

Sustainability report 2015

Deka Group

Deka Group at a glance 2015

Business development indicators		31 Dec 2015	31 Dec 2014
Total assets	€m	107,981	113,175
Total customer assets	€m	240,045	220,356
thereof retail customers	€m	123,058	110,322
thereof institutional customers	€m	116,987	110,034
Number of securities accounts	thousand	4,054	3,922
		2015	2014
Net sales ¹⁾	€m	19,505	13,169
thereof retail customers	€m	10,196	5,204
thereof institutional customers	€m	9,308	7,965
Sustainability rating²⁾			
imug		Positive	Positive
MSCI		AA	–
oekom research		Prime C	Prime C
Sustainalytics	points	73	70
Sustainable products			
Volume of sustainable retail funds	€bn	1.9	1.3
Managed capital in sustainable products (securities)	€bn	6.6	6.2
Proportion of certified buildings in property funds ³⁾	%	60	51
Sustainable investment volume of Depot A proprietary investments	€bn	15.2	20
Sustainable HR management			
Employees	Group-wide	4,277	4,183
	Germany	3,858	3,743
Proportion of women in Germany	%	39.5	39.2
Proportion of women in leadership positions in Germany	%	17.8	16.5
Part-time ratio in Germany	%	16.7	16
Turnover rate in Germany	%	3.9	4.2
Financial cost of further training in Germany	€/E	1,001	1,170
Sustainable banking⁴⁾			
Power consumption	GJ	41,900	43,895
Total energy consumption	GJ	70,240	73,211
Paper consumption ⁵⁾	t	559	631
Total drinking water consumption	m ³	36,330	39,479
Volume of waste generated	t	326	353
Business trips (Group-wide)	km	21,466,250	21,813,703
GHG direct	kg	1,853,998	1,814,527
GHG indirect	kg	8,217,725	8,097,797
GHG other indirect	kg	3,254,373	3,043,497
Total GHG ⁶⁾ emission	kg	13,326,098	12,955,822
Corporate citizenship			
Expenditure for foundations, donations and sponsoring	€m	1.92	1.94

¹⁾ From 1 Jan to 31 Dec in each case (includes Securities and Real Estate business divisions)

²⁾ Information as at: imug: 25 April 2016 (uncovered bonds neutral CC, mortgage covered bonds positive B); MSCI: 27 April 2016; oekom research: 1 September 2015;

Sustainalytics: 19 June 2015; see also paragraph "Sustainability ratings", p. 11.

³⁾ See also section "Sustainable products".

⁴⁾ Figures (excluding business travel and paper consumption) relate to the four buildings at the Frankfurt site.

⁵⁾ Comprises: letterhead, pre-printed documents, envelopes, forms, copier paper (paper for general office use), printed advertising material/publications

⁶⁾ The GHG Protocol covers five other greenhouse gases in addition to CO₂. These are: methane, nitrous oxide, sulphur hexafluoride and two groups of fluorohydrocarbons.

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This Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines. The sector-specific provisions for financial services providers (Financial Services Sector Supplement) were also taken into consideration. As a rule, all information provided in the report relates to the 2015 calendar year; any exceptions to this have been indicated accordingly.

Dear shareholders and investors,

“Anlegen statt stilllegen” – this was the title of the information campaign launched by the Deka Group in 2015 on the issue of investing in securities. Given that interest rates remain persistently very low, we firmly believe that the returns needed in order to build up assets and provide for retirement can only be achieved using securities. People on medium or low incomes also need to organise their investments with this in mind – indeed, doing so is particularly important for such people. It is also important to consider risk and find the right blend of income and stability. At the same time, neither of these things is possible without a sensible level of diversification of the investments and sound, customer-focused advice.

As the *Wertpapierhaus* for the savings banks, this is something we are fully committed to providing. We therefore see it as our duty to cultivate a securities culture in Germany that is even more closely aligned with the interests of the individual investor and society as a whole, and hence sustainable in the best sense of the word. For us, this also means helping to make sustainable investing possible with our banking products and services.

We put this goal into practice in our business every day, as evidenced by the fact that we have implemented a sustainability filter for our proprietary investments of more than €15bn (as at 31 December 2015) that prevents us from investing in questionable business models. Since 2013 we have altered our lending process so that all the financing we grant is checked in advance to ensure that it meets our sustainability criteria. Our services are audited by national and international rating agencies specialising in sustainability, and have been awarded high ratings.

We were especially pleased to note that Deka received a very good AA rating in its very first evaluation by MSCI, a global provider of sustainability analyses and environmental, social and governance (ESG) ratings. For us, operating sustainably means keeping in mind the interests of all relevant stakeholders when making decisions. In 2015, therefore, we also opened a formal process of dialogue with our major stakeholders, during which we asked them what topics were especially important to them. This dialogue formed part of a materiality study that we launched in partnership with the Savings Banks Association Baden-Wuerttemberg. The study was carried out by consulting firm imug in the final quarter of the financial year. As well as the Savings Banks Association Baden-Wuerttemberg, the survey was also supported by the Rhineland Savings Banks and Giro Association, the Savings Banks Association Westphalia-Lippe, the *Kreissparkasse Köln* (Cologne District Savings Bank) and the Hannover Savings Bank. The results of the survey form the basis for the future development of our sustainability activities and allow us to organise our reporting in this area accordingly. As we proceed with this work, we are guided by the principle of “focusing on the fundamentals”. Our stakeholders expressed a particular desire to see more information on sustainable corporate governance and sustainable products in our reporting. We are happy to accommodate their wishes in this report.

In the 2015 sustainability report we present our efforts to promote a business approach that adds value as we develop the company further, addresses the needs of our end customers and society as a whole, and preserves our natural environment.

The report also details the progress we have made in implementing the ten internationally recognised principles to which we are committed under the UN Global Compact, in the areas of human rights, labour standards, environmental protection and anti-corruption. The report is based on the Global Reporting Initiative (GRI) guidelines and uses the G4 format for the first time, including the financial services sector supplement. The GRI content index can be found on our website www.deka.de.

Sustainability is an essential component of our business strategy and is part of our business model's DNA. For this reason, at the end of 2015 we made the issue of sustainability an integral part of the D18 strategic transformation programme adopted by our Board of Management. We are well aware that doing so places great demands on us, and we work continually to live up to the challenge – in line with the wishes of our owners, customers, employees and society at large.

We look forward to continuing our dialogue with you.

With best wishes



Michael Rüdiger
CEO



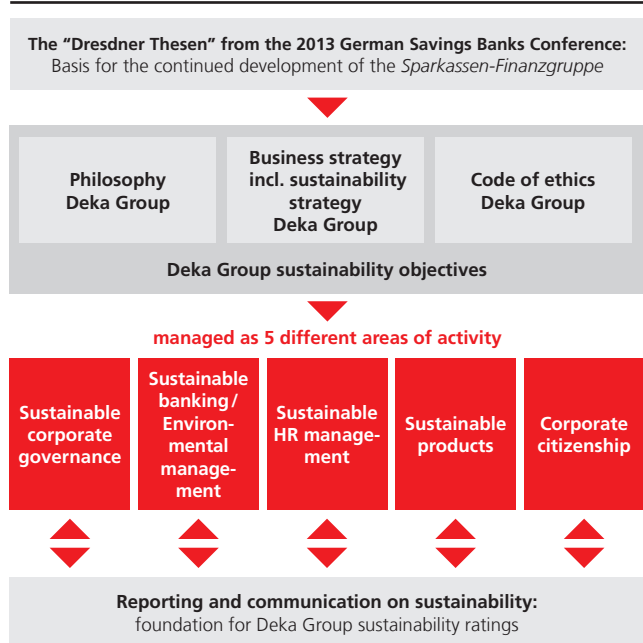
Sustainability as part of our business strategy

Strategic positioning with regard to sustainability is a binding part of the Deka Group’s business strategy, which must be updated each year. The strategy is formulated, passed and communicated to the Administrative Board and the regulator by the Board of Management. Since 2015 we have elected not to formulate a separate sustainability strategy. As the Wertpapierhaus for the savings banks, we manage sustainability throughout the whole value chain, in line with the three guiding principles of economy, ecology and social responsibility. As we continue to develop our approach to sustainability and refine our reporting, from 2015 onwards we are focusing even more strongly on the areas of activity that our stakeholders deem to be particularly relevant. Our focus is based on a materiality study which must be carried out each year.

The commitment to organise our business in a sustainable manner is enshrined in the “Deka Group philosophy”. This philosophy reflects DekaBank’s mandate as Wertpapierhaus for the savings banks and is based on the strategic guidelines of its owners as agreed in the “Dresdner Thesen” in 2013. At the 25th Savings Banks Conference in April 2016, the owners issued the “Düsseldorf Declaration”, which expands these guidelines to include a pledge to further strengthen sustainable regional development. Details of our approach to sustainable corporate governance, which is enshrined in our business strategy, can be found at www.deka.de.

The Sustainability Management department coordinates all of the Deka Group’s sustainability activities on behalf of the Board of Management.

Deka’s approach to sustainability (Fig. 1)



Stakeholder dialogue and materiality analysis

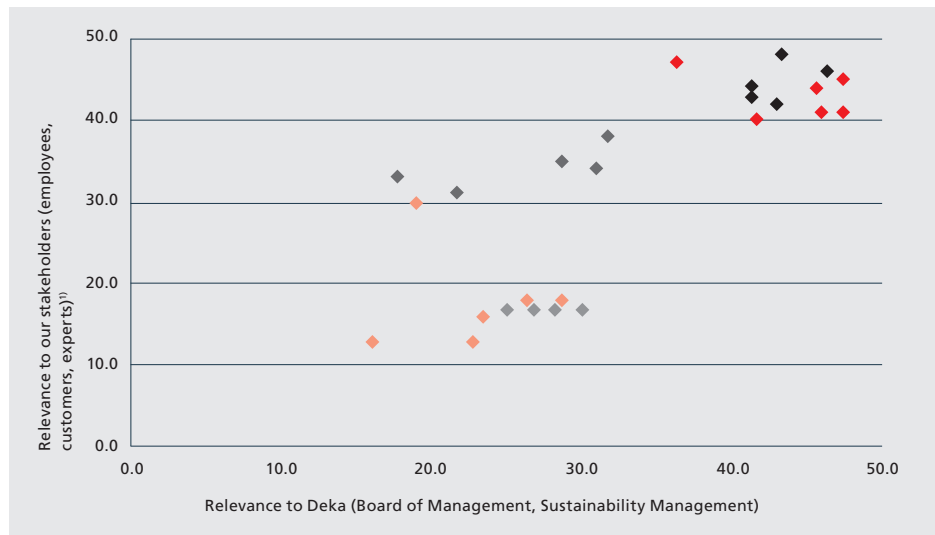
As part of its GRI G4 reporting, Deka-Bank conducted the stakeholder dialogue referred to in the foreword, in the form of an online survey carried out at the end of 2015. Overall, 2,699 individuals and organisations took part in the survey run by Deka and the savings banks, of which 1,854 were employees, 608 customers, 94 experts and 96 other interest groups¹⁾.

The materiality study covered DekaBank’s five areas of activity within sustainable corporate governance. Stakeholders were asked how significant they considered that area and elements associated with it to be, and how they rated the Deka Group’s performance in terms of sustainability in that area (see Fig. 2 on page 5).

The results indicated that our stakeholders would like to see much greater weight given to “sustainable corporate governance” and “customer relationships and sustainable products” in our sustainability reporting in future. We have implemented this requirement in the current report and, conversely, have made the sections dedicated to “business ecology” (environmental management) and “promotional activities” (corporate citizenship) substantially more compact.

¹⁾ Experts include associations and federations, NGOs, rating agencies, financial market experts and scientists. Other interest groups include supplier of Deka and other groups.

Materiality matrix – evaluation of relevant sustainability topics (Fig. 2)



Areas of activity:

- Customer relationships and sustainable products
- Sustainable corporate governance
- Employee compensation and benefits
- Business ecology
- Community development

¹⁾ The relevance of each individual topic was converted from a 5-point scale to a 100-point scale and weighted in line with the results of the ratings for the individual areas of activity (also indicated).

Communication of sustainability issues

In addition to the survey carried out as part of the materiality study, we maintain an ongoing dialogue on sustainability issues with the various stakeholder groups and inform them promptly about events and developments. We rely on an integrated approach to communication to do this. Deka uses a range of channels to keep the public, employees and shareholders informed. Employees receive regular information about sustainability issues via our staff magazine and the intranet.

The most recent rating from oekom research provides an example of how a sustainability issue can be communicated across a range of channels. The *Wertpapierhaus* of the savings banks achieved a higher overall score of "C" and was once again awarded "Prime" status. Deka issued a press release covering this news in January 2015 and informed its own employees via a report on the Deka intranet "DekaBank Inline", as well as an article in the staff magazine "inkom". Deka also informed its shareholders and exclusive sales partners – the savings banks – about the result of oekom research's assessment.

Rating agencies specialising in the field of sustainability are another important target group for communication. The main ways in which we communicate with external parties are via active media and public relations, communication with customers and by maintaining a dialogue with agencies specialising in sustainability ratings. Deka works closely with the MSCI, Sustainalytics, oekom research and imug agencies.

Sustainable corporate governance

DekaBank is a German federal institution incorporated under public law and part of the *Sparkassen-Finanzgruppe*. It is bound by the principles of subsidiarity and a focus on serving the common good. The Deka Group's customers, owners and employees are entitled to expect high-quality banking services that do not just satisfy legal and regulatory requirements, but also meet ethical and social standards.

Internal regulations and standards

The code of ethics provides a binding framework of principles governing the behaviour of our employees and of third parties acting on behalf of the Deka Group. It represents the basic structure for a corporate culture within the Deka Group that complies with the law, is open and transparent, and seeks to add value. The current version of the code, which dates from 1 June 2014, is available for all stakeholders to view on the Deka Group's website.

Compliance with the rules of conduct will be assessed across the board for all Deka Group employees from the 2016 financial year onwards.

During appraisals, when discussing whether targets have been achieved, managers will assess whether employees' behaviour met the rules of conduct, with reference to the code of ethics.

External regulations and standards

In operational terms, the Deka Group's commitment to a sustainable business policy is borne out by its accession to the UN Global Compact in 2011 and its signing of the Equator Principles. In December 2013, the Deka Group also signed the German Sustainability Code, issued by the Federal Government's Council for Sustainable Development (*Rat für Nachhaltige Entwicklung* – RNE). The declaration of compliance with the German Sustainability Code was most recently renewed in December 2015 (for the 2014 reporting period).

When financing projects, Deka has adhered to the Equator Principles since 2008, and signed a declaration adopting them in 2011. The current report is available on the Equator Principles website (www.equator-principles.com).

Deka Investment GmbH became a signatory to the United Nations Principles for Responsible Investment (UN PRI) in 2012. Under this agreement, institutional investors make a commitment to act in a sustainable and responsible fashion, in the interests of society as a whole. The UN PRI agreement is based on the idea that environmental, social and corporate governance (ESG) issues can influence an investment portfolio's results.

Hence the six UN PRI principles stipulate that ESG issues should be incorporated into analysis and decision-making processes to a greater degree and should be applied actively in ownership policies and practices. The principles also require Deka to seek appropriate disclosure on ESG issues by the entities in which it invests. As a signatory to the agreement, Deka Investment GmbH undertakes to report on its progress towards implementing the individual principles each year. The PRI secretariat evaluates the activities of signatories on the basis of this information, and also publishes details of those activities in a report each year on the UN PRI website.

The Deka Group's sustainability reporting is prepared in accordance with the Global Reporting Initiative (GRI) guidelines, using the G4 format and the financial services sector supplement. The sustainability report complies with core and has been audited by an independent expert.

Compliance

The Compliance corporate centre plays a major role in ensuring that DekaBank acts in the interest of its customers to conform at all times with applicable legal and regulatory requirements and with its own – sometimes even stricter – internal rules and regulations. The Compliance corporate centre covers all issues relating to capital-market and real-estate compliance, MaRisk compliance, tax compliance and information security management. It is also responsible for combating money laundering and terrorism financing, implementing EU sanctions and embargoes and preventing fraud and other criminal activities.

The corporate centre develops Group-wide standards and guidelines on relevant issues and provides corresponding training programmes and advice on their implementation. It is also heavily involved in projects and processes geared towards ensuring that the Deka Group meets regulatory requirements and that potential conflicts of interest are identified and avoided as far as possible. The corporate centre carries out monitoring and control tasks at all levels of banking operations and is dedicated to the systematic management of potential compliance risks.

As the parent company, DekaBank ensures compliance with due diligence rules under the German Money Laundering Act (*Geldwäschegesetz – GwG*) and the German Banking Act (*Kreditwesengesetz – KWG*) by means of its “Minimum Standards for the Prevention of Money Laundering”, so that transparency regarding customers and the underlying shareholder structure is guaranteed both in Germany and in the subsidiaries. This prevents the use of opaque forms of business organisation that could aid tax evasion, including in Switzerland (the office there was closed at the end of 2014) and Luxembourg.

By making a corresponding declaration in their employment contract, all staff are obliged to observe the provisions of banking secrecy and data protection from the moment they commence employment. This undertaking is given in accordance with relevant national laws (Germany, Luxembourg).

The code of ethics also governs the whistleblowing system. This system ensures that information provided by employees, and also by individuals outside DekaBank, relating to illegal or dishonest actions can be reported in confidence to DekaBank’s ombudsman. The ombudsman looks into the circumstances involved and forwards the relevant information to DekaBank in a confidential manner. As a solicitor, the ombudsman is subject to a professional requirement to maintain confidentiality. Our whistleblowing system guarantees that whistleblowers remain anonymous and are afforded protection.

Our compliance staff are always available to all employees for help with questions and uncertainties relating to matters of integrity. Employees are provided with contact details for compliance staff when they first join the company, and these can also be found on the intranet and in training materials at any time.

Procedures and controls are in place in the specialist units, and also within the Compliance unit itself, that serve to prevent and detect irregularities, for example in connection with other criminal activities detrimental to the Bank, and are an integral part of the Deka Group’s compliance management system.

As part of its fight against corruption, the Deka Group has established rules governing the circumstances under which gifts and invitations may be accepted from third parties, or extended to them. A mandatory, written authorisation process is in place for all employees, including executive bodies, and all employees are made aware of its contents by means of suitable publications. As a basic principle, employees may not give, accept or request gifts or invitations in connection with their work, either for themselves or for third parties, if doing so could compromise the interests of DekaBank or its customers. Insofar as it is in line with the applicable laws and other standards, the giving of gifts and invitations is consistent with standard market practice, within certain limits. As the professional independence of all involved parties can be at stake, however, it is incumbent upon employees to avoid even the mere semblance of a conflict of interest.

The Compliance unit runs mandatory training courses for all employees. There are also further courses for specific groups of employees and additional ad-hoc courses are provided where necessary. The training concept is based on face-to-face courses, in combination with web-based training and training documents.

Data protection

In the Federal Republic of Germany, data protection is governed by the Federal Data Protection Act (*Bundesdatenschutzgesetz – BDSG*) and the corresponding federal state data protection laws. The purpose of the BDSG, as set out in Section 1 of the Act, is to protect individuals from any infringement of their (constitutionally protected) personal rights caused by the handling of their personal data.

DekaBank’s Data Protection unit works to ensure that the BDSG and other data protection regulations are observed within the Deka Group in Germany. The Data Protection Officer reports directly to the Board of Management or, in his capacity as an external Data Protection Officer, to the management of the subsidiaries. To avoid conflicts of interest, the Data Protection Officer is independent of the Compliance corporate centre and is based in a separate unit in the Legal corporate centre. His responsibilities include providing employees with relevant information on the subject of data protection. This is done using various media, such as the intranet and the Bank’s in-house employee magazine. Staff are also required to take online tests on data protection issues.

In order to ensure that the requirements of data protection law are complied with, DekaBank's Data Protection unit has set up a data protection management system, i.e. it has established processes to ensure that statutory requirements concerning data protection are implemented during the planning, commissioning and operation of data processing systems, and after those data processing systems are withdrawn from use. These processes are also set out in a comprehensive data protection concept, which describes, for example, what elements must be taken into consideration when working with personal data.

Inter alia, the Data Protection unit uses the following measures to help ensure that data protection processes are implemented in a sustainable manner:

- Privacy impact assessments,
- Ongoing support for projects,
- Involvement in drafting contracts that involve data protection law,
- Monitoring the proper application of programs intended for use in processing personal data,
- Providing training to familiarise individuals involved in data processing with data protection regulations and their obligation to keep data confidential,
- Data protection courses,
- Monitoring and coordinating the technical and organisational measures required to ensure that data is protected,
- Carrying out advance checks and documenting the outcome of these,
- Verifying processes, procedures etc. to establish whether they comply with the requirements of data protection law,
- Monitoring the register of procedures for areas that process personal data,
- Preparing internal procedures and guidelines covering the practical implementation of data protection rules.

Documentation of procedures has been revised or newly issued in order to ensure that the requirements of data protection law are met. The revised version of the "order processing" procedure document includes refinements of the existing processes as well as new regulations. Numerous appendices/checklists have been introduced in order to satisfy the increased requirement for checks and documentation. The new "examination and escalation process for data protection risks" procedure document standardises the regulations governing the implementation of issues arising from the findings of data protection audits by the specialist units.

Training courses/employee awareness raising

Under Section 4g (1), Clause 4, No. 2 of the BDSG, data protection officers must make all employees involved in processing personal data aware of the goals and content of the data protection regulations.

In addition, individual employees are also obliged to ensure that personal data is not made available to and does not fall into the hands of unauthorised persons. Employees must also be subject to an obligation to keep data confidential, as required by Section 5 of the BDSG.

However, these formal requirements are not the only reasons for implementing staff training courses and awareness-raising measures. It is critical that individual employees have a firm grasp of the importance and special position of data protection at DekaBank.

Training courses and awareness-raising activities must therefore make sure that, as well as understanding the general goals of data protection, employees are also aware what personal data is and what requirements must be met when handling personal data. Employees must be informed of their rights and obligations as a person involved with data protection. In addition, the risks to the company and the employees themselves if the provisions are breached must be presented. Finally, employees must be able to apply what they have learned in practice.

Our awareness-raising measures cover the following topics:

- Raising awareness of data protection and data security requirements among management,
- Raising awareness of data protection and data security requirements among employees,
- Explaining the key requirements of data protection law,
- Explaining data protection measures involved in preventing employees from acting in a way that could endanger data security,
- Sanctions as a consequence of failing to implement the measures intended to ensure compliance with data protection and data security requirements,
- Security measures required outside the area of automated data processing (for example measures to ensure that individuals' privacy is not violated).

e-Learning program

The e-Learning program enables employees to take a training course themselves using the PC at their desk. Once employees have worked through the data protection training, a certificate is automatically produced to prove that they took the course. This is documented in the data protection records. All new employees receive written notification that they are required to complete this e-Learning program and familiarise themselves with the basic principles of data protection. The data protection team also documents data protection training undertaken by employees.

Data protection newsletter

The data protection newsletter has become an established, integral part of the way we keep our staff informed. We have received a great deal of feedback confirming that the range of topics presented on current matters in the field of data protection law has been well received.

Face-to-face training

Our experience in recent years has shown that the advantage of face-to-face training is that it makes it possible to address issues more efficiently, by providing for a direct exchange of views between specialist units and the data protection team. In particular, the inclusion of data protection as a discussion point in established forums (for example regular meetings on the same day each week) has helped to increase its acceptance.

Audits

Pursuant to Section 4g of the BDSG, the Data Protection Officer works to ensure compliance with the requirements of data protection law. This also involves data protection audits carried out on the specialist units. Each data protection audit follows an audit plan, and usually also involves spot checks. The results are documented and brought to the attention of the specialist unit.

Reporting system

A reporting system has been established to inform the Board of Management and the management of subsidiary companies of any compliance deficiencies or risks that are identified. The Board of Management and the relevant management teams at subsidiary companies are also regularly informed of the findings of the data protection audit and made aware of any data protection risks.

An additional reporting system is in place for local money laundering and fraud officers to report to the Group money laundering or fraud officer.

Complaint management

Complaint management in the Deka Group follows the stipulations of the European Directive on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS). It is fully embraced and supported by senior management. Audits carried out by the regulator over many years have consistently confirmed that the process is appropriate and properly implemented.

The absolute number of customer complaints within the Group has been declining for several years. A total of 4,203 complaints were received in the reporting year. This was more than 11% lower than in 2014 and represents the lowest number since figures were first recorded in 2004. As the *Wertpapierhaus* with more than 3.6 million custodial account customers, the majority of our complaints arise in connection with the way custodial accounts are handled.

Customers can send DekaBank a message or lodge a complaint at any time. These are then immediately forwarded to the specialist unit concerned, where they are processed. Customers are also free to contact the ombudsman services of the Association of German Public Banks (*Bundesverband Öffentlicher Banken Deutschlands – VÖB*) and the Association of German Investment Companies (*Bundesverband Deutscher Investmentgesellschaften – BVI*), the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*) or the regulator in Luxembourg – the *Commission de Surveillance du Secteur Financier (CSSF)*. We received 22 complaints via this route during the reporting year.

During the reporting period, no complaints were received via formal procedures in relation to the impact of our activities on ecological matters or human rights, or on issues associated with corruption.

Political engagement and social engagement

DekaBank follows the principle of lobbying politicians and policy-makers only through its membership of associations and organisations and their activities. The same is true of our internal expertise, which we make available to policymakers solely through our membership of such organisations, taking account of the interests of our shareholders.

Donations to political parties, political foundations, employers' associations or trade unions are forbidden as a basic principle. Exemptions may only be made with the approval of the full Board of Management, and there were no such exceptions in 2015.

Our focus on serving the common good is an important and mandatory element of the relationship between the Deka Group and the savings banks that support it, which are fully committed to this principle. In the light of this, Deka donates to institutions that exclusively and directly serve to promote benevolent, charitable and church causes and that are also authorised to issue confirmations of donations for tax purposes.

Innovation management

Following a multi-stage pilot, DekaBank's innovation platform opened for normal use in October 2015. It allows employees to submit ideas for new products or ways in which processes can be improved. The crowd-sourcing approach behind the innovation platform allows our staff to get involved in assessing and developing the published ideas further. A five-star scale has been introduced for employees to use when assessing ideas, ranging from "don't like it at all" to "like it very much". The average number of stars, combined with the number

of ratings given, gives an indication of how widely the idea is accepted. Ideally, comments can be used to flesh out ideas further, thus improving quality.

Indications of problems and risks can also be useful to the relevant department at a later stage when it is deciding whether or not to implement an idea. Ideas that are particularly creative or valuable from a practical point of view, but that fall slightly short of the required criteria, are still forwarded to the relevant department.

During 2015, a total of 224 ideas were submitted via the innovation platform and its predecessor, the Deka Idea Database, of which 55 were part of a competition run by the Board of Management. Of these, 28 were awarded prizes totalling €18,000.

One idea that was implemented, for example, involved rounding off amounts on payslips and donating the remaining cents to the not-for-profit organisation *„Hilfe für krebskranke Kinder e. V.“* (support for children with cancer). Participation in this donation scheme is voluntary, and money is only deducted after an employee has signed up.

Sustainability ratings

DekaBank maintains a dialogue with the independent rating agencies MSCI, Sustainalytics, oekom research and imug. These agencies regularly evaluate the Deka Group's sustainability performance. The assessments provided by the rating agencies are an important indicator for us in the ongoing development of our sustainability activities. At the end of 2015, Deka was assessed for the first time by MSCI's sustainability division. Increased interest in sustainability ratings among investors and our consistently sound rankings confirm that our strategic approach to sustainability is working. The Deka Group currently has a sustainability rating from the following agencies:

Current ratings¹⁾ (Fig. 3)



MSCI included Deka in its ratings for the first time at the end of 2015, and issued a very good AA rating in its first evaluation. At the end of April 2016, the rating was again confirmed. Within the "asset managers" sector, this puts Deka in tenth place out of a total of 133.



Sustainalytics once again rated Deka as an "Outperformer" within the global banking sector. With 73 out of a possible 100 points, the Deka Group is one of the top 30 banks in the world and saw its already good result rise once again.



Oekom research AG once again rated Deka as "Prime" in 2015. This means Deka continues to be among the best 10% within the banking sector in terms of environmental and social performance.



Ratings issued by imug *Beratungsgesellschaft für sozial-ökologische Innovationen mbH* focus on uncovered bonds, public-sector covered bonds and mortgage covered bonds. The Deka Group achieved a good "neutral-positive-positive" rating in the three categories in 2016, placing it within the top third of companies in the banking sector.

¹⁾ Information as at: MSCI: 27 April 2016; Sustainalytics: 19 June 2015; oekom: 1 September 2015; imug: 29 April 2016 (uncovered bonds: neutral CC, mortgage covered bonds: positive B)

Sustainable products

As a business lender and investor in global money, capital and property markets, we have a special responsibility. Our activities must therefore focus not just on the interests of our customers but also, given our strategic foundation as a member of the *Sparkassen-Finanzgruppe*, on the social and environmental impact of our operations.

For this reason, DekaBank was the first of the systemically important banks to implement a certified sustainability filter for its own investments. The sustainability filter was developed in collaboration with the Hanover-based rating agency imug and has been applied to new investments in the Treasury banking book since 1 July 2014. The sustainability filter is based on exclusion criteria relating to the environment, armaments, human rights (ILO core conventions on labour standards) and corruption. Any companies, business models or assets that contravene one or more of the exclusion criteria will no longer be considered for investment. As at 31 December 2015, the volume of sustainably managed proprietary investments amounted to €15.2bn.

Our range of products and services enables our customers to achieve their individual investment objectives. When it comes to creating and preserving wealth in this prolonged period of low and zero interest rates, fund-based products are the first choice to help them do this.

Responsible investment

When investing on behalf of clients, Deka always acts in the interest of the investment fund. We firmly believe that, in the long term, share prices and bond yields are as strongly influenced by environmental and social factors as they are by business and economic considerations. Deka therefore takes these aspects into consideration in all of its investment decisions. Deka's standard practice is to avoid investments in companies that manufacture anti-personnel mines or cluster munitions, and does not invest in basic food products. This applies to all the funds it manages.

Capital-market based investment products

DekaBank began offering private investors products dedicated to sustainable investment back in 2011, with the Deka-Nachhaltigkeit (Deka-Sustainability) Aktien, Renten and Balance (equities, bond and balanced) funds, and the fund of funds Deka-Select Nachhaltigkeit. In consultation with the savings banks, it is steadily expanding its range in response to market demand. Furthermore, the Deka-Nachhaltigkeit Aktien fund offers employees the chance to invest benefits they have received in the form of capital-forming payments in a sustainable manner. Institutional investors can make use of customised products that take into consideration their requirements in relation to ESG criteria.

In the retail segment, Deka Investment GmbH managed sustainable products totalling €1,943.1m as at 31 December 2015 – an increase of 44.3% against the previous year. For institutional investors, the volume of sustainable investments amounted to €4,611.2m. At the end of 2015, sustainable securities funds accounted for nearly 3% of total assets under management in the securities sector.

The Deka-Kirchen (Deka-Churches) Balance fund, which was newly established during the year under review, has a special focus on church-related investors, parishes, official church municipal associations and charitable organisations, and is based on the investment policies of the Catholic and Protestant churches. Alongside ethical and moral standards, their requirements include a sufficient level of investment security, an adequate return and the ability to access the invested funds when needed.

With the Deka Oekom Euro Nachhaltigkeit UCITS ETF, Deka has for the first time launched an ETF for institutional investors that specifically invests in sustainable companies from the eurozone. The index underlying the ETF is composed of companies that have an above-average sustainability rating from oekom research AG in terms of environmental, social and governance aspects.

Transparent, sustainable products

During the year under review, the sustainability mutual funds DekaNachhaltigkeit Aktien (CF) A, DekaNachhaltigkeit Renten (CF) A, DekaNachhaltigkeit Balance (CF) A and Deka-Stiftungen (Deka-Foundations) Balance were for the third time awarded transparency logos from the industry organisations Eurosif (European Sustainable and Responsible Investment Forum) and FNG (*Forum Nachhaltige Geldanlagen e.V.* – Forum for Sustainable Financial Investments). Recent additions are the Deka Oekom Euro Nachhaltigkeit UCITS ETF and the Deka-Kirchen Balance fund, which was launched in December 2015.

Exercise of voting rights and dialogue with companies

Deka's position on ethical, social and ecological issues also influences the way that it exercises its voting rights. Representing fund investors' interests and exercising their voting rights in companies is a responsibility that we take very seriously.

Deka defines its policy in a set of principles on the exercise of voting rights, which state that it holds shareholder voting rights on trust and exercises them on behalf of fund investors either directly or through proxies. The principles also include an undertaking on the part of Deka Investment GmbH to base its voting behaviour on what it deems a to be critical achievement or position on the part of a company in terms of social and environmental responsibility.

The principles have been compiled based on Deka's extensive experience. They take account of applicable legislation, the latest analysis guidelines for shareholders' meetings from the German Association for Investment and Asset Management (*Bundesverband Investment und Asset Management – BVI*), the German Corporate Governance Code (*Deutscher Corporate Governance Kodex – DCGK*) and relevant environmental, social and governance (ESG) standards. Deka generally advocates uniform voting rights, in line with the principle "one share, one vote". It rejects preferential treatment for specific investor groups holding multiple voting rights. It also strictly opposes all actions that lead to restrictions on the rights of shareholders, such as maximum voting rights and delegation rights. The principles covering the exercise of voting rights together with information on voting policy and an overview of Deka's voting behaviour during 2015 can be found on its website at www.deka.de.

ESG (Environmental, Social and Governance) indicators are becoming increasingly important during dialogue with companies. In 2015, Deka Investment GmbH held some 1,600 discussions with companies in whose shares or other securities its funds have invested.

Activities to promote sustainable investment

Through our membership of and active participation in the Forum for Sustainable Financial Investments (FNG), we are supporting an important initiative to inform customers about the opportunities offered by sustainable investment. Our sustainability funds are among the fund profiles listed on the FNG website.

We also support efforts to boost knowledge of sustainability through our involvement in the fund and asset management association BVI. We help to promote the idea of sustainability through talks and published articles and by supporting customer events hosted by savings banks on the subject of sustainability.

Investor information and promoting financial knowledge

All Deka Group documents made available to private customers are subject to the regulations summarised in the Group's guidelines on the preparation of advertising and investor information. These regulations strictly prohibit practices such as aggressive marketing or the exploitation of particularly vulnerable customer groups. In this respect, our many customers from the municipal sector are also considered to be private customers.

In order to promote knowledge of the world of finance and capital markets, since 2014 we have acted as a partner organisation to support the *Sparkassen-Finanzgruppe's* stock exchange simulation, which is organised by *Deutscher Sparkassen-Verlag*. The stock exchange simulation is the largest in Europe. For more than 30 years, it has contributed to broadening knowledge about capital markets, in particular for young target groups, and provides a platform for in-depth examination of Germany's securities culture.

During 2015, 33,442 teams of schoolchildren, 1,500 teams of apprentices and 3,949 undergraduate teams from across the whole of Germany took part in the stock exchange simulation. During these projects, which lasted several weeks, participants were given the opportunity to try out risk-free equity trading, to improve their understanding of market principles and correctly interpret economic and business news.

In 2013 the content of the stock exchange simulation was expanded to include a module on sustainability, which emphasizes investments in sustainable securities. The project was officially included in the United Nations' Decade of Education for Sustainable Development. With sustainable development in mind, each year Deka supports this special programme for promoting young talents. In 2015 Deka arranged the first national award ceremony for the undergraduate winners of the stock exchange simulation in Frankfurt and, in an accompanying programme, helped undergraduates to gain a better understanding of Frankfurt as a financial centre. The winners themselves receive a financial grant towards their studies from the German Savings Banks and Giro Association (*Deutscher Sparkassen- und Giroverband – DSGV*).

Sustainability in lending business

Sustainable lending business with public and private institutional customers has been an indispensable component of DekaBank Deutsche Girozentrale's DNA since its formation. As early as in Spring 1918, the bank's owners, the present day *Deutscher Sparkassen- und Giroverband*, stated in its certificate of incorporation that the new bank should undertake the financing of municipalities and their activities, for example. Almost 100 years after its foundation, the lending business of DekaBank Deutsche Girozentrale comprises three pillars: trading and capital markets activities, property financing and project finance.

This means that, across the entire spectrum of the lending business, consideration is given to the guidelines set out in the business strategy in relation to "Sustainable corporate governance" (see section 2.3 of the business strategy). As a matter of course this means lending in a responsible, sustainability-oriented manner that upholds the reputation of the bank. Moreover, DekaBank conducts lending business almost exclusively with institutional customers.

The credit risk strategy forms the basis for lending business. The credit risk strategy stipulates parameters for all financing activities based on the objectives and guidelines set out in the business strategy.

As a matter of principle DekaBank will not enter into:

- lending transactions of a speculative nature (such as highly-leveraged transactions),
- financing connected to the arms trade (financing of arms shipments or of weapon manufacturers or trading companies),
- financing of coal-fired power stations – in this regard, no financing is undertaken of companies involved in mountaintop removal mining,
- financing of nuclear power stations,
- financing in relation to activities that pose a significant threat to the environment (for example, uranium mining; see also OECD environmental guidelines),
- project financing that does not meet the requirements of the Equator Principles (EP),
- financing of speculation on basic foodstuffs,
- transactions with a country or lender in a country that is included on the negative list of central governments,
- venture capital financing,
- financing of companies in the pornography sector or comparable sectors (e.g. the sex trade),
- financing of manufacturers of substances that are dangerous to health (tobacco),

- financing of companies that operate controversial forms of gambling, or
- financing of companies that breach internationally recognised principles on human rights and employment rights (ILO Declaration on Fundamental Principles and Rights at Work).

Furthermore, DekaBank does not enter into financing transactions if it suspects that in doing so it may be supporting companies that use forced, compulsory or child labour.

If an increased sustainability risk is identified, the loan request is passed on to experts in DekaBank's Sustainability Management team for assessment. This team will also examine whether, based on sociocultural or ethical aspects, the financing itself, a business partner, the business practice and the country (where the company or the risk is based) are in keeping with Deka's internal values and guidelines. This will naturally also include consideration of whether public trust in, or the reputation of, the Deka Group could be adversely affected over the long term (for example, speculative transactions with food products).

Project finance (excluding property financing)

As at the reporting date, our gross loan volume amounted to €6.43bn. The structure was as follows: Of gross loan volume, 37% was invested in Germany, 18% in the EU and 13% in other OECD countries, while 32% was invested outside of the OECD. Lending to finance alternative energies (wind and solar power) amounted to €0.28bn, accounting for around 14% of the gross loan volume of infrastructure financing.

Property financing

The Deka Group's commercial property financing activities concentrate on transparent markets with existing market liquidity and a stable legal environment, which due to their size, transparency and liquidity are of crucial importance for the business division as a whole. In those countries where it is possible, our basic objective is for loans to be eligible for inclusion as cover pool assets.

Alongside traditional investors and project developers at an individual property level, the customer focus includes REITs, property companies, pension funds and German open-ended property investment funds.

As at the end of the reporting year, Deka had property financing business in Australia, Germany, France, Great Britain, Italy, Ireland, Japan, Canada, Singapore and the USA, with a loan volume of around €6.2bn, including financing for our open-ended property funds and public-sector construction projects. Economic efficiency and environmental and social responsibility are obligatory selection criteria for property lending business. These aspects are explicitly assessed when entering into any new business and form part of the due diligence review. Sustainability certificates from independent accreditation bodies, such as the Building Research Establishment Environmental Assessment Method (BREEAM) or other internationally recognised seals, provide support for this process. In general, in addition to benefitting from energy-efficient operation, sustainable properties have better rental prospects (third-party usage) and exhibit better value retention. This is reflected in the position of the lender with respect to collateral.

Capital Markets business division

The Capital Markets business division is the central product, solution and infrastructure provider as well as a service provider and driver of innovation in capital markets business. Its business activities focus on generating customer-driven business within the triangle comprising savings banks, DekaBank (and Group subsidiaries) and selected counterparties and business partners (such as external asset managers, banks, insurance companies and pension funds). Furthermore, the business division fulfils the Deka Group's broader role as a risk and liquidity platform. The Capital Markets business division is also able to offer selected business partners traditional credit products.

Dialogue with customers

Dialogue with savings bank customers and institutional investors is a high priority for DekaBank. We conduct detailed customer surveys on a regular basis (every two years for savings banks and institutional customers, and every three years for retail customers) and discuss the results with the management boards, executive staff and customer advisers of the savings banks. The combined results of this process form the basis for optimising

our product and service offering. The insights into investor trends provide important inspiration and ideas for developing our sustainable products.

In 2015 we conducted our regular survey of retail customers, with a total of 741 customers taking part in the online questionnaire. The customer satisfaction index calculated on the basis of the survey results reached its highest level since the inception of these surveys in 2003. At 58 points, it significantly exceeded the most recent comparative result from 2012 (49 points). This was also the case for the customer loyalty index, which rose by 8 points against 2012 to a total of 66 points.

When asked about their overall level of satisfaction, 89% of respondents rated Deka as “excellent”, “very good” or “good”, which again represented a significant improvement on the 2012 results (percentage of respondents: 77%).

The next survey of institutional customers (aimed at management boards, Depot A managers and treasury managers, among others) and savings banks (aimed at management boards, executive staff and customer advisers) will take place during 2016.

Sales support and cooperation with the savings banks

The German savings banks are DekaBank’s primary customers. With a network covering almost the entire country, they provide a Germany-wide platform for investments. Within the *Sparkassen-Finanzgruppe*, the savings banks are responsible for providing local investment advice to private customers. DekaBank supports them in many different ways and in all phases of their advisory and investment process, such as by providing advisers with information on investment products or on market developments. DekaBank’s sales consultants work on site at the savings banks and help to ensure high-quality advice, for instance by providing training and coaching for advisers. In addition, we take some of the pressure off them by continuing to develop advisory tools to help them meet the increased documentation requirements, thus leaving them more time to give individual, tailored advice.

We also maintain ongoing dialogue on the subject of sustainability and sustainable investment with interested parties including savings banks, regional associations, *Landesbanken*, training institutions from the Savings Bank Organisation and the DSGV. Joint investment seminars with speakers from DekaBank have proved doubly beneficial: savings bank customers have the opportunity to learn about different forms of responsible investment, while DekaBank discovers more about customers’ needs.

Sustainability in the Real Estate business division

The Real Estate business division has converted Deka’s principles on sustainable corporate governance into a sustainability strategy that is specific to its own business division. At its core are 19 measures, which are to be implemented by the end of 2016. During the year under review the business division continued to make progress in this regard. Key aspects for our operating activities include a general reduction of CO₂ consumption, increased inclusion of “green” clauses in property, facility and rental contracts, the reduction of incidental expenses through sustainable management and renovations aimed at reducing energy consumption, and firmly embedding ESG components in processes related to property and fund management. Accompanying our activities with strong communication and presenting them via internal and external media are further important elements.

A meta-study carried out by IREBS, Centre of Excellence for Sustainability in the Property Sector, provides proof of the added value created by sustainability²⁾

Up until now, there had been no documentation or study that provided a broad overview of existing findings on the benefits of sustainable development, from a German perspective, in relation to open-ended property investment funds or property, and which focused specifically on this business model. This was thus the starting point for the current study, which fills this research gap.

²⁾ Meta-study “Sustainability versus returns?” The implications of sustainable business management for open-ended property investment funds using Deka Immobilien Investment GmbH and WestInvest GmbH as examples; IREBS Centre of Excellence for Sustainability in the Property Sector.

As part of a meta-study, the above issue was discussed in depth, and implications for open-ended mutual property funds were derived from empirical and theoretical research. The study was conducted using open-ended mutual property funds issued and managed by Deka Immobilien Investment GmbH and WestInvest GmbH as examples.

For the first time, the meta-study included research and evaluations based on 70 scientific studies on sustainability. It examined and explained the added value of a focus on sustainable development at individual property, portfolio and company level, incorporating both national and international findings for various types of use. All the studies confirmed that the potential benefits quantifiably exceed the additional costs.

The key point is that only by quantifying added value, for example in the form of increased market value, can investment in sustainability initiatives (such as in renovation aimed at reducing energy consumption) be justified. Both the meta-study and a specific analysis of the certified sustainable property portfolio of the capital management companies Deka Immobilien Investment GmbH and WestInvest GmbH reach the conclusion that broadly speaking, a stronger focus on sustainability is also beneficial from a financial perspective. On the revenue side, there are both implicit benefits in the form of financial added value as a result of the impact of sustainable development on rental rates and purchase prices, and explicit benefits due to the increased appeal for potential investors. On the cost side, there can be reductions due to energy savings, for example.

Requirements in relation to the sustainability of buildings will continue to increase as a result of progressive climate change, diminishing resources, ongoing rigorous regulation and changes in consumer behaviour. In this context, many of the existing portfolio properties from the heterogeneous property market will not be viable in the future, and will gradually lose ground in competition for tenants. Markdowns in price due to non-sustainability, a so-called grey discount, have already been observed in markets where sustainability certificates are more established; there are also signs of this in Germany.

In the view of IREBS, the overall property sector's commitment to sustainability still has plenty of room for improvement, despite all the efforts and successes to date. This makes the Deka Group's business and fund focus on sustainability all the more important as an additional cornerstone for safeguarding long-term commercial viability in a highly competitive market environment.

Key features of sustainable property portfolio management³⁾

When managing their funds, our property capital management companies (*Kapitalverwaltungsgesellschaften* – KVGs) take into consideration sustainable principles solely in the interest of their investors. The principles of the Real Estate business division's sustainability strategy include translating the diverse obligations into the organisational and structural management of the property portfolio and making them an integral component. A vital part of this is the operationalisation of the sustainability strategy through a package of measures.

Increasingly, sustainability activities are already firmly embedded in processes. When managing its properties, sustainable property management is a priority for the Real Estate business division. We work with rating agencies such as Scope in order to be a reliable source of support for investors, by facilitating and improving comparison of products' sustainability features.

We also promote the topic of sustainability through our work with industry associations. For instance, the Real Estate business division is represented at the German Property Federation (*Zentraler Immobilienausschuss* – ZIA) in its 'Energy and Building Technology', 'Green Rental Agreements', 'CSR' and 'Benchmarking' working groups, at the BVI in its 'Investing Responsibly' and 'Sustainability in Property Funds' working groups, and is involved in the Corporate Governance Initiative to draft guidelines for socially sustainable corporate governance.

³⁾ Following the BVI guidelines for sustainable property portfolio management

Certifications

Our property KVGs make use of sustainability certificates as proof of compliance with sustainability criteria. These include the Building Research Establishment Environmental Assessment Method (BREEAM), Leadership in Energy and Environmental Design (LEED) and the German Sustainable Building Council (*Deutsche Gesellschaft für Nachhaltiges Bauen* – DGNB). They seek the highest possible level of certification, while never losing sight of the economic context.

Certification by an independent accreditation body allows investors and tenants to consider environmental and social elements when choosing properties, in addition to economic concerns. For many commercial tenants, certification of their rental property is also a condition of signing a lease agreement. In addition, occupying a suitably certified property helps the lessee company achieve its own sustainability objectives.

We increased our holdings of certified property assets by around 10% during the reporting year. A total of 169 properties with a value of around €16.6bn had been certified by the end of the 2015 reporting year, of which 81 properties alone are in Germany, with a volume of around €5.6bn. Leader among the large cities is Frankfurt. This means that, as at the end of 2015, around 60% of the entire property assets held in Deka funds had been certified.

Among the successful certifications of properties in our Deka-Immobilien Europa mutual fund, that of the “ELEVEN” property in central Hamburg stands out in particular. As well as making investments in water efficiency and the protection of non-smokers, achieving this result required the participation of the tenants. The sustainability of the location is demonstrated by the fact that 75% of tenants make use of public transport. The property carries the gold LEED sustainability seal. During the 2015 calendar year the number of certified properties in the Deka-Immobilien Europa fund reached a total of 80, following the addition of 20 new certificates.

One of the properties from the portfolio of the Deka-Immobilien Global mutual fund carries the highest current rating for an office building awarded by the sustainability seal BREEAM (“outstanding”). The building “The Edge” in the Zuidas district of Amsterdam was built in 2014 and received a number of awards for its innovative technical design features, such as lighting and temperature that can be individually adjusted by smartphone.

During the reporting year 2015, the WestInvest InterSelect property fund increased its certification rate by almost 10%, as planned, to 62%. The certifications of eleven properties in the portfolio and the disposal of six uncertified buildings both contributed to this rise. One certification worth highlighting in particular is that of the Hürth Park shopping centre in Hürth near Cologne, which was awarded a BREEAM-DE-Portfolio certificate with the rating “Very good” around two months after its acquisition.

Meanwhile, the WestInvest ImmoValue fund obtained a strong BREEAM-in-Use certification with a “Good” rating for the Helfmann-Park 1 property in Eschborn. Renewal of the central cooling system in 2013 has led to annual energy savings of 25%. In the course of renovating the facade, heat leakages were identified and any damp penetration removed.

Renewable energy

At properties held in the portfolios of property funds managed by Deka companies, the main forms of renewable energy currently in use are power generated from photovoltaic plants, heat generation from ground- or air-source heat pumps, hot water production from solar thermal energy and well installations for supplying cooling systems. Green energy sources are used to supply power for the communal areas of almost all German properties. The concept of renewable energy plays an extremely important role during renovation work.

External ratings reaffirm focus on sustainability

Deka’s sustainability efforts are also being recognised by external bodies. During the year under review, in its annual evaluation of all relevant open-ended property funds in Germany, the Scope rating agency once again attested to our funds’ strong focus on sustainability and a major improvement in the certification rate of our investment portfolios. This was seen as a positive attribute as it helps to preserve the properties’ value and ensure their marketability.

Sustainable HR management

Deka's mission is to provide all employees with a safe working environment that is built on trust. The intention is to develop the skills of employees as far as possible and put them to use for the benefit of the Bank's overall value-driven strategy, as well as to create working conditions that ensure the long-term physical and mental wellbeing of our employees. Employees need access to the right environment at every stage of their professional lives to enable them to develop both personally and professionally. This also includes a fair remuneration system that offers incentives to contribute to the company's long-term success.

The HR strategy is part of Deka Group's business strategy. It is underpinned by its lifecycle-based HR management approach and is geared towards having "the right employee in the right place". It is derived from our business strategy and is subject to an ongoing process of improvement that takes into account the constantly changing market environment and economic, social, political and regulatory trends.

Deka's HR management organisation is divided into different areas of activity. The key areas covered are: human resources management, work-life balance, equal opportunities/diversity, remuneration, health management, continuing professional development and the employer brand.

In order for us to measure our successes in implementing our HR strategy, we use action plans and concrete milestones with reasonable timeframes. DekaBank communicates these to all employees in a timely manner.

One of the major initiatives introduced in 2015 was the Group-wide evaluation of staff conduct as a new component of employee appraisals, based on Deka's code of ethics (for more on this, see the section entitled "Sustainability as part of our business strategy").

Number of employees and age profile

Number of employees (Fig. 4)

Headcount	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015	female	male
Companies in Germany	3,459	3,552	3,583	3,743	3,858	1,524	2,334
Companies abroad	498	488	452	440	419	192	227
Deka Group	3,957	4,040	4,035	4,183	4,277	1,716	2,561

Employees, Deka Group Germany (Fig. 5)

Headcount	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015
Women	1,373	1,400	1,406	1,466	1,524
Men	2,086	2,152	2,177	2,277	2,334
Total employees¹⁾	3,459	3,552	3,583	3,743	3,858
Women ¹⁾ as a percentage of active employees (in %)	39.7	39.4	39.2	39.2	39.5

¹⁾ Active employees + staff on training + inactive employees + apprentices.

Active employees, Deka Group Germany¹⁾ (Fig. 6)

Headcount	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015
Women	1,207	1,211	1,256	1,325	1,359
Men	1,957	2,030	2,066	2,165	2,212
Total active employees¹⁾	3,164	3,241	3,322	3,490	3,571
Women as a percentage of active employees (in %)	38.1	37.4	37.8	38.0	38.1

¹⁾ Board of Management + executive staff (division head/department head) + staff on permanent contracts + staff on fixed-term contracts + temporary staff.

The average age of all Deka Group employees actively employed in Germany was 42.7 years at year-end 2015 (2014: 42.4 years). The increase in the average age by around one year since 2010 reflects the demographic trend in Germany. We also regard this as evidence that efforts made to integrate older employees are enjoying increasing success.

At the end of 2015, 21.3% of female employees were under 35 years of age, with 77.3% under 50. For male employees the percentage under 35 was 17.0%, while those under 50 made up 76.6%.

Age profile of active employees, Deka Group Germany (Fig. 7)

	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015	female	male
%							
aged under 20	0.0	0.0	0.0	0.0	0.1	0.1	0.0
aged between 20 and 24	1.5	1.1	0.9	1.2	1.5	2.3	1.0
aged between 25 and 29	7.7	6.8	5.9	5.5	5.3	7.0	4.3
aged between 30 and 34	16.0	14.6	12.8	11.8	11.8	11.8	11.8
aged between 35 and 39	18.8	19.1	19.1	18.7	18.1	19.9	17.0
aged between 40 and 44	23.7	22.4	21.3	20.3	18.7	17.1	19.6
aged between 45 and 49	18.7	21.2	22.6	22.2	21.4	19.1	22.9
aged between 50 and 54	8.1	9.1	10.8	12.6	15.3	14.8	15.6
aged between 55 and 59	4.1	4.3	5.3	6.3	5.9	5.7	6.0
aged between 60 and over	1.3	1.3	1.3	1.3	2.0	2.1	1.9
Average age in years	40.6	41.2	42.0	42.4	42.7	42.0	43.2
Active employees Headcount	3,164	3,241	3,322	3,490	3,571	1,359	2,212

Equal opportunities

Deka has devised an equal opportunities plan, which is regularly evaluated and updated, in order to better reflect the diversity of our employees at management level as well. The plan also aims to further increase the proportion of women in management and non-pay-scale positions.

Proportion of women in leadership positions, Deka Group Germany (Fig. 8)

	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015	female (Headcount)	male (Headcount)
%							
1st management level (Head of Division)	8.7	10.7	9.4	9.1	8.8	3	31
2nd management level (Head of Department)	8.8	10.1	11.4	14.2	15.9	18	95
3rd management level (Group management)	20.0	20.3	21.0	18.9	19.9	47	189
Total at all management levels (including Board of Management)	15.6	16.3	17.1	16.5	17.8	69	319

Following the Administrative Board's appointment of Manuela Better to the Board of Management on 20 February 2015, DekaBank's Board of Management now includes a woman for the first time. Ms Better is Chief Risk Officer and also actively promotes equal opportunities issues and women in leadership positions.

The Deka Group is involved in the *Sparkassen-Finanzgruppe's* "Women in Leadership" S-Mentoring programme ("Frauen in Führung"). During 2015, Ms Better took part in an experience-sharing event. The mentoring programme helps to boost the proportion of women in leadership positions within the *Sparkassen-Finanzgruppe*. The meeting with Ms Better gave the participants an opportunity to share their experiences on the issue of "Women in Leadership". The mentoring programme for women is intended to contribute to a steady increase in the number of women in management positions. It should also enable qualified women to benefit from the

professional experience of seasoned managers in order to advance their own self-development and to take a leadership role themselves in the future.

Resource management and the employer brand

Deka has committed itself to filling all vacancies with internal candidates where possible and to supporting internal appointments in general. This chimes with our efforts to rigorously promote the continued development of our employees and a clear focus for our HR strategy – having “the right employee in the right place”. The HR & Organisation corporate centre plays a leading role in supporting this “matching process”. The job change rate⁴⁾ within the Deka Group amounted to 52.8% over the course of the year. For certain target groups at the Bank, such as apprentices or junior staff, specific matching processes have been implemented.

The “management forum”, used to fill vacant managerial roles, was launched in 2014 and has since been improved on an ongoing basis. This sees candidates attend a standard interview, which is led by managerial staff from the specialist department and closely connected departments, moderated by the HR & Organisation corporate centre. This procedure contributes to a sound decision-making process at management level.

We see the staff turnover rate as one of a number of quantitative indicators for the success of resource management and the cultivation of our employer brand.

The domestic staff turnover rate⁵⁾ remained very low in 2015. For the first time, the average length of service reached more than ten years in 2015.

Staff turnover rate, Deka Group Germany¹⁾ (Fig. 9)

%		2011	2012	2013	2014	2015
Women		4.0	3.0	3.6	3.8	3.7
	Age range 20–29	4.9	4.0	5.3	6.3	3.9
	30–39	5.2	3.7	6.2	4.5	4.9
	40–49	2.8	1.3	2.0	3.8	3.1
	50–59	1.6	3.2	–	1.4	1.0
	>=60	3.4	10.8	2.2	5.7	12.1
Men		4.8	3.6	4.2	4.3	4.1
	Age range 20–29	7.2	4.4	10.7	5.0	4.7
	30–39	7.4	3.5	4.8	5.5	4.9
	40–49	2.9	3.6	3.6	3.6	4.2
	50–59	2.3	2.0	2.0	2.7	1.6
	>=60	1.6	6.6	7.5	14.0	13.1
Total staff turnover rate		4.5	3.3	4.0	4.2	3.9

¹⁾ Excluding Board of Management, temporary staff, trainees, students, apprentices, interns/undergraduates and pensioners (starting retirement).

Training

As at the reporting date, 31 December 2015, the number of apprentices and trainees within the Deka Group in Germany, including student scholarships, stood at 75 (previous year: 61). The number of apprentices and trainees is determined in line with the current requirement. Deka strives to be able to offer continuing employment to all apprentices and trainees once their apprenticeship or training has been successfully completed. During the year under review, all apprentices and trainees who had completed their apprenticeships and training programmes were taken on as employees.

⁴⁾ Promotion and expansion of the internal job market; internal before external; includes all personnel-related activities (changes in job or function and organisational reassignments) in relation to “external” new joiners

⁵⁾ Number of actively employed persons leaving the Deka Group in Germany within a specific timeframe (i.e. 2015)

Our personnel development strategy includes treating interns fairly and providing them with appropriate support. Deka participates in the Fair Company initiative run by the Handelsblatt publishing group and, as part of this initiative, is committed to providing undergraduates with interesting tasks during their internship and a fair chance of permanent employment.

Further training

Individual development paths are agreed based on the areas for development that have been identified. This is done at least once a year as part of the three-stage employee appraisal (agreeing targets, discussing milestones and appraising achievement of targets). Employees and managerial staff have a wide range of tools at their disposal for this purpose, which are continually updated in line with the Bank's requirements and strategy.

During 2015, the *"Karriere@Deka"* (Careers@Deka) programme, aimed at preparing junior staff to take on specialist, management and project leadership responsibilities, was comprehensively revised. Our internal Potential Assessment Centre was also overhauled. The centre conducts personal performance assessments for employees who show the potential to take on additional responsibility within their current roles. In addition, DekaBank has designed a new trainee programme for university graduates.

Training offered may either form part of an individual's professional activities or be unrelated to their work. This can include seminars as well as longer training courses that lead to a certificate. The range of further training on offer includes seminars aimed at developing interpersonal, methodological and social skills. Furthermore, providing information on, and raising awareness of, sustainability issues are key parts of the training offered.

Deka supports internal and external training for employees, both financially and by releasing them from work when required. The training programmes and seminars offered are constantly evaluated based on satisfaction, learning success, transfer success and benefit. There are two stages to an evaluation: participants are asked for their first impressions shortly after the training session and are then questioned once more about the event four months later. This second round of questioning focuses on the practical use and benefit of the training content. The respective managers of participants are also questioned at the same time.

Monitoring of training activities also contributes to more in-depth exchanges of views between managers and employees on learning objectives and knowledge transfer activities, which in turn makes an important contribution to continuous improvements in management culture.

The average financial cost of further training in Germany during the reporting year amounted to €1,001 per active employee (previous year: €1,170). This figure does not include the cost of further training that took place as part of projects. The reduction in financial expenditure for further training is explained by more favourably priced training courses as well as by stronger "on the job" development, which focuses on internal knowledge sharing, for example through work shadowing.

Open dialogue with employee representatives

Our employees are represented by staff committees and works councils (Germany) and by the Comité Mixte (Luxembourg). They are informed at an early stage of any forthcoming changes and are involved in shaping the actual change process. Deka's HR & Organisation corporate centre engages in respectful, open dialogue with employee representatives. In addition, an employee representative is available for consultation once a week, enabling any employee to obtain information in person about freedom of association or pay arrangements and ask detailed questions. The Disability Officer and Equal Opportunity Officers can also be contacted by employees internally in the event of problems in the workplace.

Diversity

Deka sees diversity among its employees as an opportunity. DekaBank's code of ethics lays down the general principle of equal treatment, without differentiating or discriminating on the grounds of origin, skin colour,

sex, nationality, age, philosophy, religion, disability, marital status, pregnancy, sexual orientation, identity or any other characteristics protected by local legislation.

Deka aims to create an environment in which discrimination, sexual harassment or bullying cannot occur at all. Infringements of the law, other actions legally deemed to be discriminating, and threatening, hostile or abusive behaviour will result in immediate disciplinary action.

No cases of discrimination were identified during the reporting year.

At the end of 2015, there were 223 non-German employees (113 women and 110 men). The percentage of non-German employees has stood at 6.0% since 2007. Details of DekaBank's commitment to providing aid to refugees can be found in the "corporate citizenship" section.

Work-life balance

As part of its social and corporate responsibility, Deka aims to use its lifecycle-based HR management approach to create an environment that makes an employee's career progression as compatible as possible with the needs and requirements of his or her private life. This applies especially to employees who have or are planning to have children and to those with responsibilities towards family members in need of care.

All employees, regardless of where they are based, have access to advisory and arrangement services in relation to childcare and nursing care.

Flexible working hours are a further element of the efforts being made to guarantee an appropriate work-life balance. Overall, Deka's employees make use of more than 330 different working time models. The proportion of part-time staff has been rising steadily for several years. Over the long term (comparative figure in 2002: 6.2%) the proportion of part-time staff has roughly trebled.

Part-time ratio of active employees, Deka Group Germany (Fig. 10)

	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015	Full-time (Headcount)	Part-time (Headcount)
%							
Women	29.2	30.5	33.6	34.6	35.6	875	484
Men	4.5	4.5	5.2	4.6	5.2	2,098	114
Total proportion of part-time workers	14.0	14.2	16.0	16.0	16.7	2,973	598

We also offer our employees the opportunity to take unpaid holiday, or to save up a balance in their working time account via the Deka-ZeitDepot scheme in order to cover a sabbatical (a longer period of paid leave). Provided the activity in question is suitable and the relevant line manager agrees, Deka also allows staff to work from home.

The proportion of Deka employees in Germany who were not included in the time recording system in 2015 was 62.4% (previous year: 61.5%). The proportion of employees not allocated to any working time model because they were temporary staff or for other reasons stood at 1.7% (previous year: 1.5%). On average, 63 temporary staff members were employed during the year (previous year: 58).

Support for parents

Parents with young children can also obtain support with childcare. This offering comprises 40 crèche and 15 day-care places provided at the Frankfurt site. The crèche places can be allocated on a shared basis, so that more than 40 families in total can take advantage of the childcare places.

In addition to this, Deka offers an emergency childcare service via the same provider, which parents can use for free for up to five days a year per child. This caters for children between the ages of three and twelve in the event of a problem with parents' usual childcare provision. This service is offered in larger towns across Germany.

We also offer advice and assistance with organising childcare and on the issues of maternity and parental leave. DekaBank helps parents of school-age children to manage school holidays by funding holiday programmes for up to ten days a year for each child.

Over the last five years, female Deka employees returned to work at an average of 13.2 months after the birth of a child. Male employees are making increased use of the option to take parental leave.

Employees on parental leave, Deka Group Germany¹⁾ (Fig. 11)

Parental leave (as per reporting date)					
Headcount	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015
Women	71	91	59	70	72
Men	4	2	6	7	11
Total	75	93	65	77	83

Parental leave (during the year) Headcount					
	2011	2012	2013	2014	2015
Women	77	55	83	58	61
Men	49	60	82	79	97
Total	126	115	165	136	158

Average duration of parental leave months						
	2011	2012	2013	2014	2015	5-year Ø
Women	13.8	15.2	12.9	11.7	12.4	13.2
Men	2.2	1.5	1.5	1.3	1.4	1.6

¹⁾ Excluding maternity leave and secondary employment during parental leave.

Support for employees with family members in need of care

In cooperation with professional partners, Deka supports employees looking after family members in need of care. The “eldercare” advice and assistance service eases the burden on employees when it comes to organising, funding and carrying out their caregiving responsibilities. Deka covers the cost of this advice. The advice service can be contacted every day, including at weekends and on public holidays.

In 2014 Deka signed the “Charter for Work-Life Balance in Hesse” (“*Charta zur Vereinbarkeit von Beruf und Pflege in Hessen*”). The signatories undertake to share some of the responsibility for family members in need of care.

Safety at work and health management

The key pillars of the health management system are exercise, nutrition, medicine/prevention and mental health. DekaBank offers its employees a range of tailored options to choose from under each of these categories. The low illness rate continues to be a gratifying trend.

Illness rate of active employees, Deka Group Germany (Fig. 12)

%	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015
Women	5.1	5.5	6.0	5.6	5.6
Men	2.9	2.7	3.4	2.9	3.0
Total illness rate	3.7	3.7	4.3	3.8	3.9

Reported injuries, Deka Group Germany (Fig. 13)

	2014	2015
Commuting accidents	34	19
Principle causes are cycling accidents and injuries related to black ice during the winter	Frankfurt 27	15
	Düsseldorf 6	2
	Leipzig 1	2
Work-related injury	8	12
	Frankfurt 8	12

All buildings at Deka are wheelchair-accessible and are fitted with sliding doors or doors with electronic openers. 56.5% of the mandatory positions for disabled persons as per the report to the Federal Employment Agency were filled at the year-end.

Exercise

Deka runs its own Health Centre, whose services are currently used by some 240 staff. Located close to their workplace in Frankfurt, it offers employees and their partners the opportunity to take part in a wide range of sporting activities. This is complemented by services offered by an affiliated physiotherapy practice as well as personal training. We use partnerships with a range of fitness centre chains and massage practices to provide these services to our employees outside of Frankfurt.

Deka also supports a company sports club. The facilities at DekaBank Sport e.V. are available to Deka employees, their partners and families, and cover both popular and more specialised sports. The club currently has around 500 members at the Frankfurt and Leipzig sites.

To promote team spirit and shared experiences through exercise, DekaBank supports its employees' participation in a variety of running events.

Nutrition

Deka attaches great importance to a varied, healthy range of regional food in its canteens. To this end, at least two vegetarian dishes are offered in our canteens each day.

In addition, there are regular presentations from experts on the topic of healthy nutrition. A nutrition consultation service is also available on request at the sites in Frankfurt. In 2015, a half-day nutrition workshop was organised for the first time for apprentices.

Medicine, prevention and safety at work

Our approach to health and safety at work is based on all current relevant legislation, ordinances and regulations as well as the collective bargaining agreement for public and private banks. All employees can obtain medical care from our company doctor and are also offered annual flu vaccinations. Annual healthcare campaigns enable staff to find out about health issues and have their blood sugar, cholesterol and blood pressure checked.

Mental health

In 2015 the Deka Group designed a questionnaire to systematically evaluate mental stress in the workplace and then use this information to develop tailored offerings. The pilot survey began in the first of the business divisions at the end of 2015.

We provide seminars on dealing with stress for our employees and managerial staff as part of our Group-wide training scheme. These seminars allow participants to analyse the pressures and stresses they face, as well as their own personal resources. During the seminars they are shown how to handle these resources responsibly, harness them and use them successfully.

Employees experiencing a crisis in their personal or professional lives can obtain confidential or anonymous counselling as part of the Employee Assistance Programme (EAP), either by phone or in person. The EAP service can be contacted 24 hours a day, 365 days a year. The EAP also offers managerial staff, management consultants and members of the staff committee and works council expert advice via the same hotline.

The external EAP provider held consultations with 188 employees in 2015, corresponding to a take-up rate of 4.5%. We support the EAP through fact-finding events for all employees and special workshops for managerial staff, which are held several times a year. Employees can also obtain psychological support via the advisory service, particularly in the case of severe illnesses, while doctors can be consulted for a second or third opinion. Staff are also able to obtain appointments with the relevant specialists in private practice without the usual long waiting times.

To aid their re-integration into the workplace, Deka offers advice to any employee wishing to return to work after a long illness. For example, assistance may be provided by offering flexible working hours, to help employees get used to working again. In many cases, we go above and beyond what is required by law.

Remuneration

Deka's remuneration system is based on our long-term corporate strategy. It is reviewed on an annual basis to ensure it is in line with current regulation, and where necessary updated to reflect currently applicable regulatory requirements. It offers incentives for strong performance on a sustainable basis, whilst avoiding any that would encourage employees to assume disproportionate risks on behalf of Deka. Detailed information can be found in the Deka Group's remuneration report at www.deka.de.

Remuneration is based solely on the employee's role and performance. The increasing trend towards positions for highly skilled employees is also reflected in the development of the employee pay scale breakdown, with the proportion of both non-pay-scale employees and employees in the higher pay bands growing steadily.

Deka employees' remuneration can be supplemented with variable components. These are granted based on performance, taking into account both the performance of the individual employee and the success of the Deka Group. As a basic principle, Deka does not make a distinction between part-time and full-time staff in terms of the benefits it provides.

For employees whose activities have a material impact on Deka's overall risk profile ("risk-relevant employees"), the variable portion of the remuneration involves assessments and payments spread over several years (deferrals), in line with regulatory requirements.

A group-wide evaluation of staff conduct on the basis of the Deka Group's code of ethics has been introduced as a new component of performance-based remuneration. This has also placed even greater focus on good conduct towards clients, owners and colleagues.

In line with regulatory requirements, a variable remuneration component cannot exceed 100% of the fixed component. Pursuant to Section 25a of the German Banking Act (*Kreditwesengesetz – KWG*), this upper limit to the variable component can be increased to 200% of the fixed component by shareholders' resolution. However, during the year under review DekaBank did not make use of the option to increase the upper limit for variable remuneration components for the members of its Board of Management or any other employees of the Bank. All salaries paid by Deka are, as a matter of principle, at least at the level of the statutory minimum wage; for the most part, however, they significantly exceed this level.

Remuneration structure of active employees, Deka Group Germany (Fig. 14)

%	31 Dec 2011	31 Dec 2012	31 Dec 2013	31 Dec 2014	31 Dec 2015	female	male
Non-pay-scale	58.7	59.6	60.9	61.5	62.4	38.9	76.9
Pay scales, total	41.3	40.4	39.1	38.5	37.6	61.1	23.1
Pay scale 9	24.5	24.8	26.4	29.4	28.3	22.1	38.3
Pay scale 8	21.6	22.5	22.1	22.2	20.3	19.7	21.3
Pay scale 2-7	53.9	52.7	51.5	48.4	51.4	58.1	40.4

Deka employees can deposit part of their bonus payments, holiday leave and approved overtime in working time accounts (known as a Deka-ZeitDepot). These can be used, for example, to take temporary leaves of absence in the form of a sabbatical.

In addition to the benefits provided by the employer under collective bargaining agreements, Deka also offers its employees packages that include capital-forming payments, group accident and corporate travel insurance and the option of a "job ticket" travel card for use on local public transport for employees at the locations in Frankfurt, with similar arrangements available at other Deka sites. Permanent employees also receive a company pension that is largely employer-funded (BVV). Details of pension obligations can be found in the consolidated financial statements (see Note [56]).

Sustainable banking/environmental management

Deka has resolved to step up its environmental activities. It intends to make an active contribution towards the settlement agreed at the COP21 Climate Conference in Paris on 12 December 2015. Representatives of more than 170 countries have since signed the Paris Climate Agreement, thereby undertaking to limit global warming to a manageable level. The goal is to restrict it to an increase of considerably less than two degrees relative to pre-industrial levels, and ideally to 1.5 degrees. In future, Deka will focus even more vigorously on reducing its energy consumption and the level of business travel.

Thanks to the numerous measures it has already implemented, Deka has already achieved a high standard in terms of making its operations as environmentally friendly as possible. This is demonstrated by the fact that its environmental management system was recertified by an external environmental auditor in 2015.

DIN EN 16247 energy audit

On 5 November 2014 the German federal cabinet adopted a draft bill to implement the EU Energy Efficiency Directive (EED), which was transposed into German law at the end of April 2015. Since that time, all companies that do not qualify as SMEs (small and medium-sized enterprises) – and therefore Deka – are required to undergo an energy audit under DIN EN 16247 every four years. The energy audit is an advisory audit which aims to establish a company's overall energy efficiency and identify steps that can be taken to improve it, resulting in a better energy footprint for the company.

In advance of the energy audit, Deka set up an "Energy Management Task Force" spanning every business unit. The task force carried out preparatory work and provided support for the audit process. Along with the Environmental Management team, the task force also included senior staff from the Real Estate business division to make sure that key data about the buildings to be audited was available.

Working with independent energy auditors from the firm Drees & Sommer, the specified properties were then subjected to a detailed audit. We were therefore able to carry out an energy audit under DIN EN 16247 during the reporting year, as required by law, and were one of the first central giro associations (Girozentralen) to do so. Drees & Sommer's final report certifies that "all buildings are in very good condition, from both a structural and technical point of view, and there is essentially little need for improvement".

Deka already completed a gradual process of converting the lighting at the Trianon and Prisma buildings to more energy-efficient LED bulbs in 2014 and 2015, including external areas (the Trianon pyramid and logos), floors dedicated to conference facilities, corridors and lift lobbies. From 2016, 75% of the electricity supplied to the buildings at the Frankfurt site will come from green sources from 2016 onwards. Deka already uses 100% green electricity at the Luxembourg site.

Purchases of goods and services

The most recent review in 2016 showed that 240 suppliers have signed a DekaBank sustainability declaration. Around 82% of our order volume was placed with German suppliers in 2015. The total procurement volume was approximately €267.64m⁶⁾. We currently do not use any overseas service providers.⁷⁾

Supplier audits

A risk assessment procedure within the purchasing process ensures that the relevant purchaser checks whether there is an entry in the risk database before any supplier is commissioned. DekaBank has corresponding risk reports on the providers involved for around 80% of the volume spent. Suppliers are subject to audits, and a clearly-defined procedure has been set up to rectify any infringements of sustainability regulations and reach an agreement between Deka and the supplier concerned. If no agreement is reached, the matter is escalated to the Head of Sustainability Management. The same applies if the audit identifies any infringements.

⁶⁾ Volume includes central purchasing, marketing, company property management and market data.

⁷⁾ Except provider of market data with overseas headquarters.

As a basic principle, all new suppliers are required to enter mandatory information about their environmental protection measures during self-registration via the electronic purchasing portal. Information entered on each supplier and service provider is then clearly available for all buyers to use during negotiations.

We also carry out regular audits of the disposal companies we use in order to ensure that waste is disposed of safely and in an environmentally friendly manner. All of our disposal companies are drawn from the local area and hold the relevant certifications. All contracted waste disposal companies hold certification as specialists in waste disposal, in line with the German Lifecycle Management Act (*Kreislaufwirtschaftsgesetz*).

Environmental and social standards

When inviting tenders for building management services, we ensure that suppliers abide by international environmental and social standards. Preference is given to service providers with an industry-standard certification (e.g. EMAS or ISO 14001) or a recognised environmental certification. Contractors also undertake to perform the services in accordance with a quality management system complying with ISO 9001 and subsequent standards. As a general principle, specified tasks must be carried out in such a way that the health of those using the building is not put at risk and that minimum environmental requirements and statutory health and safety regulations are met.

Across all product categories, at the present time the Deka Group has no connections with suppliers suspected of using forced, compulsory or child labour and who therefore do not comply with the ILO's core labour standards. By including requirements specifically covering such matters in the sustainability declaration that we require suppliers to sign, we can also be confident that none of our suppliers have breached the principle of freedom of association.

DIN EN ISO 14001 environmental management system

On the basis of environmental guidelines agreed with the Board of Management, the Deka Group employs a wide range of measures in every business division to protect the environment and ensure that resources are handled in an environmentally sound way.

Since 2009, the Deka Group has put in place a systematic, standardised framework for environmental protection within the company by introducing an environmental management system in line with the recognised DIN EN ISO 14001 standard, and using sector-specific metrics as set out by the Association for Environmental Management and Sustainability in Financial Institutions (*Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. – VfU*). These steps also underpin the Group's commitment to continually improving environmental protection.

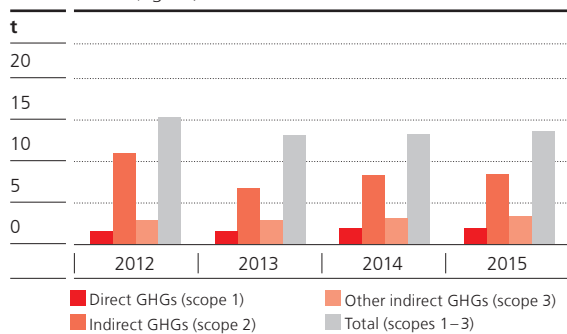
In addition, the Group bases its recording and monitoring of relevant environmental data on the Greenhouse Gas Protocol⁸⁾. The environmental management system includes an annual environmental programme, in which the Group sets environmental targets for its main areas of activity and determines how these are to be implemented. Cutting energy consumption and reducing the number of business trips, and hence also achieving the target of a 5% annual reduction in CO₂ remains a priority. In addition, Deka aspires to operate the Bank in a climate-neutral manner and has also enshrined this goal in its code of ethics.

Data relevant to our environmental balance sheet, such as information on energy consumption or emissions, is recorded and monitored in a central database. This allows us to quickly identify areas where there is potential for improvement or where upgrades are required. It also forms the basis for the annual calculation of our greenhouse gas emissions and CO₂ footprint. The calculation allows us to verify whether the environmental programme and the measures it includes are an appropriate and effective way to achieve the Group's environmental goals.

The data on energy use and consumption of resources (see Figs. 16 to 20 at the end of this section) published as part of this Sustainability Report is based on analysis of the 2014/15 figures, which were evaluated in February 2016.

⁸⁾ In accordance with the GHG Protocol, CO₂ plus five other significant gases that are relevant to the climate are grouped under the term CO₂ equivalents (CO₂e): methane (CH₄), nitrous oxide (N₂O), sulphur hexafluoride (SF₆) and two groups of fluorohydrocarbons (PFCs and HFCs). Calculations in this report are based on CO₂ equivalents.

Time series analysis of Greenhouse gas emissions for DekaBank¹⁰⁾ (Fig. 15)



Trend in greenhouse gas emissions in the context of the 2050 environmental protection plan

The target of cutting CO₂ emissions by 5% annually was not achieved in 2014 or 2015. In 2014 DekaBank emitted around 60 tonnes more greenhouse gases than in the previous year, and in 2015 emissions were 370 tonnes higher than in 2014. Despite a small reduction in the energy consumed in our buildings and in total business travel, which together generate the major proportion of the Bank's CO₂ footprint, we were unable to sustain the steady annual reduction of 5% achieved prior to 2014. One of the main reasons for

this was that the VfU revised the emission factors that we use as the basis for calculating our greenhouse gas emissions⁹⁾. Even so, there was a considerable rise (15%) in total business travel in 2014. Although we achieved a total reduction of 2% in 2015, this was only enough to offset a small portion of that rise. Travel by road rose particularly sharply, with 677,000 additional kilometres driven. This is due to a substantial increase in sales staff, whose numbers rose by around 200 in 2014 and 2015. Because the savings banks and their branches can often not be reached by train or other local public transport, each new employee received a company car. In 2014 there was also a sharp rise in short-haul flights, which increased by around 36% (231,007km) and again by roughly 11% (257,680km) in 2015. The increase was caused by a number of factors, including efforts to build up business relationships in Berlin which called for a very large number of on-site meetings.

A number of concrete measures to combat the rise in greenhouse gas emissions have been planned for 2016 onwards. We are also very closely observing the activities underway to develop the "Climate Action Plan 2050" which is being drawn up by the German government on the basis of the Paris Climate Conference. As a first step, we are increasing the proportion of green electricity we use at our Frankfurt site from 25% to 75%. We are also seeking to reduce the use of flights for domestic travel by creating targeted measures and incentives to use alternative means of transport or video conferencing, for example. In terms of fleet management for our company cars, we are also considering alternative drive technologies such as electric vehicles more closely.

Deka already determines CO₂ consumption for selected investment funds. These reports are taken into account by fund managers when evaluating funds. In the long term, DekaBank would also like to implement CO₂ reports for finance it extends as part of its lending business. Taken together, these measures constitute the basis for a solid medium-term climate strategy which should more than live up to the requirements of the government's Climate Action Plan 2050. If, however, greenhouse gas emissions should continue to rise, it would only be possible to meet our objective of operating the Bank in a climate-neutral way if we were to implement large-scale compensation measures.

On a positive note, we have managed to reduce the amount of paper per employee – by 5% in 2014 and 13% in 2015. In addition, we reduced the total volume of waste generated by 7.7% in 2015, to 325.6 tonnes. In 2014 total waste rose by 38.1%. The sharp rise in 2014 was due to comprehensive fire protection measures implemented in the Trianon building, which continued into 2015. The demolition of the TA10 building also accounted for a further rise. The introduction of a waste sorting system in the office kitchen areas in the Prisma building from the end of 2014 was another factor behind the reduction achieved in 2015. This also led to a 12% increase in the recycling rate, which now stands at 66%.

⁹⁾ In particular, the emission factor for district heating doubled, from 27.333 kg/FY (2014) to 53.8 kg/FY (2015). There was also a substantial increase in the factor for road travel, which rose from 0.089 kg/FY (2015) to 0.142 kg/FY (2015).

¹⁰⁾ GHG emissions are calculated for the sites in Frankfurt as well as for DekaBank Germany and the Deka Group as a whole, including its sites in Germany, Luxembourg and Switzerland. Details of the scopes involved can be found on the Greenhouse Gas Protocol website (www.ghgprotocol.org).

Energy consumption by energy source in 2015¹⁾ (Fig. 16)

Gigajoules (GJ)	Trianon ML16	Prisma HS55	TA10	Skyper TA1
Electricity	21,517	15,995	–	4,388
District heating	18,862	8,427	–	978
Backup diesel	39	33	–	2
Total	40,418	24,455	–	5,368

Development in total power consumption¹⁾ (Fig. 17)

	Balance sheet year 2012		Balance sheet year 2013		Balance sheet year 2014		Balance sheet year 2015	
	GJ	Tolerance rel. to 2011	GJ	Tolerance rel. to 2012	GJ	Tolerance rel. to 2013	GJ	Tolerance rel. to 2014
Trianon ML16	40,576	1%	40,937	1%	37,924	–7%	40,418	7%
Prisma HS55	25,709	7%	26,095	1%	23,139	–11%	24,454	6%
TA10	9,805	19%	9,990	2%	7,159	–28%	0	–
Skyper TA1	5,273	5%	5,327	1%	4,989	–6%	5,368	8%
Total	81,363	0.5%	82,349	1%	73,211	–11%	70,240	–4%

Trend in absolute business trips by means of transport¹⁾ (Fig. 18)

	Balance sheet year 2012		Balance sheet year 2013		Balance sheet year 2014		Balance sheet year 2015	
	km	Tolerance rel. to 2011	km	Tolerance rel. to 2012	km	Tolerance rel. to 2013	km	Tolerance rel. to 2014
Rail travel	2,714,248	12%	2,511,670	–7%	2,669,702	6%	2,742,944	3%
Road traffic	7,799,174	30%	7,720,001	–1%	9,428,358	22%	10,105,359	7%
Air travel	10,499,083	–3%	8,771,809	–16%	9,715,643	15%	8,617,947	–11%
Total	21,012,505	9%	19,003,480	–10%	21,813,703	15%	21,466,250	–2%

Trend in absolute drinking water consumption¹⁾ (Fig. 19)

	Balance sheet year 2012		Balance sheet year 2013		Balance sheet year 2014		Balance sheet year 2015	
	m ³	Tolerance rel. to 2011	m ³	Tolerance rel. to 2012	m ³	Tolerance rel. to 2013	m ³	Tolerance rel. to 2014
Trianon ML16	18,171	2%	18,651	3%	16,984	–9%	18,051	6%
Prisma HS55	14,292	–14%	16,110	13%	19,024	18%	15,888	–17%
TA10	1,900	100%	840	–56%	1,345	60%	0	–
Skyper TA1	2,311	12%	2,282	–1%	2,126	–7%	2,391	13%
Total	36,674	–2%	37,883	3%	39,479	5%	36,330	–8%

Trend in absolute volume of waste generated¹⁾ (Fig. 20)

	Balance sheet year 2012		Balance sheet year 2013		Balance sheet year 2014		Balance sheet year 2015	
	t	Tolerance rel. to 2011	t	Tolerance rel. to 2012	t	Tolerance rel. to 2013	t	Tolerance rel. to 2014
Trianon ML16	111.2	–1.5%	110.3	–0.8%	157.0	42.4%	172.8	10%
Prisma HS55	99.6	–19.7%	107.4	7.8%	106.7	–0.6%	108.6	1.8%
TA10	8.5	37.4%	5.1	–40.0%	48.7	852.1%	0	–
Skyper TA1	33.8	3.1%	32.6	–3.5%	40.2	23.1%	44.3	10.2%
Total	253.1	–8.3%	255.4	0.9%	352.6	38.1%	325.7	–7.7%

¹⁾ Underlying data for energy/resource consumption and emissions

- The information presented relates to the four buildings used by DekaBank in Frankfurt am Main (Trianon, Prisma, TA10 and Skyper); the TA 10 building has not been used since 2015 and is currently being demolished.

- In addition, the following exceptions apply in relation to the underlying data:

Information on business travel covers the entire Deka Group, i.e. its sites in Luxembourg and Switzerland as well as those in Germany. The site in Switzerland was closed at the end of 2015.

Until 2015, 25% of the energy requirement in Frankfurt and 100% of the requirement in Luxembourg was met using green electricity. This green electricity was not accorded a CO₂ emission factor of zero; instead, a factor corresponding to the energy's origin was used, i.e. hydro-electric power in Frankfurt and a 50-50 combination of wind and hydro-electric power in Luxembourg.

Corporate citizenship

Supporting not-for-profit institutions and organisations lies at the core of the Sparkassen-Finanzgruppe's brand. DekaBank complements this by focusing its efforts on supporting architecture, academia, culture, sport and the arts. It concentrates its work in these areas on actions that have an impact across the whole of Germany, either working alone or with other institutions in the Sparkassen-Finanzgruppe.

Package of measures for refugees

More than a million people sought refuge in Germany during 2015. Such a large number of people places considerable extra demands on society. DekaBank believes it has a responsibility to act and has put in place a three-tier package of measures, aimed in particular at making a meaningful contribution to integrating refugees into local communities, primarily in the Rhine-Main region.

As part of the first stage of an emergency aid programme that has been in place since September 2015, employees are able to apply for a donation of €1,000 to support voluntary work with refugees. By the end of 2015, a total of 64 donations had already been made to not-for-profit organisations focusing on helping refugees. This emergency aid programme will continue in 2016.

Secondly, we are expanding our partnership with "Freundeskreis ARCHE Frankfurt e. V." – which has been in place since 2008 – to include a new project. In view of the current situation, the "Arche" intends to build a new facility in Griesheim, close to the existing ARCHE centre in the area, which is located in the Bertold-Otto primary school. As well as caring for children from all social backgrounds, the "Arche" has also been looking after the needs of refugee children and their families for a long time now. The primary goal is to facilitate the social integration of between 80 and 100 children and young people aged from 12 to 17, so as to carry on the successful work undertaken at the primary school.

The initial donation the Deka Group made in 2015 will ensure that the new facility is fully funded for three years. Experts from Deka Immobilien GmbH are also providing support for the planning and execution of the construction project. The facility is expected to be completed in 2016.

Thirdly, in December 2015 the Deka Group informed the employment agency (*Agentur für Arbeit*) in Frankfurt that the Bank would take on 20 interns in both 2016 and 2017 from among the refugees, as long as certain minimum standards can be met. Each internship will last for a year. Senior figures at the Frankfurt employment agency have praised this pledge, which commits us to creating additional jobs in the agency's catchment area, calling it "exemplary", especially given that it was made so early on.

The Sparkassen-Finanzgruppe: DekaBank's social engagement within the association

The German Savings Banks and Giro Association (DSGV), with the participation of DekaBank and other companies in the association, has been a partner of the German Olympic Sports Confederation (*Deutscher Olympischer Sportbund* – DOSB) since January 2008. In addition to our commitment as a partner to Germany's Olympic team and as a national sponsor of the German Disabled Sports Association (*Deutscher Behindertensportverband*), we are also supporting the German Sports Badge (*Deutsches Sportabzeichen*) and elite sports schools. The partnership thus covers the whole spectrum, from top-flight to grass roots and youth sports.

Represented by Berliner Sparkasse, DekaBank and the Savings Banks' Cultural Fund of the German Savings Banks and Giro Association, the *Sparkassen-Finanzgruppe* has had links with the *Staatliche Museen zu Berlin* (Berlin State Museums) since 2011, acting as their main sponsor. The focal points of our support in 2015 were the stunning "Botticelli Renaissance" exhibition in the *Gemäldegalerie* and the art education project "Über kurz, mittel oder lang" for students of all subjects.

DekaBank has been the main sponsor of the *Staatliche Kunstsammlungen Dresden* museums and institutions since 2006, together with the Ostsächsische Sparkasse Dresden, the East German Savings Banks Association (*Ostdeutscher Sparkassenverband*) with all savings banks in Saxony, LBS Ostdeutsche Landesbausparkasse AG, Sachsen Bank, Sparkassen-Versicherung Sachsen and the Cultural Fund of the German Savings Banks and Giro Association. In 2015 we supported the special exhibition "Dahl und Friedrich – Romantische Landschaften" (Dahl and Friedrich

– Romantic Landscapes) in the *Albertinum*, and the reopening of the Coin Cabinet museum (*Münzkabinett*) in the *Georgenbau* city gate at the Royal Palace (*Residenzschloss*). With almost 300,000 pieces, the Dresden Coin Cabinet is one of the oldest and largest universal coin collections in Germany and is of importance at European level.

The stock exchange simulation is designed to promote knowledge of the world of finance and capital markets. DekaBank has supported it since 2014, with the aim of making a contribution to promoting a securities culture. The young participants gain financial and social skills and learn the basics of acting sustainably. In 2015 the national award ceremony for the school pupils' version of the stock exchange simulation was held in Berlin, and preparations were made for the first national award ceremony for students in January 2016 at DekaBank in Frankfurt.

The "Foundation for Photography and Media Art with the Michael Schmidt Archive" (*Stiftung für Fotografie und Medienkunst mit Archiv Michael Schmidt*) was established by the DSGV and NordLB in 2003, with the participation of DekaBank and Deutsche Leasing AG. Its goal is to preserve the work of the artist Michael Schmidt – one of Germany's most renowned photographers – who died in 2014. From 2015 to 2019 DekaBank is making an annual donation to support the foundation to enable it to present the retrospective planned for 2020 in the *Neue Nationalgalerie* in Berlin.

DekaBank's partnerships

Sustainability as understood in the context of our social engagement means that we only enter into medium and long-term collaborations with potential partners from fields that are important for our sponsoring objectives – architecture, the arts, social projects and academia. This basic focus is essential as it allows us to work in close partnership with the prestigious partners we select.

International Highrise Award

The city of Frankfurt am Main, the German Architecture Museum (*Deutsches Architekturmuseum – DAM*) and DekaBank jointly founded the International Highrise Award (IHA) in 2003. The three partners came to an agreement in 2015 to extend the existing cooperation agreement for the official prize of the city of Frankfurt, which now enjoys international acclaim, until 2020.

The IHA is awarded every two years for a building that is distinguished by its outstanding aesthetic appeal, pioneering design and integration into its urban context, as well as innovative technology, cost efficiency, commercial viability and, in particular, sustainable construction techniques. It is adjudicated by an international panel of experts. The prize is awarded jointly to the architect and developer who receive a statuette by the renowned artist Thomas Demand and prize money of €50,000, which is donated to a good cause. The seventh IHA will be presented at St Paul's Church (*Paulskirche*) in Frankfurt on 2 November 2016.

Frankfurt am Main Museum of Modern Art

The *MMK Museum für Moderne Kunst* (Museum of Modern Art) is one of the most important museums of contemporary art and, in its comparatively short history, has earned itself a firm place in the international museum scene. DekaBank has been supporting MMK's efforts to enlarge its collection since 2002.

MMK now has a presence at three sites in Frankfurt am Main. DekaBank is a founding partner of the museum's annexe in the Taunusturm building complex – MMK 2 – and is working with additional partners to ensure the museum is able to continue mounting exhibitions until 2018. DekaBank was a patron of the inaugural exhibition "Boom She Boom. Works from the MMK Collection", which ran until June 2015.

Academia

DekaBank's support for academia is a major part of its social engagement. The aim is to further enhance the transfer of knowledge between theory and practice, while at the same time promoting training, research and continued academic education. Our partners in this endeavour are the Goethe University of Frankfurt, the House of Finance (HoF), the Center for Financial Studies, the Goethe Finance Association and the Friends and Supporters of the Goethe University.

As early as 2012, DekaBank established Germany's first "Endowed Chair for Sustainable Banking and Finance" in the House of Finance at the Johann Wolfgang Goethe University. This Endowed Chair became vacant in May 2015

when the previous holder, Professor Reint Gropp Ph.D., took up the full duties of his new position as president of the Halle Institute for Economic Research (*Leibnitz-Institut für Wirtschaftsförderung Halle – IWH*). At the end of 2015 an agreement was reached with the University, under which DekaBank will continue to be involved as a donor (now up to and including 2020), and in return a maximum of two professorships entitled “House of Finance Professorship for Sustainable Banking” and/or “House of Finance Professorship for Sustainable Asset Management” will be advertised at the House of Finance in the first half of 2016. The advertisements will emphasise that the field of “digitisation” will be integral to the posts.

Donations

During the reporting year, DekaBank made 164 individual donations, amounting to a total of €1,327,748. The largest individual contributions were made to the friends’ association for “*Die Arche e. V.*”, a Christian organisation for children and young people in the Frankfurt Rhine-Main region, and to the Goethe University.

Further donations were also made at a local level as part of the campaign known as “*Deka – Engagiert vor Ort*” (Deka – Making a Local Commitment). Each year, 25 organisations which are close to employees’ hearts or in which they themselves are involved receive a contribution of €1,000 each. During 2015, 275 projects were submitted for consideration, most of which were in the fields of welfare and sport.

Our basic policy is that we do not make donations to political parties, political foundations, employers’ associations or trade unions and no such donations were made in the 2015 reporting year.

DekaBank art collection

DekaBank has been building up its collection of 21st century art since 2003. It currently includes around 1,400 works in the fields of painting, photography, sculpture, installations and video. The international collection reflects the diversity of artistic expression today. It focuses on works that address relevant social issues and stimulate debate about the current definition of art. The make-up of the collection gives particular weight to the new generation of artists.

Guided tours are held regularly for DekaBank’s business partners and employees. DekaBank took part in “*Kunst privat!*” (private art!) for the eleventh time in 2015, giving 100 guests a tour of the “Next Generation – Young Artists in the DekaBank Collection” exhibition on the 44th floor of the Trianon building. Silke Schuster-Müller presented the tour of the DekaBank collection, in conversation with Bernd Reiß, head curator at the Konrad Fischer Gallery in Berlin and former curator of the *Städelschule* degree show at the *MMK Museum für Moderne Kunst*. Deka has been a member of the “*Kunst privat!*” steering committee since 2015, and shares responsibility for running the open weekend for company art collections in Hesse.

DekaBank regularly loans out works from its collections for exhibitions in museums and other institutions: In her first solo exhibition in a high-profile museum – the *Pinakothek der Moderne* in Munich – artist Amelie von Wulffen presented her recent output, including two works owned by DekaBank. Pieces from DekaBank’s collection by Jagoda Bednarsky, one of the most promising graduates of the *Städelschule* in Frankfurt, were on display at the Nassauischer Kunstverein Wiesbaden.

Key social engagement figures (Fig. 21)

Total commitment	
€	2015
Social projects (Including special refugee aid campaign)	763,955.93
Education and academia	470,916.00
Art and culture	413,900.00
Sport	160,800.00
Other	115,382.00
Total	1,924,953.93

Split by activity	
	2015
Donations	1,327,748.00
Sponsoring	597,205.93

Independent environmental assurance statement

DekaBank engaged AGIMUS GmbH Umweltgutachterorganisation und Beratungsgesellschaft, an environmental verification provider and consultancy, to perform a review of its 2015 Sustainability Report in terms of materiality, transparency and comparability. It is the responsibility of the Board of Management to ensure that key indicators on sustainability performance are appropriately determined and presented in accordance with the reporting criteria, including the appropriate identification of significant issues. Our responsibility is to verify that the statements made in the Sustainability Report are transparent and complete pursuant to the criteria set out in the GRI (Global Reporting Initiative) G4 Sustainability Reporting Guidelines.

Independence and quality assurance of the environmental verification provider

We observed the independence requirements for environmental verification providers as well as further professional ethical requirements for third party reviews, and conducted our review of the Sustainability Report in line with the procedures for the certification of the environmental management system set out in ISO 14001.

Scope of assurance engagement

It is our responsibility, based on the procedures that we have performed, to express an opinion as to whether any matters have come to our attention that lead us to conclude that the information in DekaBank's Sustainability Report for the 2015 financial year has not, in all material respects, been prepared in accordance with the criteria set out in the GRI G4 Sustainability Reporting Guidelines. We were also engaged to make recommendations on the further development of the environmental management system and sustainability reporting, based on the results of our environmental verification review.

When conducting our review we observed the professional practice guidelines for environmental verification providers. In doing so we planned and performed our engagement with due regard to the principle of materiality, in order to express our opinion with a limited level of assurance.

In an environmental verification engagement with limited assurance, the procedures performed are less comprehensive than those required for an engagement providing reasonable assurance, such that accordingly, a lower level of assurance is obtained. The selection of verification procedures is at the professional discretion of the environmental verifier. The procedures selected were in line with those required for ISO 14001 certification, both technically and in terms of content. Within the scope of our environmental verification review, we conducted the following procedures, amongst others:

- Interviewed employees from the departments responsible for the preparation of the report about the process for preparing the report and on the internal controls in place around this process;
- Inspected documents regarding the sustainability strategy and gained an understanding of the environmental and sustainability management structure, stakeholder dialogue and the development process for the company's environmental and sustainability programme;
- Interviewed employees in the specialist departments responsible for individual sections of the report;
- Reviewed and tested on a sample basis the procedures and the system and process documentation in relation to the collection, analysis, validation and aggregation of the sustainability data;
- Conducted an audit and on-site inspection at the Frankfurt am Main office;
- Aggregated selected data; performed an analytical review of data included in the report;
- Obtained further evidence to support selected information in the report through inspection of internal documents as well as reports and records from external service providers.

Opinion

On the basis of the review that we have performed to obtain limited assurance, no matters have come to our attention that lead us to conclude that the information in the Sustainability Report for the 2015 financial year has not, in all material respects, been prepared in accordance with the criteria set out in the GRI G4 Sustainability Reporting Guidelines.

A materiality study was carried out in the autumn of 2015, involving 2,699 participants drawn from the stakeholder groups of employees, customers, experts and others. A summary of the results is now available, and this concludes that the Bank's stakeholders attach greater importance to the areas of "sustainable corporate governance" and "customer relationships and sustainable products". As a result, the areas of "business ecology" and "corporate citizenship" were presented in a more compact manner. This is an understandable and transparent change which is also acceptable from an environmental verification point of view, particularly given that, after seven continuous years of ISO 14001 certification, the area of business ecology has a secure foundation.

During the preparation of the report, relevant topics were assessed for materiality and both upstream and downstream organisational units were taken into consideration. The report includes all information that should be deemed material, with due consideration given to the principles of materiality, sustainability context and stakeholder involvement.

According to the results of our review, no information has been omitted from the report that could potentially influence the assessments or decisions of stakeholders, or that might reflect significant economic, ecological and social impacts. The report discloses both positive and, to the extent that these exist, negative events.

The use of GRI indicators as well as additional sector-specific criteria facilitates the comparability of the report. The Sustainability Report meets the requirements of the Core "in accordance" option, and also fulfils approximately 90% of the requirements for the Comprehensive option. One of the indicators (LA9) could only be determined in monetary value as opposed to time value as required by the standard; the process for compiling the data should be amended. The scope covered by the 2015 Sustainability Report thus demonstrates that DekaBank is willing to allow its sustainability performance to be compared with that of other leading financial institutions.

Supplementary information and recommendations

DekaBank's commitment to integrating sustainable development into its core business far exceeds normal practice in the sector. It is commendable that DekaBank has signed the UN Global Compact and the Equator Principles and has thus made a voluntary pledge to uphold internationally recognised principles in the areas of human rights, labour standards, environmental protection and anti-corruption. The progress achieved in the implementation of these principles is also described in the Sustainability Report. The mandatory introduction in 2014 of an internal Code of Ethics for all DekaBank employees, and third parties acting on behalf of DekaBank, also clearly underlines the importance the Bank places on the issue of sustainability. Sustainability criteria are consistently observed when making investment and financing decisions.

We welcome the fact that the Bank has elected not to formulate a separate sustainability strategy since 2015. This decision reinforces its aim of embedding sustainability throughout the whole value chain and hence approaching it as an integral part of the business model. In addition to the external verification of its compliance with GRI guidelines, DekaBank is evaluated by other specialist rating agencies, thereby facilitating its comparison with other banks. Furthermore, this allows all of DekaBank's stakeholders to gain a clear picture of the successes and potential difficulties experienced in the implementation of sustainability principles. Without qualifying the conclusion of our review presented above, we have the following recommendations on the further development of the Bank's sustainability reporting:

In general terms, there is still considerable scope to increase the level of detail involved in the reporting of some indicators, while the results of the stakeholder survey clearly show that operational environmental indicators are of less interest than business-related aspects.

The increase in greenhouse gas emissions is not satisfactory and is not in line with the Bank's overarching sustainability ambitions. However, we are pleased to note that the Bank is addressing this issue by undertaking a clear analysis of its causes and introducing a package of measures to counter the rise in GHG emissions. Progress made in this area should be presented in the next report.

Braunschweig, 11 May 2016



A handwritten signature in black ink, appearing to read "R. Utermöhlen".

Dr. Ralf Utermöhlen (Environmental Auditor, DE-V-0080)
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Internet website

The Sustainability report 2015 of the Deka Group can be found on our website www.deka.de under "Deka Group/Sustainability".

Ordering reports

We would be pleased to send you a printed copy of the Sustainability report 2015 of the Deka Group. If you would like to receive the report on a regular basis, please contact us.

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Concept, text and design

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