



Corporate Responsibility Report 2012

Delivering in a
changed environment

Passion to Perform



How we see responsibility

We believe that being economically successful and internationally competitive generates value for our shareholders, clients, and society at large. We apply high environmental and social standards to our business to support a sustainable future.

We recognize that we have a duty to our stakeholders to be a reliable partner with the highest integrity and ethics. We engage with and learn from others through open dialog on topics of mutual interest.

We seek to keep improving the environmental performance of our operations through the efficient use of resources and by applying the most environmentally friendly technologies.

We value the diversity of our people. We support their talents and offer an attractive work environment.

We believe our responsibility goes beyond our core business. Progress and prosperity are driving us when we initiate and support educational, social, and cultural projects that help people everywhere to fulfill their potential. Our employees have valuable skills. We encourage them to use these to benefit others through involvement in community projects and social enterprises that produce lasting change. We call this building social capital.

This is how we combine our performance culture with a culture of responsibility.



Corporate annual reporting 2012

The Corporate Responsibility Report is part of Deutsche Bank's annual reporting publications presenting the bank's performance and initiatives in 2012. It complements the Annual Review and the Financial Report and focuses on how we provide value for our stakeholders – shareholders, clients, employees, and society. The report describes how we are making our business more sustainable by balancing financial returns with our contribution to society and a healthy environment.

To embrace the breadth of what we do in our core businesses and of our investments in society, the title of the report was changed from "Corporate Social Responsibility" to "Corporate Responsibility". The reporting now follows three dimensions: economics, environment as well as people and society.



"We are determined to bring about deep cultural change at Deutsche Bank. That is what clients, society, and investors demand.

Our values are clear:
We believe in fundamental integrity of our actions; in furthering the interests of our clients; in building a long-term, sustainable franchise; in disciplined use of scarce resources; and in working as a true team."

Jürgen Fitschen, Anshu Jain
Co-Chairmen of the Management Board

Cover

Admassu Tadesse, CEO Preferential Trade Area (PTA) Bank
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Jürgen Fitschen and Anshu Jain
Co-Chairmen of the Management Board

Dear Ladies and Gentlemen,

These are challenging times for the financial sector. The trust in banks is at a record low due to perceived conflicts of interest and selfish behavior. Many favor stricter regulation in order to better control the wide-ranging influence of financial institutions on the economy.

We must renew the contract with society and strengthen the fabric of trust with all of our stakeholders. We have to demonstrate that we play a valuable role in society and that we act with integrity and responsibility.

This goal can only be achieved through a profound change in culture. The clients, investors, and others we consulted during our strategic review in 2012 left us no doubt about that.

We want Deutsche Bank to be at the forefront of this cultural change in our industry. We want to show that we are sensitive to the interests of society; that we create value for clients, employees, and communities as well as shareholders.

This means combining a culture of performance with a culture of responsibility. We know it will not be easy. It will not happen overnight. But we began this process in 2012, when we adjusted our compensation practices so payments to our employees, dividends to investors, and retained earnings are better balanced. We also redesigned our corporate performance standards underpinning individual goals for our employees around ethical principles. Ethical conduct is critical, especially in client relationships.

Client interactions are central to our business, but implementing a culture of responsibility means understanding how these activities affect the environment and society.

We have a solid foundation because of the work we have done over the past years, including the increased energy efficiency of our operations, which are now carbon neutral. Deutsche Bank and its foundations were again among the world's most active corporate citizens – despite the challenging market environment. We have a strong tradition of volunteering and more than 19,500 colleagues were involved in the environmental and community projects we support. Their commitment demonstrates that our people understand our wider responsibilities.

We are reviewing potential transactions and clients more critically than in the past. But we know that more will need to be done. We are under no illusions about the challenges ahead. Cultural change is not a quick fix. It cannot be dictated from the top, but will have to grow gradually as a result of outstanding individual conduct as well as new processes and principles.

We present this report to you as a record of Deutsche Bank's actions in 2012 and of how we are striving to reach new levels of corporate responsibility.

We look forward to reporting further progress next year and welcome your comments on these activities.

Yours sincerely,



Jürgen Fitschen
Co-Chairman of the Management Board



Anshu Jain
Co-Chairman of the Management Board

Frankfurt am Main, Germany, April 2013

Responsibility in a changed environment

In 2012, the banking industry once again faced substantial challenges, including low and volatile growth around the world, continual rapid social and demographic change, especially in emerging markets, and a demanding regulatory landscape.

A period of unprecedented disconnect between the banking industry and society also prevailed throughout the year. In fact, research placed the financial sector behind all others for the second consecutive year on being trusted “to do what is right”. As a leading member of the financial services industry, Deutsche Bank faced its share of public criticism, particularly in our home market Germany.

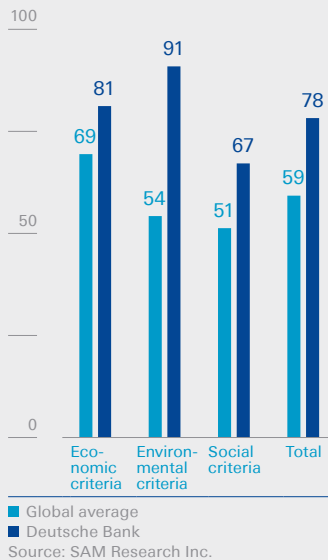
This was also a year of transition for us. New management announced the bank’s Strategy 2015+. Cultural change is one of the key levers of this strategy. The change program builds on the strength of the past while focusing ever more on the needs of clients and partnership. In particular, intensifying our efforts to make our business more sustainable has to be an integral part of this change, and not just in the economic sense – the social and environmental dimensions have a vital role to play as well. Therefore, our behavior and the business we select need to be anchored in our identity and the values of society.

Affecting true change will take time, but the message is clear: Our performance culture has to be synchronized with a culture of responsibility.



RobecoSAM, rating 2012

Financial services companies
Index ceiling = 100



Creating value

As a global bank, we must be both competitive and financially successful in an international environment. This way, we are able to create value not only for our investors and clients, but also for our employees and society as a whole. Creating value is only sustainable, however, if we are able to reach our financial targets and goals while meeting high environmental and social standards. Therefore, we understand corporate responsibility as providing value with values; we see it as crucial that our values meet the expectations and standards of our stakeholders while allowing us to operate sustainably as a business.

We make the most direct contribution to society by applying our financial expertise to the needs of our clients. We provide advice and services to individuals, companies, and governments, and play a vital part in wealth creation. Our services range from transforming savings into capital to managing cash and payments; from investing assets on behalf of private and institutional investors to securities trading, risk management, and advising on corporate finance.

Moreover, we support activities that directly advance sustainability, such as renewable energy finance, microfinance, and impact investment funds. These are areas that face some challenges in the near term due to the current economic climate, but we expect strong growth over the next decade as the transformation toward cleaner and more sustainable growth continues. [Page 35](#)

Beyond our core business, we invest directly in the societies in which we operate. Around the world, we enable educational, social, and cultural projects that build social capital and bring about positive change. [Page 63](#)

Balancing stakeholder needs

We are very aware of potentially conflicting expectations and interests of shareholders, clients, employees, and the general public. Therefore, we have to evaluate the impact of our business and, consequently, balance financial returns with social acceptance and benefits for our stakeholders. Corporate responsibility implies that we continually strengthen our approach to environmental, social, and governance issues, and improve transparency by monitoring the direct and indirect impact of our activities.

In 2012, some of our banking activities have again attracted criticism, including issues around food speculation, the production of cluster munitions, and transactions in the energy sector. We take the concerns seriously and will adapt our governance framework and business practices wherever necessary, based on changes identified through dialog with stakeholders and careful analysis of facts.

We applied this approach in 2012, when some groups held us responsible for global hunger. We temporarily stopped the launch of new investor products based on soft commodities, conducted a careful and in-depth analysis of the possible connections between our business and the implied impact on agricultural commodity prices, and consulted with academics. Once we had considered the evidence, our Management Board decided to continue, because these activities have an overall positive impact.

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Leading with responsibility

Reflecting our growing concerns about environmental and social risks, Deutsche Bank introduced an Environmental and Social Reputational Risk Framework. In 2012, the framework was gradually rolled out across the organization and significant progress has been achieved. It involves environmental and social due diligence as an integral part of the approval process for all transactions. In the initial phase of implementation, special emphasis has been placed on transactions originated by our investment banking and global transaction banking business in sensitive sectors such as the extractive industry, agriculture and forestry, and utilities.

Within the framework and with the support of the Group Reputational Risk Committee, we produced guidance for our activities in a variety of sectors, ranging from palm oil to nuclear power. Greater awareness and stricter guidelines led to more escalations. In 2012 alone, 102 transactions were escalated to regional, divisional, or the Group Reputational Risk Committee due to environmental or social criteria, 16 of which involved environmental and social risks. [Page 13](#)

We also introduced a Responsible Business Initiative in our Private and Business Clients business, setting minimum standards for products. These Product Principles are voluntary guidelines that commit us to offer only products that are transparent and ethical in nature. Our clients rightly expect advice that is balanced in regard to risk and opportunities, and that also serves their needs. In addition to the Product Principles, we have articulated a list of exclusion criteria for each product line that guides both new product development as well as existing product review. [Page 22](#)

Promoting sustainable financial products

We apply social and environmental risk criteria to a growing number of investment products. Our Asset and Wealth Management division manages €3.7 billion of assets integrating environmental, social, and governance (ESG) criteria. We extended ESG integration in our mainstream analysis with a series of upgrades to our internal investment portal. This improves accessibility and ease of use, and thus facilitates integration of ESG into the investment process by individual portfolio managers. Improvements included adding carbon ratings and a carbon reporting tool to the fixed-income part of our investment portal and extending ESG ratings to the Corporate and Sovereign fixed-income research platform for developed and emerging markets. [Page 27](#)

Deutsche Bank also launched the \$100 million Global Commercial Microfinance Consortium II fund. It will help microfinance institutions to develop new products – such as housing loans – and will introduce fund investors to promising social enterprises in health care, education, energy, agribusiness, and technology. [Page 35](#)

Advancing sustainable practices in the financial sector

All actors have to collaborate to advance progress toward a sustainable economy. We contribute to the debate on important topics for our industry, specifically to advance thinking on sustainability issues in our industry and beyond. Therefore, we engage with many organizations – formally and informally. The bank is a member of policy think tanks and industry associations, and maintains dialog with policy-makers and regulators in all the countries we operate in.

In addition, we work through industry initiatives such as econsense, debating sustainability ratings in 2012 with competitors and rating agencies. We also play a leading role in the Banking Environment Initiative (BEI). Through BEI, we worked with five other banks and clients from the energy industry to explore how alternative valuation methods could stimulate clean-energy investments.

In 2012, we supported new thinking and acceptance of environmental, social, and governance factors in the investment community by hosting the UN PRI's Academic and German conference as well as the third ESG corporate day for German quoted companies. We have also launched a cooperation with Maastricht University to enhance our understanding of the interplay between sustainability and financial markets. Deutsche Bank research also tackled questions of sustainability; papers published in 2012 included "Sustainable Investing: Establishing Long-Term Value and Performance".

The questions and challenges that have been posed to us from the general public also led us to engage in a wide-ranging dialog on banking and sustainability. Discussions with NGOs in 2012 included controversial topics such as mining, cluster munitions, and agribusiness. Informal cooperation with competitors enables an exchange of experience and ideas relevant for the industry as well.

Running an environmentally friendly business

Our thought leadership aligns squarely with our corporate responsibility in the area of climate change. As a globally active bank, we must act as a leader. We aim to reduce our environmental footprint to the absolute minimum.

We set a target to make our operations carbon neutral by the end of 2012. The goal was achieved over a five-year period by reducing the bank's global carbon footprint by 20% per year since 2007. We invested in energy efficiency projects to reduce energy use and costs, purchasing and generating on-site renewable electricity and offsetting our inevitable emissions by purchasing and retiring high-grade offset certificates (CER).

Our broad basket of climate-change-related activities earned Deutsche Bank a place in the Carbon Disclosure Leadership Index as one of 33 companies worldwide for the first time. [Page 47](#)

Connecting performance with responsibility

To support a culture of responsibility, we rolled out a new performance management approach in 2012, underpinned by a set of High Performance Principles that were agreed to in consultation with employees and their representatives. The Principles aim to enhance the feedback culture and to contribute to a more differentiated approach in the evaluation of performance. It is not only a question of what performance our employees deliver, it is also a question of how they deliver it.

We also aligned compensation practices. The new approach has a strong behavioral focus at all levels of the organization. We reward people according to long-term orientation and sustainability, client focus, and teamwork. An independent external panel was set up to review the structure and governance of our compensation approach. Some of the panel's recommendations directly influenced decisions regarding this year's compensation packages.

As an Employer of Choice, we see a responsible culture of achievement, which is based on fair compensation and challenges our employees, as a fundamental value. [Page 54](#)

Building social capital

We also take on responsibility beyond our core business. In spite of the challenging markets, we invested €82.7 million in social projects as one of the most active global corporate citizens of 2012. We aim to create social capital through initiatives that help to resolve structural inefficiencies and to foster social equality. [Pages 35 and 63](#)

In 2012, more than 19,500 Deutsche Bank employees around the world (24% of global staff) supported community projects as Corporate Volunteers, committing almost 30,000 days in total. To encourage even more colleagues to personally commit themselves, we have further strengthened the visibility of our Corporate Volunteers, making them a role model for their peers. In addition, the Global Corporate Volunteer Award recognizes community involvement beyond the bank's programs. [Page 60](#)

We have further strengthened our management framework to ensure that resources are efficiently deployed and projects are fully aligned with our objective to build social capital. In 2012, we rolled out our annual Global Impact Tracking (GIT) across all regions. With this tool, we monitor the impact of our flagship programs and systematically collect feedback from our community partners.

The evaluation of flagships (minimum investment of €25,000 each) confirms we are on target with our agenda: Projects are evenly allocated (one-third each) across our key areas of activity: education, social investments, art and music. Our close cooperation with other supporters enhances the impact we are able to generate. The main beneficiaries of our flagship programs are children and young people. Last but not least, the GIT data underpin the long-term approach we take: 37% of the initiatives we support run over a period of one to three years, 40% even longer than that. [Page 86](#)

Responsibility in a changed environment

"We were the first financial institution to draw on financing from the Africa Agriculture and Trade Investment Fund (AATIF), a development fund dedicated to promoting agriculture and trade in Africa. As the AATIF's manager and PTA Bank's long-term business partner, Deutsche Bank initiated contacts for us, provided us with funding on good terms and helped us to establish successful business relationships."

Admassu Tadesse
CEO, PTA Bank, Eastern and Southern African
Trade Development Bank



01 -

Responsible Business

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Managing a complex business



Video statement by Admassu Tadesse.
More information on AATIF Page 34.

Our portfolio of banking services faces multiple challenges, ranging from macro trends such as resource scarcity and climate change to the industry-specific decline in trust in banks over the last five years. We are responding with improved risk management and by assisting clients in a variety of ways that meet their needs and develop our business sustainably.

Within our Private and Business Clients division, we have introduced a Responsible Business Initiative to ensure that our products reflect the demand from our clients. In Asset and Wealth Management, we have responded to the growing trend of incorporating environmental, social, and governance factors into investment strategies. The Corporate Banking & Securities division manages risks and raises capital. We have matched investors with projects in a wide range of physical infrastructure, including large-scale renewable energy generation. Our Global Transaction Banking division oils the wheels of the economy through clearing huge daily payment and foreign exchange trading volumes. The bank also supports innovative projects such as Desertec and GET FiT, which are pioneering new approaches to meeting the need for clean energy in developing countries.

A complex business such as this needs effective risk management systems that address social and environmental factors, in addition to core banking risks, which are central to the nature of our business. Governance structures and management processes also need to achieve coordination and control, avoid conflicts of interest and unintentional breaches of the rules.

Managing reputational risk

Strengthening processes and oversight

Our governance framework includes procedures to manage risks, which are central to the nature of our business. Operating responsibly while serving diverse stakeholder interests means weighing the risks against the value created. Our business model is built on public trust in the stability of the bank and the financial system as a whole, so it is essential that in addition to credit or market risks inherent in our business, we manage the risks that can undermine trust.

We introduced a Group-wide Reputational Risk Management (RRM) program in 2005 to create common standards for identifying, escalating, and resolving reputational risks arising from our operations. The program has developed continually, and has received particular attention since the financial crisis.

Reputational risk escalation



* Group Reputational Risk Committee

As a general rule, every employee is responsible for protecting the bank's reputation. The primary responsibility for identifying and managing risks concerning products, clients, and transactions rests with the business divisions. They are supported and advised by Control Groups including Legal, Risk, Compliance, and Group Sustainability to ensure that reputational risks are adequately identified, addressed, and escalated. The business divisions and the Control Groups assess the reputational risks in question at a very early stage. This Business Review forms the first level of our reputational risk assessment.

Unresolved issues are escalated to regional and/or divisional reputational risk committees, which include senior representatives of the control functions and the business divisions.

Reputational risk issues that cannot be resolved at this level can be escalated to the Group Reputational Risk Committee (GRRC). The GRRC is a subcommittee of the bank's Risk Executive Committee and co-chaired by two members of the Management Board. The Committee is responsible for finally assessing if and under which conditions products are introduced, client relationships are entered or transactions are executed.

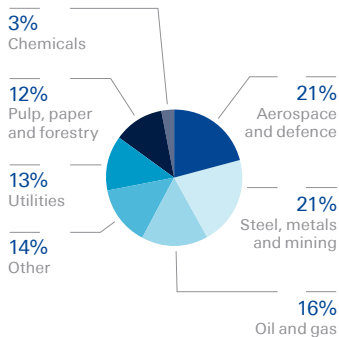
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A monthly report to senior management outlines the bank's reputational risk profile, as well as the main sources and drivers of reputational risk and reflections on recent media coverage. A quarterly report to the GRRC and the divisions discusses topics of increased reputational risks.

In addition to our approach to manage reputational risks, our global Credit and Reputational Risk Directives provide additional protection related to this risk category. The Directives incorporate guidelines for defense equipment, pornography, betting and gambling, environmental issues, and embargoes. Transactions involving any of these areas require special approval. The Group Credit Policy Committee conducts an annual review of these Directives and is responsible for assessing their compliance with our relevant internal standards.

ES Risk Framework

Reviewed transactions per sector



Framework for environmental and social risks

The Environmental and Social Reputational Risk Framework (ES Risk Framework) is an important part of our Reputational Risk Management program. It requires environmental and social due diligence as an integral part of the approval process for doing business, including but not limited to sectors such as the extractive industry, utilities, agriculture, and defense.

We rolled out the framework across the bank in 2012, including training in Asia and Latin America. Further training sessions will be scheduled for 2013 and beyond for different infrastructure functions and business divisions, as well as for other regions. The success of the framework's implementation across the bank is demonstrated by an increase of up to 480 percent in Deutsche Bank transactions escalated for review by Group Sustainability.¹

We regularly review the sectors covered by the framework and extend coverage if necessary. In 2012, the areas of high public concern carrying reputational risk continued to be:

Cluster munitions. We put a Group Policy on Cluster Munitions into practice in 2012. The policy prohibits business with conglomerates that manufacture or distribute cluster munitions, including their key components, banned under the Oslo Convention on Cluster Munitions.

Commodities. The agricultural commodities sector has been the subject of controversial discussions. After evaluating numerous studies on the matter, Deutsche Bank's Management Board decided to continue to offer financial instruments based on agricultural staples. [Page 19](#)

Palm oil. Illegal logging and destruction of natural forest associated with palm oil production: We introduced a principle-based guidance paper for our business related to palm oil production.

Nuclear power. Despite its negative public reputation, nuclear power will continue to be an important low-carbon transitional energy source. Deutsche Bank will therefore continue to support transactions in the nuclear sector. However, by implementing an internal guideline we ensure that transactions will be subject to stricter criteria in the future.

While aiming to reduce reputational risk, we ensure that appropriate due diligence around environmental and social risks is carried out, and we seek active dialog with clients to promote transparency and mutual understanding of environmental and social issues in the medium to long run.

¹The ES Risk Framework was implemented in 2012, thus, its impact can only be assessed to a limited extent at present. Once a quantitative track record of the framework's implementation and continued employee training are realized, more extensive data will be made available.

Transactions in the palm oil sector

Demand for palm oil has increased rapidly over the past decade due to dietary changes and the fact that it is now also used as biofuel. Global palm oil production is predicted to be double the 2000 level by 2030, and triple by 2050.

Growth of the palm oil industry has positive economic benefits, especially for Asian countries seeking entry to global markets. However, the production of palm oil raises environmental and social challenges. Deforestation for palm oil plantations (which is sometimes illegal) destroys habitats, threatens extinction of some species, and contributes to producing damaging greenhouse gas emissions. As well as raising environmental concerns, the creation of massive monoculture plantations creates conflicts with local communities, including involuntary resettlement and violation of land rights.

To address these concerns and promote sustainable palm oil production, Deutsche Bank introduced a set of guiding principles for palm oil industry transactions in 2012. As a minimum, clients active in this sector are required to provide a certification plan for their plantation or mill in accordance with the Roundtable on Sustainable Palm Oil (RSPO) criteria. The RSPO standard was established in 2004 and is widely supported by international consumer goods manufacturers and financial institutions. The bank also engages with clients during the certification process when requested.

Within the Banking Environmental Initiative, we have also collaborated with other banks to explore how we can support efforts by the consumer goods industry to drive deforestation out of companies' supply chains. This initiative goes beyond palm oil and covers soft commodities such as timber, soy, and beef, which together account for about 50 percent of global deforestation.

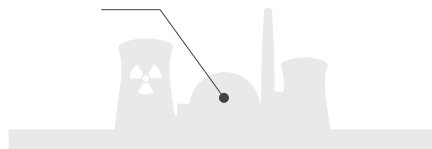
Transactions in the nuclear sector

Public concerns about nuclear power increased considerably after the nuclear incident in Fukushima, Japan, in March 2011. As a result, many countries reviewed existing nuclear power programs, and Germany decided to phase out its nuclear power plants by 2022. This development is supported by opponents of nuclear power who warn of the environmental and safety risks, the clean energy benefits of nuclear power notwithstanding.

Renewable energy sources will not be capable of replacing nuclear power globally in the medium term, and as many as 20 countries around the world are considering activating their first reactor before 2030 to satisfy their energy needs. The European Commission's Energy Roadmap 2050 deemed nuclear power to be a key source of low-carbon electricity generation, which could make a significant contribution to the decarbonization of energy. Deutsche Bank will continue to support civil nuclear power as a zero-carbon transitional energy source.

To ensure appropriate safety and sustainability, Deutsche Bank has introduced guidelines which apply to all banking and financial services for clients actively involved in the civil nuclear power sector. The guidelines set out country- and project-related criteria to be considered prior to commitment. The criteria require the ratification of key international conventions and treaties such as the Convention on Nuclear Safety and the Treaty on the Non-Proliferation of Nuclear Weapons. Moreover, they require adherence to environmental, safety, and social standards, for instance compliance with the minimum health and safety standards of the International Atomic Energy Agency and an evaluation of seismic activities, flood risks, and resettlement plans if necessary.

Payment services for a nuclear power plant



Background

- Deutsche Bank was invited to provide payment-related services to a client building a nuclear power plant in Europe

ES risk evaluation

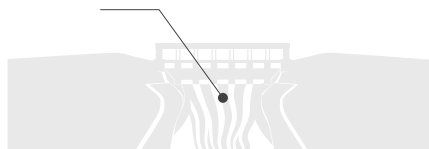
- We apply basic requirements of the nuclear power industry
- We apply specific country and safety-related review criteria such as:
 - Present industry infrastructure
 - Current industry standards and regulations
 - Natural hazard potential
- Group Reputational Risk Committee review based upon initial findings

Findings and decision

- Proposed project's host country neither signed nor ratified two major international conventions
- Host country had no operating nuclear power reactors, and therefore lacked experience and essential health and safety regulations
- Seismic hazard risk high to very high in proposed project region

Decision to decline the opportunity of providing payment services to the client.

Supply chain financing for a hydro project



Background

- Deutsche Bank was asked to participate in a supply chain financing of goods for construction of a hydro power plant in Asia

ES risk evaluation

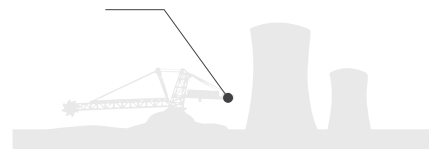
- We evaluate adverse impacts on localities through our ES Risk Framework
 - Community resettlement
 - Construction in sensitive or protected areas (environmental, religious)
 - Degradation of water quality
- We check project background, developers, and financial institutions involved such as:
 - Availability and participation of multinational or bilateral financial institutions

Findings and decision

- We were not able to access relevant project material
- The project would involve resettlement, but no resettlement plan was provided
- We had no opportunity to discuss the project's current status and controversial issues with project developers

Decision to decline the opportunity of providing financing to the client.

Financing for a coal power plant



Background

- Deutsche Bank was asked to participate in financing a coal-fired plant in a developing country in Asia

ES risk evaluation

- We review transactions related to coal, including mining and coal-fired power plants (CFPP):
 - Ensure that most modern and efficient technology is used
 - Extent to what the technology applied can contribute to an overall average reduction in carbon intensity in the host country
- We discuss subcritical power plants with technical experts
- Group Reputational Risk Committee review upon escalation based on initial findings

Findings and decision

- The projected host country:
 - Aims to stimulate economic growth and enhance living standards with minimal negative environmental impacts
 - Signed and ratified the Kyoto Protocol
 - Included development of renewable energy for electricity production in its National Power Development Plan
 - Lacked financial means to acquire best available technology
- The proposed CFPP would not employ best available technology according to EU standards

Decision to withdraw from providing finance to this project due to our commitment to a well-balanced energy policy. However, Deutsche Bank is providing financing for a wind farm in that same Asian economy through a fund dedicated to promoting the energy sector and energy efficiency in developing countries.

Financial investment in agriculture

The availability of finance is essential for the agricultural sector to grow strongly and meet the needs of the world's rapidly expanding population. The Food and Agriculture Organization (FAO) of the United Nations estimates that investments of more than \$80 billion per year will be required over the coming decades. As a global universal bank, we stand ready to facilitate these investments. Through investment funds, our clients can participate in the entire agricultural value chain. Deutsche Bank offers credit facilities and financing for food producers and trading companies. We also offer hedging products for producers and users of agricultural commodities, as well as commodities index and exchange-traded funds.

These financial investments in agricultural commodities markets have been exposed to controversial debate. Critics allege that investors in such financial products are not needed for the proper functioning of commodity futures markets and, in fact, have caused prices for basic foods to surge and cause volatility. They argue that these investors are responsible for causing poor people to go hungry. When Deutsche Bank was first confronted with this criticism, the Management Board in early 2012 placed a temporary halt on the launch of new investor products based on food staples. Already at that time, our own research had shown that the trend increase in global demand is not met by increases in supply, leading to higher prices. Those reports also showed that short-term volatility is the result of supply shocks. However, we wanted to study all the issues in depth.

Following an extensive review of the academic literature and discussions with experts, we concluded that there is no convincing evidence that financial activities have led to higher prices or increased price volatility for agricultural commodities. Most importantly, we conclude that financial markets are essential for efficient commodity pricing. Our review found that food prices are ultimately determined by supply and demand. The fundamental cause of rising food prices is sharply rising demand because of population and income growth and dietary shifts in developing countries, exacerbated more recently by biofuel production. At the same time, supply is limited by water scarcity, climate change, lack of infrastructure, and harvest waste. Moreover, external shocks such as weather-induced crop failure can cause more pronounced price swings, because historically low stocks for key commodities cannot compensate for reduced production. Weak transparency around actual global stock levels has exacerbated this problem.

Agricultural markets are by nature volatile, because they constantly experience a mix of long-term trends and short-term (mostly supply) shocks. Today's derivative markets for agricultural products provide hedging and bring liquidity to the markets (by allowing sellers to find buyers and vice-versa), thus contributing, in principle, to a decrease in volatility. Indeed, there is convincing evidence that derivative markets have had a dampening influence on volatility in the spot market. They also provide strong price signals to which supply will react within the constraints of growing seasons.

Although some academic research has suggested an impact on prices (both up and down) from speculative activity, most of the peer-reviewed, academic literature shows that the above-mentioned fundamentals of supply and demand are the dominant drivers of commodities prices, and points away from speculation as a factor in price development. The statistical analyses of the role of financial investment reported in the literature led to widely varying results, including contradictory evidence by the same author in different papers. Although we agree that there have been periods of correlation between food price increases and the level of activity in derivatives-based agricultural commodities, there is no convincing evidence for a causal link. Even authors, whose studies seem to suggest such links, agree that unresolved methodological challenges and current data weaknesses make it impossible to prove causality.

Financial investment in agricultural derivative markets could only lead to price increases in the cash markets if there was increased demand for the physical commodity. In fact, there is evidence that financial investors have not created additional demand, reflecting the fact that agricultural commodity-based index funds, or ETFs, are not backed by physical commodities. The literature has highlighted the important role of government intervention. For example, the temporary export ban on wheat by Russia and the Ukraine in 2010/2011 is suggested to be the key factor behind the price spike for wheat in that year. Similarly, rice experienced substantial price swings in 2008, even though there are no liquid futures markets and no major commodity index references for rice. Several Asian countries, however, imposed export restrictions at that time. The price rally ceased when the bans were lifted.

We agree that for agricultural commodity derivatives markets to function, as well as instruments of hedging and price discovery, appropriate regulation needs to be in place across all relevant futures exchanges and markets. We support the efforts to increase transparency and introduce position reporting in commodities markets. Such measures will enable regulators to determine the most appropriate regulatory framework. Moreover, the amendment of the existing market abuse regulation will provide an additional instrument to ensure market integrity.

We conclude that in the decades to come, we need substantial financial means to expand agricultural production and feed nine billion people by 2050. We need more, not less, financial investors willing to supply the capital required to modernize agriculture and provide infrastructure finance. We also need the hedging products and the markets to provide them. In other words, we need “speculators” willing to bear these risks. The Management Board therefore lifted its earlier ban, effective with the start of 2013.

Banking services for individuals and businesses

Protecting consumers and advising responsibly

Deutsche Bank is one of the leading banks for private and business clients in Germany, with businesses also in Italy, Spain, Belgium, Poland, Portugal, and India. We provide a broad range of banking services to individuals as well as small and medium-sized businesses, including current accounts, transactions, deposits, loans, investment management, discretionary portfolio management, and pension products.

Business with private and business clients is under intense public scrutiny in the wake of the financial crisis as the media and the general public begin to closely observe the relationship between banks and their clients. People are understandably disappointed by substantial losses, and consequently by business practices seemingly driven by sales targets, as well as by complex products that have not been easy to understand. This applies to Deutsche Bank, just as the rest of the sector.

In the aftermath of the financial and economic crisis, we face increased regulation, especially in our home market Germany, covering client protection, advanced compliance standards, investments, and security trading. Major aspects are also reflected in the new European Union „Market in Financial Instruments Directive“ (MiFID) on investor protection. Beyond complying with such regulations, we take voluntary action. For example, Deutsche Bank decided to wind down the db Kompass Life III Fund, which bought synthetic life insurance policies.

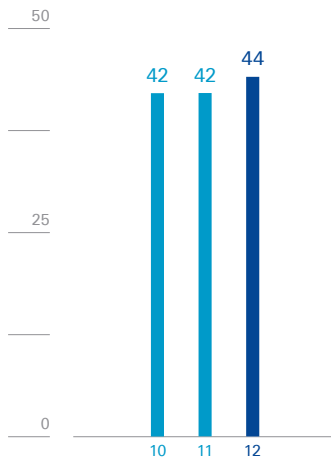
Adjusting to new realities

In order to ensure a focus on client value and to regain the clients' trust, Deutsche Bank must emphasize attention to client benefits, protection of clients' interests, and client satisfaction. This is a precondition for maintaining our business model and generating long-term success. Higher-quality advisory services and greater transparency are therefore key. In practice, that means only providing advice and services that meet clients' individual needs.

As a client-centric, global universal bank, Deutsche Bank aims to balance client interests with shareholder requirements. Paying heed to this approach, we have introduced a number of client value-based measures since 2008, culminating in the Responsible Banking Initiative in 2012.

Quality of advice for clients

In %, rated with "excellent" or "very good"



Initially, we implemented the Product Information Sheet to give clients the transparency they need on important product facts such as the risk and reward profile, charges, and performance. These are now mandatory for investment products and closed-end funds; we voluntarily offer product information sheets for savings products as well.

Another important step was the implementation of a software tool known as Beratermappe Online (BMO), which helps sales staff to meet our quality standards for advice, including legal requirements and the quality principles we defined for ourselves. It is available to all sales staff and is used in every relevant advisory session, ensuring transparency and high-quality advice. Following each advisory meeting, we strive to provide clients with documentation clarifying the advice that we provided. We use mystery shopping, a control mechanism which entails that a third-party auditor acts as a client, to check how well employees are complying with our quality and advisory standards. In 2012, the use of BMO again reached a high level of almost 100% in all advisory meetings. Independent assessment institutes such as Finanztest confirm our good performance on advice.

In 2012, many clients again completed our satisfaction survey, either online or through banking terminals. Their assessments reveal the level of client satisfaction, loyalty to Deutsche Bank, and the quality of advice we provide. We follow up poor results with a quality audit of the branch, identifying shortcomings and how to improve. Branch advisors also follow up with dissatisfied clients to understand their reasons and how to improve client service. As a result, client loyalty and quality of advice have increased. At the end of 2012, 44% of clients said their quality of advice was "excellent" or "very good".

We reinforce the focus on client service through training and rewards. Tailored training courses emphasize how to realize our commitments, and web-based training for employees and branch managers includes a module on "considering the client".

The client dimension is also an integral part of current management systems. The Private and Business Clients business steering model balances client and shareholder requirements. The results of client satisfaction surveys and mystery shopping influence the assessments of the success of our sales teams.

Introducing a Code of Values

To meet peoples' expectations of their bank, we introduced a Private & Business Clients Code of Values in 2012. The code reflects our Private & Business Client (PBC) Common Essentials, which managers follow in doing their daily business. The Common Essentials revolve around our values:

Fair Share. We create sustainable value for our clients and shareholders in every unit of PBC, ensuring that their perspective is our perspective.

Reliability. We act with responsibility and respect, making ourselves accountable to our clients, shareholders, staff members, and society.

Performance. We seek to deliver top performance for our clients, as well as developing a leadership culture that attracts and fosters top talent.

Innovation. We constantly refine existing processes and search for better solutions, leading to new standards in the retail banking sector.

As a first step in delivering these values, we created Product Principles that define minimum standards for each product line. These voluntary guidelines commit to offer only products that are clear in content and ethical in nature, aiming to meet client expectations for credible advice reflecting their needs and showing them a balanced view of the opportunities and risks. The principles require our advisory services to be responsible and forward-looking. We will keep working to further develop these principles as well as continually reviewing our product portfolio.

Our Code of Values

We create long-term value in PBC for our clients and our company. Our clients can rely on our products to comply with our ethical principles. Responsible advisory means that we only offer such products. For this reason, our products are continuously reviewed. We are a trusted partner for our clients and society.

Our Product Principles

Our products are part of the real economy.

Our products serve the individual, without harming the general public.

Our products are transparent and understandable.

As a result, our products create benefits.

We will not actively offer and provide advice on products that do not fulfill these principles.

In our retail business and based on our clients' expectations, we specifically exclude certain activities. In addition to the Product Principles, we have a list of exclusion criteria for each product line that we use in developing new products, as well as in the review of the current product portfolio. In line with the bank's overall approach toward reputational risks [Page 13](#), we will not actively advise on or offer products in direct connection with:

- Wagers on death, illness, invalidity, or insolvency
- Production and sales of nuclear weapons, cluster munitions, and land mines
- Speculating on the scarcity of food commodities or short-term bottlenecks in commodities (but we will offer tailor-made solutions for business clients who demand to hedge their trading activities)
- Encouragement or use of child labor
- Criminal activities (e.g. drugs, money laundering, corruption)
- Violations of human rights

Our Responsible Banking Initiative ensures the adherence to these principles. It is led by an executive-level committee comprising senior managers across the PBC division, including Postbank. Set up in March 2012, the committee is the final arbiter on all matters relating to our Code of Values. It continually screens our product portfolio, recommends and decides mitigation measures in the case of non-compliance, and finally signs off new products that it is presented.

Making a positive contribution

Responsible banking is not just about screening out products, advice, and services that might have the potential for harm, but also about creating value and benefitting society. Our positive influence is also clear in the capital that we provide toward cleantech firms, renewable energy companies, and others in the low-carbon sector. We are doing this in Germany, Spain, and Italy by providing finance for energy-efficient buildings and renewable energies. We also offer a number of sustainable investment funds, distributed through our branch network. In 2012, these funds attracted around €450 million from retail clients. All these activities are helping to drive the sustainable economy in Europe.

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Financial literacy

Ignorance of financial matters can lead to financial distress, especially for young people. Acquiring a basic understanding of economic and financial issues, instruments and mechanisms can therefore help people to become independent, informed citizens.

Using our expertise and our employees' commitment, we support programs that improve financial literacy. In Germany, we have run the financial literacy initiative Finanzielle Allgemeinbildung (FAB) with schools since 2009. More than 1,300 employees have volunteered as Deutsche Bank instructors. They make two or three school visits a year, give lessons, discuss current economic and financial topics, and provide insights into their daily work. By extending the program to our subsidiary Berliner Bank in 2012, we added to its impact.

In 2012, we launched a campaign in Poland to help people plan for retirement. "Take care of your future pension today" was a broad communication effort aimed at education on the state and private pension system. It was based on a detailed nationwide survey, which showed high demand for information in the light of changes, including raising the pension age to 67 for both men and women.

In partnership with a leading Polish media group, we also created the Internet portal Education in Finance. It carried daily updates featuring banking news, research, analyses, consumer surveys, and practical instructions.



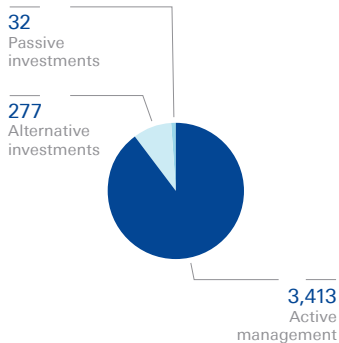
More than
1300 employees
volunteer as
financial literacy
instructors



Managing assets for our clients

Mainstreaming sustainable investing

ESG assets under management In € m.



With €944 billion of assets under management (as of December 31, 2012), Deutsche Asset & Wealth Management is one of the world's leading investment organizations. Deutsche Asset & Wealth Management helps individuals and institutions worldwide to protect and grow their wealth, offering traditional and alternative investments across all major asset classes. It also provides tailored wealth management solutions and private banking services to high-net-worth individuals and family offices.

Meeting client demand

Environmental, social, and governance (ESG) issues are increasingly incorporated into our mainstream investment analysis and decision-making. These corporate governance principles are not only a belief of Deutsche Bank but also a demand from our clients. Growing numbers of investors are redefining fiduciary duty to incorporate ESG factors into investment decisions. This trend varies significantly between the markets we operate in, and financial returns are naturally the main focus for the majority of our clients. However, there is increasing understanding that traditional financial analysis may miss factors that are important for long-term returns. Incorporating ESG factors extends traditional analysis by providing a long-term non-financial view, which may give investors insights into competitive positioning as well as financial, regulatory, environmental, social, and reputational risks.

Assets invested according to ESG strategies have continued to grow faster than the overall market. For example, the Eurosif study 2012 estimates that total assets in Europe based on ESG criteria reached almost €12 billion in 2011, 58% higher than in the previous survey in 2009. Large pension funds are driving demand in Europe, while high-net-worth individuals and retail investors show continued interest. Investors in Asia are beginning to consider ESG, especially following the earthquake, tsunami, and the subsequent nuclear reactor crisis in Japan in 2011.

Governance factors drive the US market¹. Global, social, and environmental concerns are less prominent than in Europe, and conventional investment firms have only recently begun to analyze how ESG policies affect financial returns. This also applies to our US investment management business. However, investors in the USA pushed hard for the Securities and Exchange Commission to introduce rules requiring companies to disclose material risk associated with their carbon exposure.

¹ 2012 Report on Sustainable and Responsible Investing Trends in the United States

Incorporating environmental, social, and governance factors

Our investment approach is based on the Principles for Responsible Investment (PRI), a United Nations initiative, which we joined in 2008. PRI has more than 1,100 investment institutions as signatories, with assets under management of approximately \$35 trillion. Signatories follow six principles, the first of which is to incorporate ESG issues into investment analysis and decision-making processes. We have begun applying this principle in Europe.

We take into account ethical and non-financial aspects, both for risk assessment and contribution to performance. While our mainstream corporate analysis considers key financial data and economic merit as the main criteria in making investment decisions, all research analysts and portfolio managers have access to ESG ratings data via our internal investment portal. Analysts are required to justify any investments in companies with poor ESG ratings or involvement in controversial ESG issues.

In 2012, we extended ESG integration with a series of upgrades. They have improved the accessibility and ease of use of ESG aspects in fixed income and have made it easier for portfolio managers to incorporate ESG factors into the investment process. Improvements included adding carbon ratings and a carbon reporting tool to the fixed-income part of our investment portal, and extending ESG ratings to the Corporate and Sovereign fixed-income research platform for developed and emerging markets.

ESG analysis

We use external expertise in ESG issues to enhance our internal investment knowledge and skills. An advisory panel of experts from foundations, academia, and industry carry out independent reviews of our methodology and selection criteria.

ESG research partners in Europe, North America, Asia, and Australia provide data and detailed reports for approximately 4,000 global companies and 130 countries. Separately, a specialist research firm provides carbon-specific data on approximately 2,500 companies globally.

We use this information to create ratings based on sector-specific ESG criteria. The rating level (A–F) reflects the company’s standing in relation to the median for the sector.

Exercising voting rights and responsibilities

Our proxy voting policy in Europe meets our responsibility as a major shareholder and our commitment to PRI. It applies to our active management business and includes activated voting rights and engagement with portfolio companies.

As an active manager of investment funds, we take our responsibilities as trustees seriously. We respect well-managed companies and seek to maintain a dialog with companies on the key questions affecting corporate performance and control. Our aim is to support long-term sustainable value creation, influencing management to take ESG aspects into account and to integrate ESG in business strategy.

We provide portfolio managers and analysts with guidance on ESG issues to be raised at company meetings. The guidance suggests posing key questions such as the role of ESG in company strategy, topics raised with stakeholders, supply chain, and environmental policies.

Engagement concentrates on companies that are below average in our rating system. It begins with oral and then written dialog. When constructive dialog is not possible, we vote accordingly at the annual meeting and voice our criticism in the media, sometimes collaborating with other investors. If there is no improvement in the corporate position in the medium term, we will consider exclusion from our investment universe.

In 2012, we voted at approximately 200 companies in Europe, most of them in Germany. Only 50% of all votes cast were in favor of the management, and negative votes were frequently opposing capital increases and appointments to the Supervisory Board. In the last two years, we have spoken at eleven AGMs, where we stressed the importance of ESG and publicly criticized the high employee turnover.

Investment strategies with ESG goals

While our approach is to mainstream ESG, we pursue some specific ESG investment strategies, responding to clients' multifaceted demands. We incorporate ESG in our active asset management and alternative investments. For example, our "best in class" strategy invests in companies with the strongest ESG performance. In other cases, we target specific objectives such as low-carbon technology.

Active asset management

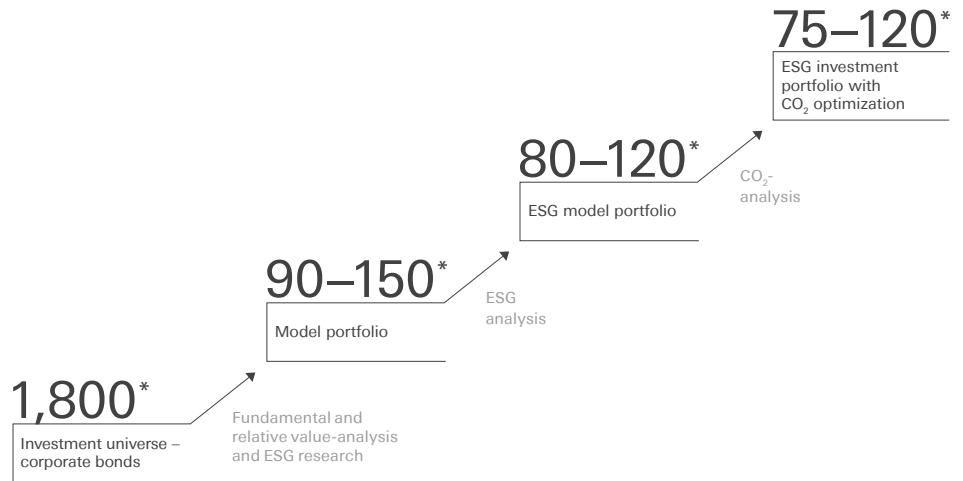
ESG-specific funds invest in companies we believe to be leaders in their sectors (best in class) and include selective exclusions. For best-in-class equity funds, we begin by evaluating the fundamental data of the companies or countries that are being considered. In a second step, we apply a selection process based on ESG indicators, ranging from ecological data to minimum labor standards. For countries, the regulatory quality, treatment of natural resources, and minimum social standards are evaluated. All indicators are weighted according to our detailed investment methodology.

We use ratings to identify eligible companies, which we define as better than average (C and above). To ensure our ESG universe remains best in class, we monitor performance monthly and exclude any company that falls below C for more than six months. These best-in-class companies are our ESG investment universe of approximately 700 stocks. We then perform fundamental analysis according to classic financial metrics, incorporating market opportunities, regional and sector factors. This leads to an idea pool consisting of about 350 shares from which we assemble the ESG portfolios.

We also use ESG ratings for credit portfolios, where we start with the fundamental credit analysis and an internal rating for each issuer and bond. In a second step, we apply a selection process based on ESG indicators. Because climate change is a significant, long-term threat, we employ a third step where we sell or reduce the worst-polluting companies within a sector measured by carbon issues and sales. We switch out of issuers with poor ESG ratings in a disciplined way to maintain the appropriate portfolio structure.

For mainstream bond mandates and funds, we are allowed to buy bonds of issuers with poor ESG ratings, but we need to demonstrate that we understand the additional ESG risks and potentially controversial issues and why we believe that future performance will more than compensate such additional risks. Furthermore, we use constructive discussions and engagement to achieve a positive ESG impact and better results.

ESG investment process for corporate bonds



*Corporate bonds

Some global funds meet retail and institutional clients' demand for investment in resource and energy efficiency. Analysis of ESG metrics relevant to the fund theme is integral to the stock selection process for these funds. Following an active stock-picking approach, we apply a multi-stage screening process to create an investable universe and a refined Alpha Pool. The Alpha Pool focuses on companies with a growing or majority activity in relevant industry sectors, and includes specific ESG screening and exclusions. ESG criteria are used alongside analysis of key valuation metrics and liquidity tests. A bottom-up analysis includes management interviews, company visits, and relevant industry information. Additionally, analysts use a comprehensive corporate governance and corporate responsibility questionnaire to evaluate companies and analyze their non-financial value added. The funds also exclude companies with significant activities in sensitive areas such as weapons, tobacco, and adult entertainment, and companies that are assessed as non-compliant with the principles of the UN Global Compact.

Many high-net-worth individuals and families often have ethical and environmental concerns that they wish to see reflected in their portfolios, based on personal beliefs and ambitions. These clients typically have a longer-term perspective than other investors, based on a desire to maintain their assets for the benefit of future generations. This lends itself well to applying ESG principles.

With sustainable investments, wealth management offers its clients the opportunity to set impulses in their own portfolio with liquid assets. The sustainability criteria that are used on businesses, countries, and supranational organizations are based on the analysis of a renowned German research partner. But naturally our clients can bring their own positive/negative lists into the investment criteria of their mandate.

Some institutional clients including religious organizations, foundations, and associations have complex aims. They also need to maintain their assets, but as their wealth is usually dedicated to a specific purpose, they often have philanthropic goals. We support these clients with advice on structuring and managing foundation assets as well as investment strategies. In Germany, we manage more than 1,200 foundations with total assets of about €8 billion. The philanthropic expertise of wealth management at Deutsche Bank as well as the quality of its philanthropic care and services have recently been rewarded. [Page 79](#)

Alternative investments

ESG is highly relevant to alternative investments. Responding to public tenders from governments and international agencies, we have jointly structured and invested in several funds with specific environmental objectives and act as investment manager. The €265 million European Energy Efficiency Fund is sponsored by the European Commission, the European Investment Bank, and Italy's Cassa di Risparmio di Roma to promote the uptake of sustainable energy in Europe's cities. The \$235 million Global Climate Partnership Fund (GCPF) provides funding to sustainable energy projects and to local financial institutions to invest in climate-related projects in global emerging markets, currently including Vietnam, the Ukraine, Turkey, South Africa, Brazil, and Ecuador. GCPF is backed by the German and Danish governments, KfW, the International Finance Corporation, and the Austrian Development Bank.

Similarly, we manage the €85 million Africa Agriculture and Trade Investment Fund (AATIF) targeting development issues in Africa. It is a public private partnership dedicated to raising Africa's agricultural potential for the benefit of the poor. It aims to improve food security and provide employment and income to farmers, entrepreneurs, and laborers by investing responsibly in local agricultural value chains. [Page 34](#)

Clients of our real estate investment management business have increasingly expressed interest in ESG factors, and we believe that our commitment to improve environmental performance of the assets under our management enhances the risk-adjusted returns we earn for clients.

We have begun to incorporate ESG into our real estate practices, initially developing sustainability strategies for core real estate funds and separate accounts. These portfolios are participating in industry benchmarking programs such as Greenprint, a worldwide alliance of leading real estate owners, investors, and financial institutions committed to reducing carbon emissions across the property industry. In 2012, we began embedding sustainability considerations in our acquisition processes. In the USA we developed standards for industrial and retail properties, following the office building standards, which we developed in 2011. These standards provide the framework for all sustainability activities, including energy benchmarking and reporting.

In 2012, we added approximately 145,000 square meters of real estate space with third-party green building labels, bringing our total to 555,000 square meters and €2 billion in AuM globally. This represents 6.9% of the value of our privately held real estate investments, up from 3.9% last year.

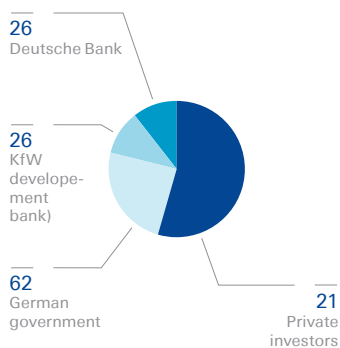
Passive investments

Extending our ESG activity to passive investments, we have launched a number of funds for clients who wish to invest in line with certain social or religious beliefs. For example, the db x-trackers Global Fund Supporters UCITS ETF provides exposure to the Dow Jones Global Fund 50 Index (SM)TM to fight AIDS, tuberculosis, and malaria. The index tracks the performance of the largest public companies that support the mission of the Global Fund, the public-private partnership dedicated to attracting and distributing resources to prevent and treat HIV/AIDS, tuberculosis, and malaria.

Deutsche Asset and Wealth Management also offer four ETFs that are Sharia compliant, while the db x-trackers Stoxx[®] Europe Christian UCITS ETF (DR) can be used by people who wish to invest in line with the Christian faith. For environmental objectives, we offer the db x-trackers S&P U.S. Carbon Efficient UCITS ETF, where the underlying index measures the performance of no more than 375 companies with relatively low carbon emissions while seeking to closely track the S&P 500, its parent index.

Africa Agriculture Trade and Investment Fund

In \$ m. (until December 2012)



Africa Agriculture and Trade Investment Fund

The AATIF features a financing structure that differentiates it from the grant-based approach typical of agricultural development projects while incorporating safeguards to protect local people and the environment.

The economics of investment in African agriculture are often too weak to attract private capital. AATIF aims to bridge the financing gap by introducing a base of public capital that would bear first losses. Such a risk buffer encourages interest from private investors.

Initial capitalization is provided by the German government (\$62 million), KfW development bank (\$26 million), and the investment manager Deutsche Bank (\$26 million). The fund has attracted further private investment to reach \$135 million, which will be invested directly in agricultural projects and food processing, and indirectly through local banks.

The fund's governance ensures that investments target development aims and do not harm employees, communities, and habitats. All investments must meet the AATIF criteria, which are based on the IFC Performance Standards of the World Bank. In collaboration with the International Labor Organization (ILO), as compliance advisor, and its partners, the fund assesses whether a proposed investment is or can be brought into compliance with the fund's social and environmental guidelines. The fund also features a Technical Assistance Facility that promotes high local standards on environmental and social protection and facilitates agricultural training for local farmers.

The investment process

Deutsche Bank acts as investment manager, identifying opportunities together with local and international partners and raising capital from our clients.

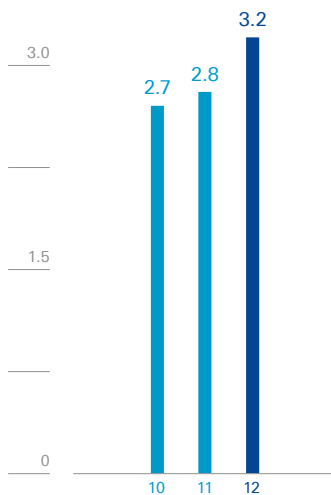
We first assess whether a proposal fits the portfolio and the fund's development goals. Next, we carry out due diligence to assess the financial, agricultural, social, and environmental risks. The fund's compliance advisor ILO complements the due diligence process by assessing compliance of the project with the AATIF's social and environmental guidelines, and provides an independent report that outlines areas of potential improvements. Decisions are made by the Investment Committee, composed of professionals appointed by the Board with a strong background in development finance and agriculture. Approvals usually include recommendations for technical assistance as well as requirements for monitoring and performance reporting.

In 2012, among other investments, AATIF agreed to a \$30 million facility with PTA Bank, a pan-African financial institution, the fund's first investment of this kind. PTA will use the funds to support growth of the agriculture and food sector. PTA particularly wants to back value-added activities that help to increase incomes locally.

Social and environmental change Catalyzing innovation and involvement

Microfinance

Total number in m.



Cumulative number of borrowers
since 1997

Deutsche Bank believes in the power of finance to bring about positive change by creating well-structured, targeted investments as solutions to pressing social and environmental problems. Our expertise, banking skills, and the enthusiasm of our employees create opportunities for change. They include microfinance and impact investment funds as well as new ideas to combine private and public funding.

Many people and communities are trapped in poverty, because they lack access to financial markets and resources. Microfinance and impact investment funds can provide the essential capital that kick-starts development for individuals and communities. Deutsche Bank uses these means to channel capital to the underserved. Involving employees as volunteers through our Corporate Community Partnership program or through the startsocial initiative multiplies the impact of our financial commitment, building capacity in microfinance and other organizations. [Page 37](#)

Impact investing

Deutsche Bank was the first global commercial bank to create an investment fund to support the microfinance sector in 1997. We have lent more than \$261 million to 130 microfinance institutions (MFIs) in over 50 countries since then. These funds have been leveraged locally and redeployed to increase financing available to micro-entrepreneurs to over \$1.49 billion, through an estimated 3.2 million new microloans. Much more needs to be done; because according to most industry estimates, only 20% of the demand for microcredit is being met to date.

The market needs high standards as well as funds. Because we recognized that inexperienced microloan recipients can be particularly vulnerable, the bank has been instrumental in developing industry standards that promote client protection principles and ethical behavior by MFIs. Today, Deutsche Bank funds are directed to MFIs that embrace the Smart campaign's code of conduct, which requires transparency in loan pricing, preventing borrower over-indebtedness, and client protection during collections and throughout the lending relationship.

In 2012, we launched the \$100 million Global Commercial Microfinance Consortium II fund. It supports microfinance institutions pursuing excellence in client service and product innovation with loans and technical assistance grants. Housing finance is a prime example of a segment that is currently underserved, while other opportunities include health care, education, and agribusiness.

We also announced the Essential Capital Fund – a pioneering global venture debt fund that will provide early-stage, high-risk capital. It is the first of its kind and presents a pragmatic solution to the current lack of available high-risk capital required to seed the development of new groundbreaking funds, enterprises, and ideas in the sector. The fund will have approximately \$50 million to provide debt financing to sustainable social businesses and social impact funds around the world. We aim to attract mission-driven investors from development banks, foundations, and others who are committed to growing the impact investment market.



A new era for social
finance in the UK

In the UK, the £10 million Deutsche Bank **Impact Investment Fund**, launched in 2011, continued to invest in the social enterprise sector. It provides finance to social enterprises through intermediaries with the aim of generating both a social impact and a financial return. In addition to the provision of financial capital, we have worked closely with market participants to support the capacity building and the creation of the infrastructure, which investors and social enterprises need. In 2012, the fund invested £1 million in the latest fund raised by Bridges Ventures, a specialist social impact fund manager, and made a follow-on investment (taking the total to £1 million) in Big Issue Invest Social Enterprise Investment Fund L.P.



A lasting impact in the US:
\$ 2.4 bn of change

Strengthening communities

In the USA, the Community Reinvestment Act (CRA) obliges regulated banks to help meet the credit needs of low to moderate-income communities. Our commitment goes well beyond the legal requirements, and the Federal Reserve Bank has consistently awarded Deutsche Bank with an "outstanding" rating for its CRA performance over the past 20 years. We contribute to raising awareness of economic and financial issues, and help to stimulate the entrepreneurship of NGOs. For example, in New York, we helped to create Competition **THRIVE** for NGOs to come up with new ways to support immigrant entrepreneurs – a sector often neglected by mainstream small-business assistance programs. The winner, Queens Economic Development Corporation, launched a series of classes and workshops for Chinese-American home improvement contractors.

Our community development activities contribute in many ways to the social and economic stabilization of disadvantaged areas. We strengthen local economies by working in partnership with the public sector, empowering start-ups, and supporting non-profits that create new opportunities. For example, Deutsche Bank supported the creation of the New York City Energy Efficiency Corporation, which finances energy efficiency upgrades of multifamily and commercial buildings. In Spain, Deutsche Bank collaborated with other corporations and the Spanish Government to create the Fondo Social de Viviendas (Social Housing Fund), designed to support families that have been evicted or found themselves socially excluded as a result of the financial crisis the country is currently undergoing. Furthermore, to underpin the bank's commitment to its home market Germany, we enable the 365 Landmarks in the Land of Ideas competition. [Page 67](#)



Joris Hensen on his
assignment at Be! Fund

Leveraging employees' professional skills

Our Corporate Community Partnership Program (CCP) is a global volunteering initiative through which we send experts from our business units and infrastructure divisions to contribute their time and expertise to microfinance institutions. Typical tasks within the various assignments include advising managers, improving IT systems, and developing marketing strategies. As well as helping, the program provides employees with valuable experience and new perspectives.

Deutsche Bank's experienced finance professionals also supported social entrepreneurs within the context of the UK Impact Investment Fund, to help develop and grow the infrastructure required for the sector. In the future, we will also make the expertise of our people available to foundations held by our clients in Germany.



Deutsche Bank experts
provide pro-bono
consultancy to non-profits
and microfinance
institutions

Clean power from the desert

Desertec has an ambitious plan: Tapping the energy potential of the world's deserts to generate renewable power, helping people to overcome poverty and providing access to electricity for approximately two million people in North Africa. Deutsche Bank was one of the founding shareholders of Dii, the initiative formed to realizing the Desertec vision. Dii now has more than 55 members.

In 2012, Dii published the first part of its long-term strategic study for Europe, Middle East, and North Africa (EUMENA). "Desert Power 2050: Perspectives on a Sustainable Power System for EUMENA" shows that a power system based on more than 90% of renewable energy is technically possible and economically viable.

The study argues that we should see the region as a whole rather than as Europe being separated from the Middle East and North Africa (MENA). Its message is that grid integration across the Mediterranean is valuable under all foreseeable circumstances. Deserts in MENA can generate affordable and sustainable solar and wind power, while offshore wind sites in Northern Europe also make a crucial contribution. Such a power system needs a high-voltage transmission grid crossing international borders, so that electricity can be transported from the point of generation to the consumer. This will provide sustainable and secure power to the MENA region, which is facing significant growth in population and power demand. Europe will benefit from cheaper, cleaner electricity.

Creating the right investment environment is essential in order for markets for renewable energy to develop. This entails a supportive technical, economic, political, and regulatory framework for renewable energy, as well as interconnected power grids for EUMENA.

Reference projects show that the Desertec vision is both technically and economically feasible. A solar thermal power plant with a capacity of 160 MW being built in Morocco represents one such reference project. Dii has also agreed to cooperate with Res4Med, an Italian initiative that aims to stimulate renewable energy in Southern and Eastern Europe.

Intergovernmental agreements will be important for making Desertec a success. Germany signed partnership agreements with Morocco in 2012 and with Egypt and Tunisia early in 2013. These agreements aim to foster renewable energy development, thus building further support for the Desertec project.

GET FiT

Deutsche Bank developed the concept Global Energy Transfer Feed-in Tariffs (GET FiT) in 2010 as a way of promoting renewable energy investments in developing regions through innovative public-private partnerships. GET FiT responds to the need for international support to scale up renewable energy generation capacities in developing countries. These economies need to develop renewable energy sources to support economic growth while, at the same time, contributing to climate change mitigation. However, government budgets are typically constrained and investors often lack the confidence necessary to provide sufficient capital for such capital-intensive projects. GET FiT goes well beyond the usual approach to promoting private investment of renewable energy, aiming to create a stable regulatory environment that facilitates scale-up rather than project-by-project support for individual developers. The concept envisages action from the public sector in developing and developed countries to allocate risk fairly and increase the attractiveness of private sector investment:

- *Developing countries* implement appropriate regulations for renewable energy generation, providing fixed payments for generated electricity, as well as priority for renewable energy.
- *Developed countries* further mitigate actual and perceived risks by absorbing the credit risk in relation to the public sector buyer of electricity (such as a state-owned utility) and possibly offering financial support for feed-in tariff payments.
- Encouraged by the improved security, the *private sector* provides capital, absorbing technological, operational, and other manageable risks.

The UK government made the first financial commitment for a GET FiT program in 2012, supporting a pilot in Uganda developed by Deutsche Bank and KfW. Norway committed funds in 2013. This pilot will generate approximately 125 MW of electricity, which is 20% more than the country's existing capacity. It will avoid load shedding and the use of dirty and expensive emergency power, avoiding approximately 8 million tons of carbon over its lifetime. This pilot will demonstrate that medium-scale renewable projects can be an integral part of a least-cost development path for the energy sector.



20%
more than Uganda's
existing energy capacity

Advising corporate clients Connecting markets and clients

Analysis by the Center for European Economic Research (ZEW) shows capital market activity can benefit the economy, with a positive correlation between both securitization volumes and credit growth and Gross Domestic Product. Through our Corporate Banking and Securities business, we help our clients to manage risks and build their business. Facilitating access to global capital markets meets clients' needs for short-term liquidity, as well as long-term finance for investments, mergers and acquisitions.

In 2012, we helped 180 companies around the world to gain access to the capital markets for the first time. German clients in particular are increasing their use of corporate bonds relative to loans. Moreover, we secured access to financial markets for 3,500 financial institutions from 33 countries around the world. The US government selected us as lead financial advisor – together with one of our US peers – for its sale of the AIG shares it had acquired at the height of the financial crisis.

Corporate clients also have to manage a wide range of risks, particularly on interest rates, foreign exchange, commodities, equities, and credit. We processed one-seventh of global FX volumes and helped 8,000 companies and institutions to hedge their risks. For this, Deutsche Bank received the top ranking in foreign exchange for the eighth year in a row.

Our Corporate Finance business supports acquisitions and sales of companies, and provides consulting and customized financing. We create growth opportunities – from the entrepreneurial perspective as well as the overall economic perspective. A survey of German clients found that M&A advisors help to reduce the costs, risks, and complexity of such transactions. Recent research by ZEW shows that the profitability of acquired firms increases and that acquiring companies significantly improve their productivity. In 2012 we were the highest-rated European bank in corporate finance.

We cover all large-cap and 80% of the mid-cap German companies. On average, these mid-cap companies are active in 20 to 30 countries, and some SME clients do business in 60 markets. Deutsche Bank's international nature and commitment to our German home market is especially important for our smaller clients, which remain at the center of Germany's economic success.

Deutsche Bank experts advise corporate clients and the public sector, and offer customized financing facilities, for example in the form of long-term loans or guarantees. These facilities are partly subsidized by federal funds, the European Investment Bank, KfW Group, or other development banks. In 2012, Deutsche Bank provided more than €2 billion to SME, mid-cap, and public sector customers.

Tackling sustainability challenges

Demographic change, increasing natural resource demands, urbanization, and environmental pressures are creating a growing need for investment in all types of infrastructure that can support development while minimizing environmental damage.

Deutsche Bank's Infrastructure and Energy Asset Finance business provided more than €1.9 billion in 2012 to help finance the development, acquisition, or re-development of more than 630 MW of renewable energy projects. This makes us one of the top five clean energy, private sector project financiers. Despite tight market conditions, we provide financing solutions and capital for all phases of a project.

The Ocotillo project was one notable deal, where Deutsche Bank played key roles in structuring, financing, and assembling a club of seven banks to provide \$468 million in debt facilities to install 108 Siemens wind turbines (265 MW) in southern California. This is one of the region's largest wind farms to date. It will create 350 jobs and provide energy equivalent to the needs of 125,000 homes.

Deutsche Bank assists clients to benefit from Germany's "Energiewende" goal of transitioning from nuclear energy. The bank published a comprehensive review of Germany's feed-in tariffs, and we continue to discuss developments with clients and policy-makers. We estimate that annual investments of more than €30 billion will be needed in Germany in renewable energy, conventional power plants, transmission grids, power storage, and energy-efficient buildings.

With utility company and bank balance sheets constrained, Deutsche Bank plays an important role helping to create consortia of institutional investors able to finance the clean-energy and grid infrastructure Germany needs. An example is the bank's involvement in the partial sale of offshore power lines from one of Germany's transmission system operators TenneT to Mitsubishi Corporation. These offshore wind farm connections are the world's longest high-voltage direct current (HVDC) connections, establish a new technology standard, and connect two planned wind farms (400 MW BorWin1 and 800 MW BorWin2).

In the area of energy efficiency, a survey of small and medium-sized German companies found that more than two-thirds expect to increase this type of investment. We more than doubled our total loan commitments to SMEs involved in energy efficiency this year compared to 2011. An example of Deutsche Bank's leadership is providing the first syndicated loan in Germany with the KfW Bank Group as a partner in a new financing scheme to support the "Energiewende".

We also played important roles in the cleantech sectors in 2012, including notable deals to raise capital and advise on acquisitions, primarily in the USA. Our equity research coverage of cleantech companies received the top ranking from Institutional Investor magazine.

We have played an important role in facilitating the emerging carbon markets since the early days of the millennium. However, we decided to close our European energy and carbon commodity trading business due to the capital requirements of operating trading desks. The winding down of this business is ongoing.

We helped to kick-start the markets by participating in the World Bank's pioneering carbon facility, and invested in the first emission reduction projects in developing countries. In total, we participated in 50 Clean Development Mechanism (CDM) projects that will reduce carbon emissions by more than 70 million tonnes up to 2020. Examples include distributing efficient light bulbs in South America and a massive geothermal district heating project in China.

The knowledge built up on the interaction of global energy and carbon markets remains an important factor in our corporate finance and advisory services in the energy and industrial sectors.

Banking services for global business

Our transaction banking business (GTB) assists clients with cash management, international payments, trade finance, risk mitigation and securities services, helping global businesses to cope with the complexity of cross-border transactions.

Our trade and export finance advisory business provides many services, making it easier for companies to expand into new markets. For example, we helped the Fortune 500-listed telecoms company Nii Holdings to install Mexico's first 3G network by arranging a cross-border finance solution. In total, Deutsche Bank supported €56 billion of trade finance activity with letters of credit for companies that do business internationally.

Deutsche Bank has a large and growing project finance business, providing trust and administrative services. For the third year in a row, we were awarded Global Corporate Trust Services Provider of the Year by Infrastructure Investor. In 2012, Deutsche Bank won nine Deal of the Year awards from the Project Finance and Project Finance International magazines. They included LS Power's Arlington Valley project – a \$550 million, 127 MW photovoltaic project located in Arizona. More than a third of the project finance deals supported by TAS were in renewable energy with a total value of \$4.95 billion, including ten renewable electricity projects (1375 MW), plus several bio-energy projects.

Ensuring strong governance Managing a complex business

A complex business such as global banking needs sound governance structures and management processes to achieve coordination and control, to avoid conflicts of interest and unintentional breaches of the rules, and to manage risk.

Our approach to Corporate Governance is in accordance with high international standards, German and US legal and stock exchange requirements. [Page 73](#)

We comply with internationally accepted standards and voluntary obligations, including the IFC Performance Standards, the OECD Guidelines for Multinational Enterprises, and the International Labor Organization standards. Deutsche Bank is a signatory to the UN Global Compact and the UN Principles for Responsible Investment.

Embedding a positive compliance culture

It is imperative that we maintain a strong, positive compliance culture across the full range of our activities. All Deutsche Bank employees are expected to act honestly, responsibly, and with integrity at all times. Our codes of ethics describe the values and minimum standards for ethical business conduct and govern all of our interactions, whether with clients, competitors, business partners, government and regulatory authorities, shareholders, or each other. They also form the cornerstones of our policies, which provide detailed guidance on how employees should act to ensure compliance with applicable laws and regulations.

We are committed to high standards of Anti-Money Laundering (AML) practice and compliance with the directives of the financial Action Task Force on Money Laundering. We require management and employees to adhere to these standards in preventing the use of products and services for money-laundering purposes. Standards of AML compliance based on the German Anti-Money Laundering Act and the current guidelines of the German Federal Financial Supervisory Authority apply to all Deutsche Bank entities, regardless of geographic location. We frequently review AML strategies, goals, and objectives to maintain an effective program that reflects best practices for a diversified, global financial services firm.

In order to comply with Anti-Money Laundering legal and regulatory requirements and to protect the bank against money laundering, terrorist financing, and financial crime, Know-Your-Customer (KYC) procedures are in place. Our KYC policy provides a framework for assessing potential risks relating to new adoptions and existing clients, including, among other escalations, the review of Politically Exposed Persons by senior management.

Deutsche Bank is committed to fully comply with local and international anti-corruption and anti-bribery laws. This includes the bank's strict prohibition against receiving, accepting, offering, paying, or authorizing any bribe and any other form of corruption.

We also expect transparency and integrity in all of our business dealings to avoid any improper advantage or the appearance of questionable conduct by employees or third parties with whom we do business. We have a dedicated anti-corruption policy and supporting processes, including employee training, recording, and monitoring of gifts and entertainment, maintaining a global “whistleblowing hotline”, and risk-based review processes over third parties.

We have increased our mandatory compliance training to ensure that employees are fully aware of and understand our policies. We also apply trainings to consultants, contractors, and temporary staff. A new automated enrollment process ensures that the mandatory master program is followed by each business line to provide the necessary training to new joiners. This includes local and divisional content, as well as core training.

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Creating a culture of risk awareness

A strong risk-focused culture goes beyond following policies; it requires all employees to consistently behave in a way that safeguards the bank’s reputation. To help embed this culture, in 2010 we launched the Risk Culture Initiatives program, which outlines five behaviors all employees need to demonstrate. These behaviors include being fully responsible for Deutsche Bank’s risks; being rigorous, forward looking and comprehensive in the assessment of risk; inviting, providing and respecting challenge; trouble shooting collectively and placing Deutsche Bank and its reputation at the heart of all decisions. They have been communicated through a number of awareness campaigns targeted at all staff.

As part of the program, we have added Risk Culture as a training category and increased the number of risk-related courses. We have also started rolling out the so-called Red Flags, a tracking and measurement process based on independently collected data. While breaches of policies and procedures have always been subject to strong disciplinary action, this additional measurement mechanism emphasizes the importance of employees exhibiting our values and principles in everything they do. Results of the Red Flags analysis is an important factor in year-end reviews and can adversely affect promotion and compensation decisions. By the end of 2012, relevant incidents in our Corporate Banking and Securities and Global Transaction Banking divisions had fallen by nearly 50% compared to the end of 2011.

We have further strengthened our New Product Approval (NPA) processes to be more alert to the risks associated with introducing new products, changing existing products, or offering existing products to new client segments. The governance structures that provide oversight and deal with escalation of complex issues are now further embedded in policy and training. In addition to the NPA processes, we have widened the scope and depth of post approval processes.

Responsibility in a changed environment

“The idea of Desertec Industrial Initiative is simple: Generate power from sun and wind under the best conditions to meet rising electricity demand throughout Europe, the Middle East, and North Africa. Deutsche Bank demonstrated its commitment by being one of the founding shareholders of this unique initiative, which now has 56 partner companies from 17 countries.”

Dr. Aglaia Wieland
Managing Director, Desertec Industrial Initiative



02 -

Sustainable Operations

Carbon neutrality – 48

Reducing our carbon footprint

Eco-efficiency – 49

Saving resources in our business and beyond



Video on the Desertec Industrial Initiative.
More information on Desertec Page 38.

We aim for our global operations to have a minimal impact on the environment. Our environmental management system has driven year-on-year progress in the energy efficiency and carbon profile of our physical assets and workplace activities, as well as improvements in waste management, water conservation, and paper use. This has helped us to achieve the goal of making our operations carbon neutral on target by yearend 2012. Our environmental performance depends on employees' commitment and is underpinned by dedicated employee engagement initiatives to raise awareness and support environmental action in the community.

Achieving carbon neutrality

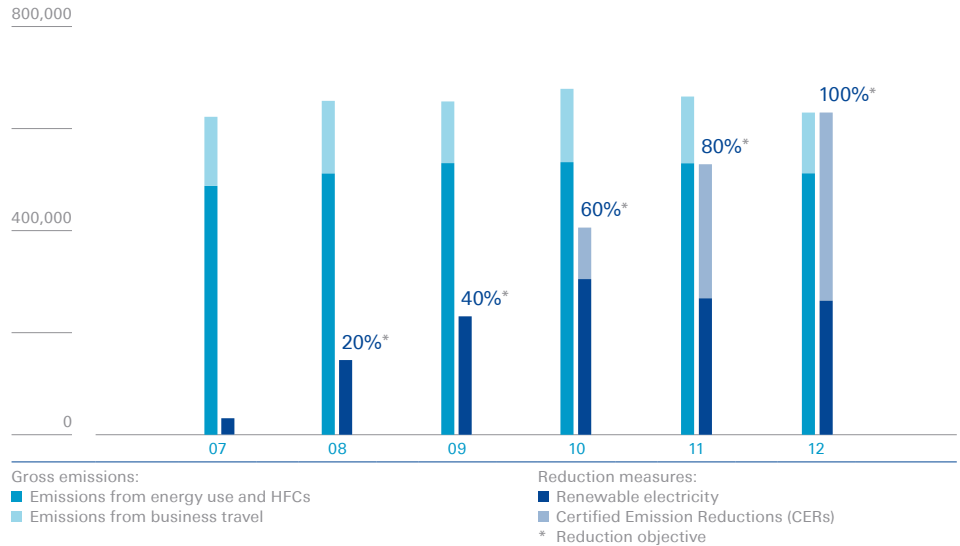
Reducing our carbon footprint

Deutsche Bank set a goal in 2008 to achieve carbon neutrality by 2012, aiming for a 20 percent annual reduction in our carbon footprint (relative to our baseline 2007). We have achieved it by investing in energy efficiency projects to reduce energy use and by purchasing and generating renewable electricity. To offset our inevitable residual emissions, we have bought and retired high-grade offset certificates (CERs). Our Board recently confirmed the goal of maintaining carbon neutrality in the future.

To support the carbon neutrality initiative, we created a data management system for tracking energy use and carbon emissions from our building portfolio and business travel, as well as charting the progress of energy efficiency projects. Better understanding of energy use helped to achieve substantial efficiency improvements. The knowledge we built up also brought commercial benefits. For example, Deutsche Bank won the investment manager mandates for the European Energy Efficiency Fund and the Global Climate Partnership Fund as a consequence of our in-house expertise. [Page 32](#) We are also well-positioned for emerging energy efficiency markets in the USA, the UK, and Germany. Creating environmental standards for the buildings we use has also helped our real estate investment business to strengthen its environmental credentials and performance. Carbon neutrality supports the bank's listing on influential indexes, such as the Dow Jones Sustainability Index and our inclusion in the Carbon Disclosure Leadership Index, used by a growing number of investors focused on sustainable investing.

Deutsche Bank's path to carbon neutrality

CO₂e (Tonnes)



Increasing eco-efficiency Saving resources in our business and beyond

Green buildings

Our building portfolio is responsible for approximately 80 percent of our carbon footprint, so we have taken significant steps to increase the energy efficiency of our approximately 4,000 offices, retail premises, and other real estate. We approach all the bank's major buildings with the intention of gaining Leadership in Energy and Environmental Design (LEED) certification. We apply LEED standards to new construction, existing buildings, commercial interiors, and retail branches. As a result, 30 buildings within the bank's portfolio are now LEED-certified. The LEED-certified area of workspace has almost doubled from 13 percent in 2011 to 25 percent in 2012.

Our green lease program ensures that the buildings we use comply with sustainability standards even if we do not own or operate them. We negotiate green terms into tenancy agreements to encourage landlords to make more sustainable choices before we take occupancy.

Our green leases cover the consumption of resources in the entire building – not just the space we occupy – and require that the data are made available to us. In 2012, we established Group-wide standard green lease contract terms and conditions. These require the landlord to meet a range of eco-friendly measures, containing clauses on energy and water efficiency, air quality inside buildings, waste management, and environmentally friendly cleaning of the interiors. The bank has 23 such leases covering almost 89,000 m².

Deutsche Bank has received several awards that recognize our commitment to creating green buildings. In 2012, these included a special commendation from the International Highrise Award jury for the modernized Deutsche Bank headquarters in Frankfurt.

Green IT

Eco-efficient IT is a critical part of our sustainable operations. Our eight-point eco-efficiency program gives environmental impacts equal weight with traditional priorities such as functionality, speed, security, and performance. Starting in 2009, we made eight commitments to put our IT and communications infrastructure on a more ecological footing by 2012.

We have successfully implemented our eco-efficiency goals. DB New Workplace, a new global office standard, has saved nearly 76 percent of energy per headcount in locations where it has been deployed – a total of almost 20,000 workplaces saving 4.5 million kWh per annum. We have also reduced our annual office printing by a quarter, equal to 250 million pages. Data centers are also major energy users; and already in 2011 we achieved our goal of a four-fold improvement in energy efficiency – our data centers now have four times the computing capacity per kilowatt-hour of energy consumption than at the end of 2008. Major technology investments and a three-fold increase in video conferencing have enabled it as a practical travel alternative. As a result, the bank's total flight volumes have remained steady for the last few years, despite an increase in international business activities.

These achievements led the GreenIT-BB network – an alliance of stakeholders from business, science, and politics – to award Deutsche Bank its Best Practice Award 2012 for Visionary Overall Concepts.

Supply chain

We have incorporated sustainability considerations into both sourcing and outsourcing processes. Group-wide policies, including the Global Procurement Policy, outline how ecological, social, and ethical criteria for products and suppliers should be taken into account. Our vendor's Code of Conduct includes sustainability requirements, such as reducing hazardous substances and the negative environmental effects of production, as well as the compliance with fundamental human rights and labor law.

Our Green Supply Chain (GSC) Initiative sets a framework of eight sustainability criteria that products and services must meet to become accredited. Criteria include developing a total cost model that incorporates sustainability cost factors, drafting contractual clauses, and implementing supply chain reporting. The GSC framework is operational across eleven of the bank's high-impact expenditure categories such as renewable energy, paper, and multifunction printing devices.



Passion for the Planet

We stimulate and channel employees' enthusiasm for environmental commitment through the Passion for the Planet initiative. Especially during Earth Week, our annual sustainability event coinciding with the UN World Water Day and Earth Hour, employees volunteer on a variety of projects with an environmental focus. In a run-down area of London, a team of volunteers helped to create and maintain a community garden; in New York, a Deutsche Bank grant supported GrowNYC in developing a food hub that allows local farmers to distribute food at wholesale volumes into urban marketplaces. In a contribution to cooling the city, employees spent a day painting rooftops white in order to reflect sunlight; while the Deutsche Bank Americas Foundation provided support for the mayor's NYC Clean Heat program. And we are helping to launch a \$30 million fund for building owners in low-income neighborhoods to upgrade the heating plants. In Asia, we financed a water filtration plant to provide clean drinking water for 1,000 villagers in Sheikhpura, Pakistan, following the severe flooding in 2010 that left water sources contaminated.



Employees increase water resources by planting trees

Throughout the year, employees in Germany volunteered with the charity Trinkwasserwald. Since the start of the cooperation, they have planted 42,500 trees, creating a more diverse forest that produces 12 million liters of drinking water per year. And to promote biodiversity, Deutsche Bank's Middle East Foundation partners with Emirates Wildlife Society, in association with World Wide Fund for Nature, in a marine turtle conservation project.



2,400 employees
42,500 trees planted
12 million liters of
drinking water per year

Responsibility in a changed environment

"I want to do more than just donate money – I want to get involved personally. When the German National Scholarship program was launched in 2010, I knew I found my volunteering opportunity. What's important for me as a mentor is to really get involved with the children and interact with them at eye level. Together, we develop ideas on how they can achieve their goals, and I support them along the way. My work as a mentor has re-grounded me."

Sabine Heckmann
Client Manager Global Technology, Deutsche Bank
Mentor of two student scholars in the
German National Scholarship program, which
Deutsche Bank has supported since 2010



03 -

People and Society

Responsible performance culture – 54
Living our values and reaching goals

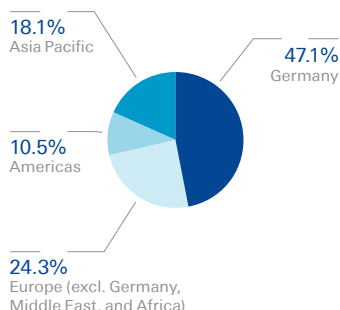
Corporate Citizenship – 63
Building social capital



Video on the mentoring program.
More information on education programs
with mentors Page 64.

Regional deployment of staff

In % at yearend 2012



In 2012, we made culture change a lever of our Strategy 2015+, with a determination to align employee attitudes and aspirations with the needs of clients and the wider economy.

Deutsche Bank aims to lead the way, acting as a role model. Employees are key, because our people make Deutsche Bank what it is. They represent a wide spectrum of age, background, and culture; and we foster an environment where difference is appreciated, because we need a mix of skills and talents to build a dynamic, adaptable, and meritocratic company.

Creating a responsible performance culture

Living our values and reaching goals

The process of cultural change has been intensely collaborative, including the most comprehensive gathering of employee opinion in recent years. The annual People Survey has been complemented by additional research.

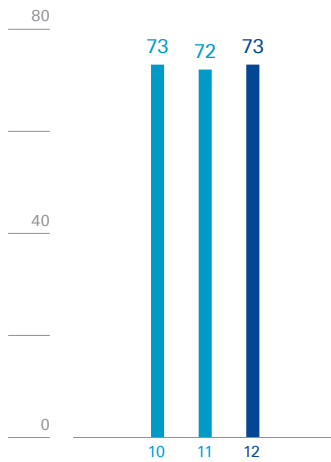
The People Survey enables us to take stock of what employees are saying and where they think future priorities lie. All Deutsche Bank employees are invited to participate in the survey through an online questionnaire, administered by an independent external provider. All answers are strictly confidential. The core section concentrates on three themes: Commitment, Enablement, and Diversity. We also invite employees to provide feedback on the bank's strategic priorities, and the survey is complemented by focus groups and interviews.

In 2012, over 52,000 colleagues – more than half of Deutsche Bank – participated. Key results are reflected in the Employee Commitment Index, an indicator of the overall bond between employees and Deutsche Bank. Commitment levels across the bank had risen significantly from 2006, but began to fall in 2009. This year, the level has again improved, by one percentage point, to 73 percent. The commitment of Deutsche Bank employees is significant even during times of extreme change for the industry, and 91 percent of responding employees say they go above and beyond what is normally expected in their jobs. This is significantly higher than the benchmark of top-performing companies in financial services and other industries.

This high employee commitment is also reflected in a growing number of employees participating in the bank's broad-based Global Share Purchase Plan. In 2012, approximately 20,500 employees from 37 countries purchased Deutsche Bank shares in monthly installments. This represents more than a third of all eligible employees worldwide and more than half in Germany. At the end of the purchase cycle, Deutsche Bank matches the acquired stock in a ratio of one, to one up to a maximum of ten free shares.

Employee commitment index

In %, excluding Postbank



In addition to our established People Survey, we asked a sample of 20 percent of staff – selected randomly from all levels, divisions and regions – more about the workplace culture in the bank.

The results enable us to derive an indicator of the bank's corporate culture. It provides us with reliable information on how Deutsche Bank's employees perceive the direction the bank is taking (i.e. its vision, strategy, values, and culture), how they experience implementation of the strategy in their day-to-day work, and how well they believe the bank can react to the challenges and reposition itself.

This solid data foundation will enable us to benchmark our performance over time and against others in the sector. The findings will be taken into consideration when assigning the priorities and measures for our culture change program. We will continue to work on cultural change under the direct leadership of Group Executive Committee members, focusing on three key dimensions: integrity in client dealing, operational discipline, and collaboration across functions. The goal is to establish the values and beliefs that will form the basis for our culture, define the behaviors that exemplify these beliefs, and define the metrics by which the bank can monitor the progress of cultural change. [Annual Review, page 26](#)

Changing our culture

What people achieve and how they achieve it links directly to our ability to live our values and reach our goals. To support a culture of responsibility, Deutsche Bank rolled out a new performance management approach in 2012, underpinned by a set of High Performance Principles that were agreed on in consultation with employees. Findings from the People Survey, focus groups, external research, and best practices from other industries were taken into account when developing these principles. They spell out what we expect from our people in three performance categories:

- Delivering business and financial results
- Building the Deutsche Bank franchise
- Engaging people

We expect people to deliver their performance objectives in a way that ensures sustainable success in line with the bank's values. Our Performance Standards describe these behaviors in detail. They also lay out criteria for measuring employee performance, ensuring that the process is clear and consistent.

Differentiating performance and letting people know where they stand is key to motivating them, and reinforces the importance we place on achieving our culture change goals. Every permanent employee should have at least two performance reviews with their direct manager. In addition to a year-end evaluation, a mid-year appraisal discussion, with a particular focus on career development and a review of the agreed objectives, was introduced in 2012 and is now mandatory.

Employees' performance ratings feed into compensation and promotion decisions. We work with employees who do not perform well to improve performance by addressing development needs. This combination of performance-based incentive and support is key to reinforcing the bank's high-performance culture and, in the long run, to delivering leading business performance with integrity. It must be consistent, professional, and credible. We provided guidance and communication to ensure the new approach, roles, and tasks are fully understood at all levels in the bank. Measures included e-learning modules on objective setting and performance reviews, and manager training on effective feedback conversations.

Paying people fairly

We align compensation practices with evolving regulations, but go beyond those requirements to recognize business goals and culture change objectives. We aim for greater transparency and a long-term view, including deferrals and clawbacks. We continually review, monitor, and update our arrangements and processes.

In 2012, Deutsche Bank set up an independent external panel to review the structure and governance of our compensation approach. The panel comprises senior industry leaders and public figures supported by an independent compensation expert. Some of the recommendations directly influenced decisions regarding the 2012 compensation packages.

The bank operates a total compensation approach in accordance with core compensation principles stipulated by the Financial Stability Board (FSB) and the German Financial Supervisory Authority (BaFin).

The new approach has a strong behavioral focus at all levels of the organization. We reward people according to long-term orientation and sustainability, client focus, and teamwork. For instance, for the Senior Management Group, we have increased the time horizon for deferred equity awards, to cliff vesting after five years rather than tranche vesting over three years.

Developing a diverse workforce

The skills and know-how of our people are vital to delivering continued business success. Retaining these talented individuals and helping them to develop is essential to achieving our performance goals.

Our commitment starts the moment people join us. For example, young recruits can undergo an apprenticeship scheme that aims to make the most of and develop their individual skills and personal strengths. In 2012, over 770 dual-vocational trainees, combining formal education with training in the bank, started their careers at Deutsche Bank in Germany. In our Private and Business Clients division, we realigned our dual-vocational training scheme under the motto “New Generation” in order to address the requirements of young recruits. The new concept comprises three pillars, each of which represents a defined objective: Theory, Responsibility, and Practice. The Responsibility pillar is very significant in the vocational training, guiding apprentices to become autonomous and responsible employees. Globally, we had a total of 2,016 young recruits in training and hired 653 new graduates.

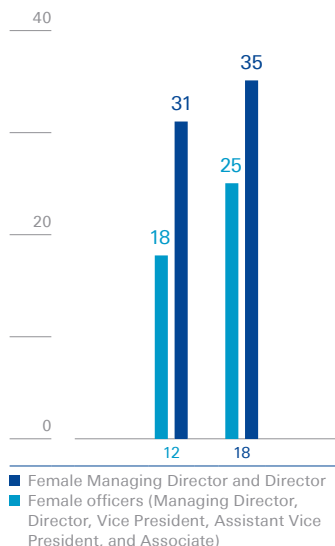
Development opportunities continue throughout employees’ careers with the bank. While we expect every employee to take responsibility for owning and driving their own careers, we recognize that managers play an important role in supporting employees’ progression through the organization. In addition to formal development programs at all levels, we encourage employees to move within the organization, gaining exposure to new teams and new areas of the business. This keeps people engaged, widens their perspective, and improves their ability to tackle business challenges.

Giving employees diverse experiences is one way to improve performance. It is also important to have a diverse workforce, especially as the bank has a presence in 72 countries. Our employees represent 136 nationalities, demonstrating the diversity that sparks innovation and enables us to meet the varied expectations of our global client base.

We believe everyone should work in an open environment, where difference is appreciated. We are a founding member and signatory of the Charta der Vielfalt in Germany, Charter de la Diversidad in Spain, and the Charte de la Diversité in Luxembourg, illustrating our commitment to corporate culture based on mutual respect.

DAX 30 self-commitment

Female employees, in %



In every region, we have Diversity Committees responsible for embedding our Diversity Principles in all business units. Various groups also operate in different regions to support age diversity, for instance the NextGen Network in the USA, and the SeniorExperts@db Network in Germany. These groups promote a climate of inclusion and cross-generational exchange. They enhance understanding of the strengths and expectations of different generations in our workforce, contributing to knowledge transfer through reciprocal mentoring and supporting teamwork between younger and older employees.

About 42 percent of our employees are female. Currently, this is not reflected at senior levels of the bank, an issue that we are working to improve. Under the voluntary commitment with other DAX 30 companies, our aim is to increase the ratio of female senior executives to 25 percent and the proportion of female management staff to 35 percent by the end of 2018, subject to applicable laws. The current ratio of women in Managing Director and Director positions is 18 percent, and the percentage of all women in non-tariff positions is 31 percent. [Page 82](#)

The ATLAS program (Accomplishes Top Leaders Advancement Strategy) aims to increase the number of women in senior roles in the bank. It has offered tailored training and sponsorship for a selected group of female Managing Directors since 2009. Each ATLAS participant works with a Group Executive Committee sponsor who facilitates cross-divisional visibility and provides career advice. Around 50 percent of participants have moved into larger roles with new or greater responsibilities.

Looking out for the well-being of our people

Physical and mental health of employees is important for individual and group performance. Our goal is to support health-oriented working conditions, and assist employees in sustaining their material and emotional well-being.

A wide variety of regional and local programs and initiatives is in place and under continuous review. Complementing a sound level of medical coverage in all countries, we offer Employee Assistance programs that provide comprehensive support services to address personal issues in business as well as in private life. On business trips, Deutsche Bank staff have comprehensive access to a full suite of medical and emergency services from the world's leading provider of medical and security assistance services. Recognizing the challenging tasks our staff take on every day, we further support the mental health of employees by offering stress management guidance through online training modules or in-person courses. In many countries, Deutsche Bank offers on-site medical care or direct access to hospitals and medical facilities. We stress the importance of preventive health-care services by providing flu vaccinations, subsidies for physical activities in gyms or company sporting events, and health fairs for employees.

In Germany, we are developing a new online health portal that will be a one-stop shop for advice and our offers in the health, work-life balance, well-being, and nutrition areas. The new portal will appeal to employees' awareness and individual accountability, but also underline Deutsche Bank's responsibility as a promoter of health-related issues.

Balancing work and family commitments

A range of flexible arrangements are supported, empowering employees to work and manage their time more effectively. These include opportunities for working from home in some locations, and other mobile work options. Where we can, we seek to help employees with family commitments, especially child care. Worldwide, we have set up more than 400 child care spaces near workplaces. Additionally, in Germany, the UK, and the USA, we provide more than 5,600 emergency child care days annually. Deutsche Bank also offers workshops and other advisory services for parents returning from maternity or paternity leave.

A new international standard

Deutsche Bank is contributing to the development of a set of international standards for human resources. They will provide credible and comparable data for responsible employment practices. This will enable investors, analysts, and employers to benchmark their performance against others and foster organizational growth in the long term. The new standards will appear under the International Organization for Standardization (ISO) brand. They are being created in twelve content areas, covering topics that range from Performance Management to HR Measures and Metrics. In 2012, the project published a standard for cost-per-hire, a common measuring tool for analyzing recruiting effectiveness. Other first results include a new performance management standard, which proposes minimum elements of a performance management system in three areas: goal setting, performance review, and performance improvement plans. In cooperation with international HR professionals, consultants, and academics, Deutsche Bank is contributing to the development of the standards through sharing best practices from across our global operations.

Engaging employees

Employee engagement is an integral component of Deutsche Bank's corporate culture. We have supported it for more than 20 years, because we see that through the commitment of each individual, social responsibility becomes closely interconnected to our thoughts and actions as a company. "Pass on your passion" is the underlying theme of these programs.

Pass on your passion

In 2012, more than 19,500 Deutsche Bank employees around the world gave almost 30,000 volunteer days. Not only do our employees find the experience of volunteering personally rewarding, it also strengthens their pride and loyalty towards the bank. Our internal surveys show that commitment levels among volunteers are consistently above 90 percent and prove that volunteering enhances social as well as business skills. [Page 87](#)



Enthusiasm for volunteering is something that spreads across all divisions and regions of the bank. Following the launch of a formal volunteering program in Poland this year, for instance, we received 70 separate project proposals from local employees. Local employee networks and structured programs underpin this commitment around the world. Volunteering has become integral to team building and plays an increasing role in recruiting top talent. The bank explicitly encourages its people to support communities through incentives such as paid leave and financial support.



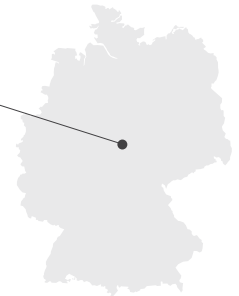
Kick-starting social enterprises

An extremely powerful strand of our volunteering programs is leadership development for both the bank's employees and the organizations we support. Non-profit organizations benefit from our employees' expert knowledge of everything from finance and quality management to project coordination and marketing. At the same time, employees enhance their professional skills and broaden their horizons.

For example, approximately 100 employees have volunteered in Germany as jurors and counselors in the **startsocial** scheme, which facilitates knowledge transfer between business and non-profits. Startsocial is a Germany-wide competition to support social entrepreneurs by connecting them with representatives from the economy. Tandems of business professionals coach the selected initiatives over a period of three months to fine-tune their business plans. In 2012, Deutsche Bank became one of startsocial's main sponsors. We will extend our sponsorship in 2013, acknowledging the value the program offers to young social businesses in Germany. In the UK, the program DB Ventures pursues similar objectives.



100 employees
volunteered as
jurors and
counselors
for startsocial



In 2013, we are aiming to extend expertise-based Corporate Volunteering opportunities as an integral part of Deutsche Bank's talent development program. In addition, we will launch the Global Corporate Volunteering Award to recognize our employees' community involvement beyond the bank's programs.

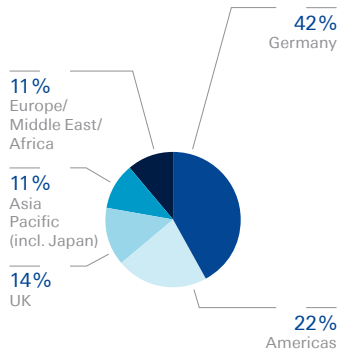
Raising funds for charities

Deutsche Bank also promotes fundraising drives and employee donations. The UK is the front-runner when it comes to employees' efforts to raise money for **Charities of the Year**. Since its introduction in 1999, the Charities of the Year program has raised over £10 million for 17 UK-based non-profits. In 2012, over 4,100 employees voted from a short list of six nominated charities, choosing Help a Capital Child and Meningitis Research Foundation as the winning charities. At the end of 2012, £1.65 million was raised in total, making it one of the program's most successful fundraising years. The Charities of the Year 2013 are Elephant Family and Helen Bamber Foundation.

In light of the success of the UK program, Deutsche Bank launched the Charities of the Year program in Singapore last year and raised a total of €517,000 for St. Luke's ElderCare, Yong-en Care Centre, Life Community Services Society, and Parivaar Education Society. Meanwhile, 2012 saw Deutsche Bank in Australia complete its first full year of fundraising for two inaugural Charities of the Year, ActionAid Australia and Malpa. Through a host of initiatives and matching from Deutsche Bank, employees raised sufficient funds to begin constructing a school in southern Cambodia and rolling out a Child Doctors program in Australia to help young indigenous people become health ambassadors in their communities.

Following the role model in other regions, Deutsche Bank Italy introduced its first matched giving project in 2012 dedicated to raising money for Arché, a Milan-based non-profit that helps children and families affected by physical and psychological illness. For every euro donated by employees, Deutsche Bank gives an additional euro to Arché.

Regional split of total investments
€82.7 m. in total

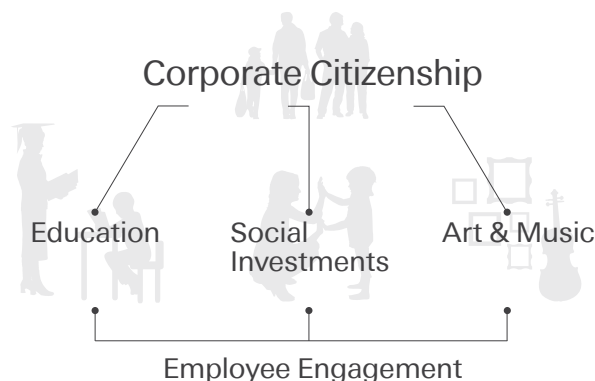


Deutsche Bank is a committed local player wherever we operate. We firmly believe that our business can only prosper if society is prospering. We thus view our corporate responsibility investments as investments in society and in our own future. As a responsible corporate citizen, our objective is to build social capital.

A modern approach to Corporate Citizenship Building social capital

With a total investment of €82.7 million in 2012, Deutsche Bank and its foundations were again among the world's most active corporate citizens. On top of this financial support, over 19,500 employees gave almost 30,000 volunteer days and contributed their expertise, knowledge, and skills to strengthen community organizations. Our corporate citizenship (CC) programs aim to tackle challenges society faces, particularly obstacles to education and personal development. Our investments help people and communities help themselves. We act in three major focus areas: our education programs enable talent, our social initiatives create opportunity, and our art & music projects foster creativity.

To evaluate whether our investments are aligned with our goal of building social capital, we rolled out our annual **Global Impact Tracking** (GIT) across regions in 2012. With this tool, we monitor the impact of our flagship programs (minimum investment of €25,000) and systematically collect feedback from our community partners. The analysis shows that projects are evenly allocated across our key areas of activity: education, social investments, art & music. Our close cooperation with other supporters enhances the impact we are able to generate. The main beneficiaries are children and young people. Last but not least, the GIT data underpin the long-term approach we take: We support 37 percent of the initiatives over a period of one to three years; 40 percent even longer than that. [Page 86](#)



Enabling talent

Talent inspires change and sparks innovation and growth. Yet large pools of talent are never fully realized. This is a huge waste. It is from today's youth that tomorrow's leaders will emerge. Deutsche Bank is convinced that every individual, regardless of background or culture, has remarkable talent and unique abilities.

Central to realizing this talent is access to education and equality of opportunity. At Deutsche Bank, we see these two as inseparable. We work hard with our non-profit partners to expand access to education. When choosing projects to support, we give special attention to young people from underprivileged backgrounds and help them to achieve goals that would otherwise be unattainable for them.

Our initiatives span from promoting basic schooling for children, especially in **developing countries**, to enabling young talents to achieve their full potential, for instance by pursuing a higher education. In Africa, we support Bridge International Academies – a non-profit providing education for 25,000 children through its network of 73 low-cost primary schools across the continent. At the other end of the spectrum, Deutsche Bank and its foundations back education programs such as the **German National Scholarship** (formerly known as FairTalent) and **COMPASS OF STUDIES** in Germany, College Within Reach in the USA or I have a dream in the UK, which enable young people from disadvantaged backgrounds to pursue a higher education. We also help finance a number of bursary programs for low-income students wishing to attend university, including AkarakA in Singapore, Families and Children for Empowerment and Development (FCED) in the Philippines, Sem Pringpuangkeo in Thailand, and REAP (Rural Education Access Programme) in South Africa. Whenever possible, Deutsche Bank employees support the programs as mentors to the children.



Video on the mentoring program

Investing in those who teach in underserved communities will help make education more open to all. For that reason, we support Proeducación IAP in Mexico, TEACHSA (TEACH South Africa), Enseña – and its outposts in Peru, Mexico, Chile, and Argentina – as a regional partner, as well as several other teacher-training programs around the world. Within the **Partners in Leadership** program, every year, about 60 Deutsche Bank managers volunteer as consultants to school administrators and help to enhance their management capabilities.

While education is important in opening up opportunities, an entrepreneurial spirit is vital to achieving them. As a leading financial institution, Deutsche Bank recognizes the value of operating in creative and dynamic business environments. Young entrepreneurs

contribute hugely to this kind of economic vibrancy. We are involved in a wide range of projects that build young people's enterprise skills and help them to set up their own companies. And with our **Financial Literacy Initiatives** in Germany and Poland, we enhance young people's knowledge about personal finance, banking, and the economy. [Page 26](#)



Inspiring entrepreneurship

Hundreds of Deutsche Bank employees regularly volunteer to coach and train young and aspiring entrepreneurs. For example, in the UK, Deutsche Bank is a long-term supporter of the youth education charity **Young Enterprise**. As part of our involvement, Deutsche Bank volunteers help for 15 to 19-year-olds to set up and run their own mini-business ventures. In 2012, our people assisted around 1,950 schoolchildren who took part in the Deutsche Bank Young Entrepreneurs Programme. We hosted the charity's national competition in London as well.

In Spain, Deutsche Bank supports the We Create our Company initiative in collaboration with Fundación Créate. Operating in ten schools in Madrid, this program seeks to foster entrepreneurship among 12-year-olds. Teams of participating students receive €100, plus a €50 loan. Working with volunteers from Deutsche Bank, each team has to design, market, and sell a product of their own making. Another great example of our support for youth enterprise is BizWorld. Based in the Netherlands, the project teaches entrepreneurship through an entertaining and interactive simulation game. Participants are assisted by a coach from Deutsche Bank and a trainer.



Building
young people's
enterprise skills



But entrepreneurial spirit and economic knowledge are not the only prerequisites for young people to achieve their full potential. We believe that cultural learning broadens perspectives and can push people to challenge the status quo. In turn, this can help them to discover their own creative talent, better embrace the school curriculums, and assist in developing skills and building confidence. Together, these attributes help individuals master today's complex world and establish successful careers. With projects like Children to Olympus! or Selam Opera! in Germany, **Toca Zezinho!** in Brazil, **Playing Shakespeare with Deutsche Bank** in the UK, and similar projects in other countries, Deutsche Bank and its foundations have reached 109,353 children around the world in 2012. In 2013, we will reassess our global portfolio of youth engagement programs against the new "BORN TO BE" umbrella mission to inspire even more young people to reach their full potential.



Deutsche Bank Prize in
Financial Economics

Networking research and practice

Given our global reach, we understand and embrace the promotion of talent across borders. By supporting science and international dialog, Deutsche Bank seeks to provide a platform for creative ideas to take shape and spread. As a bank, we are especially interested in globally relevant financial economic issues. The Center for Financial Studies at the Goethe University Frankfurt am Main offers the high-profile Deutsche Bank Prize in Financial Economics, which is run biannually and attracts prominent nominees from across the globe. The winner in 2013, the fifth anniversary of the award, is Raghuram G. Rajan, the Eric J. Gleacher Distinguished Service Professor of Finance at the University of Chicago's Booth School of Business. He also serves as Chief Economic Adviser in the Finance Ministry, Government of India.

In addition, we have strategic relationships with a number of universities, including the Goethe University Frankfurt am Main, Italy's Bocconi University, and the School of Finance in Luxembourg. And through the **Transatlantic Outreach Program**, we promote the mutual understanding between people in Germany and North America.

Promoting top sporting talents

Lack of finance can limit young people's opportunities. Especially talented young athletes work hard for their sporting career, for which they spend their full time. Launched in May 2012, the **Deutsche Bank Sports Scholarship** enables 300 young athletes in Germany to balance their academic studies with their sports training, standing them in good stead for life after their active sporting careers. We provide a scholarship of €300 per month for collegiate athletes in Germany through the German Sports Aid Foundation (Stiftung Deutsche Sporthilfe). The scholarship program grows out of a long-standing support for Deutsche Sporthilfe (since 2001) in their promotion of athletes pursuing a dual career.

Along the same lines, Deutsche Bank supported the Banking on Talent initiative around the 2012 Olympic Games in London to back promising young athletes from deprived neighborhoods in East London who were striving to qualify for the national team. Of the athletes the bank helped fund and support, two made it through to the national Olympic team for the 2012 Games.

Creating opportunity

Empowering individuals or local communities and providing them with opportunities to overcome unemployment and poverty is tangible evidence of our values and culture as a bank. Empowered individuals can go on to empower others, so in the long term this creates a virtuous cycle that benefits society as a whole. We see this approach as a way of contributing toward a form of economic development that is fair, inclusive, and sustainable.

Our **microfinance investments** are one way we create opportunity by supporting small entrepreneurs in the developing world. Since 1997, our microfinance program has funded an estimated 3.2 million new microloans for entrepreneurs, which is delivering clear social and economic value. [Page 35](#)

Our commitment to strengthen entrepreneurial skills includes championing innovation to shape the future of individuals and communities. Germany's 365 Landmarks in the Land of Ideas competition exists to honor exactly that kind of courage, which is why Deutsche Bank has been its exclusive sponsor since 2006.



365 Landmarks in the Land of Ideas: Championing innovation in Germany

In 2012, the 365 Landmarks in the Land of Ideas competition reached over 92,000 people during the regional award ceremonies alone, from contributors and award winners to visitors and VIPs. The competition operates across the whole country, showcasing the depth and breadth of Germany's innovative potential across all sectors. Since 2006, it has brought to light more than 2,500 exceptional ideas and projects. Every year, we recognize the most innovative examples with a Landmark award – presented by a Deutsche Bank employee in the locality. This strengthens the link between our local employees across Germany and the community, as well as builds the bank's profile. For the last two years, Deutsche Bank has helped grow the stature of the competition with additional awards at state level. The 2012 winner chosen by public vote, was Regenbogenfahrt der Deutschen Kinderkrebsstiftung, a fundraising initiative for children suffering from cancer.

Sports can also play a key role in enhancing social justice and integration. It can inspire young people and teach them valuable life skills such as teamwork and the importance of commitment. The **London Legacy 2020** initiative, led by the private sector in East London, aims for a positive physical, economic, and human legacy from the 2012 Olympics. As a founding member we have supported several strands of its work, including Represent London – a youth employability program which helped up-skill young people from East London and enabled them to volunteer as official Olympic guides. And the CREATE festival has been able to engage more than 300,000 individuals – participating in events through volunteering, mentoring, training, and workshops – since it began in 2008. CREATE Jobs is a work placement program which led to 40 percent of participants graduating to employment in 2012. In 2013, we will expand sports-based programs that help young people to develop their skills, gain confidence, and positively change their lives.

Helping the underprivileged and people in need

In the poorest regions of the world, we support projects for people in need that improve their situation structurally and give their children a better future. In China, for example, we have been supporting the charity **INCLUDED** (formerly known as Compassion for Migrant Children) since 2008, which runs social and educational programs aimed at helping migrant children. In December 2012, meanwhile, our Middle East Foundation began a partnership with **Save the Children** that gives poor families in famine-struck parts of Yemen access to food in local markets. And in South Africa, we celebrated ten years of support for **Noah** (Nurturing Orphans of AIDS for Humanity), which works with more than 100 communities and has provided protection and care for over 60,000 children since 2002.



Hurricane Sandy:
Employees support
relief efforts

Relief efforts after Hurricane Sandy

In 2012, 224 Deutsche Bank employees assisted with relief efforts in the immediate aftermath of Hurricane Sandy in New York. They concentrated their activities in four of the hardest-hit areas in the city. Also following the storm, employees volunteered to sort donations, pack emergency food, and distribute supplies to those in need. All in all, volunteers gave over 1,400 hours of service, and we provided \$2 million for a combination of immediate relief efforts and zero interest loan capital for non-profits to lend to small businesses to help with recovery. In addition, Deutsche Bank has led the creation of a new collaborative of local banks and foundations that will support ongoing recovery and resiliency efforts in partnership with local government.

While our targeted interventions can help many help themselves, some of the world's most disadvantaged people require very immediate aid, especially in the wake of natural disasters. Deutsche Bank and its foundations have a long tradition of delivering fast and efficient reconstruction support for communities that have been hit hard by disasters, most recently in Haiti, Pakistan, Japan, and East Africa. The involvement of our employees and clients, in terms of volunteering and financial donations, is an essential supplement to our financial contribution.



Restorative power of the arts

In November 2012, Deutsche Bank conducted a unique education tour in association with the leading theater company Bell Shakespeare in Queensland, Australia, visiting 18 schools badly affected by 2011's devastating floods. Using the restorative power of the arts, the initiative called on Shakespeare and creative expression to help young people cope with their experience of the disaster. Nearly 3,000 students participated in the tour, which received widespread recognition as an innovative alternative to the traditional bricks-and-mortar approach of dealing with the impact of flooding in Australian communities. Deutsche Bank has worked closely with Bell Shakespeare over three years, whose Actors At Work program reaches over 80,000 students in Australia every year.



Disaster relief with the
Bell Shakespeare theater
company





10 years of the
Berliner Philharmoniker's
Education Programme

Fostering creativity

The arts are often seen as the preserve of the few. At Deutsche Bank, we think the opposite. We believe artistic endeavor should be open to all; contemporary art and exceptional music experiences should be as accessible as possible. This is why we cooperate with renowned partners around the world.

Passion for music

Our support helps to broaden horizons and stimulate cultural development. The 2012/2013 season marked the 10th anniversary of the **Education Programme of the Berliner Philharmoniker**. More than 29,000 young people worldwide have had the opportunity to explore the world of music in creative workshops or become part of outstanding performances over this period. For the first time, the EXPLORE CLASSICAL MUSIC! initiative offered 500 schools and universities free 12-month licenses to the Digital Concert Hall of the Berliner Philharmoniker, which provides access to up to 30 live broadcasts and more than 170 archived concerts and documentary films in highest digital and sound quality, equally enabled by Deutsche Bank. From 2013 onwards, the focus of the Education Programme will shift to choral workshops that engage young people in low-income districts of Berlin.

Deutsche Bank Foundation has realized a cooperation project between the Berliner Philharmoniker, the Festspielhaus Baden-Baden, and the **Academy Opera Today**, its scholarship program for young composers, conductors, cultural managers, directors, dramatic advisors, and stage designers; it will continue this cooperation in 2013. Together, they put on stage a children's and a chamber opera at the Easter Festival in Baden-Baden. This project is a good example of how Deutsche Bank and its foundations leverage synergies between the initiatives and connect the partners they support.

Art works

We make art accessible – online and on site. Since late 2011, we have created virtual viewing of the **Deutsche Bank Collection** via the Internet and mobile channels such as **smartphone apps**. This adds to physical exhibitions of artworks from the collection in our headquarters, in our international locations, and at our partner institutions. Two prototypical examples are the show of Yto Barrada, Deutsche Bank's Artist of the Year 2011, that was on view in six museums around the globe and attracted more than 90,000 visitors, as well as the groundbreaking Anish Kapoor exhibition at the **Museum of Contemporary Art Australia**, showcasing Deutsche Bank's work "Memory". Education programs that presented new perspectives of contemporary art were offered at all venues.

ArtMag
by Deutsche Bank



Imran Qureshi, Deutsche Bank
Artist of the Year 2013

The year 2013 will mark the start of the new **Deutsche Bank KunstHalle**, the bank's own exhibition space in the German capital. This exhibition space builds on the successful Deutsche Guggenheim partnership, a 15-year collaboration with the Solomon R. Guggenheim Foundation. It is a statement of our commitment to contemporary art and artists all over the world, as well as to Berlin. Deutsche Bank KunstHalle will provide a unique venue to feature artworks from the collection, by promising talents or exhibitions in cooperation with international partner museums and Berlin cultural institutions. The first show will focus on the work of Imran Qureshi, Deutsche Bank's Artist of the Year 2013.

We also partner with a range of high-profile art events such as the art fairs Frieze and Frieze Masters in London and Frieze New York, as well as ART HK 12 in Hong Kong. At all events, we present selected works from the Deutsche Bank Collection as well as from young artists we support.



Promoting art in Singapore

Deutsche Bank marked its 40th anniversary in Singapore with a day of compassion through art. Employees joined beneficiaries of our local Charities of the Year for an inspiring and fun mural painting session. Social Creatives, a social enterprise, designed the mural, which tells the story of Deutsche Bank's support for the community and the arts in Singapore. The Singapore Chinese Orchestra accompanied the event with a musical ensemble.

Since 2009, we have been working with the Singapore Art Museum to implement the Deutsche Bank Art Bus program. Since its initiation, the initiative has provided free transport for a total of 6,692 elementary schoolchildren to the museum, where they visit an ongoing exhibition and engage in a morning of hands-on art sessions. The program is fostering creativity by introducing children to contemporary art and nurturing their artistic development.



Deutsche Bank Art Bus Singapore



More information on Deutsche Bank KunstHalle
and the Artist of the Year 2013

- deutsche-bank-kunsthalle.com
- db.com/cr/promoting-young-artists
- art.db.com/en/artist-of-the-year.html

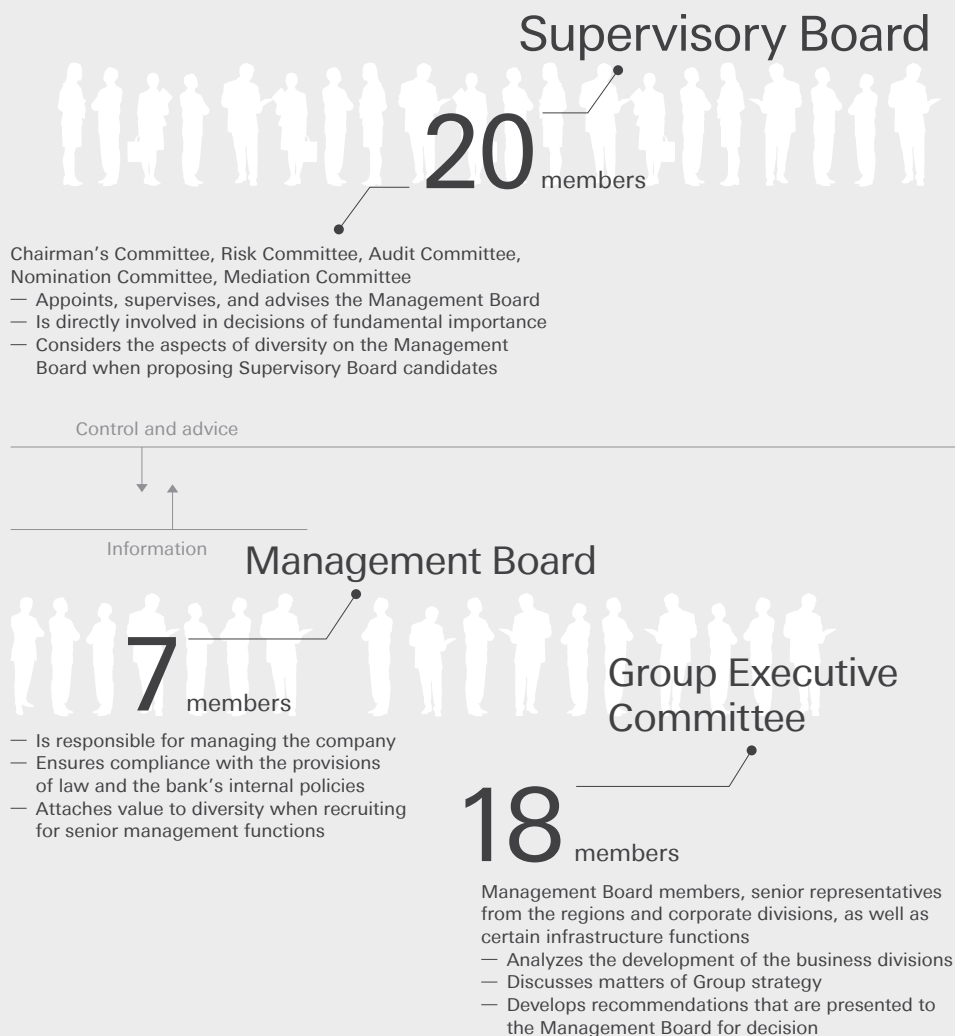
Facts and Figures

Governance and performance summary – 73

Global Impact Tracking – 86

Governance and performance summary

Corporate Governance: Functions of the Supervisory Board and Management Board

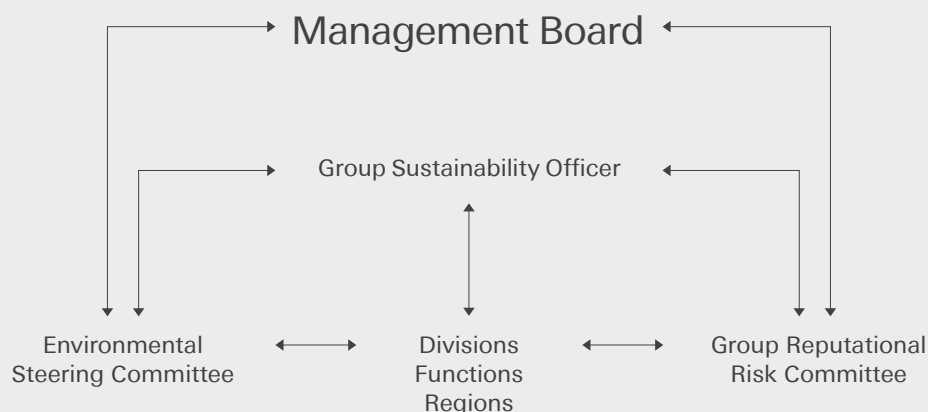


Last update: Dec 2012

Deutsche Bank's approach to Corporate Governance is in accordance with high international standards, German and US legal and stock exchange requirements.

Annual Review, page 23

Sustainability management system: Key functions and control

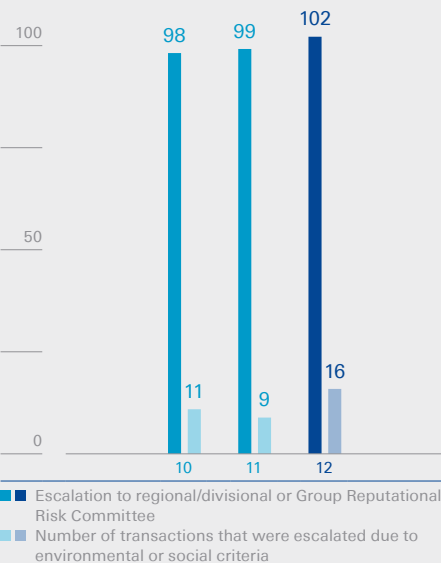


Primary responsibility for the sustainability policy of Deutsche Bank lies with the Management Board. The Group Sustainability Officer is responsible for operational implementation. She also coordinates the cooperation with the sustainability officers in the global divisions and infrastructure areas of the bank. Central bodies ensure a direct exchange on sustainability issues and interdivisional coordination matters relating to sustainability. The Group Sustainability Officer is Deputy Chairwoman of the interdivisional Environmental Steering Committee and presents sustainability issues at the Group Reputational Risk Committee.

Deutsche Bank's sustainability management system has been certified in accordance with the international ISO 14001 standard since 1999. In 2004, we began to extend the system to also address social and governance issues. An external audit annually checks the sustainability performance of business units and the infrastructure functions that are integrated into the management system. The current recertification cycle began in 2012 and will expire in March 2015. 20 business units and infrastructure functions including locations in Germany, New York, London, Tokyo, and Milan were audited. Apart from the usual inspection of the building to assess compliance with environmental standards, the audit included an evaluation of the objectives and measures taken to further integrate sustainability into Deutsche Bank's core business.

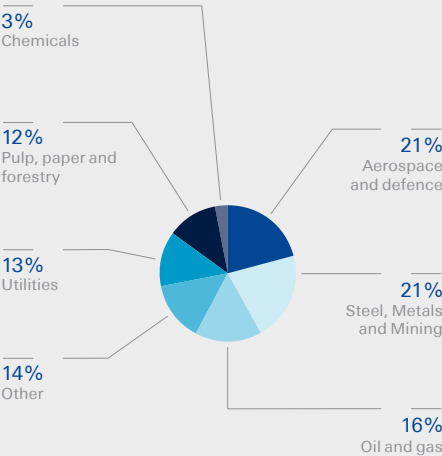
Reputational risk escalation

Number of escalated transactions



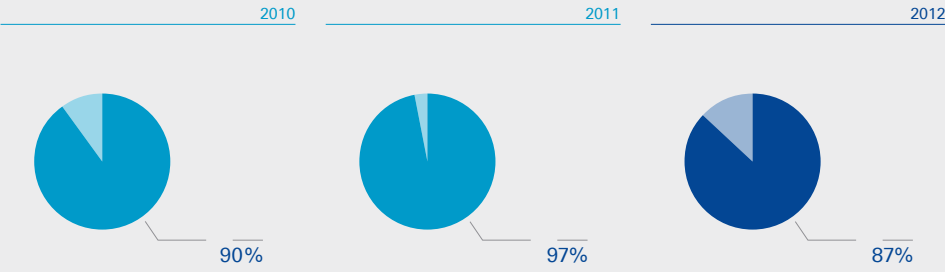
ES Risk Framework

Reviewed transactions per sector, in %



Employees with completed compliance trainings

Proportion of total employees, in %



During 2012, over 125 new and updated training courses were rolled out to staff globally, resulting in over 255,000 completed training assignments. During 2012, the number of staff with overdue training was consistently below 8% of the global headcount. Key 2012 and 2013 courses addressing ethics and integrity issues include: Compliance Essentials, Anti-Money Laundering, Risk Culture, Supervision, Code of Business Conduct and Ethics, Tone at the Top, and Market Conduct.

The fall in employees with completed compliance trainings results from an update of the Private and Business Clients webbased training on Compliance Essentials in 2012. This training is rolled out every second year. The updated training will be rolled out globally in the second half of 2013.

Client loyalty

Private & Business Clients (TRI*M value^{1, 2})

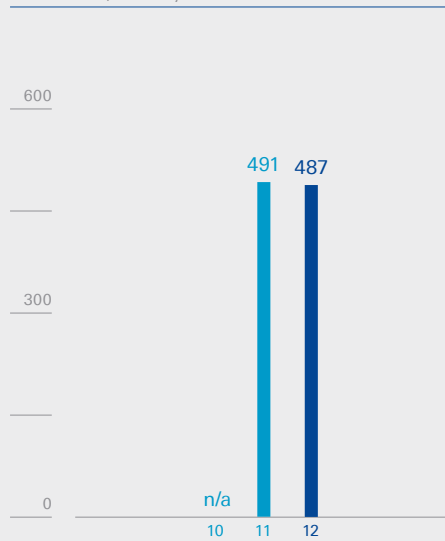


¹ Source: Private & Business Clients, Client Survey, TNS Infratest Financial Research Institute

² TRI*M (Measure, Manage, Monitor) is the globally leading system for stakeholder management and client loyalty. It is tailored to the individual needs of companies in order to incorporate information from all stakeholder groups into the decision-making process.

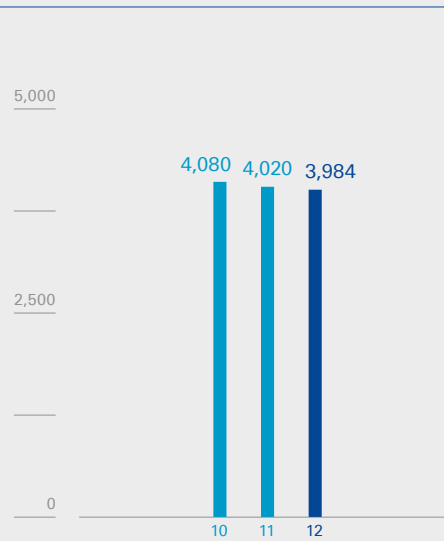
Barrier-free branches

Total number, Germany



Reduction due to closing of branches

ATM and banking terminals with Braille



Reduction due to closing of branches

Sustainable products for private and business clients

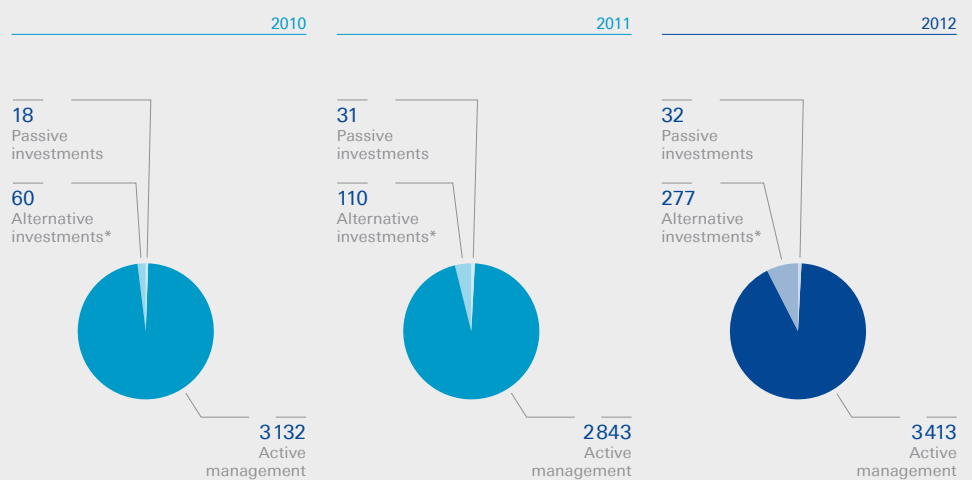
In € m.

		2012	2011	2010
Loans	KfW loans granted to private and business clients in Germany	578.5	624.6	762.3
	KfW green loans granted to private clients in Germany	470	507.8	604.5
	Green loans granted to private and business clients in Europe (excl. Germany)	178.5	132	80
Investment products	Volumes in sustainable investment funds in private and business clients accounts in Germany	320	353	n/a*
	Volumes in sustainable investment funds in private and business clients accounts in Europe (excl. Germany)	130	144	n/a*

* Product has been introduced after this date.

Asset and Wealth Management: Investments that consider environmental, social, and governance criteria

In € m.



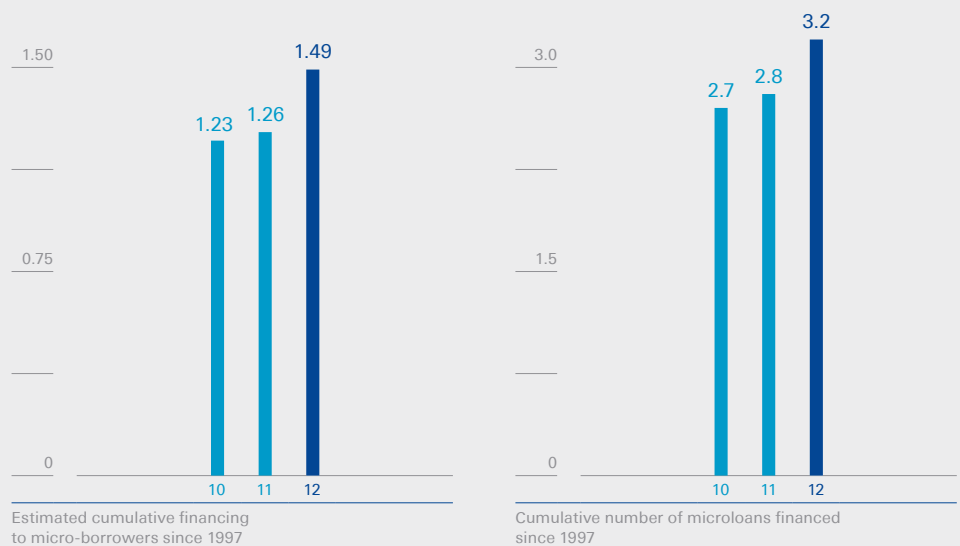
In 2012, Asset and Wealth Management managed assets with a volume of €944 billion (December 31, 2012).

* Excluding real estate.

Microfinance

In \$ bn.

Number, in m.



Estimated cumulative financing to micro-borrowers since 1997

Cumulative number of microloans financed since 1997

Corporate Banking & Securities: Renewable energies and CleanTech

Volume of transactions in € m.	2012	2011	2010
Public merger and acquisition*	2,200	5,435	225
Equity and debt	231	2,290	1,393
Project finance*	1,916	2,117	1,388

The volume of renewable energy and Cleantech deals reported is affected by the number of confidential deals (which are excluded from the reported numbers), sector activity and restructuring of the Cleantech finance team in 2012.

* Excluding undisclosed transactions

Examples

Advisory	<p>The sale of the smart meter company Elster to engineering specialist Melrose PLC – \$2.3 billion</p> <p>The TenneT sale of a 49% equity stake in HVDC offshore wind transmission lines to Mitsubishi Corporation – \$317 million</p> <p>The acquisition by California-based SunPower of the European solar energy operator TeneSol – \$165 million</p>
Equity issues	Leading the IPO of Enphase Energy, the first solar IPO since 2010, raising \$51 million
Debt issues	<p>Lead bookrunner on \$645 million of euro- and US-dollar-secured notes for the Irish energy company Viridian to refinance debt and enable expanded renewables production</p> <p>Private placement of \$200 million to assist the solar technology company MEMC</p> <p>Private placement of \$25 million to assist AMSC, which provides control systems, design, and engineering services to reduce the costs of wind turbines</p>
Project finance	<p>Co-structuring bank, joint bookrunner, contributing finance and other support for Ocotillo, one of the largest wind farms in southern California, to raise a total of \$719 million</p> <p>Financial advisor, sole structuring bank and other services for Ombrage, raising \$237 million for five Renault car plants in France, the largest solar photovoltaic project in the automotive industry</p>

Sustainability ratings

On a scale from 0 to 100 (unless stated differently)	2012	2011	2010
OEKOM, scale from A+ to D–	C Prime	C Prime	C+ Prime
RobecoSAM	78	75	80
Sustainalytics	65	66	64
Carbon Disclosure Project, Band from A to E	90 Band A	82 Band B	73 Band B

Deutsche Bank is listed in the following sustainability indexes

Index category	Index name
Advanced Sustainable Performance Indexes (ASPI)	
ECPI Ethical Indexes	Ethical Index Euro Ethical Index Global ECPI Ethical Euro Tradable ECPI Ethical Index
Dow Jones Sustainability Indexes (DJSI)	STOXX ESG Leaders DJSI World DJSI STOXX DJSI Europe
FTSE4GOOD	FTSE4GOOD Europe Index FTSE4GOOD Europe 50 Index FTSE4GOOD Global Index FTSE 100 Short Index FTSE CDP Carbon Strategy Europe
Carbon Disclosure Project	Carbon Disclosure Leadership Index (Germany)
NASDAQ OMX	NASDAQ OMX CRD Global Sustainability Index



Awards overview

Selected awards 2012

Divisions	Awards	Sponsor
Private & Business Clients	Best retirement pension consultancy	Finanzmagazin Focus Money
Private & Business Clients	Leader in Quality of Service for Deutsche Bank branch network, in Spain	Equos
Wealth Management	Best foundation manager	Euromoney
Wealth Management	Rank 1 in the "Fuchs-Report 2012 – Stiftungsvermögen im Text"	Fuchsreport
Global Transaction Banking	Best Islamic Trustee/Custodian	Islamic Finance News
Global Logistic Services	Green IT Best Practice Award for Visionary Concepts	German Ministry for the Environment
Global Logistic Services	International Highrise Award for modernized, eco-efficient Deutsche Bank headquarters	City of Frankfurt, Deutsches Architekturmuseum, DekaBank
Human Resources	Rank 23 of world's 50 most attractive employers	Universum
Human Resources	Rank 11 among 100 most popular German employers	Trendence
Human Resources	Opportunity Now Excellence in Practice Award for the Accomplished Top Leaders Advancement Strategy (ATLAS)	Business in the Community (BITC)
Corporate Citizenship	JAXUSA Partnership Industry Leader Award for outstanding business performance and corporate citizenship	JAXUSA Partnership for Regional Economic Development, USA
Corporate Citizenship	Sheikh Mohammed bin Rashid Al Maktoum Patrons of the Arts Award for significant support of cultural projects in Dubai	Sheikh Mohammed bin Rashid Al Maktoum, UAE
Corporate Citizenship	Charity Times Award for the project Playing Shakespeare with Deutsche Bank	Charity Times Magazine, UK
Corporate Citizenship	Platinum Award for Payroll Giving for promoting employees' charity donations	Institute of Fundraising, UK

LEED*-certified buildings

Total number of buildings certified	2012	2011
Platinum	8	3
Gold	14	11
Silver	8	6

* Leadership in Energy and Environmental Design

Key eco-efficiency data¹

Greenhouse gas (GHG) emissions in t of CO ₂ e (unless stated differently)	Variance from previous year in %	2012	2011	2010
Total gross GHG emissions^{2,3}	-5	631,523	662,933	678,006
Emissions from energy use	-4	501,478	523,477	530,378
Emissions from business travel	-9	119,520	131,336	143,856
Scope 1, direct GHG emissions⁴	-5	94,031	99,432	99,663
From natural gas consumption	+16	17,133	14,800	17,600
From liquid fossil fuels	-15	41,180	48,715	48,394
From HFCs	+30	10,525	8,120	3,772
From owned/leased vehicles	-9	25,193	27,797	29,897
Scope 2, indirect GHG emissions⁴	-4	443,165	459,962	464,384
From electricity consumption	-5	375,470	393,678	402,025
From steam, district heating and cooling	+2	67,695	66,283	62,359
Scope 3, other indirect GHG emissions⁴	-9	94,328	103,539	113,959
From air travel	-9	91,051	99,691	111,806
From rented vehicles and taxis	-19	2,228	2,762	1,147
From rail travel	-3	1,049	1,086	1,006
Key performance references				
Full Time Equivalents (FTEs)	+8	98,415	90,938	81,547
Total rentable area in m ²	+2	3,826,889	3,743,467	3,621,297
Emissions reductions				
Purchased CERs in t	+58	307,500	195,000	220,000
Net GHG emissions (incl. CERs, RECs, renewables) ^{5,6}	-70	60,658	200,244	152,944
Space normalized net emissions per m ²	-89	0.016	0.140	0.042
FTE normalized net emissions per FTE	-72	0.616	2,202	1,876
Total energy consumption in GJ⁷	-4	4,915,513	5,146,711	5,219,903
Total energy consumption in GWh⁸	-4	1,365	1,430	1,450
Electricity consumption	-5	785	827	850
Energy from primary fuel sources (oil, gas, etc.)	-8	287	312	324
Delivered heat and cooling	+1	293	290	276
Electricity from renewables	-2	598	609	710
Space normalized energy consumption in kWh per m ²	-7	357	382	400
FTE normalized energy consumption in kWh per FTE	-12	13,874	15,721	17,781
Total distance traveled in km	-8	1,010,540,856	1,102,616,789	1,203,867,138
Total air travel ⁹	-9	800,318,281	875,865,483	980,405,132
Short-haul air travel	-9	33,470,888	36,842,583	42,282,825
Medium-haul air travel	-7	91,909,966	98,565,750	100,716,616
Long-haul air travel	-9	674,937,427	740,457,150	837,405,690
FTE-normalised air travel per FTE	-16	8,132	9,631	12,023
Total rail travel ¹⁰	+0.3	57,912,096	57,725,362	52,331,316
Total road travel ¹⁰	-10	152,310,479	169,025,944	171,130,690
Waste in t				
Waste disposed ^{11,12}	-21	5,098	6,418	655
Waste produced ¹¹	-11	13,521	15,250	8,096
Normalized waste produced per FTE	-18	0.137	0.168	0.099
Waste recycled	-5	8,423	8,833	7,440
Waste recycled in %	+8	62	58	92
Paper in t				
Copy/print paper consumed ^{12,13}	-32	2,511	3,708	5,187
Recycled content in %	-10	27	30	30
FTE normalized paper consumption per FTE	-37	0.026	0.041	0.064
Water in m³				
Total water consumed (potable) ^{12,14}	-11	1,513,092	1,701,941	1,736,157
Space normalized water consumption per m ²	-13	0.395	0.455	0.479
FTE normalized water consumption per FTE	-29	1,311	1,839	1,784

¹ All data reported as 2012 is from October 1, 2011 to September 30, 2012

² The GHG reporting boundary is defined according to the GHG Protocol's operational control approach, and includes businesses and sites where Deutsche Bank staff hold executive positions in the company and Deutsche Bank's operational policies are implemented. Where data center operations are outsourced, emissions from hardware owned by Deutsche Bank within a facility are within scope. Scope 1 GHG emissions are combustion of fossil fuels, owned and leased vehicles, and refrigerant leakage from cooling equipment; Scope 2 are delivered energy, e.g. electricity, district heating; and Scope 3 are from purchasing goods or services where emissions sources are controlled by others, e.g. air travel.

³ Postbank consumption has been included for the first time for 2012, and therefore Deutsche Bank's base year gross emissions for 2007 are restated as 625,000 t CO₂e. The years reported here are also recalculated to include Postbank for all measures, and to include changes in emissions factors and improvements to heating and electricity extrapolations.

⁴ Postbank emissions are: Scope 1 – 21,000; Scope 2 – 71,000; and Scope 3 – 1,200 t CO₂e.

⁵ The net GHG emissions include renewable energy with zero emissions factor. Purchase of renewable electricity in Australia, Austria, Belgium, Canada, Germany, Italy, the Netherlands, Spain, Switzerland, the UK, and the USA.

⁶ For 2012, carbon neutrality will be accomplished with retirement of currently held CERs (345,000) and purchase of any balance required (see footnote 3).

⁷ Calculated electricity and heating intensities are used to extrapolate demand when no consumption data is available. Where these are more than 20% higher or lower than industry benchmarks, the benchmark average is used.

⁸ Total energy consumption in gigawatt-hours comprises all sources used – natural gas, liquid fossil fuels, renewable and grid electricity, and district heating and cooling.

⁹ Domestic and international air travel data covers 93% of all flights; total includes an additional 7% extrapolated based on cost.

¹⁰ Improved vehicle and rail travel data from 2012 has been used to backfill 2010 and 2011 for some countries. Includes rail travel offset to be carbon neutral.

¹¹ Waste data is extrapolated based on FTEs from the ISO 14001-certified sites in Germany, the UK, and the USA, covering 64% of FTEs. Waste data does not include project waste, e.g. from refurbishments. Municipal waste for Germany has been extrapolated, but data is not extrapolated for the Group. Waste per FTE applies only in the countries where we collect data.

¹² Waste, water, and copier paper data has not been included in the scope of 2012 data verification.

¹³ Copier paper data for 2012 is from 14 countries including Germany, the UK, the USA, and Singapore and is not extrapolated. New calculation method based on recycled pulp content. Data for 2011 is from Germany, the UK, and the USA, and backfilled volumes from other countries to provide comparability. Data for 2010 is from Germany and the UK only and also not extrapolated.

¹⁴ Water figures are extrapolated on a site level based on net usable area and refer to potable water only.

Data collection process

Data on energy consumption, greenhouse gas (GHG) emissions, waste, paper, and water consumption are consolidated in a global database that systematically analyses data using tens of millions of data points covering the past six years. Tools in the database enable analysis of environmental initiatives and performance, for example highlighting how renewable electricity has reduced carbon emissions. The system monitors and estimates key indicators based on present data and trends so that annual carbon emissions can be forecast and offsets purchased at the appropriate level to meet our neutrality targets for prior years. Data covers all locations with significant energy consumption and currently covers more than 70% of our energy use.

On the basis of these data, consumption is extrapolated for non-reporting sites and to get our total energy consumption and GHG emissions. These data are quantified and reported in line with the international GHG standard ISO 14064. Waste, paper, and water data are also captured in this database. The data for waste comes from locations with ISO 14001 certification in Germany, Japan, London, and New York. The figures for consumption of copier paper are collected in 14 countries including Germany, Singapore, the UK, and the USA, and cover more than 80% of employees. The water consumption data is extrapolated based on floor area and covers 33% of floor area across the globe. The GHG data collection, internal reporting processes, and Certified Emission Reduction (CER) purchases have been reviewed by ERM Certification and Verification Services (ERM CVS). [Page 91](#)

Employees

In %	2012	2011	2010
Staff (full time equivalents¹)	98,219²	100,996 ³	102,062
Divisions			
Private and Business Clients	41.5	41.4	42.7
Corporate Banking and Securities	9.3	10.4	10.5
Asset and Wealth Management	6.7	7.0	6.9
Global Transaction Banking	4.6	4.4	4.4
Non-Core Operations Unit	1.5	1.8	2.0
Infrastructure/Regional Management	36.4	35.0	33.5
Regions			
Germany	47.1	46.9	48.3
Europe (excl. Germany), Middle East, and Africa	24.3	23.9	23.3
Americas	10.5	11.0	11.0
Asia-Pacific	18.1	18.2	17.4

¹ Full time equivalent = total headcount adjusted proportionately for part-time staff, excluding apprentices and interns

² A one-off adjustment in data for India staff resulted in a notional decrease of 301 employees

³ A one-off adjustment in data for Postbank staff resulted in a notional decrease of 260 employees

Gender diversity

Total number (and in %), excluding Postbank	2012	2011	2010
Female staff in total	33,162	33,811	33,723
In %	41.7	41.2	41.3
Female staff (non-tariff)	13,623	13,117	12,213
In % (non-tariff)	30.8	29.7	29.3
Female Managing Directors and Directors	1,701	1,678	1,527
In %	18.0	17.1	16.2
Female members in Supervisory Board	8	8	7
In %	40	40	35
Female members in Management Board	0	0	0

Employee age distribution

In % of total number of employees

	2010	2011	2012
Up to 24 years old	7.1	6.9	6.3
25–34 years	28.9	28.7	28.5
35–44 years	31.6	30.9	30.2
45–54 years	24.0	24.8	25.9
Older than 54 years	8.4	8.7	9.1

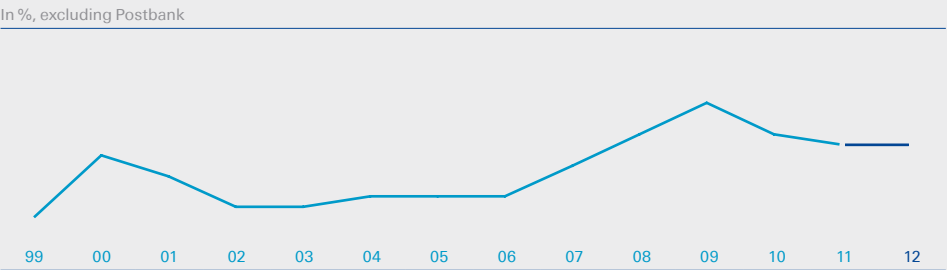
Part-time employees

Excluding Postbank	2012	2011	2010
Total number	8,401	8,206	8,247
In % of total number	9.8	9.3	9.4

Staff turnover

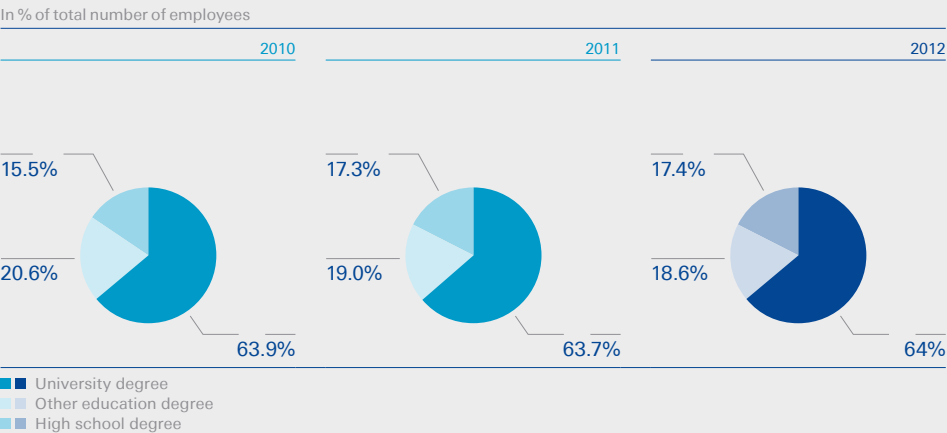
In % of total number of employees	2012	2011	2010
Employees leaving the bank for a new job	5.1	5.6	6.6

Employee commitment index



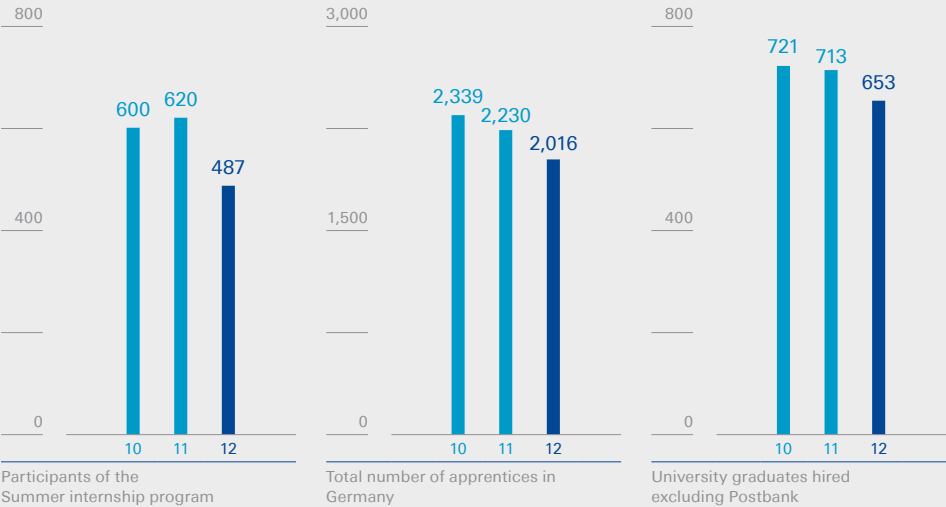
At 73%, in 2012 the commitment index, a measure of staff’s loyalty to the company, improved by one percentage point compared to 2011 and remained at one of the highest levels since Deutsche Bank began measuring it in 1999.

Employee qualifications



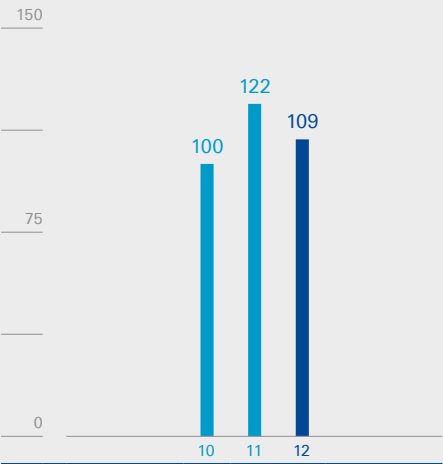
Recruitment

Number of employees



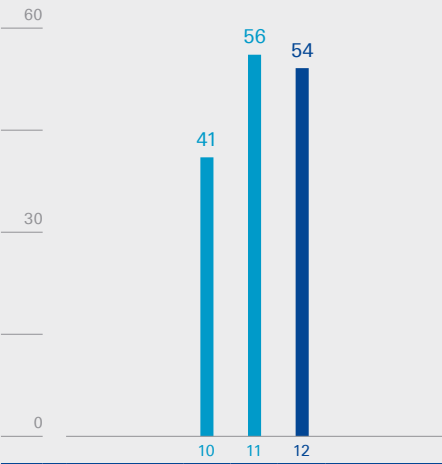
Training expenses

In € m.



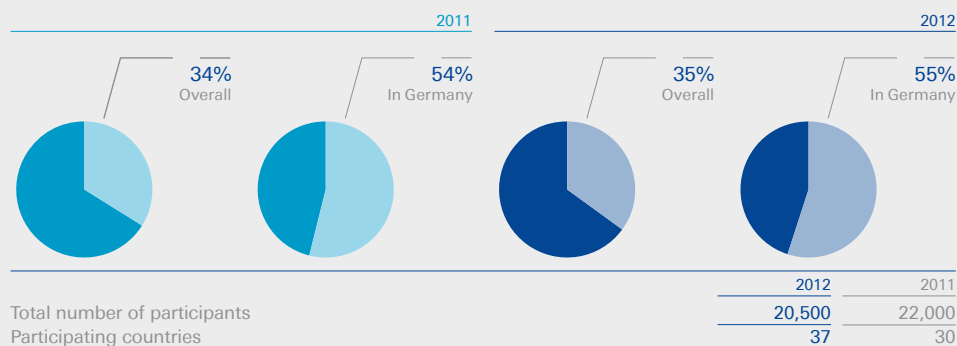
Vocational training expenses

In € m.



Employee participation in our Global Share Purchase Plan

Enrollment rate in %

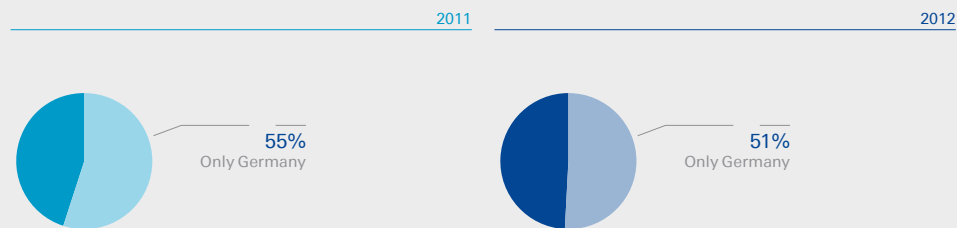


Child care

Total number, excluding Americas	2012	2011	2010
Child day care spaces provided to employees	400	345	311

Well-being

Participation in the health program Check-Up 40+
In % of total number of employees, in Germany



Since 2008, we have offered all employees 40 years of age or older a regular health check-up that goes well beyond the ordinary health care benefits of the statutory health insurance scheme. The medical examination is supplemented by an individual consultation regarding physical health, nutrition, and coping with stress.

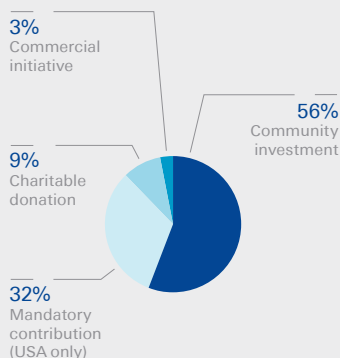
Working days lost: Deutsche Bank AG and Private and Business Clients

In days, Germany	2012	2011	2010
Work accidents	669	905	865
Travel/commuting	1,141	1,941	2,509
Sports	190	105	162
Bank robbery	50	45	18

Global Impact Tracking (GIT)

Motivation of contribution

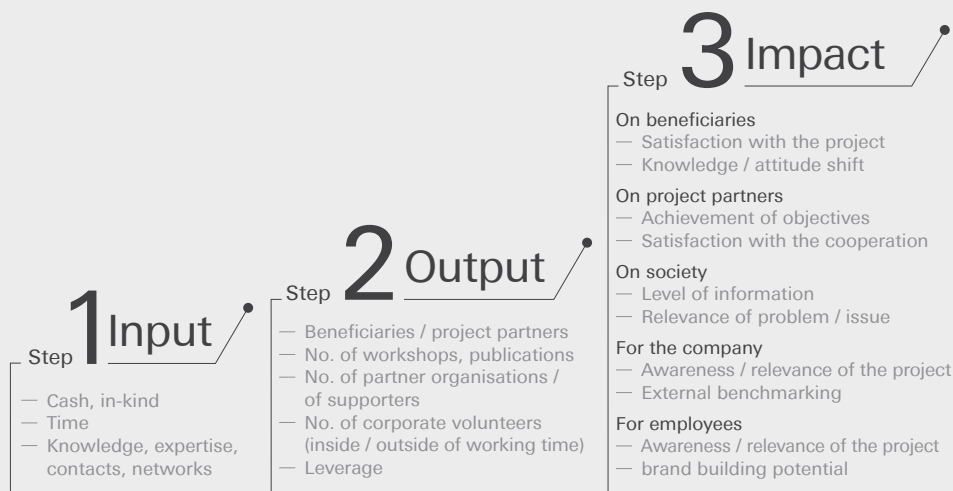
In %



Source: GIT project database, based on London Benchmarking Group (LBG) categorization

From setting to assessing goals

How we assess our corporate citizenship (CC) investments (focus and efficiency)

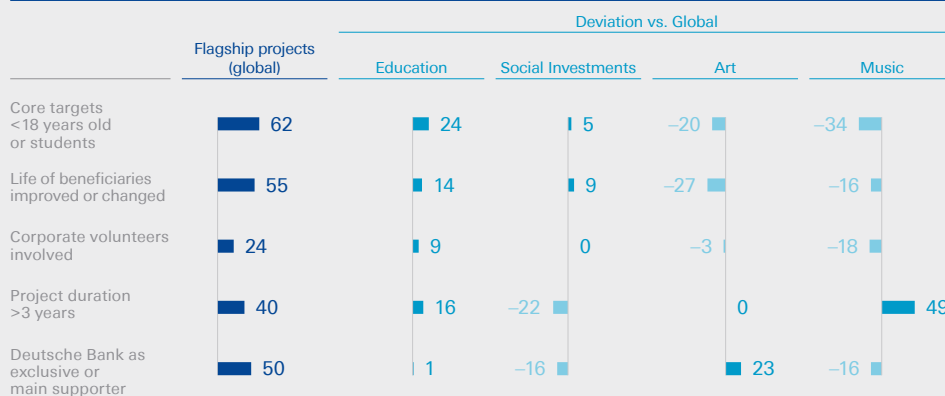


The newly developed Deutsche Bank Global Impact Tracking was introduced globally for the first time in 2012 to assess all global and regional flagship projects (minimum investment of €25,000)*. This enables us to evaluate whether our investments as a corporate citizen are efficiently and effectively aligned with our strategic goal of building social capital in our key areas of activity: education, social investments, art and music. Key insights of this new benchmarking are presented below.

* Flagship projects represent €39 m (47% of total corporate responsibility investments).

Cornerstones of Deutsche Bank's flagship projects

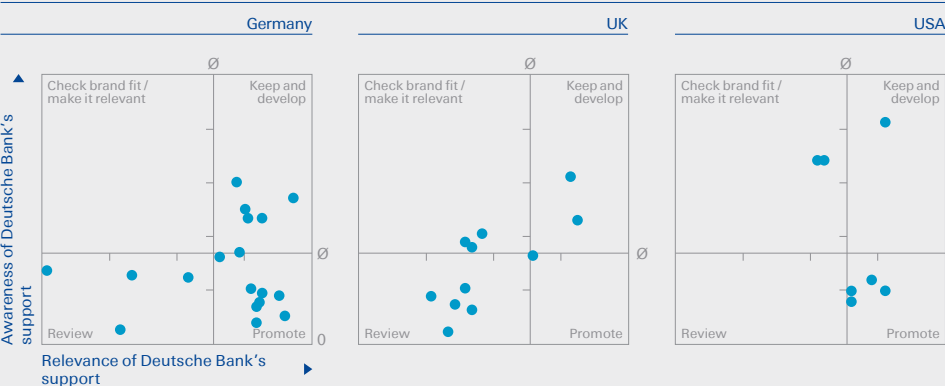
In %



Source: GIT project database, 2012

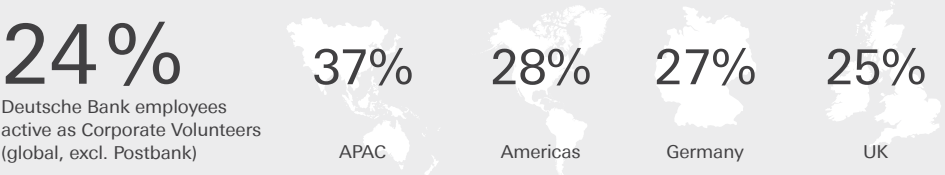
Awareness and relevance of Deutsche Bank's CC projects among cultural professionals

In % vs. global average



● Specific project
Source: Regional corporate citizenship tracking among cultural professionals

Corporate Volunteering: Global and regional participation rates



In 2012, 24% of Deutsche Bank employees were active as corporate volunteers. Since 2007, the participation rate has almost tripled. Another 7% of employees volunteer outside of the bank's programs. Deutsche Bank's corporate volunteers invested 237,828 hours in charitable activities, 42% thereof during working time and 58% during leisure time.

Corporate Volunteering boosts internal brand identification

Index (2011 = 100)



Source: Representative survey among Deutsche Bank staff, 2011

Positive assessment of Corporate Volunteering offers

In %



Source: Representative survey among Deutsche Bank corporate volunteers, 2012

Sustainability objectives

	Goals 2012–2015	Status 2012
Asset Management	Establish ESG steering committee in Europe with working groups to 1. strengthen knowledge of clients on ESG topics; 2. further implement ESG factors into the investment process; 3. establish framework conditions through policies, anticipatory examination, and realization of relevant directives; and 4. communicate ESG activities.	ESG steering committee established, with regular meetings of committee and working groups; focus on proxy voting and engagement policy.
Private Wealth Management	Extension of assets under management with responsible investments up to €650 million by 2015 (base €400 million as per Sep 30, 2011) within PWM business Germany.	Over €500 million achieved by 2012; additional private placement of Africa Agriculture Trade and Investment Fund of €20 million.
Private & Business Clients	Stepping up the work of the Private & Business Clients Sustainability Board with representatives from all relevant areas: products, marketing, communication, and customer service.	Sustainability Board established end of 2011, with regular meetings every quarterly year. Additional Responsible Banking Committee created in 2012, with checks of all PBC products under responsibility aspects.
Medium-sized Enterprises	Establish sustainability governance structures within the business unit.	Top management commitment and involvement assured; integration of sustainability topics in credit seminars; survey with 400 companies in the context of energy transition and public funds.
Human Resources	Increase the commitment towards sustainability; integrate aspects of sustainability into the performance management process. Continued commitment for DAX 30 declaration (more women in senior management positions; to be achieved by 2018).	New remuneration policy for Senior Management Group with emphasis on long-term incentives. Introduction of Performance Standards as extension of the High Performance Principles and two components of performance: "What" was achieved and "how". Percentage females: Managing Directors/Directors 18% (plan 2018: 25%), non-tariff 31% (plan 2018: 35%).
ES Risk Management	Strengthen management of ESG risks by intensifying engagement on ESG issues with clients, Proactive shaping of relationships with critical stakeholders with reference to controversial topics. Optimization of ESG-risk coverage in MIS and external reporting.	Regional and divisional extension of Deutsche Bank's Environmental and Social Risk Framework; implementation of Cluster Munitions Policy.
Sustainable Operations	Continuation of low carbon strategy; continue integration of sustainability into standard operating procedures.	Achievement of carbon-neutral business operations: — 4,5% annual reduction in total energy consumption (target 2012: 3%) — Water consumption reduced by 11% (target 2012: 3%) — Global recycling ratio of total waste 62% (target 2012: > 55%) — 32% reduction in office paper consumption (target 2012: 15%)
Corporate Citizenship	Increased focus on high-impact flagship programs. Strategic bundling of youth engagement programs. Better stakeholder access to offers of community partners. Integration of expertise-based Corporate Volunteering in talent development programs.	Global and regional governance framework further strengthened. Global Impact Tracking of Deutsche Bank's CR investments rolled out across regions. Stakeholder engagement enhanced via use of mobile channels, apps, social media, and interactive formats. Visibility of Corporate Volunteers improved.

Supplementary Information

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About this report

This report shows how we have implemented corporate responsibility as an integral part of our work during the year under review. We compile a balance sheet for our sustainability initiatives and explain what impact our business has on the environment and society. We present our commitment as an employer and as a responsible corporate citizen, illustrating our motivation as well as the impact of our activities.

We can only feature a selection of our global activities due to of space-related constraints. However, we attach importance to an accurate reflection of the principles and cornerstones that guide our work.

Period under review and frequency of publication

The period under review corresponds with our business year, extending from January to December 2012. We have submitted a Corporate Responsibility Report every year since 2002. The next report will be published in March 2014. Our corporate responsibility websites and regional publications provide more in depth information as well as regular updates.

► db.com/responsibility

Report criteria

The criteria of the Global Reporting Initiative (GRI) serve as our orientation for the weighting of thematic areas and collection of key figures. This international multi-stakeholder initiative has developed recognized standards for sustainability reporting that guarantee transparency and comparability. Since 2002, Deutsche Bank – as an “organizational stakeholder” – has worked on refining the guidelines for reporting in feedback discussions together with representatives from the world of business, NGOs, and analysts.

► globalreporting.org

This report fulfills the requirements of the third generation (G3) of the GRI Guidelines. The GRI has verified compliance with its guidelines and – on the basis of a scale from A+ to C – it has awarded our report A+. The index on [pages 92 and 93](#) shows how we have implemented the GRI requirements in concrete terms. If no information was available for an indicator, we provide the reason for that. Our corporate responsibility reporting also serves as a progress report (Communication on Progress) in conjunction with the UN Global Compact. As a member, we continuously report on how we are putting the Ten Principles of the Global Compact into practice. An overview of this is provided in table form on [page 93](#).

Materiality

The reporting guidelines of the GRI include dialog with stakeholders and materiality. We have taken those requirements into account with the aid of multilevel materiality analysis. We regard conducting a dialog with our stakeholders and tailoring our sustainability reporting to their information needs as a continuously ongoing task.

Report limits

We regard this report as a supplement to the Annual Review and the Financial Report of Deutsche Bank AG. In addition to the information in this report, you can obtain basic corporate information as well as our key economic figures from our latest Annual Review and Financial Report, as well as our Annual Financial Statements and Management Report.

Data validation and transparency

Our business divisions and infrastructure functions meticulously collected the data that is relevant for their sectors. The Corporate Center area of Corporate Responsibility gathered those data and integrated them into this report. On behalf of Deutsche Bank AG, ERM Certification and Verification Services, a verification and certification company that is based in London, reviewed and verified the systematics for data generation and aggregation of our greenhouse gas emissions figures. Our sustainability management system has been certified according to DIN EN ISO 14001 and recertified up to and including 2015.

Feedback and suggestions

Feedback from our stakeholders is of special significance for further development of our corporate responsibility reporting. That is why we look forward to getting new inspiration and hearing your opinions. For this purpose, you can use the contact information in the imprint.

Independent Assurance Statement on Greenhouse Gas Data to Deutsche Bank AG

Scope and Objectives

ERM Certification and Verification Services (ERM CVS) was commissioned by Deutsche Bank AG to provide independent limited assurance on its global greenhouse gas (GHG) information presented on pages 80–81 of its 2012 Corporate Responsibility (CR) Report.

The scope of this assurance covered the following data:

- GHG data (tonnes CO₂e)
 - Scope 1 – Direct emissions from diesel, heating oil, and natural gas combustion, refrigerant gases, and emissions from company-owned and leased vehicles
 - Scope 2 – Indirect emissions associated with imported electricity, district heating and cooling, and steam
 - Scope 3 – Emissions from global air travel (excl. private jets) and rail travel
- Certified Emission Reductions purchases (tonnes CO₂e)

With respect to Deutsche Bank's GHG data, our engagement objective was:

- To determine the extent of conformity of the GHG data with ISO 14064-1:2006 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals;
- To assess completeness of the GHG data;
- To evaluate the GHG information system and its controls/management; and
- To assess whether the GHG assertion is without material discrepancy.

Assurance Approach and Limitations

We based our work on Deutsche Bank AG's internal guidelines and processes for collecting data associated with the reported metrics. We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions as to whether the reported information and data set out in the 'Scope and Objectives' above was appropriately reported, i.e. that nothing has come to our attention through the course of our work to indicate that the data are materially misrepresented (limited assurance). We performed our work in accordance with ERM CVS' assurance methodology, which is based on the International Standard for Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Information issued by the International Auditing and Assurance Standards Board (ISAE 3000). In relation to our assurance work on the GHG data, verification activities were performed in accordance with ISO 14064-3: Specification with guidance for the validation and verification of greenhouse gas assertions.

All GHG data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. During the period December 2012 to March 2013 ERM CVS undertook a series of activities, including:

- Site level assurance activities at Deutsche Bank regional centres in London and Singapore and the Postbank centre in Bonn to review the alignment of data management and reporting processes with corporate objectives and reporting requirements
- Corporate level assurance activities at offices in London to review data management systems and processes and selected investigation of the consolidated data;
- Evaluation of GHG data and reporting processes to establish conformance of Deutsche Bank's GHG inventory data and associated systems and controls with ISO14064-1:2006 and the GHG Protocol.

Conclusions

Based on the approach and limitations described above, nothing came to our attention that causes us to believe that the global GHG inventory and related information included within our Scope of Work, and disclosed in the table "Key eco-efficiency data" and information set out on pages 80–81 of Deutsche Bank's 2012 CR Report, are not appropriately reported.

This includes GHG emissions based on ISO14064-1:2006 and the GHG Protocol:

- Scope 1 Emissions: 94,031 tonnes CO₂e
- Scope 2 Emissions: 443,165 tonnes CO₂e
- Scope 3 Emissions: 94,328 tonnes CO₂e

Data and information supporting the GHG assertion were calculated based on measured as well as estimated data.

Commentary

Without affecting these conclusions, we make the following observations with respect to Deutsche Bank's data collection / system developments:

- Where actual GHG activity data are not available, data sets are based on extrapolations using intensity factors derived at the country or regional level. In many cases such extrapolations rely on a small sample size and, where actual GHG activity data are incomplete, estimations are made, including the use historic data for the same activity. A conservative approach has generally been taken whenever extrapolations and estimations are used. The quality of Deutsche Bank's GHG activity data, and related emissions metrics, could be enhanced through increasing the actual data available on which to base the extrapolations.
- The boundary of 2012 reporting includes Postbank for the first time and Deutsche Bank is still developing its management oversight and review procedures over the alignment of data collection, calculation and reporting processes.

Our findings are not intended to be used as advice or as the basis for any decisions, including, without limitation, financial or investment decisions.

Our Independence

ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and training programmes related to auditing techniques and approaches. Our processes are designed to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff that have undertaken work on this assurance exercise provide no consultancy related services to Deutsche Bank in any respect.

ERM Certification and Verification Services Ltd
London
12 April 2013



Melanie Eddis
Partner

www.ermcvs.com,
Email: post@ermcvs.com



GRI index

Strategy and analysis

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1.2	Sustainability: effects, risks, and opportunities	pp. 5–9, pp. 12–21 ▶ db.com/cr/environmental-and-social-risks

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2.3	Operational structure of the organization	pp. 22–25, pp. 27–43, FR pp. 4–10, pp. 366–367, pp. 375–411, AR pp. 19–22 p. 96, FR p. 5
2.4	Location of organization's headquarters	FR p. 5 ▶ db.com/global-network
2.5	Number of countries where the organization operates	AR Form 20–F pp. 25–27, p. 57
2.6	Nature of ownership and legal form	FR pp. 4–10, p. 302 ▶ db.com/global-network
2.7	Markets served	p. 90, inside of back cover
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3.5	Process for defining report content	p. 6 ▶ db.com/cr/stakeholder-engagement ▶ db.com/cr/materiality
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3.8	Basis for reporting on joint ventures, etc.	FR pp. 250–281
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3.10	Restatements or changes in the presentation of information	Front Flap
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	No significant changes
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3.13	Verification of external third parties	pp. 92–93, p. 74, p. 91 ▶ db.com/cr/sms

Governance, commitments, and engagement

4.1	Governance structure, including responsibility for sustainability	pp. 4–9, pp. 12–15, pp. 73–74, FR pp. 436–442, AR p. 23
4.2	Independence of the chair of the highest governance body	p. 73–74, FR pp. 436–442
4.3	For organizations without a highest governance body: independent and/or non-executive members	Not relevant, because Deutsche Bank has a Supervisory Board
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	p. 74, FR pp. 49–52 Corporate Governance Report ▶ db.com/corporate-governance-reports
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance	FR pp. 195–225 ▶ db.com/cr/compensation
4.6	Processes in place to ensure conflicts of interest are avoided	pp. 73–74 ▶ db.com/code-of-ethics
4.7	Process for determining the qualifications and expertise of the members of the highest governance body in the field of sustainability	pp. 73–74 ▶ db.com/cr/climate-strategy
4.8	Statements of mission or values, codes of conduct, and principles	Back cover page, front flap, pp. 4–5, pp. 44–45, pp. 73–74 ▶ db.com/cr/responsible-governance ▶ db.com/cr/sms ▶ db.com/cr/labor-rights ▶ db.com/cr/compliance
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social opportunities and risks	pp. 4–9, pp. 13–15, pp. 73–74, pp. 94–95 ▶ db.com/corporate-governance ▶ db.com/cr/sms ▶ db.com/cr/labor-rights ▶ db.com/cr/compliance ▶ db.com/code-of-ethics ▶ db.com/cr/climate-strategy
4.10	Processes for evaluating the highest governance body's sustainability performance	pp. 73–74 ▶ db.com/corporate-governance-reports
4.11	Implementation of the precautionary approach or principle	pp. 12–21, pp. 27–43, pp. 74–78 ▶ db.com/cr/climate-strategy ▶ db.com/cr/sustainable-credit-products ▶ db.com/cr/sustainable-investments ▶ db.com/cr/environmental-and-social-risks
4.12	Participation in and support for external initiatives	▶ db.com/cr/memberships
4.13	Memberships	▶ db.com/cr/memberships
4.14	Stakeholder engagement	p. 6 ▶ db.com/cr/memberships ▶ db.com/cr/stakeholder-engagement ▶ db.com/cr/materiality

4.15	Basis for the selection of stakeholders	p. 6 ▶ db.com/cr/memberships ▶ db.com/cr/stakeholder-engagement ▶ db.com/cr/materiality
4.16	Stakeholder dialog	p. 6 ▶ db.com/cr/memberships ▶ db.com/cr/stakeholder-engagement ▶ db.com/cr/materiality
4.17	Statement on the main wishes of stakeholders	p. 6, pp. 16–21, p. 27 ▶ db.com/cr/memberships ▶ db.com/cr/stakeholder-engagement ▶ db.com/cr/materiality

Economic performance indicators

	Management approach disclosure	pp. 4–9, pp. 22–25, pp. 27–33, pp. 78–79, pp. 94–95
EC1	Economic value generated and distributed	pp. 4–9, p. 12, p. 39, pp. 41–43
EC2	Financial implications of climate change	p. 54, pp. 56–59, FR pp. 228–230, pp. 352–359 ▶ db.com/cr/our-people
EC3	Coverage of the organization's defined benefit plan obligations	p. 54, pp. 56–59, FR pp. 228–230, pp. 352–359 ▶ db.com/cr/our-people
EC4	Financial assistance received from government	Not reported to ensure protection of proprietary information
EC6	Local hiring of suppliers	▶ db.com/cr/green-supply-chain
EC7	Local hiring of staff	p. 57 ▶ db.com/cr/green-supply-chain ▶ db.com/cr/diversity-management
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	pp. 60–71, pp. 94–95, rear flap
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	pp. 4–9, pp. 22–43

Ecological performance indicators

	Management approach disclosure	pp. 80–81
EN1	Materials used by weight or volume	pp. 80–81
EN2	Percentage of materials used that are recycled input materials	pp. 80–81 ▶ db.com/cr/green-it
EN3–4	Direct and indirect energy consumption	pp. 80–81
EN5	Energy saved as a result of conservation and efficiency improvements	p. 50, pp. 80–81 ▶ db.com/cr/green-it
EN6	Initiatives for the creation of products and services with increased energy efficiency	pp. 38–39, pp. 49–50, pp. 80–81 ▶ db.com/cr/green-it
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	pp. 49–50, pp. 80–81 ▶ db.com/cr/green-supply-chain ▶ db.com/cr/green-it
EN8	Total water withdrawals	pp. 80–81
EN11	Location and size of land in or adjacent to protected areas	Not relevant, because no land is owned in protected areas
EN12	Impacts of activities, products, and services on biodiversity in protected areas	pp. 15–18 ▶ db.com/cr/environmental-and-social-risks
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	p. 13–15 ▶ db.com/cr/environmental-and-social-risks
EN16	Direct and indirect greenhouse gas emissions	pp. 80–81
EN17	Other greenhouse gas emissions	pp. 80–81
EN18	Initiatives aimed at reducing greenhouse gas emissions	pp. 49–50, pp. 80–81 ▶ db.com/cr/green-supply-chain ▶ db.com/cr/green-it ▶ db.com/cr/carbon-neutrality ▶ db.com/cr/climate-strategy
EN19–21, Emissions, waste, and wastewater 23, 27		Not reported, because the amount is insignificant (EN19–21); there is no uncontrolled release of substances (EN23), and no packaging materials required (EN27)
EN22	Total weight of waste by type and disposal method	pp. 80–81
EN26	Initiatives to mitigate environmental impacts of products and services	pp. 12–15, pp. 27–33, pp. 38–39, pp. 41–42 ▶ db.com/cr/project-finance ▶ db.com/cr/sustainable-credit-products
EN28	Sanctions for non-compliance with legal requirements in the environmental sector	None

Product responsibility

	Management approach disclosure	pp. 22–43
PR1	Life cycle stages in which health and safety impacts of products and services are assessed	pp. 22–43 ▶ db.com/cr/sustainable-credit-products
PR3	Basics/techniques of product labeling	pp. 22–26, pp. 76–77 ▶ db.com/cr/sustainable-credit-products ▶ db.com/cr/sustainable-investments
PR5	Practices related to client satisfaction	pp. 22–26, pp. 76–77 ▶ db.com/cr/sustainable-credit-products ▶ db.com/cr/client-satisfaction
PR6	Programs for adherence to laws, standards, and voluntary codes related to advertising	pp. 22–26, p. 76 ▶ db.com/cr/sustainable-credit-products ▶ db.com/cr/client-satisfaction
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	FR pp. 344–349, AR Form 20–F pp. 20–21, pp. 60–65

Labor practices and acceptable working conditions

	Management approach disclosure	pp. 54–59, pp. 82–85
LA1	Data on total workforce	pp. 82–85 ► db.com/cr/working-environment
LA2	Data on rate of employee turnover	pp. 82–85 ► db.com/cr/our-people
LA4	Percentage of employees covered by collective bargaining agreements	p. 82 ► db.com/cr/labor-rights
LA5	Minimum notice period(s) regarding operational changes	According to par. 111, 112 of the German Labor Management Relations Act, the works council must be thoroughly and promptly informed of any company changes; the notice period is three months in normal practice
LA6	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	FR pp. 229–230
LA7	Rates of injury, occupational diseases, lost days, etc.	p. 85
LA8	Counseling offered in connection with serious ailments	pp. 58–59, p. 85 ► db.com/cr/health ► db.com/cr/working-environment
LA10	Average hours of training and education per employee per year	pp. 56–57, p. 75, pp. 83–84 ► db.com/cr/recruiting-and-retention
LA11	Programs for skills management and life-long learning	pp. 55–57, p. 48
LA12	Percentage of employees receiving regular performance and career development reviews	p. 55
LA13	Composition of governance bodies and breakdown of employees (age, gender, etc.)	pp. 57–58, p. 73, p. 82, FR pp. 424–429
LA14	Ratio of basic salary of men to women by employee category	Not reported due to bank-specific regulatory limitations and internal guidelines

Human rights

	Management approach disclosure	pp. 13–15, pp. 22–25, pp. 27–33, pp. 58–59
HR1	Investment agreements that include human rights clauses or that have undergone human rights screening	p. 51, p. 75 ► db.com/cr/environmental-and-social-risks ► db.com/cr/labor-rights
HR2	Suppliers and contractors who have undergone screening on human rights	p. 51 ► db.com/cr/green-supply-chain
HR4	Total number of incidents of discrimination and actions taken	Several instruments to prevent discrimination and to support affected employees (pp. 54–56; Deutsche Bank Code of Conduct and Ethics for Staff at ► db.com/code-of-ethics); not reported to ensure protection of employees
HR5	Freedom of association/collective bargaining	FR p. 230 ► db.com/code-of-ethics ► db.com/cr/labor-rights
HR6–7	Prevention of child/compulsory labor; principles and measures taken	p. 75 ► db.com/code-of-ethics ► db.com/cr/labor-rights ► db.com/cr/responsible-governance ► db.com/cr/environmental-and-social-risks
HR8	Fines for failure to comply with laws and regulations	FR pp. 344–349, AR Form 20–F pp. 20–21, pp. 60–65

Society

	Management approach disclosure	pp. 12–21, p. 35, p. 37, pp. 44–45
SO1	Programs/procedures which assess and regulate the effects of business operations on the public good	pp. 13–21, pp. 35–37, pp. 63–68, p. 75, pp. 86–87 ► db.com/cr/stakeholder-engagement ► db.com/cr/materiality ► db.com/cr/environmental-and-social-risks
SO2	Measures and initiatives aimed at combating corruption	pp. 44–45, p. 75 ► db.com/cr/compliance ► db.com/cr/responsible-governance ► db.com/code-of-ethics
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	pp. 44–45, p. 75 ► db.com/cr/compliance
SO4	Actions taken in response to incidents of corruption	pp. 44–45, p. 75 ► db.com/cr/compliance ► db.com/code-of-ethics
SO5	Public policy positions and participation in public policy development and lobbying	p. 6 ► db.com/cr/public-and-regulatory-affairs ► db.com/cr/memberships ► db.com/cr/stakeholder-engagement

FR = see Financial Report 2012, AR = see Annual Review 2012, Form 20–F 2012

Financial services sector indicators

FS1	Policies with specific environmental and social components applied to business lines	pp. 13–21, pp. 35–37, pp. 63–68, p. 75, pp. 86–87 ► db.com/cr/stakeholder-engagement
FS2	Procedures for assessing and screening environmental and social risks in business lines	pp. 13–21 ► db.com/cr/environmental-and-social-risks
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	pp. 13–18, pp. 22–34, pp. 50–51 ► db.com/cr/environmental-and-social-risks ► db.com/cr/green-supply-chain

FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	p. 15, pp. 24–25, pp. 28–29, p. 45, p. 75 ► db.com/cr/environmental-and-social-risks
FS5	Interactions with clients, investees, and business partners regarding environmental and social risks and opportunities	p. 6, pp. 18–21, pp. 34–35, pp. 40–42 ► db.com/cr/stakeholder-engagement ► db.com/cr/materiality ► db.com/cr/environmental-and-social-risks
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro, SME, or large), and by sector	p. 12, FR pp. 4–10
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line, broken down by purpose	p. 36, pp. 76–77, pp. 94–95, inside of back cover
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line, broken down by purpose	pp. 76–78, pp. 94–95, inside of back cover
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	pp. 13–16, p. 74, p. 91 ► db.com/cr/environmental-and-social-risks ► db.com/cr/sms
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	pp. 13–16, pp. 44–45 ► db.com/cr/environmental-and-social-risks
FS11	Percentage of assets subject to positive and negative environmental or social screening	pp. 13–16, pp. 27–33, pp. 44–45 ► db.com/cr/environmental-and-social-risks ► db.com/cr/sustainable-investments
FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	pp. 13–16, pp. 27–33, pp. 44–45 ► db.com/cr/environmental-and-social-risks ► db.com/cr/sustainable-investments
FS13	Access points in low-populated or economically disadvantaged areas by type	pp. 7–8, pp. 27–39, pp. 76–77 ► db.com/cr/sustainable-credit-products ► db.com/cr/aatif ► db.com/cr/get-fit
FS14	Initiatives to improve access to financial services for disadvantaged people	pp. 7–8, pp. 27–39, pp. 63–68, pp. 76–77 ► db.com/cr/sustainable-credit-products ► db.com/cr/accessibility
FS15	Policies for the fair design and sale of financial products and services	pp. 23–25 ► db.com/cr/client-satisfaction
FS16	Initiatives to enhance financial literacy by type of beneficiary	p. 26

Global Compact – Communication on Progress

By participating in the UN Global Compact, we have committed ourselves to preserving internationally recognized human rights, creating socially acceptable working conditions, protecting the environment, and fighting corruption.

The UN Global Compact's Ten Principles Examples of implementation

Human rights		
Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights, and ensure that they are not complicit in human rights abuses.	p. 6, pp. 50–51, pp. 54–58, pp. 82–85 ► db.com/cr/labor-rights ► db.com/cr/international-standards pp. 50–51, pp. 54–58, pp. 82–85, FR p. 230 ► db.com/cr/labor-rights ► db.com/cr/international-standards
Labor standards		
Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor, and the elimination of discrimination in respect of employment and occupation.	FR pp. 229–230 ► db.com/cr/labor-rights ► db.com/cr/labor-rights ► db.com/cr/labor-rights pp. 57–58, p. 82 ► db.com/cr/labor-rights
Environment		
Principle 7:	Businesses should support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.	pp. 12–21, pp. 27–43, pp. 74–78 ► db.com/cr/climate-strategy ► db.com/cr/sustainable-credit-products ► db.com/cr/sustainable-investments ► db.com/cr/environmental-and-social-risks pp. 6–7, pp. 27–42 ► db.com/cr/memberships pp. 38–42
Anti-corruption		
Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.	pp. 45–45, p. 75 ► db.com/cr/compliance

Corporate Responsibility units and foundations

Deutsche Bank's corporate citizenship activities are brought to life in its regional units and endowed foundations. Their initiatives ensure that social capital is built in all regions in which the bank operates.

► db.com/responsibility

Deutsche Bank Americas Foundation

Founded	1999
Commitments 2012	€7.0 m.

The Americas Foundation coordinates CR activities in the entire Americas region. Its program of loans, investments, and philanthropic grants is designed to encourage sustainable community development, promote wider access to quality education, and provide steadfast support for the arts. The foundation's resources are complemented by the work of the Community Development Finance Group (CDFG), which makes loans and investments within low- and moderate-income communities. It is the center of competence for Deutsche Bank's global social finance work. For over 20 years, the Federal Reserve Bank has consistently rated Deutsche Bank "outstanding" for its community reinvestment initiatives.

\$2.4 bn.

to improve the prospects of disadvantaged people since 1990.

► db.com/usa/cr

Transatlantic Outreach Program

Founded	2001
Endowment funds	€2.7 m.
Commitments 2012	€0.15 m.

The Transatlantic Outreach Program (TOP) is a joint initiative of Germany's Department of Foreign Affairs, the Goethe Institute, Robert Bosch Foundation, and Deutsche Bank. The program is targeted at American social studies educators and curriculum supervisors to strengthen their knowledge on modern Germany. TOP provides study tours to Germany, in-service teacher training workshops, as well as (Web-based) teaching materials for all levels.

3,000 educators

attended 250 workshops in North America.

► goethe.de/top

Deutsche Bank Foundation

Founded	1986
Endowment funds	€139.0 m.
Commitments 2012	€3.6 m.

The Deutsche Bank Foundation focuses its support on educational, social as well as art & music projects. The main objective of the foundation is to encourage young people to realize and develop their full potential, and to promote equality of opportunity for the disadvantaged. The foundation's Alfred Herrhausen Fund supports initiatives aimed above all at improving the career prospects of disadvantaged young people.

Over €2 m.

for disaster relief projects in Japan, Haiti, Pakistan and East Africa from 2010 to 2012.

► deutsche-bank-stiftung.de

Corporate Citizenship UK

Founded	1989
Commitments 2012	€4.3 m.

Deutsche Bank's Corporate Citizenship UK cooperates with regional non-profit partners and focuses its support primarily on projects that help disadvantaged young people reach their full potential, with particular emphasis on education attainment and employability skills. In addition, a wide range of volunteering and fundraising activities are organized every year in which employees can participate.

£1,65 m.

raised by employees and the bank for the Charities of the Year 2012.

► db.com/uk/cr

Deutsche Bank Donation Fund

Founded	1970
Endowment funds	€10.6 m.
Commitments 2012	€4.6 m.

The Deutsche Bank Donation Fund in Stifterverband für die Deutsche Wissenschaft e.V. (Donors' Association for German Science) promotes scientific research and teaching at both the national and international level. The primary focus is on intensifying the dialog between the worlds of research and practice.

5th laureate

of the Deutsche Bank Prize in Financial Economics is Raghuram G. Rajan.

► stiftungsfonds-deutsche-bank.de

Historical Association of Deutsche Bank

Founded	1991
Number of members (end of 2012)	1,951

The Historical Association of Deutsche Bank was founded as a non-profit organization dedicated to draw attention to the history of Deutsche Bank and the political, economic, and cultural environment in which banks operate. It also pinpoints the interrelation between banking and pioneering innovations that sustainably influenced economic and social changes. The Historical Association of Deutsche Bank addresses its publications, lecture series, and excursions on bank history to staff members and the interested public.

125 years

of commitment of Deutsche Bank to Latin America published as a book.

► banking-history.com

Alfred Herrhausen Society

Founded	1992
Commitments 2012	€3.0 m.

The non-profit Alfred Herrhausen Society is the international forum of Deutsche Bank. In focus are new forms of governance as a response to the challenges of the 21st century. It works with international partners and future decision-makers, including policy, academia and business, to organize forums for discussion worldwide that are also accessible to a wide public audience. The society is dedicated to the work of Alfred Herrhausen, former spokesman of the Deutsche Bank Management Board, who advocated the idea of corporate responsibility in an exemplary manner until his assassination by terrorists in 1989.

20th anniversary

of the Alfred Herrhausen Society in fall 2012.

► www.alfred-herrhausen-society.org

Deutsche Bank South Africa Foundation

Founded	2001
Endowment funds	€16.9 m.
Commitments 2012	€0.93 m.

The Deutsche Bank South Africa Foundation's focus is on education and social investments, in particular for orphaned and vulnerable children. The support ranges from early childhood development to tertiary education, including high school and university bursaries. On a smaller scale, art programs for young people are supported that aim to impart confidence through achievements in creative skills.

18,752 children

were given a home and an education by Noah (Nurturing Orphans of AIDS for Humanity).

► db.com/responsibility

Deutsche Bank Middle East Foundation

Founded	2008
Commitments 2012	€0.3 m.

The Deutsche Bank Middle East Foundation is the latest initiative to join the family of the bank's foundations in Asia, Africa, and the Americas. It focuses on funding investments in education, community development, sustainability, and volunteering in the Middle East and North Africa regions. The foundation also carries out cultural events and is a great supporter of the regional art scene.

5th anniversary

of the Deutsche Bank Middle East Foundation in 2013.

► db.com/mena/cr

Deutsche Bank Asia Foundation

Founded	2003
Commitments 2012	€3.0 m.

The Deutsche Bank Asia Foundation is committed to improving and sustaining the livelihoods of vulnerable communities in Asia. Working in partnership with non-government organizations and foundations, and in concert with community leaders, project facilitators, and staff volunteers, a variety of educational and innovative outreach programs have been successfully implemented across the region.

10th anniversary

of the Deutsche Bank Asia Foundation in 2013.

► db.com/asiapacific/cr

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Editorial comment
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We would like to thank all colleagues and external partners for their friendly support in making this report possible.

This Corporate Responsibility report 2012 is also available in German.

Contact
Deutsche Bank AG
Corporate Responsibility
db.com/responsibility

Publications relating to the financial statements
— Annual Review 2012
(German/English)
— Financial Report 2012
(German/English)
— Corporate Responsibility Report 2012
(German/English)
— Annual Financial Statements and Management Report of Deutsche Bank AG 2012
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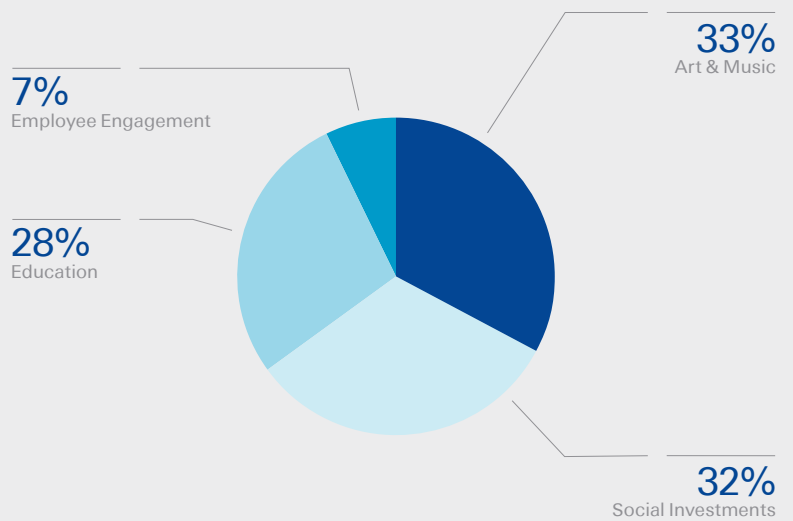
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Corporate Responsibility – Investments 2012

With a total investment of €82.7 million in 2012, Deutsche Bank and its foundations were again among the world's most active corporate citizens.

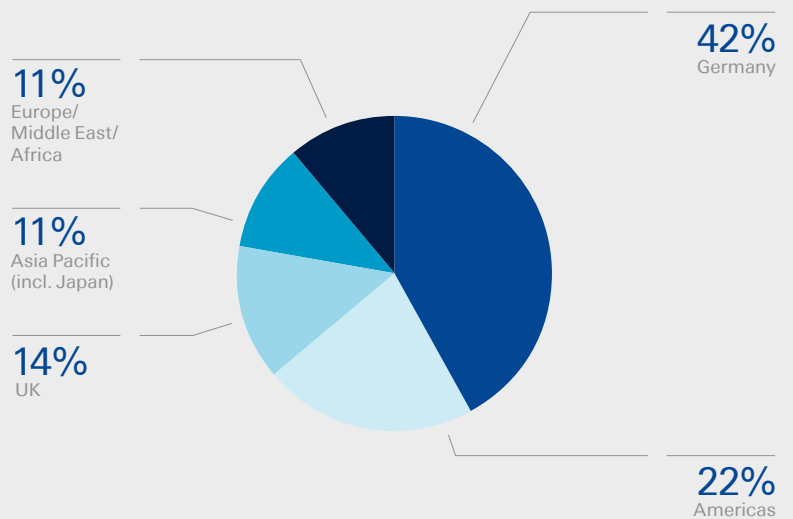
Share of total investments per area of activity

€82.7 m. in total



Regional split of total investments

€82.7 m. in total



Deutsche Bank

The Group at a glance

	2012	2011
Share price at period end	€32.95	€29.44
Share price high	€39.51	€48.70
Share price low	€22.11	€20.79
Basic earnings per share	€0.25	€4.45
Diluted earnings per share	€0.25	€4.30
Average shares outstanding, in m., basic	934	928
Average shares outstanding, in m., diluted	960	957
Return on average shareholders' equity (post-tax)	0.4%	8.2%
Pre-tax return on average shareholders' equity	1.3%	10.2%
Pre-tax return on average active equity ¹	1.3%	10.3%
Book value per basic share outstanding	€57.37	€58.11
Cost/income ratio	92.6%	78.2%
Compensation ratio	40.1%	39.5%
Noncompensation ratio	52.5%	38.7%

in €m.	2012	2011
Total net revenues	33,741	33,228
Provision for credit losses	1,721	1,839
Total noninterest expenses	31,236	25,999
Income before income taxes	784	5,390
Net income	291	4,326

in €bn.	Dec 31, 2012	Dec 31, 2011
Total assets	2,012	2,164
Shareholders' equity	54.0	53.4
Core Tier 1 capital ratio	11.4%	9.5%
Tier 1 capital ratio	15.1%	12.9%

Number	Dec 31, 2012	Dec 31, 2011
Branches	2,984	3,078
thereof in Germany	1,944	2,039
Employees (full-time equivalent)	98,219	100,996
thereof in Germany	46,308	47,323

Long-term rating

	Dec 31, 2012	Dec 31, 2011
Moody's Investors Service	A2	Aa3
Standard & Poor's	A+	A+
Fitch Ratings	A+	A+

¹We calculate this adjusted measure of our return on average shareholders' equity to make it easier to compare us to our competitors. We refer to this adjusted measure as our "Pre-tax return on average active equity". However, this is not a measure of performance under IFRS and you should not compare our ratio based on average active equity to other companies' ratios without considering the differences in the calculation of the ratio. The items for which we adjust the average shareholders' equity of €55.6 billion for 2012 and €50.5 billion for 2011 are average accumulated other comprehensive income excluding foreign currency translation (all components net of applicable taxes) of €(197) million for 2012 and €(519) million for 2011, as well as average dividends of €670 million in 2012 and €617 million in 2011, for which a proposal is accrued on a quarterly basis and which are paid after the approval by the Annual General Meeting following each year. Tax rates applied in the calculation of average active equity are those used in the financial statements for the individual items and not an average overall tax rate).

Corporate Responsibility

Key figures

Responsible business	2012	2011	2010
Assets under Management, integrating environmental, social, and Governance factors in € bn.	3.72	2.98	3.21
Estimated cumulative financing to micro-borrowers since 1997 in \$ bn.	1.49	1.26	1.23
Cumulative number of microfinance borrowers since 1997 in m.	3.2	2.8	2.7
Environmental data			
Net GHG emissions in t CO ₂ ¹	60,658	200,244	152,944
Renewable energy used in % of total energy use	79%	76%	82%
Employees page 54			
Employee Commitment Index	73	72	73
Employee engagement page 60			
Employees volunteering in their local communities ²	31% ³	31%	32%
Employees participating in the bank's volunteering programs	24%	24%	21%
Matched Giving programs: Total employee donations and matching by Deutsche Bank in € m.	11.4	8.7	9.7
Society			
Education page 64			
Total participants in education projects	1,322,026 ⁴	296,505	337,093
Thereof: participants in projects with a cultural focus	109,353	135,001	194,943
Social Investments page 35			
Beneficiaries of projects with a social focus	710,898	n/a	n/a
Art and Music page 70			
Visitors at Deutsche Guggenheim, Berlin	153,702	123,737	140,165
Participants in art education programs	59,249	36,354	23,843
Participants in the Education Programme of the Berliner Philharmoniker	6,235	5,019	3,023
CR Investments			
Total investments in € m.	82.7	83.1	98.1 ⁵
Sustainability ratings			
Carbon Disclosure Index	90/Band A	82/Band B	73/Band B
oekem research	C/Prime	C/Prime	C+/Prime
RobecoSAM	78	75	80
Sustainalytics	65	66	64
Stakeholder feedback			
Perception of Deutsche Bank as a responsible corporate citizen	73%	72%	73%
Internal perception			
Global	78% ³	78%	79%
Germany	80% ³	80%	81%
External perception (B2B market)			
Global	49%	54%	53%
Germany	82%	76%	78%

¹ Including renewable energy, RECs and CERs

² Representative internal online survey

³ 2011 data; no evaluation in 2012

⁴ Due to innovative web-based educational projects with a substantially higher reach

⁵ Due to increased support for education, science, and disaster relief

We aspire to be the leading client-centric global universal bank

We serve shareholders best by putting our clients first and by building a global network of balanced businesses underpinned by strong capital and liquidity.

We value our German roots and remain dedicated to our global presence.

We commit to a culture that aligns risks and rewards, attracts and develops talented individuals, fosters teamwork and partnership and is sensitive to the society in which we operate.