KG now supports more than 17.7 million domains of its customers with the global DNS infrastructure of the German registry. Together with the 17.6 million .de domains, every tenth domain worldwide now uses DENIC's DNS infrastructure. This makes the KG one of the top three DNS providers for all registries in the world.

Sole Designated Data Escrow Agent for ICANN Worldwide

However, the greatest success of our subsidiary in 2023 was being appointed ICANN's Sole Designated Data Escrow Agent worldwide. Outstanding letters of recommendation of its customers, the excellent service quality and utmost

flexibility in facing new challenges convinced ICANN to award DENIC Services GmbH & Co. KG the sole contract. As a result, the DENIC subsidiary now is Data Escrow Agent for both the USA and Europe.

While the bid was still ongoing, the KG built up a second Data Escrow platform for the USA in North Virginia. Already now, it is larger and serves more customers than the European platform. The infrastructure required for the US business is made available by Amazon Web Services. For Europe, the infrastructure of DENIC eG provides a competitive solution. We are very proud that the services we offer with the DENIC Cloud are technically, structurally and in terms of standardisation on a par with those of a world-leading provider of hosting and web services such as Amazon. It proves that we are applying premium standards for selecting and developing our tools.

Surge from Three to 77 Percent Market Share

By the end of 2023, the KG's customer base of Registrar Escrow had grown from 80 to nearly 2,000 within only three months. The market share rose from three to 77 percent. To provide management services for the increased number of customers of the same quality it has been known for, the KG nearly doubled its customer service team. New processes were developed and the interfaces with ICANN agreed. Tailored webinars facilitated the onboarding, and each customer is provided their own control center for this purpose today.



**DNS Anycast
Server for
35.5 Mio** Domains



4.8

of 5 points

Customer satisfaction
at the highest level

ISO

Certification

27001

23301



Registrar Data Escrow



+77%

Market Share

vs 3% 2022



ISOcertified

On the side of all this, the KG as an independent company has been certified according to the international standard ISO27001 (Information Security) after having received the ISO22301 certification (Business Continuity) already last year.



New Premises in 2024

The KG's customer base will continue to grow with the opening of ever new business fields, and so will the number of employees. For this reason, our subsidiary will move to new, larger premises in Darmstadt in summer 2024 and looks forward to welcoming many colleagues, customers and DENIC members.

*"2023 was the year of
Data Escrow and 2024
will be the year of our
new Anycast product."*



Stefan Pattberg
Managing Director of
DENIC GmbH & Co. KG



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