

Sustainability report 2012

The savings banks can count on DekaBank as a responsible and credible partner for sustainable financial investments. Our commitment is not restricted to our growing range of fund products that meet particularly high standards in terms of ethical, environmental and social criteria. Moreover, we view sustainability as an ongoing learning process that encompasses all areas of the Bank's operations. We firmly believe that the continual further development and consistent implementation of our sustainability strategy make a major contribution to increasing the value of the company and are therefore in the interests of our owners.

Communication on progress	90
Sustainable corporate governance	91
Environmental management/sustainable banking	94
Sustainable HR management	100
Sustainable banking products	104
Social responsibility	107
Communications	109

Dear Shareholders and Investors,

In everything we do, we take responsibility for people and the environment. This is at the heart of our understanding of the concept of sustainability. And here we endeavour to live up to the expectations of our stakeholders, as well as our own expectations. These range from a long-term and sound business model for our owners through to an established and sustainable product offering for the growing number of customers looking for sustainable investments right up to energy-efficient banking.

There is a great deal of activity in these areas, as there is with regard to all other issues relating to sustainability. Nowhere is the momentum as great as in sustainable financial investments. We know that investors are not just looking at their own investments, but also at the extent to which their asset manager acts on a sustainable basis. We consequently set up new sustainability funds and have seen the corresponding investment volume rise to over €2bn. At the same time, in addition to the exclusion criteria already in place, investments in assets speculating on the movement in prices of food staples were ruled out in all of the funds. In 2012, we became a signatory to the UN PRI Principles, highlighting our commitment to continue to review and further develop our sustainability criteria in the future as well.

DekaBank has been publishing its Sustainability report yearly as an integral part of its Annual Report since the 2009 reporting year. Through this, we emphasise the fact that sustainability is closely linked with the Group's long-term commercial success. As a member of the UN Global Compact, we expressly support its ten principles and the present report simultaneously serves as a communication on progress for the UN Global Compact. Further details on our progress can be found in the report on page 112.

The Board of Management of DekaBank is aware of its corporate responsibility. We know that DekaBank has achieved a great deal, but there is still more to do. We therefore want you to continue to challenge us and look forward to the dialogue with you and to our shared successes in the future.



Michael Rüdiger
CEO

Sustainable corporate governance

Sustainability is not a short-term fad, but rather a process that encompasses the entire value creation chain and helps to ensure economic performance on a long-term basis. In line with this conviction, we have made the principles of a business strategy that is sustainable in economic, environmental and social terms a firmly established component of DekaBank's mission. The overarching importance we attach to this issue is also reflected by the fact that the DekaBank Board of Management is responsible for the sustainability strategy. In this regard, the Board of Management is supported by the Sustainability Management unit, which has been in charge of implementing the strategy and coordinating the relevant activities throughout the Group since March 2013. The cornerstones of our sustainability strategy are our internal regulations on the one hand, and internationally recognised standards on the other.

DekaBank views the implementation of its sustainability strategy as a dynamic process in which we regularly review whether we are achieving our goals and what adjustments need to be made, if any. One example of how we monitor the success of the implemented measures is the "Sustainability Round Table", a regular meeting comprised of ten members of the management team from various functions within the Group that was established to support and foster communication between the Board of Management and the Group units. In the reporting year, a decision was made to raise awareness of the discussion on sustainability issues at the operational management level, and this measure is being carried out via both unit-specific and cross-unit management committees. These include the management committees of the business divisions, the sales committees in Sales, the management committees of the Chief Operating Officers of the individual business divisions and the Corporate Centre manager.

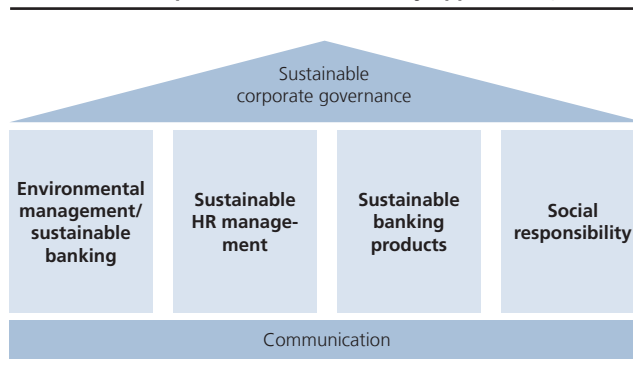
Internal regulations

DekaBank's code of ethics, which was adopted five years ago and updated and revised in 2011, serves as the internal guideline for our activities. The code does not merely prohibit actions which run counter to a strategy that is sustainable in ethical, social and environmental terms, but also obliges our employees to adopt a proactive approach.

The code of ethics specifies binding guidelines on aspects such as governance and cooperation. Among other things, it also reflects the solution-oriented cooperation between the units in the spirit of "One Deka" and includes our commitment to diversity. The code of ethics provides the orientation framework for both a legally-compliant and open corporate culture. The principles formulated in the code are summarised in the categories of professionalism, responsibility, trust, collegiality, sustainability, diversity and communications. The principles apply to the entire Group, including to all of our major shareholdings and companies.

DekaBank's sustainability strategy addresses the actual implementation of our objectives with regard to environmental, social and corporate governance issues. It is a comprehensive approach based on six defined areas of action: sustainable corporate governance, environmental management/sustainable banking, sustainable HR management, sustainable banking products, social responsibility and communications. These areas of action therefore also determine the structure of the current Sustainability report.

DekaBank's comprehensive sustainability approach (Fig. 1)



Of these issues, compliance is becoming increasingly more important. DekaBank depends on the confidence that its customers, shareholders and the public have in its services and integrity. The conduct of our employees has a major impact on this confidence. It is therefore essential that the compliance standards are complied with in order to safeguard the reputation of the DekaBank Group. The DekaBank Group's Compliance unit monitors all business divisions whether the services offered are provided with the required professional knowledge, care and diligence in the best interests of the customers. Compliance provides employees with the regulations and guidelines required to ensure responsible and legal conduct. This safeguards the interests of our customers and prevents conflicts of interest. Moreover, the Compliance Office identifies potential conflicts of interest, and through precautions and detailed countermeasures, ensures that the Group is not only operating in line with legal and regulatory requirements, but also in accordance with internal rules and regulations.

In light of the growing regulatory requirements being imposed by the supervisory authorities with respect to the business activities of banks, the Board of Management resolved to further strengthen the Compliance function and set up a new M1 Group Compliance unit on 1 April 2013. In the future, matters concerning capital market and real estate compliance along with anti-money laundering, counter-terrorism financing, EU sanctions and embargos as well as the prevention of fraudulent and other criminal acts will come under the umbrella of Group Compliance.

The remit of Group Compliance essentially extends to the development and implementation of Group-wide standards and guidelines, consulting and training on relevant questions related to compliance, as well as participation in projects and processes to fulfil all of the relevant regulatory requirements. Furthermore, ongoing monitoring and control activities as well as the systematic management of potential compliance risks will become even more important in the future. The code of ethics, the sustainability strategy and the information and statements regarding DekaBank's compliance standards are available on our website at www.dekabank.de.

Data privacy and protection is also a top priority at DekaBank. To avoid conflicts of interest, the Data Protection Officer is independent of the Compliance unit and is based in a separate unit in the Legal Affairs Corporate Centre. All employees have access to the relevant information on the topic of data protection, via the intranet and the Bank's in-house magazine, for example. Obligatory online tests on data protection ensure that DekaBank's employees are fully aware of this information.

Tip-offs and suspicious cases, particularly regarding fraud, can be reported via DekaBank's established ombudsman system. The experienced, external ombudsman is available as a point of contact for employees and also conducts the necessary investigations, if required.

International standards

As a member of the Global Compact of the United Nations (UN), DekaBank is part of the world's biggest and most important network for corporate responsibility and corporate social responsibility. Across the globe, more than 7,000 companies as well as employee, human rights, environmental and development organisations have signed up to the Global Compact. Events are held regularly at a global, regional and national level and enable Global Compact participants to share experiences and exchange information.

By joining the Global Compact in 2011, DekaBank also made an official commitment to follow a set of ten core values in its area of influence that were already firmly established in the company as part of our sustainability principles. For instance, these values include the protection of human rights, compliance with labour standards, proactive environmental protection as well as measures to combat all forms of corruption. Through its partnership with the United Nations, DekaBank has additionally undertaken to publicly communicate how it implements these core values in practice. This is done in the form of a communication on progress by the CEO in a new section at the beginning of this year's Sustainability report.

The requirements of the UN Global Compact form the basis for sustainability criteria in the investment process, in procurement and in other areas of action. The corresponding reports must be submitted to the UN Global Compact once a year. As with the GRI (Global Reporting Initiative) criteria, explanations regarding the relevant points of the UN Global Compact are presented in both this Sustainability report and in other sections of the Annual Report, particularly the Group Management Report. Further information is contained in the Environmental Report of the DekaBank Group at www.dekabank.de. To better document the role that the UN Global Compact plays in our business, these principles are taken into account in the GRI Content Index, which we have published online at www.dekabank.de. The content in the table there was supplemented by references to the corresponding principles.

The Equator Principles are another major international standard that we have undertaken to uphold. The ten principles governing the consideration of social and environmental standards, which are based on the guidelines of the World Bank and the International Finance Corporation, form the basis for evaluating our project financing activities. As with the other international standards we follow, the Equator Principles had already been taken into account in our processes for some time before we officially signed them in 2011.

Environmental management/sustainable banking

Corporate responsibility for environmental and climate protection is a factor that affects the competitiveness. The careful use of resources not only offers substantial potential for savings, but also helps convincingly demonstrate our sustainability principles both within and outside the company. This makes a valuable contribution to increasing the value of the company over the long term and is therefore also in the interests of our shareholders. Consequently, and in order to meet our social responsibility, DekaBank has adopted environmental guidelines, which are based on our sustainability strategy. These guidelines are actively communicated within the Group and to our business partners and customers. The “IdeasComplaintsEnvironmental Management” unit at the Sustainable Management department is responsible for coordinating the implementation of the various measures aimed at environmental protection and resource conservation in the different divisions at the operating level. It is headed by DekaBank’s Environmental Officer.

The regular recertification of DekaBank’s environmental management system, which has been in place since 2009, was carried out in compliance with internationally recognised DIN standard EN ISO 14001 in April 2012. During this process, all activities related to environmental management and product ecology were audited by AGIMUS, an external environmental consulting firm, which gave an exceptionally positive rating with regard to developments in the area of business administration and individual measures in building management. Moreover, it was noted that DekaBank has successfully established sustainability and environmental protection in its corporate culture. According to the consultants, this is also increasingly evident in DekaBank’s ambitious targets in relation to sustainability.

Using sector-specific environmental indicators in accordance with the VfU (*Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V./Association for Environmental Management and Sustainability in Financial Institutions*), our environmental management system delivers an annual corporate environmental balance sheet, which is utilised to draw comparisons with the previous year. The environmental balance sheet covers all the locations in Frankfurt/Main and thus around 76% of all DekaBank employees. The consumption of paper, energy and water is determined in detail, and data on business travel and waste-related issues is examined.

The results of the survey, optimisation potential and planned improvement measures are collated in DekaBank’s Environmental Report, which has been published annually since 2009 and is available for download at www.dekabank.de. This report is generally published several months after the Sustainability report, owing to the greater complexity of gathering and analysing the data. The Environmental Report for financial year 2012 is scheduled for publication at the end of 2013.

Access to information related to environmental protection

Various initiatives were carried out in the reporting year to enhance the information provided internally within the Group on current developments in environmental protection and sustainability. As in the previous year, the “IdeasComplaintsEnvironmental Management” unit gave presentations for the Group’s employees and trainees outlining the environmental management system and sustainability initiatives in 2012. Information events on these issues will again be held in the coming years. In addition, the unit has its own page on the internet, which was redesigned in the reporting year and contains regular reports on the unit’s activities.

To promote the exchange of information and improve the coordination of activities, the “WikiSustainability” platform was set up for those employees whose day-to-day work is particularly closely linked with issues related to sustainability. Furthermore, all DekaBank employees can access the www.umwelt-online.de platform, which lets them stay up-to-date on environmentally relevant legal regulations and laws as well as current changes. News on the latest amendments to environmental legislation is also promptly posted on the intranet.

Procurement management

To ensure that our suppliers and service providers also operate in line with our sustainability strategy, Procurement Management has drawn up a sustainability agreement, the cornerstones of which comprise the compliance and environmental requirements specified in our sustainability policy. At present, 80% of our expenses for

goods and services are attributed to suppliers who have either signed Procurement Management's sustainability agreement or have submitted their own sustainability agreement with the same content and targets. By the end of 2013, we aim to procure our goods and services exclusively from suppliers who have confirmed in writing that they comply with the sustainability principles set forth by Procurement Management.

To make sure this is not just lip service, annual audits will be conducted at new and existing suppliers in the future, and will be carried out in conjunction with DekaBank's Procurement and Environmental Management units.

The sustainability agreement obliges our contractors to proactively ensure compliance with ethical, social and ecological standards in their own company and by their suppliers. These standards are derived from the principles of the UN Global Compact and other international treaties and standards aimed at protecting human rights, the common good and responsible use of natural resources. The obligations are described in detail on our website at www.dekabank.de.

When issuing tenders for building management services, we also make sure that our sustainability principles are upheld. All work is carried out in a way which ensures that the health of those using the building is not adversely affected or endangered. Minimum ecological requirements and legal occupational health and safety regulations must be met. However, it is also important for us that suppliers comply with international environmental and social standards. When awarding contracts, preference is given to suppliers who can provide evidence of this with an industry standard seal or recognised and accepted environmental seal. This preference is indicated during the tender process. All contractors in the building management sector undertake to perform the services to be provided in accordance with a quality management system under ISO 9001 et seq.

The sustainability agreement to be signed by our contractors is based on the principles of the UN Global Compact, the International Labour Organization Convention, the General Declaration of Human Rights adopted by the United Nations, the UN Conventions on the Rights of the Child and the elimination of all forms of discrimination in accordance with IV.b, the OECD Guidelines for Multinational Enterprises, as well as the Code of Conduct from the *Bundesverband für Materialwirtschaft, Einkauf und Logistik e.V.* (German Association Materials Management, Purchasing and Logistics e.V.).

By signing the sustainability agreement, our contractors undertake, in principle, to proactively act in a sustainable manner. Moreover, to protect against corruption, the strict separation of the interests of the contractor and the private interests of employees on both sides is agreed upon, as is the associated compliance with detailed anti-corruption regulations. The contractors guarantee to provide evidence of a quality management system that excludes the use of prohibited materials in accordance with the ENA categories, as well as the certified recyclability of all the packaging used for the purpose of product protection, warehousing or the transport of goods.

Resource consumption, waste and emissions

Our measures to reduce the consumption of resources focus on our use of paper, energy and water. When monitoring emissions, we particularly centre on carbon dioxide and the greenhouse gases regulated in the Kyoto Protocol. In this reporting year, we once again recorded a drop in the total amount of direct and indirect emissions of greenhouse gases as compared with previous years. Another key element is to cut the volume of waste, and in this respect, our successes in the reporting year demonstrate that the measures we instigated are now taking effect.

To maintain an appropriate balance between economics and ecology in our reporting, the printed version of this year's report is limited to new initiatives and indicators that show a significant change up or down in a year-on-year comparison. The complete statistics on resource consumption and changes in emissions are available for download at www.dekabank.de.

Within our environmental management system, we use the SoFi sustainability software to monitor the individual material and energy flows as well as to calculate the relative indicators and CO₂ emissions. Extrapolated values are used to meet the data integrity requirements of the relevant environmental management and CO₂ standards, such as the VfU indicators and the GHG Protocol. Consequently, if data gaps occurred, extrapolated values, for example based on employee numbers, were used initially and then subsequently replaced by the actual consumption figures.

The volume of waste generated decreased by 11% in the reporting year 2011. As was already the case in previous years, the volume of waste per employee is substantially lower than in other financial institutions. Pollutants such as oil or chemicals were not released.

DekaBank ensures that paper consumption is continually being reduced in all areas of the Bank's operations. The high energy and water consumption incurred in the process of manufacturing paper accounts for a major share of DekaBank's environmental impact. We aim to mitigate this negative effect by increasing the proportion of recycled paper we use. Where this is not possible, for example for glossy brochures, we rely on the use of FSC-certified paper (Forest Stewardship Council), since practising sustainability when logging the timber required for paper manufacturing significantly affects the environmental balance of paper. We have exclusively been using PEFC-certified paper (PEFC – Programme for the Endorsement of Forest Certification) for our printed advertising materials and publications for some time now, and in 2012 we switched the production of all of our marketing brochures to PEFC paper as well.

DekaBank's carbon footprint is primarily influenced by emissions related to energy consumption in office buildings and employee mobility. Worldwide, the buildings sector alone accounts for around 30% to 40% of the total end energy consumption. Globally, buildings therefore produce more CO₂ emissions than the transport sector. This figure impressively highlights the key contribution that energy management for buildings can make. Improving the energy efficiency of our buildings is therefore particularly important to DekaBank. For this reason, the energy-intensive halogen lights in the Trianon building are being successively replaced with LED lights.

We have also increased the share of electricity from renewable energy sources and since 1 January 2013, our Luxembourg location has been powered solely by green electricity. The Frankfurt/Main locations switched to 25% green electricity at the same time. This is set to cut CO₂ emissions by around 964 tonnes over the year, which roughly corresponds to the emissions produced in a year by 90 people with average electricity, consumption and transportation usage levels.

At DekaBank, mobility is the biggest factor determining CO₂ emissions. In order to reduce CO₂ emissions from its own vehicle fleet as a first step, DekaBank now uses vehicles powered by natural gas for all of its couriers in Frankfurt/Main. The red, natural gas caddies with the Deka logo are distinguished by their extremely low consumption of 5.9 kg CO₂ per 100 km. Electric cars for couriers are used at the Bank's Luxembourg location.

ECO driving training was introduced for DekaBank employees as a new measure for fleet management. The training started in 2012 and the aim is to drive economically, ecologically, calmly and safely, yet without any sacrifice in terms of speed, and can reduce fuel consumption by as much as 20%.

To reduce indirect CO₂ emissions, the access cards used by DekaBank employees are made of bio-based PVC. The material is compostable and is therefore very environmentally friendly. According to the CO₂ certificate, by buying these cards, we have prevented emissions amounting to 0.9 tonnes.

Direct greenhouse gas emissions totalled 987 tonnes in 2011, versus 1,032 tonnes in the previous year. Indirect greenhouse gas emissions decreased to 10,301 tonnes in 2011 (previous year: 10,609). Overall, direct and indirect greenhouse gas emissions were thus lower by around 2.7%.

Paper consumption

As in previous years, paper consumption declined in 2011 and at 728 tonnes, DekaBank used 1% less paper than in 2010 (733 tonnes). The decrease was essentially driven by a significant reduction in the use of copier paper, the consumption of which was cut by 10% to 229 tonnes in 2011. This effect was partly offset by the rise in paper consumption in other areas. Consumption of paper for printed advertising materials and publications, which still makes up the biggest share of the total volume, increased by 2%, for example (Fig. 2).

Development of paper consumption in absolute terms, by category – Group (Germany) (Fig. 2)

Tons	Financial year ¹⁾ 2011		Financial year ¹⁾ 2010		Financial year ¹⁾ 2009	
	Figure	Change on 2010 in %	Figure	Change on 2009 in %	Figure	Change on 2008 in %
Letterhead, printed forms, envelopes	58	30	45	-47	85	-7
Forms (2010 and 2011 under copier paper)					150	16
Copier paper (general office paper)	229	-10	256	49	172	-7
<i>aggregated</i>	229	-10	256	49	322	-3
Printed advertising material/publications	441	2	432	-17	518	-29
Total	728	-1	733	-21	926	-18

¹⁾ The financial year corresponds to the calendar year.

Energy consumption and emissions

With an increase of 2% in 2011, we maintained the energy consumption in our four buildings in Frankfurt/Main at almost the same level as the previous year. Overall, energy consumption has decreased by around a fifth in the last four years (Fig. 3).

Energy consumption by energy source (Fig. 3)

Giga joule	Location			
	Trianon Mainzer Landstrasse 16	Prisma Hahnstrasse 55	Taunusanlage 10	Skyper Taunusanlage 1
Electricity	21,602	16,802	3,884	4,212
Back-up diesel	37	36	19	2
District heating	18,694	7,159	4,364	820
Total	40,333	23,997	8,267	5,034

CO₂ emissions declined by around 3% in 2011, both at our Frankfurt/Main locations and enterprise-wide throughout Germany. This result consequently fell somewhat short of the target reduction of 5% a year set in the environmental programme in 2009. However, the rise in the number of employees and the associated increase in energy consumption should be taken into account here.

Analysis of the CO₂ emissions by cause shows that DekaBank's total CO₂ emissions are primarily attributed to energy consumption and business travel. However, development is expected to be more positive in the coming years, since CO₂ emissions from electricity and heat production will drop considerably as a result of the switch to green electricity (Fig. 4).

Time series analysis of greenhouse gas emissions¹⁾ (Fig. 4)

Tons	2011	2010	2009
GHG direct	987	1,032	962
GHG indirect	10,301	10,609	11,388
GHG other indirect	2,588	2,625	2,700
Total	13,876	14,266	15,050

¹⁾ Including the other gases regulated in the Kyoto Protocol – methane (CH₄), nitrous oxide (laughing gas, N₂O), chlorofluorocarbons (CFC and HCFC), sulphur hexafluoride (SF₆). As a result of the emission factors update (version April 2011) by the VfU, most of the factors for the calculation were also adjusted for the past.

After energy consumption, mobility is the second largest cause of environmental impact in the financial services sector. Following continual increases in the amount of travel in recent years, a slight reduction in the total kilometres travelled was achieved for the first time in 2011 (–1% year-on-year), with a simultaneous rise in the number of employees. While the share of rail travel dropped by 12%, the number of kilometres travelled by car rose by 1%, with kilometres travelled by air up by 2%. A regulation in our business travel policy, which stipulates a review of alternatives as part of the approval process for long-haul flights, continues to apply and is aimed at reducing the share of air travel in favour of more environmentally friendly modes of transport in the future.

Overall, 56% of the kilometres travelled were by air, 31% by car and 13% by rail. The figures for business travel relate to the entire DekaBank Group.

As DekaBank does not operate its own production facilities or has any special sources for the emission of sulphur dioxide (SO₂), nitrogen oxide (NO_x) or other significantly harmful air pollutants, these emissions are not considered material and such data is not collected separately. Nitrogen oxide is released as a result of energy consumption in buildings and the process of combustion in modes of transport. The measures taken by DekaBank to reduce its energy consumption and CO₂ emissions thus also mitigate other associated emissions.

In 2011, certified savings of 362.3 tonnes of CO₂ were achieved in standard postal services using Deutsche Post as a result of our participation in the GoGreen initiative. In the new call for tenders for this service, we once again ensured that all of the terms and conditions for services specified in the sustainability agreement are fulfilled. TNT was ultimately awarded the contract in the tender process.

Water consumption

Compared with many companies in the manufacturing industry, water consumption in the financial sector is marginal. DekaBank uses water in its premises, primarily for sanitary facilities, air conditioning, cooling systems, company canteens, office plants and the design of outside areas. The volume of waste water is therefore low.

After cutting water consumption by 22% in the previous year and thus far outstripping the target reduction of 5% a year as specified in the environmental programme, the four locations in Frankfurt/Main recorded a slight rise again in 2011. However, the additional consumption of 2% overall is relative when seen in the context of specific consumption, for example, water consumption per employee and per working day in the Skyper building only increased from 23 to 24 litres (Fig. 5 and 6).

Water consumption by location (Fig. 5)

Location/topic comparison, Selected period: Financial year 2011 Selected sub-period: annually, Display: inputs					
m ³	Frankfurt/ Main	Trianon Mainzer Landstrasse 16	Prisma Hahnstrasse 55	Taunus- anlage 10	Skyper Taunusanlage 1
Rainwater	3,881	–	3,881	–	–
Ground and surface water	–	–	–	–	–
Drinking water	37,477	17,891	16,565	950	2,071
Total	41,358	17,891	20,446	950	2,071

Waste water is discharged into the normal sewage system.

Development of drinking water consumption in absolute terms (Fig. 6)

m ³	Financial year ¹⁾ 2011		Financial year ¹⁾ 2010		Financial year ¹⁾ 2009	
	Figure	Change on 2010 in %	Figure	Change on 2009 in %	Figure	Change on 2008 in %
Trianon ML16	17,891	5	17,011	-23	22,218	-1
Prisma HS55	16,565	1	16,462	-8	17,830	8
TA 10	950	-22	1,221	-75	4,936	23
Skyper TA 1	2,071	7	1,942	11	1,745	-1
Total	37,477	2	36,636	-22	46,729	4

¹⁾ The financial year corresponds to the calendar year.

Some of the water used in the Prisma building is rainwater. In 2011, consumption amounted to 3,881m³, which corresponds to around 20% of the property's total water consumption.

Waste

In principle, waste at DekaBank is handled in line with the principle of "avoid-recycle-dispose". Avoiding waste is also desirable for economic reasons alone, as double the cost-savings can be achieved in terms of both the resources used and their disposal. In addition to office waste, financial service providers generate paper waste in particular (Fig. 7).

Development of absolute waste volume (Fig. 7)

Tons	Financial year ¹⁾ 2011		Financial year ¹⁾ 2010		Financial year ¹⁾ 2009	
	Figure	Change on 2010 in %	Figure	Change on 2009 in %	Figure	Change on 2008 in %
Trianon ML16	113	-16	134	8	124	-22
Prisma HS55	124	-9	136	-2	139	-5
TA 10	6	123	3	-31	4	11
Skyper TA 1	33	-12	37	4	36	-12
Total	276	-11	310	2	303	-14

¹⁾ The financial year corresponds to the calendar year.

Further initiatives to improve environmental performance

To further improve DekaBank's environmental performance, we welcome corresponding suggestions from our employees and reward them as part of our ideas management system. Initiatives are also regularly prompted by various departments. For example, an extensive in-house campaign to reduce printouts and colour copies was carried out in 2012. In addition to the appeal via the intranet, attention-grabbing informational posters were affixed to the copy machines in all departments in order to raise employee awareness of the problem.

Another example is DekaBank's participation in the first "Veggi Day" on 19 September 2012 in Frankfurt/Main. The day of action saw participating company canteens, restaurateurs, schools and daycare facilities expand their offering of vegetarian dishes as part of the initiative by the "Learning Sustainability in Frankfurt" network.

Sustainable HR management

Attracting qualified staff and retaining them over the long term is a key factor in DekaBank's commercial success. We aim to provide a safe, healthy, trustful and inclusive working environment in which the expertise of every individual is utilised for the benefit of the value-driven overall bank strategy. Consequently, and in view of the demographic development, we are also interested in helping our employees further develop their qualifications and skills. Additional elements include a lifecycle-based HR management approach and proactive health-care and health management to ensure employee performance on a sustained basis. Flexible working hours and targeted solutions to ensure a good work-life balance enable our employees to combine work with family life. Our HR management is rounded out by a transparent and performance-related remuneration system that does not offer false incentives.

Diversity as a competitive factor: It is good that our employees are all different. The cultural diversity, varying life experiences and talents of our staff correspond with the diversity of our customers and their requirements. It therefore goes without saying that we equally appreciate, foster and include the individual capabilities and skills of young and old, men and women, people with and without disabilities, as well as employees with different cultural and ethnic backgrounds or sexual orientation. To better reflect the diversity of our employees at the management level, we updated and fundamentally revised our equal opportunities plan in 2012.

The analysis of DekaBank's efforts in promoting equal opportunities to date showed that the work-life balance has improved significantly since the first equal opportunities plan was launched in 2003. Nevertheless, we have to concede that the proportion of women in managerial positions has not risen notably since then.

Proportion of women in management levels¹⁾ (Fig. 8)

% (Group Germany)	2012	2011
1. Top management (M1)	10.7	8.7
2. Middle management (M2)	10.1	8.8
3. First level management (M3)	20.3	20.0
Total management	16.3	15.6
Total proportion of women	39.4	38.1

¹⁾ As of 31 December.

Consequently, improving the positioning of women in DekaBank is a priority in the new equal opportunities plan, and targets were quantified for this for the first time. By the end of 2015, we are aiming for 20% of the executive positions to be held by women. During that same period, we intend to achieve a proportion of 25% among the employees who are under non-tariff contracts. At the end of 2012,

16.3% of managerial positions were held by women and 21.7% by employees under non-tariff contracts.

Furthermore, we intend to establish the issue of equal opportunities even more firmly within the corporate culture at DekaBank over the next few years and will continue our measures to improve the work-life balance. Individual plans for each organisational unit are therefore being prepared in discussions with top management. In addition, regular parents' group meetings are held, where DekaBank employees can talk about questions and solutions related to the work-life issue. To support the career advancement of talented women, we will also continue to offer special seminars and regular information and discussion sessions on the topic of equal opportunities.

The management continues to support the work of DekaBank's two Equal Opportunities Officers. They serve as advocates and contact persons and organise the *DekaFrauenFokus* (Deka Focus on Women), which is held several times a year and provides women with a forum to discuss topics that affect them at work.

The team representing severely disabled employees represents the interests of employees with disabilities or restricted mobility. The members of the team also act as the point of contact for severely disabled employees.

Respect for different religions is also a firm part of our corporate culture. Consequently, various lounges have been set up for prayers that can also be used for meetings on religious topics.

Flexible working time models

In the DekaBank Group, 59.6% of the employees do not participate in the time recording system. This compares with a figure of 58.7% in 2011. The proportion of employees not allocated to any working time model, because they are temporary staff or for other reasons, stood at 1.7% at the end of 2012. On average, 56 temporary staff members were employed during the year.

Part-time ratio¹⁾ (Fig. 9)

% (Group Germany)	2012	2011
Male	4.5	4.5
Female	30.5	29.2
Total	14.2	14.0

¹⁾ As of 31 December.

Through special working time models, we aim to give fathers and mothers more time for their family. The success of our approach is demonstrated by the increase in the percentage of employees working part-time in the DekaBank Group (Germany) to 14.2% in 2012 (2011: 14.0%). Overall, DekaBank offers more than

200 different working time models. In addition, we give our employees the option of taking unpaid leave, which also helps improve the work-life balance.

However, DekaBank is also keen to enable parents to return early to work should they wish to do so. We therefore offer crèche and daycare spaces as well as childcare in the event of an emergency. As we cannot cover the demand in full, we also help our employees organise childcare by providing advice and arrangement services, as well as financial support for holiday programmes for their children. We provide funding for up to ten days at a holiday programme per child per year.

On average, female DekaBank employees return to work 14 months after the birth of a child. Since 2008, an average of 45 male employees each year have utilised the option to take parental leave and spend an average of two to three months at home caring for their children.

As a result of demographic developments as well, the issue of caring for family members is playing an increasingly important role. We understand that this complex issue can be a considerable burden and therefore provide support to our employees in cooperation with professional partners. These eldercare advice and arrangement services ease the burden on our employees when it comes to organising, funding and carrying out their caregiving responsibilities. These services are free of charge for DekaBank employees and help reduce rates of absenteeism and prevent staff from becoming preoccupied with these problems while at work.

Remuneration

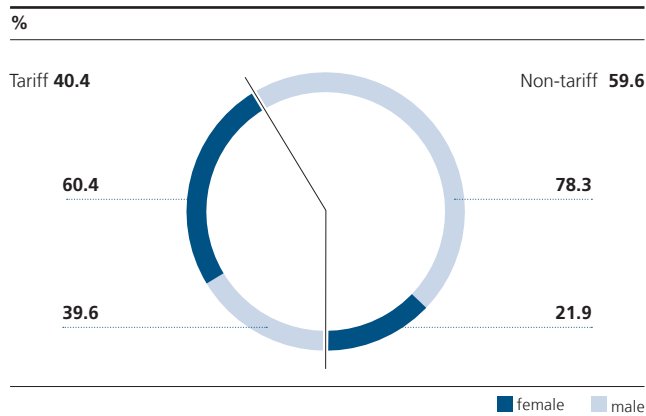
DekaBank considers a remuneration system that incentivises and motivates employees to perform to be an essential prerequisite for sustainability. We ensure this by aligning our remuneration with the market and offering performance-related bonuses that in principle are appropriately proportional to the fixed salaries.

The structure of the performance-oriented remuneration system was last adjusted in 2011 in accordance with the updated Remuneration Ordinance for Institutions and is aligned with our sustainable corporate strategy. It is designed to ensure that there are no incentives for excessive risk-taking. For employees whose activities have a material influence on DekaBank's overall risk profile, the variable portion of the remuneration is based on a multi-year assessment threshold. With this approach, we therefore not only fulfil the regulatory requirements, but also maintain the value of the company and guarantee its long-term success.

Approximately 59.6% of the employees are paid on an individual, non-tariff contract basis. In such cases, the remuneration is based solely on the employee's function and performance. In Germany, the proportion of Group employees covered by collective bargaining or tariff agreements is about 40.4%.

DekaBank employees have the option of depositing bonus payments, holiday leave and arranged overtime in working hours accounts that can be used for taking early retirement or temporary leave of absences in the form of a sabbatical. In addition to the benefits provided by the employer under collective bargaining agreements, DekaBank grants additional benefits to its employees, including capital-forming payments, group accident and corporate travel insurance, a "job ticket" travel card for employees at the Frankfurt/Main location, and similar arrangements at other DekaBank Group sites. Permanent employees also receive an employer-funded company pension. Part-time employees receive these benefits in accordance with their part-time ratio. Details on pension obligations can be found on pages 155 to 157 in the consolidated financial statements.

Breakdown of remuneration 2012¹⁾ (Fig. 10)



¹⁾ As of 31 December.

Personnel development and further training

The personal and professional further development of our employees is important to us and we promote it via a binding and transparent process. Besides agreeing on targets and defining support measures, this includes drawing up individual development plans. The annual performance review process starts with the first phase, which focuses on setting targets, and ends with phase 3, which assesses the attainment of targets and covers the performance evaluation.

Through the "DekaBank Colleg", we offer a wide range of further training measures and support employee participation in training courses run by external providers in order to maintain and enhance the skills and performance of our employees.

DekaBank Colleg gives our employees the opportunity to develop their professional, personal and social skills. In addition to seminars on project management, IT training and language courses, the offering also includes training courses to develop management skills and expertise. The development needs are met on a targeted basis through individual coaching, group training sessions and cross-team training. New employees are invited to attend orientation events that not only provide professional training, but also help strengthen their loyalty to the company.

The average financial expenses for continuing professional development and further training in Germany amounted to €1,133 per active employee in the reporting year. This figure does not include expenses for further training that took place as part of projects. At 3.3% in 2012, the staff turnover rate is at its lowest level since 2004.

Appropriate support for interns also forms part of our personnel development strategy. We therefore participate in the Fair Company initiative run by the Handelsblatt publishing group. In line with this initiative, we commit to advocating an ethical approach in the world of work and giving graduates a fair chance of permanent employment and interesting tasks during their internship.

Healthcare and health management

The health of our employees is important to us and is also a strategic competitive factor, as health is a basic requirement for the personal performance of our employees over the long term and thus the sustainable success of the company. We have therefore implemented a modern health management system, which is firmly anchored in the processes of the Bank. The central pillars of our health management system are movement, nutrition, medicine/prevention and mental health.

We provide our employees with a wide range of tailored options in each of these areas. Preventative medical checkups for executive staff, flu vaccinations, workplace inspections to evaluate ergonomic aspects and information events on health issues are established components of our health management system.

The new issue of the Health Report, produced for the first time in financial year 2011, documents the status of our comprehensive health management system, which goes far beyond individual measures and provides employees with information on the range of offerings. We also plan to produce a Health Report next year.

Dealing with mental stress

Mental health is an issue that has become increasingly important in the world of work over the past few years. To raise awareness of this topic among managers and help them deal with employees suffering from mental stress, DekaBank has been running corresponding events in cooperation with the INSITE-Interventions company since 2012. The moderated workshops enable participants to share their experiences of dealing with employees suffering from mental stress or stress-related illnesses, such as burnout, addiction, depression or eating disorders.

Through the Employee Assistance Programme, we offer our employees an effective tool to prevent mental stress and illnesses. The service is offered to all employees based in Germany or abroad as well as any family members in their household. In difficult situations, both professional and personal, they can talk to doctors, psychologists and other consultants from an independent advisory service – free of charge and either by phone or in person. The strict confidentiality of the consultations, which can be handled on an anonymous basis upon request, is guaranteed, as is the accessibility of the service on 365 days a year.

Company integration management helps prevent lengthy illness-related absences and is another tool that reduces prolonged staff absences. With this approach, we provide support for the employees concerned that goes beyond the statutory requirements, in order to help them regain their ability to work. The average illness rate for employees at DekaBank Group locations in Germany remained constant at 3.7% during the reporting period.

Auditing

DekaBank's family-friendly personnel policy is regularly certified by "audit berufundfamilie". Based on a successful re-audit in 2011, we were once again awarded the quality seal of the initiative, which is under the patronage of the German Minister of Family Affairs and the German Minister of Economics, in spring 2012.

DekaBank's forward-looking company health management system has already won various plaudits. In 2012, DekaBank was awarded the *Exzellenz* seal in the Corporate Health Awards. The initiators of the Corporate Health Awards – Handelsblatt, TÜV Süd and EuPD Research – certify companies that demonstrably show above-average commitment to the health of their employees.

Sustainable banking products

Sustainable development reduces risks for the environment and society. At the same time, it opens up opportunities for growth and added value – and thus provides a double benefit. To meet the growing ethical, social and ecological requirements of many savings bank customers, DekaBank works together with the *Institut für Markt-Umwelt-Gesellschaft* (imug, the Institute for Market, Environment and Society) when selecting securities for the products in the Deka-Nachhaltigkeit (Deka Sustainability) fund family. However, in addition to products explicitly labelled as sustainable, our asset management team uses ethical, ecological and social standards as a key benchmark, alongside yield, risk and liquidity. Accordingly, we have already been following the United Nations principles for sustainable and responsible investment for some time. By signing the corresponding treaty in the reporting year, we have now also made a public commitment to this approach.

Institutional investors that sign up to the United Nations Principles for Responsible Investment (UN-PRI) undertake to increasingly incorporate environmental, social and corporate governance issues into their analysis and decision-making processes. The around 1,100 signatories to the Principles worldwide have also promised to actively represent these issues in their shareholder policy, for example through voting decisions at annual general meetings. In addition, appropriate disclosure regarding these issues is sought from the companies and corporations in which investments are made. Further information and the exact wording of the Principles are available online at <http://www.unpri.org/>.

Sales support

With their uniquely dense network of around 15,500 branches throughout Germany, the 423 savings banks in the *Sparkassen-Finanzgruppe* are the ideal sales partner for Deka investment funds. Savings bank customers throughout the country can achieve their individual investment targets using DekaBank products. Due to their risk-diversification effect, mutual securities and property funds play a major role in the accumulation of financial assets by private households that are so important for the national economy. That is why we are involved in projects run by the *Sparkassen-Finanzgruppe*, which are aimed at positioning the securities business on a forward-looking basis.

In addition to attractive products, the quality of advice available to customers locally is of key importance. To ensure that the products, some of which are complex, are explained in line with the customers' requirements, we support the customer advisers at the savings banks, not only with extensive product information, but also with training and suggestions for sales and marketing. Furthermore, to assist the savings banks during customer events on the topic of sustainability and sustainable investments, we provide them with speakers as well as extensive informational material on our expanded range of sustainable fund products. We further develop this cooperation as part of our ongoing dialogue with the savings banks, which is of course based on compliance with both legal and supervisory requirements. The cooperation was further intensified in the reporting year and has proven fruitful for all parties concerned: Savings bank customers receive information on the options for making responsible financial investments, while our experts learn more about the needs of the market at these events.

Asset management in securities

All of the fund products managed by DekaBank, including fund-linked asset management, incorporate environmental, social and corporate governance criteria in their investment decisions. We see sustainable actions and development as safeguarding the future, and thus as features of an attractive investment. We firmly believe that share prices and bond yields are just as strongly influenced by environmental and social issues as they are by business aspects.

In light of this, DekaBank rules out investments in companies that manufacture or sell anti-personnel mines or cluster munitions, and this not only applies to the funds in the Nachhaltigkeit sustainable funds family. In the reporting year, we made a policy decision that DekaBank will no longer manage any products that track the movement in the prices of food staples. Although the latest scientific studies do not show any demonstrable causal link between such option contracts and price increases in the real markets for food staples, the opposite has so far not been proven either. We therefore decided to refrain from such investments as a precautionary measure.

To further advance the idea of sustainable financial investments and ensure greater impact on the public perception, DekaBank is also involved in the relevant industry associations and organisations. For example, we are a member of the Forum for Sustainable Financial Investments (*Forum Nachhaltige Geldanlagen*, FNG), and since 2012, our sustainability funds have also been included in the fund profiles on the FNG website (<http://www.forum-ng.org/de/fng-nachhaltigkeitsprofil/fng-nachhaltigkeitsprofile.html>).

In addition, Deka Investment is active in the *Bundesverband Investment und Asset Management* (BVI) and has helped develop the joint guidelines for responsible investments. This is a voluntary pledge, whereby the fund companies organised in the BVI accept their social responsibility and undertake to support the further development of national and international codes on responsible investments and transparency.

More and more investors are actively interested in what happens with their invested capital, especially in view of the growing criticism of ethically dubious banking products. In order to satisfy the resultant growing demand for investment solutions that meet particularly stringent sustainability criteria, DekaBank has substantially expanded its Deka-Nachhaltigkeit fund family. To select the securities, we work with renowned partners in the segment of ethical investments: the *Institut für Markt-Umwelt-Gesellschaft* (imug), which in turn cooperates with the Ethical Investment Research Services (EIRIS).

With the Deka-Nachhaltigkeit (equities/bonds/balance) investment funds, investors can invest specifically in companies that operate sustainably in terms of economic, environmental and social criteria. This offering, which has met with pleasing demand in the market, rounds out our product range in the area of sustainability, which also includes the Deka-Stiftungen Balance mixed fund. In total, we manage assets of approximately €2bn in sustainability funds. Of this figure, €1.2bn is attributable to mutual funds and the rest to mandates for institutional investors.

However, we do not limit the strict implementation of our understanding and concept of sustainability to our investment funds. Consequently, as on other issues, we express our viewpoint on sustainability aspects through our voting rights as well.

DekaBank's comprehensive approach to sustainability meets high standards. This was also confirmed in the reporting year by the corporate rating from oekom, which is one of the world's leading institutions in the sustainable investment segment. Once again, we achieved an overall score of "C", which corresponds to "prime" status. oekom therefore recommends DekaBank's bonds and products to investors who take social and environmental aspects into account in their financial investments. The rating analysts examine a total of around 80 sustainability criteria in the social rating and environmental rating categories. With regard to the social rating, which looks at features such as equal opportunities and business ethics in respect of employees and suppliers, we improved on our previous year's rating by a notch, from "C" to "C+".

Asset management in real estate

Asset management in the real estate segment pays particular attention to environmental aspects when making new acquisitions and modernising existing properties, and not just for sustainability products. After all, energy-efficient and eco-friendly buildings not only benefit the environment and the tenants, but also our investors, in the form of attractive long-term yields.

All buildings held in our fund portfolios now have a building profile, which also includes all the environmentally relevant building data. In addition to this, energy passports are being developed in many European countries for the purpose of documenting consumption figures for properties.

Furthermore, we strive to have our properties certified by the Green Building Certification Institute (GBCI) and other recognised providers such as the *Deutsche Gesellschaft für Nachhaltiges Bauen* (German Sustainable Building Council, DGNB). Buildings that carry this seal are energy-efficient and therefore eco-friendly and are designed, built and operated in conformity with health standards. The audit covers water efficiency, the materials used and the air quality in the building. This not only ensures that the desired ecological and social effects are achieved, but also reduces lifecycle costs, which benefits the owners in terms of the return.

Many of the properties we have recently acquired are already certified as “green buildings”, and this is also a prerequisite of our major international tenants in particular. In the reporting year, we increased our portfolio of green buildings with the acquisition of the “City Green Court” office property in Prague. The building, which is still under construction, was the first building in the Czech Republic to be pre-certified with the “Leadership in Energy and Environmental Design” (LEED) platinum award from the GBCI. In Germany, we added to our portfolio with the Campus logistics centre in Böblingen. We are aiming to obtain DGNB silver certification for the building, which has a photovoltaic unit installed on the roof.

In total, 50 of our properties in the mutual funds are either certified as green buildings or certified in accordance with other internationally accepted sustainability standards. This corresponds to assets of €4.9bn, which are distributed across all of our mutual funds. Certification is planned in the near future for a further 82 properties with a volume of €5.7bn. This already equates to more than 20% of all our properties, and we aim to increase this ratio to over 40% by 2015.

Studies are also being conducted to determine how ecology and economy can be even better integrated. A good example of this is the letting of large flat roofs on our logistics properties. The energy generated by the photovoltaic units installed there was fed into the grid in the reporting year, delivering both green electricity and additional income for our customers.

Asset management-related lending business

In our lending business, as part of our sustainability strategy we support projects that promote the economic cycles in the respective regions. One example here is our involvement in the Nordsee-Windpark Global Tech I project. Here, for the first time, DekaBank is a co-financier of an offshore facility together with the European Investment Bank and 15 other commercial lenders. Global Tech 1 will comprise 80 wind turbines, which will generate enough power to supply around 445,000 households.

In contrast, transactions that do not meet our sustainability criteria are undesirable, not least because they also pose a higher business risk. In accordance with our sustainability standards, especially the compliance regulations, as well as the Equator Principles, which govern the evaluation of project finance, we conduct a critical assessment of the following business areas:

- financing of suppliers, manufacturers and trading companies connected to arms transactions in countries outside NATO,
- financing which gives rise per se to significant risks for the environment (based on OECD environmental guidelines),
- lending transactions where public reporting (including as a result of socio-cultural aspects) about the financing itself, about a business partner or business practice could adversely affect public trust in our Bank in the long term.

Naturally, we reflect the geopolitical context in our investments. A negative list has been in place since mid-2012 for countries where human rights abuses or corruption are commonplace. The principles of our sustainability strategy and our standards in compliance and risk management also exclude exploiting opportunities in these countries, such as higher returns for example.

Social responsibility

Social responsibility is a cornerstone of DekaBank's sustainability strategy. As a partner of the savings banks, we participate in the national support programmes of the *Sparkassen-Finanzgruppe* and are also involved in our own projects and long-term partnerships. We enter into cooperations with renowned cultural institutions and focus our activities here on art, architecture, academic institutions and social projects. In association with other institutions in the *Sparkassen-Finanzgruppe*, DekaBank also supports national projects in the fields of culture and sports. All of our partnerships are based on continuity, since this is essential for a close working relationship founded on trust.

Traditionally, the *Sparkassen-Finanzgruppe* is involved in all areas of community life. The savings banks, their affiliated companies and foundations make an active contribution to improving the quality of life at the regional and national level in a wide variety of ways. One key focus of the *Sparkassen-Finanzgruppe's* social commitment is the promotion of art and culture. The *Staatliche Kunstsammlungen Dresden* museum preserves a unique cultural heritage, and a cooperation with the museum has been in place since 2006. In 2011, with support once more from DekaBank, the *Sparkassen-Finanzgruppe* was again the main sponsor in Dresden and for the first time also provided funds for the *Staatliche Museen zu Berlin* (National Museum), which is held in high regard both nationally and internationally. Here, in addition to youth education projects, the *Sparkassen-Finanzgruppe* is co-financing outstanding exhibitions, such as "Divided Heaven. 1945-1968" at the New National Gallery and "In the Light of Amarna – 100 Years of the Nefertiti Discovery" at the New Museum. Another highlight in 2012 was supporting dOCUMENTA (13), the most internationally important exhibition of contemporary art, which is held in Kassel, Germany. The exhibition, which takes place every five years, has been supported by Kasseler Sparkasse since 1955. The *Sparkassen-Finanzgruppe* became its main sponsor in 1997 and was joined again by DekaBank in 2012.

Furthermore, with support from DekaBank, the *Sparkassen-Finanzgruppe* has been a partner of the German Olympic Sports (*Deutscher Olympischer Sportbund*) since 2008. As a national sponsor, the *Sparkassen-Finanzgruppe* supported Germany's top athletes at the 2012 Olympic Games in London and we were delighted to see the Olympic team win a total of 44 medals.

Art and architecture: Focus on sustainability in highrise projects

The International Highrise Award (IHA) has been bestowed every two years by the City of Frankfurt/Main since 2004. The award is initiated, curated and organised by the *Deutsches Architekturmuseum* (German Museum of Architecture) in partnership with DekaBank, which provides most of the financing for the IHA. The cooperation was extended by a further four years in 2012. The award, which meanwhile enjoys international reputation, recognises buildings that are a minimum of 100 metres in height and combine exceptional aesthetics, forward-looking design and integration in the urban landscape with innovative technology, efficiency and sustainability. The IHA, which awards a prize of €50,000 and a statuette by acclaimed artist Thomas Demand, is judged by an international jury of architects, engineers, real estate specialists and architecture critics. At the award ceremony in Frankfurt's *Paulskirche* church on 15 November 2012, the prize went to architects Christoph Ingenhoven (ingenhoven architects, Düsseldorf) and Ray Brown (Architectus, Sydney) along with property developer DEXUS for the world's most innovative skyscraper of the past two years, the office building "1 Bligh Street" in Sydney.

The partnership between DekaBank and the *MMK Museum für Moderne Kunst* (Museum of Modern Art) in Frankfurt/Main celebrated its ten year anniversary in 2012. The "Parallels" exhibition featuring works by famous photo artists from the museum's collection, which was held on the 44th floor of the Trianon tower in Frankfurt at the start of the year, not only attracted a significant amount of interest from within and outside the Bank, but also impressively documented the great relationship between the two institutions.

Sustainable banking and finance

In our support for academic institutions, we concentrate on subjects that are closely related to our area of business. For example, DekaBank has been supporting the Centre for Financial Studies at the House of Finance at the Goethe University for several years on behalf of the *Sparkassen-Finanzgruppe*. Our involvement was extended

in 2012 with the endowment of the DekaBank chair in Sustainable Banking and Finance with a focus on Sustainable Corporate Governance. We are delighted that with the appointment of Professor Reint Gropp, Ph.D. on 15 August 2012, the chair is held by a research-based financial economist of international renown.

As a member of the *Sparkassen-Finanzgruppe*, imparting knowledge on the subject of sustainable investments is also very important to us. Consequently, in 2012 DekaBank decided to take on the role of mentor for a course module on sustainability at the *Sparkassen-Finanzgruppe's* Management Academy. The events are set to start in academic year 2013.

Social commitment: Regional – national – international

At DekaBank, social commitment begins in the immediate environment of its headquarters in Frankfurt/Main. We are therefore continuing our important support for the two centres run by the charitable Christian organisation *Kinder- und Jugendhilfswerks Arche e.V.* for disadvantaged children from socially deprived areas.

Since 2007, we have fostered and supported the social commitment of our employees through the annual "*DekaBank – Engagiert vor Ort*" (DekaBank – Making a Local Commitment) campaign. In the pre-Christmas season, colleagues can apply for a donation of €1,000 each for "their" project. The amount available for the campaign once again totalled €25,000 in 2012.

DekaBank is also a reliable partner of the annual German Golf Charity Cup to benefit the non-profit organisations *Deutsche Krebshilfe e.V./Deutsche KinderKrebshilfe e.V.* (German Cancer Aid/German Children's Cancer Aid), for which we are a general sponsor. Around 150 golf clubs in Germany take part in this event, which is Europe's biggest charity golf tournament. The proceeds, which are in the six-digit range, are topped up by a further generous donation from DekaBank to support *Deutsche KinderKrebshilfe e.V.*

Our social commitment also extends to international activities through our long-standing partnership with the Don Bosco mission. In 2012, we sponsored the construction of a vocational training centre in Kep, Cambodia, as well as a street kids project in Freetown, Sierra Leone.

DekaBank became the second company in Frankfurt/Main to receive the "Helping Hand" award from the German Red Cross Blood Donor Service in Baden-Württemberg-Hessen for its involvement in the blood donation campaign. For many years, we have been supporting the German Red Cross with regular blood donation sessions at various locations, and between 1998 and the end of 2012, these have seen donors give a total of around 2,000 litres of blood.

Communications

The dialogue with our stakeholders is the foundation of our sustainability strategy, which we view as an ongoing learning process. The regular exchange of ideas and information on the ethical, social and ecological aspects of our activities is the most effective tool we have for reviewing whether we are achieving the sustainability goals we have set and whether those objectives need to be revised. That is why DekaBank attaches great importance to open communications with various social groups and institutions.

As a member of the *Sparkassen-Finanzgruppe*, the dialogue with our owners is a top priority for us, and we actively involve the expertise of the savings banks in our decision-making process. This is done both via specialist advisory committees that advise the Board of Management as well as various sales committees. In addition, there is intensive dialogue on all issues regarding sustainability via joint projects and workshops. With this approach, we can ensure that the activities of the savings banks and DekaBank are aligned with and complement each other.

There is also an active exchange with other social groups on all matters of sustainability. In conjunction with in-depth market monitoring, we can therefore involve the relevant stakeholders on a targeted basis at an early stage and incorporate their suggestions in strategic and business policy decisions.

The main stakeholders in this dialogue are:

- savings bank customers and institutional investors,
- employees and employee representatives,
- supervisory authorities,
- suppliers,
- associations and organisations,
- academic institutions,
- rating agencies and analysts,
- non-governmental organisations (NGOs).

Details on our dialogue with the various stakeholder groups are documented online at www.dekabank.de.

Dialogue with savings bank customers and institutional investors

To continually refine and adjust our sustainability strategy, we have to understand the needs and requirements of both private and institutional investors. We therefore conduct regular detailed customer surveys and maintain very close contact with the customer advisers and other managers in the savings banks. The results of this interaction form the discussion basis for measures to optimise DekaBank's performance and its sustainable strategy. The insights into investor trends provide us with important inspiration and ideas for designing our products, such as the sustainability fund.

Investors and analysts receive comprehensive and timely information on our business strategy and development as a matter of course. This is done both directly as well as via rating agencies. We provide information on the implementation of our sustainability strategy in the Sustainability report that is part of our Annual Report, as well as in the sustainability section of our website, which is updated on a regular basis.

Dialogue with employees and employee representatives

We also conduct regular staff surveys. Together with an independent adviser, we review thoughts and attitudes on subjects such as corporate culture, employee satisfaction and management. The relationship between the company's management and the various employee representatives in the DekaBank Group is characterised by respect, mutual trust and open dialogue.

We view the ideas of our employees as a success factor for our company. We want our staff to be involved and are therefore happy to reward suggestions for improvements. And we do just that via DekaBank's established and multi award-winning idea management system, through which numerous proposals and suggestions have already been accepted and implemented. With an implementation rate of around 30% for ideas suggested by employees and customers, DekaBank leads the field in its sector.

Our employees are represented by staff committees and works councils (Germany) and the Comité Mixte (Luxembourg). Furthermore, the Disability Officer and Equal Opportunity Officers serve as internal contact persons in the event of problems at the workplace.

DekaBank believes that openness and transparency are essential to successfully implementing change processes with the support of all those concerned. The DekaBank Group therefore ensures that employee bodies are involved in its day-to-day HR activities as promptly as possible. All of the relevant information is passed on to employees as quickly as possible through publication on internal company media or by e-mail.

Dialogue with supervisory authorities

As part of its business operations, DekaBank is in regular contact with the relevant supervisory authorities. We also actively assist with the further development of relevant topics related to supervisory law and act as a point of contact for the authorities.

Dialogue with suppliers

We strive to have long-term relationships with suppliers and service providers who meet the same sustainability criteria that we do. Binding guidelines for sustainable procurement on both sides therefore form the basis for our business relationships. In addition, we maintain an ongoing dialogue with our contractors on all issues related to sustainability. Through constructive cooperation with specialist departments and suppliers, DekaBank's Procurement Management ensures quality and success in the procurement process, right from the outset.

Dialogue with associations and organisations

The DekaBank Group is an active member of various associations and organisations and is driving forward the debate in these bodies on conserving resources and structuring business processes in a socially responsible manner. We are therefore helping to create a wide forum for dealing with issues relating to sustainability. Furthermore, we exchange information and ideas with other members on relevant topics. Through our membership in these organisations, we make our internal expertise available to politicians and policymakers exclusively in the interests of our shareholders. The following institutions should especially be mentioned in this regard:

- *Bundesverband Investment und Asset Management (BVI) e. V.*,
- *Bundesverband Öffentlicher Banken Deutschlands e. V.* (Association of German Public Banks – VÖB),
- *DAI Deutsches Aktieninstitut e. V.* (German Equities Institute),
- *Deutscher Sparkassen- und Giroverband e.V.* (German Savings Banks and Giro Association – DSGV),
- EFAMA – European Fund and Asset Management Association,
- Equator Principles,
- European Association of Public Banks,
- *Forum Nachhaltige Geldanlagen* (Forum for Sustainable Financial Investments),
- *Institut der deutschen Wirtschaft* (German Institute for Economic Research),

- *Umweltforum Rhein-Main e. V.* (Rhine-Main Environmental Forum),
- UN Global Compact,
- UN PRI (Principles for Responsible Investment),
- *Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V.* (Association for Environmental Management and Sustainability in Financial Institutions),
- CRIC Corporate Responsibility Interface Center e.V.,
- CDP Carbon Disclosure Project,
- WDP Water Disclosure Project.

Dialogue with academic institutions

Regular exchange of ideas and information with academic institutions is of great strategic importance for DekaBank as this enables us to include the latest theoretical findings in our day-to-day operations. We see financial support for universities as an opportunity to further promote this dialogue and drive forward research. One example here is the endowed chair for Sustainable Banking at the House of Finance at the Goethe University in Frankfurt/Main, the first of its kind. DekaBank is also an active member of various non-profit associations and institutions with economic, social and social science backgrounds that deal with issues relating to sustainability.

Valuation by rating agencies

Comparability is also a key criterion for investors when it comes to sustainability. Due to the range of different standards used in sustainability reporting, comparability is a major challenge for investors who put a priority on ethical, ecological and social aspects. Specialised rating agencies provide comparable data. Consequently, they are very important for these investors and are also a key point of reference for the further development of DekaBank's sustainability strategy.

Our focus centres on three rating agencies, both for internal purposes and in communications with our stakeholders.

imug

The imug *Beratungsgesellschaft für sozial-ökologische Innovationen mbH* consulting firm (imug for short) primarily concentrates on public sector and mortgage *Pfandbriefe* as well as institutions that provide real estate finance. DekaBank's latest imug rating is "positive" in all three categories (public sector *Pfandbriefe*, mortgage *Pfandbriefe* and unsecured bonds). Only the activities of two DekaBank subsidiaries were rated as "controversial" by imug, and we are discussing this with the rating agencies and the subsidiaries concerned.

oekom

The oekom rating agency is one of the oldest and most respected institutions in the sustainable financial investments segment. It confirmed the "prime" status of DekaBank's corporate rating in spring 2012. In the "social ranking" category, DekaBank was upgraded from "C" to "C+". oekom thus ranks DekaBank as one of the leading companies in the industry with regard to the issue of sustainability and recommends us to investors who take social and ecological aspects into consideration when investing.

sustainalytics

Dutch rating agency sustainalytics uses a ranking system. At present, with 66 points, we rank 13th out of 72 rated companies.

GRI Guidelines

The Sustainability report was prepared on the basis of the Guidelines of the Global Reporting Initiative (GRI), including the Financial Services Sector Supplement. The GRI was set up in 1997 with the aim of developing and disseminating an internationally recognised guideline for voluntary reporting of the economic, ecological and social performance of organisations and companies. The companies themselves decide which aspects they take into account and consequently the degree of transparency they provide.

It is our assessment that, as in reporting year 2011, this report complies with GRI Application Level A.


The GRI Content Index, which we have published at www.dekabank.de, provides an overview of all of the GRI indicators reported with a cross-reference to the corresponding DekaBank publications in which the respective information can be found. This GRI report also includes the yearly progress report regarding the principles in the UN Global Compact.

Contact points for questions regarding corporate sustainability reporting

Johannes Behrens-Türk
 Head of Sustainability Management
johannes.behrens-tuerk@deka.de

Dr. Wolfgang Steiniger
 Environmental Officer
wolfgang.steiniger@deka.de

GRI Application Level (Fig. 11)

		C	C+	B	B+	A	A+
Mandatory	Self-declared		Report externally assured		Report externally assured		Report externally assured
	Third party checked		Report externally assured		Report externally assured		Report externally assured
Optional	GRI checked		Report externally assured		Report externally assured		Report externally assured