



Leveraging strengths,
rising to the challenges,
earning trust

Corporate Responsibility
Report 2014

Passion to Perform



How we see responsibility

Through our economic success and competitive international presence, we create value for our shareholders, our clients, our employees and society at large while upholding stringent environmental and social norms to support a sustainable future.

Applying high standards of ethics and integrity, we strive to be a reliable partner to our stakeholders at all times. We also engage in open dialog with the public in order to foster understanding on topics of mutual interest.

To continuously improve our environmental performance, we seek to use resources efficiently and to utilize the most environmentally friendly technologies.

We value the diversity of our employees. We support their talents and offer an attractive work environment that provides for the best possible work-life balance.

We believe that our responsibility extends beyond our core business. Therefore, we invest in the societies in which we operate – and thus in our own future. We build social capital by supporting talents to reach their full potential and by enabling communities and economies to prosper. Employee engagement and public advocacy maximize our impact.

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

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The year at a glance

01

January

Unlocking environmental capital

Launch of the Green Bond Principles supported and co-developed by Deutsche Bank.

03

March

Women in European Business

More than 270 female executives from 16 countries meet at the 15th Women in European Business conference in Frankfurt.

05

May

Risk Culture

Introduction of the new risk culture training *Tone from the Top*, to emphasize that managers must set a good example.

02

February

Soft Commodities Compact

Deutsche Bank signs the Banking Environment Initiative's (BEI) *Soft Commodities Compact*, which aims to transform soft commodity supply chains and help to achieve zero net deforestation by 2020.

04

April

Agri-Forum

Co-CEO Jürgen Fitschen hosts the first Deutsche Bank Agri-Forum to discuss agricultural futures markets and food supply.

06

June

25 Years of Partnership

Deutsche Bank and the Berliner Philharmoniker celebrate the 25th anniversary of their partnership at the festival at the Culture Forum in Berlin which attracts more than 10,000 visitors.

07

July

Carbon neutrality

Decision to purchase project-related Verified Emission Reduction units to maintain Deutsche Bank's commitment to carbon-neutral operations.

09

September

Carbon Pricing

We join more than 1,000 businesses in support of the World Bank's *Putting a Price on Carbon* campaign. Companies pledge to work with governments towards the objective of a carbon price applied throughout the global economy.

11

November

Urban Age

The *Deutsche Bank Urban Age Award* receives 135 applications from the wider Delhi area, and two local waste management initiatives are recognized with US \$50,000 each.

08

August

Born to Be

After the successful launch in the UK in 2013, we roll out our *Born to Be* youth engagement program in Asia, the US, South Africa, Germany and Europe.

10

October

Meeting investors

Socially responsible investors question us on our sustainability approach at our SRI Roadshow in Paris and London.

12

December

Recognizing responsibility

For the fourth time Deutsche Asset & Wealth Management along with the media group M. DuMont Schauberg award the *Deutsche Investorenpreis for responsible management* to the reinsurance company Munich RE.

About Deutsche Bank

Deutsche Bank is a leading global universal bank, with businesses encompassing a wide range of products and services in investment, corporate and retail banking as well as in asset and wealth management.

Deutsche Bank is the leader among private banks in its home market, Germany, and enjoys an outstanding position in Europe. Furthermore, it has a strong competitive position in North America as well as in key emerging markets, particularly in Asia.

2014 was the third year of the delivery of Strategy 2015+, Deutsche Bank's strategic program launched in 2012. The Bank made significant progress towards a number of its strategic aspirations in 2014, most notably strengthening its capital. In 2014, Deutsche Bank continued to focus on consolidating its unique global platform and home market position, further leveraging the integrated performance of its full-service banking model, building capital strength, achieving operational excellence and cost efficiency, and placing the Bank at the forefront of cultural change in the banking industry.

71

countries

98,138

employees



Corporate Profile

Deutsche Bank comprises five corporate divisions: Corporate Banking & Securities (CB&S), Private & Business Clients (PBC), Global Transaction Banking (GTB), Deutsche Asset & Wealth Management (Deutsche AWM) and the Non-Core Operations Unit (NCOU).

Corporate Banking & Securities

CB&S comprises the Markets and the Corporate Finance Business Divisions. The Markets Business Division combines the sales, trading and structuring of a wide range of financial market products, including bonds, equities and equity-linked products, exchange-traded and over-the-counter derivatives, foreign exchange, money market instruments and securitized instruments.

Corporate Finance is responsible for mergers and acquisitions, as well as debt and equity advisory and origination. Regional and industry-focused teams ensure the delivery of the entire range of financial products and services to the bank's clients.

Deutsche Asset & Wealth Management

Deutsche AWM helps individuals and institutions worldwide to protect and grow their wealth, offering traditional active, passive and alternative investments across all major asset classes. Deutsche AWM also provides customized wealth management solutions and private banking services to high net worth and ultra high net worth individuals and family offices.

Private & Business Clients

PBC provides banking and other financial services to private customers, self-employed clients as well as small and medium-sized businesses both in Germany and internationally. PBC's product range includes payment and current account services, investment management and retirement planning, securities, deposits and loans.

PBC is the leading retail bank in Deutsche Bank's home market, Germany, with a franchise in Italy, Spain, Belgium, Portugal, Poland and India. In China, PBC cooperates closely with Hua Xia Bank in which it holds a 19.99% stake and is its second largest shareholder.

Non-Core Operations Unit

The objectives of the NCOU are to free up capital, reduce the balance sheet and protect shareholder value by reducing risks from non-core assets, liabilities and business activities. Ensuring transparency as well as strict capital and balance sheet management are critical success factors for Deutsche Bank in light of the continually evolving regulatory environment.

Global Transaction Banking

GTB provides commercial banking products and services for both corporates and financial institutions worldwide, including domestic and cross-border payments, risk management and financing of international trade as well as trust, agency, depositary, custody and related services.

Infrastructure and Regional Management

The Infrastructure functions comprise departments such as Finance, Legal, Compliance, Group Audit, Risk, Communications, Corporate Social Responsibility & Public Affairs, Human Resources, Group Technology and Operations, Group Strategy, Corporate Insurance and DB Research. These units support the Management Board through their strategy, risk management and control functions.

Regional Management covers regional responsibilities worldwide and represents regional interests at the Group level.

Strategy 2015+

Strategy 2015+ reflects Deutsche Bank's dedication to high performance and responsibility. In 2014, Deutsche Bank again reinforced its commitment to its full-service banking model, home market and global presence. Five elements are key to delivering Strategy 2015+:

Clients

Our clients are at the center of everything we do. Only by providing sustainable benefits for them can we create sustainable value for our shareholders. We focus on our home market, Germany, the Asia Pacific region and the Americas.

Competencies

Our business is founded on the best people, best processes and consistent improvement. We provide high-quality advice and first-class service with absolute integrity and teamwork, including close collaboration across our corporate divisions and central functions.

Capital

We are committed to further strengthening our capital ratios, also by reducing risk-weighted assets, in order to establish a strong capital base and rigorous risk-adjusted capital allocation. Thereby we contribute to making the financial system more stable and secure.

Costs

We pursue disciplined cost management and promote consistent productivity gains by building outstanding infrastructure functions and eliminating duplication and organizational complexity.

Culture

We aim to be at the forefront of cultural change in our industry. We recognize the need for profound cultural change that places client relationships and integrity at the heart of all our initiatives. Creating incentives for sustainable performance helps us to live a culture that reflects society's values and benefits all stakeholders.



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

Ladies and Gentlemen,

Deutsche Bank's commitment to our stakeholders is a fundamental part of who we are. In whatever business we do, wherever we do it, we aim to serve our clients, our people, our investors, and society, whilst supporting the communities in which we serve and sustaining the environment in which we all live. In 2014, we made significant progress in bringing this commitment to life. We have already articulated values and beliefs which define the type of institution we aspire to be. In 2014, we continued to embed those values, and those beliefs, into every aspect of our activity.

First and foremost among our values is integrity. During 2014, Deutsche Bank, like other leading banks, continued to work through litigation matters which arose because, in the past, instances occurred within Deutsche Bank where conduct fell short of what our stakeholders expect of us and what we expect of ourselves. In response, we continued to safeguard our organization against future problems by investing in our "Three Lines of Defense": our businesses, our control functions, and Group Audit. We have added around 700 people to strengthen controls in our business divisions, and we have further strengthened systems and internal controls during 2014.

Additionally, we further reinforced corporate governance. We strengthened our Management Board with outstanding leadership talent both from within the Bank and from the industry. We focused the responsibilities of Management Board members specifically around high-priority issues: litigation and other legal matters; strategy and organizational development, and digitization. Furthermore, we made key appointments to the Group Executive Committee which underline our commitment to strategy, compliance and regulatory affairs. Our 2014 Financial Report contains more details on this topic. Adherence to our values has become an important consideration in the way we assess, pay and promote our people. We underlined our belief that diverse teams make better decisions: since the financial crisis we have increased the number of women at senior levels by over 50%.

Our values determine the business we do. In 2014, we demonstrated our willingness to decline transactions or relationships which did not fit with our values, and to avoid marketing products to clients for whom they were not suitable. We continued to scrutinize rigorously the potential impact of business we do on the environment and the community. In 2014, we assessed over 1,200 potential transactions using our Environmental and Social Risk Framework, an increase of nearly 70% over 2013, and underlining our commitment to the UN Global Compact, of which we are signatories. We enacted clear guidelines on financial transactions connected to activities at or near UNESCO World Heritage Sites. Additionally, we joined a consortium of financial institutions to develop common principles for the issuing of Green Bonds which raise money to finance environmentally-friendly business initiatives. Deutsche AWM launched a consistent approach to environmental, social and governance criteria which enables us to help clients invest according to clear ethical standards. We design these strategies in close cooperation with clients.

Our commitment to our communities reaches beyond our banking activities. We also take direct action to help young people who, in many countries, currently face the future without employment, education or prospects. In 2014, Deutsche Bank staff devoted around 190,000 hours of their time to a wide range of corporate volunteering activities, and these included projects which help young people build the skills and confidence to fulfill their potential. We rolled-out our *Born to Be* program across Europe, the US, Asia and Africa, and in total our youth education programs reached more than 1 million young people worldwide. We expanded our *Enabling Enterprise* programs, working in partnership with charities and public sector bodies on a variety of projects which contribute to social and economic well-being in disadvantaged parts of the world.

These are just a few examples of how Deutsche Bank turned corporate responsibility into action during 2014. In this report, you will find more on how Deutsche Bank is contributing to a sustainable future for all our stakeholders. We are grateful for the efforts of our staff during the year, and we are proud of what they achieved. We look forward to building on these efforts in 2015.

We hope you find this report interesting.

Yours sincerely,



Jürgen Fitschen

Co-Chairman of the Management Board
Deutsche Bank AG



Anshu Jain

Co-Chairman of the Management Board
Deutsche Bank AG

Frankfurt am Main, Germany, March 2015

Deutsche Bank's Values and Beliefs

Our values and beliefs guide our behavior. They help us to conduct business with the utmost integrity, to create long-term value for our shareholders and to nurture the best talent. We maintain an unwavering focus on serving our clients effectively. At the same time, we work to constantly improve our processes and encourage accountability and entrepreneurial drive.

Our values

Integrity	Sustainable Performance	Client Centricity	Innovation	Discipline	Partnership
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Our beliefs

We live by the highest standards of integrity in everything we say and do	We drive value for shareholders by putting long-term success over short-term gain	We earn our clients' trust by placing them at the core of our organization	We foster innovation by valuing intellectual curiosity in our people	We protect the firm's resources by always thinking and acting like owners	We build diverse teams to generate better ideas and reach more balanced decisions
We will do what is right – not just what is allowed	We encourage entrepreneurial spirit which responsibly balances risks and returns	We deliver true value by understanding and serving our clients' needs best	We enable our clients' success by constantly seeking suitable solutions to their problems	We live by the rules and hold ourselves accountable to deliver on our promises – no excuses	We put the common goals of the firm before "silo" loyalty by trusting, respecting and working with each other
We communicate openly; we invite, provide and respect challenging views	We pursue lasting performance by developing, nurturing and investing in the best talent, and by managing based on merit	We strive to pursue mutually beneficial client relationships in which the value created is shared fairly	We continuously improve our processes and platforms by embracing new and better ways of doing things	We achieve operational excellence by striving to "get it right the first time"	We act as responsible partners with all our stakeholders and regulators, and in serving the wider interests of society

Making cultural change visible

Culture is one of the five levers of Strategy 2015+ because a strong corporate culture based on shared values and beliefs is essential to Deutsche Bank's long-term success. Through our broad-based cultural change program, we endeavor to integrate our values and beliefs deeply in the way we do business. This process benefits clients, shareholders, and employees, and ensures that we are a responsible partner that serves the wider interests of society.

Acting responsibly requires a balance between economic, environmental and social objectives. Our future economic success will also depend in part on how we and clients address environmental and social challenges such as climate change, food insecurity, poverty, and barriers to education and employment. The right response can turn challenges into opportunities and help us "future-proof" Deutsche Bank, tap into additional earnings potential, manage risks, improve relationships with stakeholders and enhance Deutsche Bank's reputation. Our new Code of Business Conduct and Ethics reflects this approach to corporate responsibility by putting sustainability at its core. Our responsibility extends well beyond our core business. As a global universal bank, we are extremely well-positioned to bring to scale new ideas that address acute global challenges.

This report explains how we are changing the way we operate in our core business and beyond. It is based on a refreshed materiality analysis [page 12](#) of those non-financial factors that have a direct or indirect impact on our ability to create, preserve or erode economic, environmental and social value for ourselves, our clients, employees and society at large.

Our Controls

Strengthening responsible management and implementing more efficient control structures will materially strengthen the foundation on which we are building our success. As a result, they were priorities in 2014. Our House of Governance initiative and Three Lines of Defense program are the cornerstones of our effort to build a strong culture of risk management, control and compliance and increase the transparency of internal organization and responsibilities.

Our Risk Culture initiatives emphasize that a strong risk culture depends on employee awareness and conduct, as well as on robust processes and controls. The Risk Culture program promotes five essential behaviors that are consistent with our values and beliefs and based on placing Deutsche Bank and its reputation at the heart of all our decisions.

Responsible
management and
efficient control
are the foundation
of our success

We continue to change the way in which we do our business

Being rigorous, forward-looking and comprehensive is one of the five essential behaviors, which requires a thorough understanding of environmental and social risk. Our Environmental and Social Risk Framework is part of our control framework. It provides our employees with tools to evaluate potentially critical transactions and business relationships based on their environmental and social impacts as well as on financial risk. Thus, we aim to improve the impact that our business has on climate change and on many other important concerns, from agriculture to human rights. We cannot always present ready-made solutions, but we look for answers by engaging in political and public debates and through dialog with customers, shareholders, regulators and representatives of national and international organizations.

Our core business

Our success depends on the satisfaction and loyalty of our clients. This is why our new culture is centered on client needs. Putting clients first means constantly analyzing who our clients are, what they require and how well we currently meet their needs and how we can add value to them in the future. In line with this commitment, we have continued to change the way in which we do our business in 2014. We introduced mortgages that protect private and business clients from the impact of rising interest rates in today's very low interest rate environment. We restricted the sale of complex derivative products to some corporate client groups and discontinued business with certain clients who represented a reputational risk or whose business did not fit with our values.

We help clients meet challenges arising from world-wide trends, such as globalization, shifting demographics and consumer behavior, digitalization and the impact of resource scarcity and climate change. We are augmenting our offering of responsible products and services, ranging from Green Bonds to environmental, social and governance (ESG) funds.

The momentum of international action on climate change was lost during the financial and economic crisis, but 2015 is an important year to accelerate action towards a low carbon economy. Governments increasingly recognize the urgency of this issue. Nearly 500 national binding climate change policies are now in place, up from just 90 in 2008. These policies are helping to increase clean energy investment, which rose to US \$310 billion in 2014, a 16% increase from the previous year and more than five times greater than 2004.

However, governments cannot solve these problems alone; they need the constructive engagement of the private sector. Our client relationships provide us with an opportunity to make a positive contribution. We are seizing opportunities to address climate change and to play our part in reducing its risks.

We are one of the top six European-based private sector project financiers of clean energy, and our financing and advisory services support other low carbon and clean tech businesses. We joined twelve other major financial institutions in supporting the Green Bond Principles, which provide a framework that promotes the transparency of this product and are the lead manager of several Green Bond issues. We finance energy-efficient buildings and renewable energy with private and smaller business clients. Our asset managers help investors direct funds to companies that are participating in the creation of the low-carbon economy, and in 2014 we developed a new software solution to integrate social and environmental considerations in investment decisions.

The commitment and engagement of our employees is essential to embed the culture we aspire to

Our people and society

Our employees are one of our most important assets. Their commitment and engagement is essential to successfully implement the culture to which we aspire. With increasing competition worldwide, attracting and retaining the best talent has never been more important. We aim to be a first-choice global employer in the financial sector. We are pursuing this goal through our strategic human resources agenda. Our corporate values and beliefs are at the core of what we do, and provide us with a framework of good conduct. We have embedded these values and beliefs in recruitment, interviewing, and on-boarding processes as well as in all stages throughout our employees' careers. In 2014, we focused on applying our values to our daily work. We actively encourage visible and measurable changes in behavior, policies, processes and practices.

We also encourage employees to volunteer their time to support community organizations and social enterprises. In 2014, around 17,000 colleagues (21% of global staff) volunteered more than 190,000 hours, demonstrating in a tangible way how Deutsche Bank and its employees combine a culture of performance with a culture of responsibility.

With a total investment of €80.5 million in 2014 (2013: €78.2 million), Deutsche Bank and its foundations continue to be among the world's most active corporate citizens. More than 5.8 million people benefitted from our corporate citizenship initiatives last year.

Our social investment programs, which range from microfinance and impact investing via community development to building enterprise initiatives and support for the disadvantaged have made a difference in the lives of about 1.6 million people around the world.

Last year marked the global roll-out of our *Born to Be* youth engagement program, which focuses on removing barriers to young people's education and personal development and prepares them for the professional world. In 2014, *Born to Be* reached more than one million young people around the globe, raising their aspirations, providing them with new skills and improving their access to education and employment.

The Alfred Herrhausen Society's *Urban Age* conferences, now in their tenth year, tackle the problems of the world's megacities. They have recognized two exemplary waste management initiatives in India in 2014. The *Landmarks in the Land of Ideas* competition has championed more than 2,700 innovative concepts that promote urban and rural development in Germany since 2006. We also make cultural experiences available to a wider audience and provide a platform for talented young artists and musicians via initiatives such as the Deutsche Bank Collection or strategic partnerships with renowned cultural institutions such as the Berliner Philharmoniker. Our art and music programs reached more than three million people in 2014.

Assessing materiality

In 2014, we reassessed non-financial drivers that may have a material direct or indirect impact on Deutsche Bank's ability to create, preserve or reduce economic, environmental and social value for itself, its stakeholders and society. We used the guidance of the Global Reporting Initiative (GRI) G4 standard to evaluate non-financial topics relevant to Deutsche Bank.

We began with extensive desk research, including a review of the research published by the Sustainability Accounting Standards Board (SASB), which identifies material issues for the financial sector and is based on a detailed stakeholder dialog. In addition, we reviewed peers' practices and researched perspectives from stakeholder groups including investors, clients, employees, regulators, academia, the media and NGOs.

Material ESG topics for Deutsche Bank



11

material fields identified through formal materiality assessment

Further information

► db.com/ir

Further information

► responsibility.db.com/14

Further information

► db.com/responsibility

This research fed into an internal prioritization workshop which identified 27 topics that are material to Deutsche Bank and its stakeholders, grouped in eleven areas. **Page 12** To validate the results, a survey was issued to more than 270 employees, of which 64 employees (response rate 25%) across the business and infrastructure functions, covering all regions and corporate levels, rated the perceived impact of each topic on our financial performance, client relations, and reputation. We also asked whether they believed the topic would increase or decrease in importance over the next five years.

The scope of our assessment covered the activities of all of Deutsche Bank's business units and infrastructure functions on an international scale, taking a broad view of our impacts. We assessed the impacts with regard to the boundaries within and outside Deutsche Bank. Depending on the ESG topic, our business and infrastructure units and their stakeholders are impacted in different ways. In the case of asset management and corporate banking, our impacts occur through the companies in which we invest and the locations where our corporate clients operate. For retail banking, the main impacts of our operations are on our clients. Our corporate citizenship activities affect the communities in which we operate.

Our Corporate Responsibility (CR) reporting focuses on the priority areas identified. It is part of our annual corporate reporting, including Deutsche Bank's Annual Review and Financial Report as well as Human Resources Report.

In 2015, we will continue the materiality process by seeking external validation, using a survey as well as feedback on this report. Not all material topics are yet addressed to their fullest extent. However, we strive continuously towards improvement. We invite all stakeholders to delve deeper into their areas of interest, using additional information provided online or in our other corporate reports.

Reporting transparently

This is our 13th CR Report, providing insights on developments from January to December 2014. The next report will be published in March 2016.

This report has been compiled in accordance with the core option of the GRI G4 guidelines. A summary GRI index is provided in this report and the full index is part of our online CR report. This report also serves as our Communication on Progress for the UN Global Compact.

We operate a sustainability management system, based on ISO 14001, which generates information for this report. This was audited in 2014 to meet the requirements of the 2012 to 2015 cycle for recertification. The system for data generation and aggregation of our greenhouse gas emissions figures is subject to additional external assurance. **Page 87**

As well as reporting on our corporate responsibility performance annually, we strive for transparency throughout the year by providing information to several sustainability ratings organizations. **Page 85** Our corporate responsibility website and regional publications also provide additional information as well as regular updates.

Leveraging strengths, rising to the challenges, earning trust

Andrew Reid, London
Global Head of Operational Risk
Management, Deutsche Bank



»In Risk Management, we help our business identify and manage risks effectively – including environmental and social risks. We have strengthened processes to ensure that we are serving our clients while protecting the Bank.«



Operational Risk Management is one of the core functions within Deutsche Bank's Risk division. The Risk division employs nearly 3,500 people globally.

1

Our Controls

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Managing non-financial risks

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23 New product approval
Ensuring appropriate solutions

24 Risk culture
Fostering employee awareness

27 Environmental and social risk
Protecting the Bank and society

Oversight and controls

Managing non-financial risks

In brief

- Enhancing risk management is central to cultural change
- House of Governance reinforces structures and increases transparency
- Three Lines of Defense strengthen controls

Clear responsibilities and robust controls are vital to help manage risks and rebuild trust. In 2014, we reaffirmed our strong commitment to responsible management and efficient control structures through the House of Governance initiative and Three Lines of Defense program. Both form a central part of our commitment to cultural change.

Clarifying governance and responsibilities

To reinforce the corporate governance rules and mechanisms for senior management in line with new statutory requirements, Deutsche Bank's values and beliefs [page 8](#), as well as recognized best practices, the Management Board established the House of Governance. This initiative enhances and harmonizes the Bank's governance structures. It increases the transparency of its organization and responsibilities. The House of Governance initiative is headed by Deutsche Bank's Chief Governance Officer and focuses on the Management Board and the next two hierarchical levels, i.e. the Bank's senior management.

Strengthening controls

The Three Lines of Defense program is an integral part of Deutsche Bank's strategic agenda. It was initiated by the Management Board in the context of heightened regulatory standards. The program builds on lessons learned from past control failures and aims to reinforce Deutsche Bank's non-financial risk management capabilities and compliance culture across all corporate divisions and infrastructure functions. Furthermore, it ensures consistency across the ongoing control enhancement initiatives throughout Deutsche Bank.

Deutsche Bank's Three Lines of Defense

	Relevant unit	Responsibilities
First Line	Business divisions and infrastructure functions	Ultimately accountable for all risks and controls in all business processes
Second Line	Control functions	Responsible for Deutsche Bank's policy framework and independent risk assessment
Third Line	Group Audit	Responsible for ensuring independent and objective assurance on the effectiveness of risk management, internal controls and governance processes

700
people

were added to our front office supervisory capacity to strengthen our Lines of Defense

Further information

■ Annual Review, page 27
▶ db.com/corporate-governance

In 2014, we reviewed the governance processes across all non-financial risk categories and refined risk and control responsibilities across all Lines of Defense. We also bundled and centralized certain central control units to reinforce the divisions' accountability in the management of their control environment. [Page 19](#)

Engaging with regulatory and political audiences

Constructive engagement with regulatory and political audiences ensures that policy supports the continued growth of competitive financial markets.

Deutsche Bank's Government & Regulatory Affairs Department supervises the Bank's response to new regulation and any potential remediation actions through the Group Regulatory Contact Office, which links our business and control functions in order to ensure a coordinated and effective approach to regulatory developments.

As of November 2014, the prudential supervision of Deutsche Bank AG and its subsidiaries was transferred from the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and Deutsche Bundesbank to the Single Supervisory Mechanism (SSM) of the European Central Bank (ECB). The ECB has established a Joint Supervisory Team (JST) to oversee Deutsche Bank, led by an ECB team that also comprises divisions at BaFin, Deutsche Bundesbank and other national regulators in European countries where Deutsche Bank is located and which are part of the SSM.

In preparation for the SSM, we established a global Regulatory Management Team in 2014. It serves as a central point of contact for any interaction with Deutsche Bank's primary financial supervisory authorities in Germany, the US, the UK, Singapore and Hong Kong. We also strengthened our Government & Regulatory Affairs teams in key locations around the world.

Control processes

Combating financial crime

In brief

- Investment in people and processes to enhance controls
 - Introduction of a new, risk-based approach to Know Your Customer
 - New Anti-Bribery and Corruption policy to emphasize our zero-tolerance approach
-

Combating financial crimes, including money laundering, terrorist financing, sanctions and embargoes, bribery and corruption and fraud, requires international action as well as internal controls. We have long advocated sound international regulations and procedures against financial crime in order to ensure the stability of banks and the integrity of the international financial system. This helps to protect Deutsche Bank from being misused for criminal purposes.

In line with Deutsche Bank's management approach to strengthen the oversight and controls framework [page 17](#), we have continued to enhance our internal controls. As part of our second Line of Defense, we consolidated responsibility for all types of financial crime into a new Anti-Financial Crime (AFC) division. The Global Head of AFC reports directly to the Management Board, to whom quarterly reports are presented. In 2014, we invested further in controls and processes to improve our defenses, expanding the number of employees by almost 30%.

Our risk governance structure is based on the principle that employees are our first Line of Defense, as each line of business is responsible for managing the risk inherent to its operations. In accordance with our values and beliefs [page 8](#), staff are encouraged to raise any questions or concern with managers or control functions. If necessary, they can use our whistleblowing hotline to address any concerns or malpractice in complete confidence. All reports are investigated independently and our policy prohibits retaliation.

We revised our whistleblowing policies and procedures in 2014, including the contact details for the Anti-Bribery and Corruption Team (ABC) and published guidance for managers on how to handle alerts from whistleblowers. We also provided training to almost 20,000 managers in relation to whistleblowing policies.

Streamlined
responsibilities
to combat
financial crime

Preventing money laundering and terrorist financing

We target money laundering, terrorist financing and other financial crimes globally in accordance with the German Banking Act and other legislations. Complying with the regulations is fundamental for all of Deutsche Bank's operations regardless of their geographic location. A dedicated team within the AFC unit is responsible for preventing money laundering and financing terrorism.

Our Anti-Money Laundering (AML) and Know Your Customer (KYC) policies aim to ensure:

- Compliance with regulations governing identification, authentication, recording and archiving
- Detection of suspicious transactions and processing internal suspicious activity alerts
- Developing, updating, and executing of internal policies, procedures and controls
- Clear definition of AML requirements to implement the Fund Transfers Regulation

These measures are implemented by the business and are evaluated and reviewed by the AFC function. They are updated at least annually. They expressly include the authority to prohibit individual transactions or business relationships.

Implementing economic sanctions and embargoes

Deutsche Bank and other financial institutions have an important role to play in supporting the implementation of economic sanctions and embargoes, and in preventing financing for terrorism.

We have a robust program in place to ensure compliance with sanctions and embargoes, as well as with the Bank's own stringent internal policies and guidelines. The compliance program reflects the risks associated with Deutsche Bank's diverse customer base and international activities. It includes reviewing customers before establishing their account and periodically thereafter, and monitoring financial transactions performed by or through the Bank to detect those which involve an entity or person subject to restrictions. We also conduct training and awareness activities regarding sanctions and embargoes across the Bank.

In 2014, we ran an internal campaign to increase awareness and provide clear guidance regarding sanctions and embargoes throughout Deutsche Bank. This campaign was particularly important to support the successful implementation of sectorial sanctions that were imposed by the EU and US in relation to the crises in Crimea and in the Ukraine in 2014. We raised awareness of the complex issues brought about by these sanctions by using a two-pronged approach, which utilized both established internal communication channels such as Deutsche Bank's intranet and additionally reaching out specifically to relevant groups and individuals across a wide range of our businesses and control functions. In doing so, we ensured that all relevant business and control function personnel at Deutsche Bank were alerted to the issue at hand in multiple ways and received proactive and specific guidance they needed to ensure compliance.

Know Your Customer

is essential for
mitigating risks

Zero tolerance

towards bribery
and corruption

Effective action against money laundering and terrorist financing relies on adequate and up-to-date information on client relationships. In this context, KYC standards and procedures are critical to promote high ethical and professional standards and to protect banking facilities, products, and services from criminal misuse.

In 2014, we developed a new framework for a risk-based approach to KYC that is applicable to all business divisions and entities. The framework includes advanced methodologies to assess the underlying risk factors such as country, industry and product risk. This contributes to the attainment of a robust concept for the overall AML client risk rating itself.

The new KYC policy framework will be rolled out country-by-country through to 2016. To ensure that standards are applied consistently, we established a KYC Center of Excellence – a team of subject matter experts providing central oversight and advice, including guidance on best practices and new regulatory developments. They consider any potential exemption from KYC standards and submit a recommendation to the AFC Senior Management (members are the Regional Heads of AFC, including Functional Heads of Embargo, Fraud and ABC), which is headed by the Global Head of AFC for a final decision.

Our KYC policies provide clear standards for governance and management oversight, including standardized reporting and documentation requirements and escalation of potential risks. Special scrutiny is required for relationships with high-risk clients and with clients known as “politically exposed persons”. They must be reviewed and signed off by senior management and the AFC organization.

Client relationships are assessed prior to adoption and on a regular basis throughout the relationship. We require monthly screening of existing clients against internal and external lists of adverse information, including matters related to terrorist financing, financial crime, corruption or tax evasion. We extended the scope of our screening in accordance with the review of KYC standards. Screening is already applied to half of the relevant client data sources. The roll-out of this wider screening scope will be completed in 2015.

Acting against bribery and corruption

We do not tolerate bribery or any form of corruption and we do not provide or accept improper inducements in the course of our business dealings. All employees and third parties who act on Deutsche Bank’s behalf are strictly prohibited from having any involvement in acts of bribery and corruption. We are not interested in business that can only be obtained or retained through improper conduct.

We created a dedicated Anti-Bribery and Corruption (ABC) team in 2013 to provide specialist legal, regulatory and compliance advice, and to enhance policies, procedures and controls. We continued to enhance the governance, resources and processes of the team in 2014, completing a network of regional ABC heads. The ABC team now comprises nine employees globally.

500

representatives from all
businesses participated
in workshops to examine
financial crime risks

In 2014, we concluded a major global fraud, bribery and corruption risk assessment. We held workshops with approximately 500 representatives from all business divisions in six locations worldwide to examine inherent risks across Deutsche Bank and the controls designed to mitigate them. This exercise prioritized the residual risks for each division and made recommendations to address them. We have prioritized our ABC program to tackle the key risks that were identified. In 2015, we will focus on the risks posed by third parties, employees and gifts and entertainment.

In 2014, we introduced a new policy that emphasizes our zero tolerance approach. The policy clarifies Deutsche Bank's approach to political contributions, charitable donations and hiring individuals connected to public officials and clients. It also prohibits cash payments and per diems and explains the requirements. The policy is applicable to all employees in all regions and divisions, and was communicated globally via regional announcements.

Combating other criminal activities

We significantly increased our investment in this area with the creation of a new Anti-Fraud and Investigations team responsible for developing and monitoring measures to prevent fraud and other criminal activities, that could endanger Deutsche Bank's assets, as required by German law. It will coordinate the prevention, detection and investigation of internal and external fraud across all divisions. We will continue to invest in 2015 to enhance monitoring and fraud prevention.

A Group Financial Crime Governance Committee, chaired by the Global Head of AFC, is being formed at group level to establish a central, group-wide evidence collection office covering all aspects of Financial Crime. The Committee will receive quarterly reports from the regional Financial Crime Governance Committees, which are chaired by the respective Regional Heads of AFC.

Training employees to improve defenses

All of Deutsche Bank's employees at all levels have an important role to play in preventing financial crime. To assist them, we provide training for all employees, including the members of the Group Executive Committee.

Our measures to train employees to combat financial crime have been rolled out globally to 89,000 people in 2014 and 2015. By end of 2014 more than 27,000 employees completed the Combating Financial Crime online training course, which covers ABC, KYC, AML, terrorist financing, sanctions and embargoes, market conduct as well as fraud and information protection.

A new ABC online training course provides a comprehensive overview of bribery and corruption risks. More than 57,000 employees completed the course, which covers the extraterritorial application of some laws and topics, including gifts and entertainment and facilitation payments. Employees in the Private and Business Clients division receive a separate Compliance Essentials course, which covers anti-corruption topics tailored to their specific activities. Members of the Group Executive Committee received a one-on-one briefing. We also provided ABC briefings to consultants who develop business relationships and introduce or procure business transactions.

New product approval

Ensuring appropriate solutions

In brief

- Bank-wide framework for approving new products established
- Systematic and regular review of new and existing products

We are committed to only providing products and services that create value for clients and shareholders, meeting clients' needs within the global and regional regulatory framework. Our New Product Approval (NPA) and New Transaction Approval (NTA) processes harmonize product and service design, development, testing and certification. NPA is required for entirely new products, businesses and markets, and also covers changes to existing business.

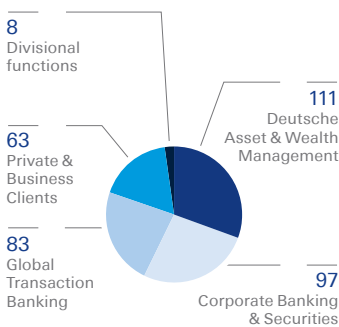
Our NPA/NTA framework aims for proper understanding and application of policies, procedures and controls, with a focus on oversight and risk assessment. Clearly defined roles and responsibilities, together with standards to measure adherence, training and a Red Flag process to take corrective action, support consistent quality control. The framework emphasizes a collaborative review and approval process in order to identify the correct technology, accounting and regulatory standards, legal, compliance and control framework. All product developments, including changes to existing products, are reviewed by key control functions such as Compliance and Anti-Money Laundering (AML). The NPA risk management team provides an independent and consistent view across all NPAs/NTAs in certain areas. Where we have established regional and divisional NPA committees, they must review material developments, including new risk factors or businesses. Any features raising concern, such as potential reputational impact on the bank, are escalated to regional or Group Reputational Risk Committees. In 2015, we will also integrate environmental and social criteria into the approval process. The framework is the responsibility of the NPA committee, which reports to the Risk Executive Committee.

In 2014, numerous product and service developments were reviewed. The NPA unit expanded and additional resources will be added in 2015. This expansion allowed us to publish new policies and to revise business control standards to demonstrate greater consistency and enhance our automated platform.

Implementing systematic and periodic review

We launched the Product Lifecycle initiative in 2014 to implement a systematic and periodic review of all products. This is a group-wide initiative involving the four core business and the Non-Core Operations Unit as well as infrastructure functions. The framework for Product Lifecycle management includes: minimum criteria to monitor and remove products throughout the lifecycle; requirements for systematic reconciliation of approved products to actual business activity; documentation; and Roles and accountabilities of all functions.

Approved NPAs
split by division
Count of Application ID



Risk culture

Fostering employee awareness

In brief

- Importance of non-financial risk continues to grow across the financial sector
 - Extensive training and communication initiatives promote risk awareness
 - Red Flags process is extended to all business divisions
-

As the importance of non-financial risk continues to grow across the financial sector, financial institutions increasingly focus on protecting themselves against the risks associated with the misconduct of individual employees and with ineffective processes. Inherently, this means fostering a strong risk culture across the organization.

Launched in 2010, Deutsche Bank's dedicated Risk Culture Initiatives program emphasizes that a strong risk culture depends as much on robust processes and controls as it does on employee awareness and conduct.

Shared responsibility

The program promotes five essential behaviors that are consistent with Deutsche Bank's values and beliefs [page 8](#) and that are necessary to maintain a strong risk culture:

- Place Deutsche Bank and its reputation at the heart of all decisions
- Be fully responsible for Deutsche Bank's risks
- Invite, provide and respect challenge
- Be rigorous, forward-looking and comprehensive in the assessment of risk
- Troubleshoot collectively

The Risk Culture Initiatives program develops and supports a variety of initiatives to foster the required behaviors and corresponding risk awareness. These initiatives include targeted communication campaigns and training programs, as well as consistent monitoring through the Red Flags process. [Page 25](#)

5 essential
behaviors
identified to shape
a strong risk culture

Tone from the Top

emphasizes role
of risk culture
in leadership

Training and communication

The 2014 risk culture training curriculum included seven mandatory training modules:

- Risk Awareness
- Code of Conduct and Business Ethics
- Minimum Requirements for Risk Management (MaRisk)
- New Product Approval
- Information Security Awareness
- Information Classification
- Tone from the Top

The content of our training courses is tailored to meet the needs of different groups. For example, the newly revised *Risk Awareness* training course uses case studies that were based on the relevant division to make the issue of risk more tangible to employees. In addition, some courses are rolled out to specific employee groups only. For instance, the *Tone from the Top* course is applicable to employees with a Corporate Title of Vice President, Director or Managing Director.

All risk culture training courses follow a defined refresher cycle; hence not all courses are offered in any given year. Therefore, in 2014, approximately 62,000 employees completed at least one risk culture training course.

In addition to our comprehensive training courses, communications from management continually reinforce the importance of a strong risk culture. This is emphasized at events for new employees and graduates, and at regional promotion events. In 2014, we enhanced our risk culture page on Deutsche Bank's internal social media platform (myDB). Open to all employees, this platform helps stimulate discussion and awareness.

Monitoring and assessing risk-related conduct

Introduced in 2010, the Red Flags process uses objective measures to assess employees' adherence to behaviors, policies, procedures and control processes.

For Example, Red Flags are assigned for:

- Breaches against the Gifts & Entertainment Policy
- Breaches against the Employee Trading policy
- Non-compliance with mandatory absence requirements
- Non-compliance of mandatory training

In addition, employees can receive Red Flags for types of breaches that are specific to the risk profile of each division and function. Red Flag results are one of the factors taken into account during the year-end performance process.

Monitoring risk-related behavior and conduct to foster cultural change

As of January 2015, we have extended the Red Flags process to all divisions and infrastructure functions as well as Regional Management. This tripled the number of employees covered by the process to approximately 38,200 by Q1 2015.

In addition to monitoring risk-related breaches, the Red Flags process also helps to strengthen controls. We evaluate controls thoroughly before including them in the Red Flags process, and we use this as an opportunity to improve them. This is followed by extensive communications to employees, emphasizing the importance of the control process and encouraging them to work through the details and the associated risk.

Further development of the Risk Culture Initiatives program

Deutsche Bank engages in regular discussions with regulators, who are becoming increasingly interested in the topic of risk culture. We are also actively participating in university and industry studies in order to jointly extend the concept of risk culture.

Our dialog with regulators and our engagement with academia and industries assist us in developing and prioritizing our initiatives and projects. We also take into consideration the results of employee surveys, which include questions on risk culture.

Page 66

One of the most recent initiatives involves measuring risk culture at the division level. We developed this approach over the past year and refine it further out in 2015. We will also focus on initiatives that promote active exchange of ideas among employees in the coming year.

Further information

 [Human Resources Report, page 13](#)

Environmental and social risk

Protecting the Bank and society

In brief

- Strengthened support for business units with new training
 - Significant increase in the number of transactions assessed
 - Engagement with a wide range of stakeholders on carbon asset risk
-

Applying high standards of ethics and integrity is one of Deutsche Bank's core values. This includes supporting environmental protection and avoiding negative impacts on people as a result of our business activities.

As a global bank, we have clients across all sectors of the economy, including in places where businesses may have negative environmental and social impacts. We need to understand the environmental and social risks (ES risks) associated with an industry, client or transaction, just as we do with traditional banking risks.

ES risks are very complex. They range from air, water and soil pollution and threats to endangered species to social conflicts over land ownership and impacts on communities' health and safety. Managing these risks effectively is essential to avoid having a negative effect on nature and society, and to uphold our commitments to international standards.

Disregarding environmental and social issues might also lead to reputational and financial risks for Deutsche Bank and restrict its potential business opportunities. Thorough evaluation of ES risks is therefore an integral part of our risk management process. It requires a case-by-case approach rather than blanket bans on certain activities, with the exception of our policy of not financing activities related to pornography and cluster munitions.

Effective governance of risk management

The Environmental and Social Reputational Risk Framework (ES Risk Framework), which we introduced in 2011, governs the ES risk management process. It is integral to Deutsche Bank's Reputational Risk Management Program policy (RRM Program).

The RRM Program creates common standards to identify, escalate and resolve reputational risks from new business. Under the RRM Program, the Management Board has assigned the Group Reputational Risk Committee (GRRC) the authority to take decisions concerning reputational risks. The GRRC is chaired by a member of the Management Board.

Evaluation of environmental and social risks is an integral part of our risk management

The GRRC’s key tasks and responsibilities include making decisions on transaction-related reputational risks, or as required by group policies such as those relating to new client adoption. [Page 21](#)

In 2014, five regional and three divisional committees were responsible for the implementation of the RRM Program, a structure which ensures the appropriate escalation of reputational risks and due consideration of all relevant regional aspects.

These high-level committees included senior representatives of the control functions and the business division. The majority of cases were decided without the involvement of the GRRC.

The GRRC receives a quarterly report on sensitive topics involving reputational risk, including Deutsche Bank’s exposure to ES risks, progress in managing these risks and evolving ES trends and regulations. The committee reports at least monthly to the Risk Executive Committee and provides regular updates on reputational risk to the Management Board.

Embedding the ES Risk Framework into Reputational Risk Management



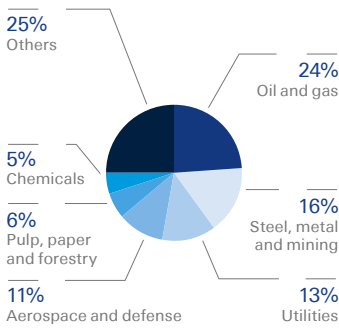
Defining a clear process and responsibilities

The ES Risk Framework is applicable globally. It defines a procedure and clear responsibilities for all process elements:

- Risk identification
- Risk assessment
- Decision-making
- Post-transaction follow-up

ES Risk Framework transactions

Reviewed per sector, in %



In accordance with the RRM Program Policy, business divisions have the initial responsibility to identify risks. A Reputational Risk Analysis Desk Guide, which is part of the RRM Program Policy, is the starting point. First, it defines the sectors which are particularly sensitive:

- Aerospace and defense
- Chemicals
- Steel, metal and mining
- Oil and gas
- Pulp, paper and forestry
- Utilities
- Any other sector with a high carbon intensity

The Desk Guide also contains questions to support business units in identifying risks. Initial questions cover the following ES categories:

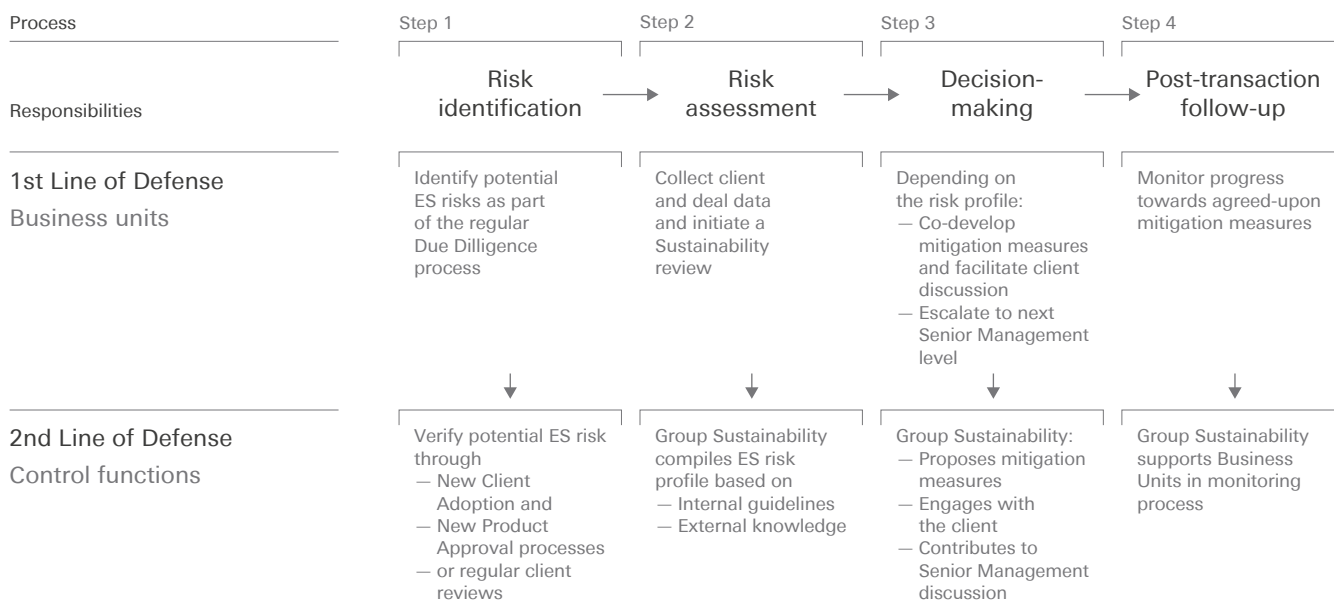
- The region
- The industry
- Environmental considerations
- Community impacts
- Human rights
- Opposition to the proposed activity

Detailed questions related to these categories and guidelines are provided in the ES Risk Framework in order to help business units further assess issues that may arise.

If risks are identified, business units are required to involve the Bank's sustainability specialists to obtain a further risk evaluation. At this stage, all critical issues are discussed and the information necessary to the progress of the assessment is compiled. In addition to due diligence and direct interaction with the client, further tools are available to support the risk evaluation process, including external databases such as MSCI Rating. We may also consult independent experts in the specific subject matter.

The final ES risk profile reveals if risks are acceptable, acceptable subject to specific mitigation measures or entirely unacceptable for Deutsche Bank. The final decision can be escalated to an appropriate Reputational Risk Committee.

ES Risk Framework – process and responsibilities



When specific mitigation is required, a positive decision is made only if the client is willing and able to deliver on agreed actions. A follow-up process has been established for conditionally approved transactions. The form and method of monitoring, including its frequency, is dependent on the structure and conditions of the deal. It may range from one-off receiving additional information to a regular monitoring including site visits supported by third party experts.

Improving the operational environment

As of 2015, we have moved the ES review process to a specifically designed IT platform. This involved a design process, the selection of a suitable IT provider, and the building and testing of the platform. Its development was completed in 2014 and the IT platform now fully supports the ES review process. The benefits are:

- **A clear, auditable process:** Every decision, all documents and the latest status of a transaction are entered in the system.
- **Standardization:** Every transaction in every region is considered in the same way with the same basic information, which the system prompts users to provide.
- **Increased efficiency:** Standardization allows us to review transactions more efficiently because all the information necessary for a first assessment must be entered before the transaction can be submitted.

Further information

► db.com/code-of-ethics

Expanding ES risk management

We monitor global developments in order to identify emerging environmental and social trends and potential pressure points. Engagement with civil society organizations, industry and academic experts improves our understanding of critical issues and informs decisions. When it is necessary, we develop new guidelines or other requirements to manage and mitigate ES risks satisfactorily. When it is practical, we collaborate with our peers since we believe that progress can be faster if the market addresses certain risks collectively. Notable examples in 2014 include the launch of the BEI Soft Commodities Compact and guidance concerning carbon asset risk.

Continuing to expand the advice available to business units, we clarified our position on activities in or near World Heritage Sites in 2014. [Page 35](#) In addition, we decided to develop a specific guideline for the fishery sector which we expect to finalize in 2015.

Carbon asset risk

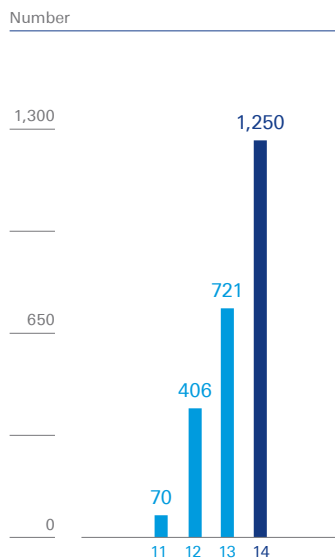
Research by the International Energy Agency, the Intergovernmental Panel on Climate Change, and the Carbon Tracker Initiative suggests that, in order to avoid the worst effects of climate change, a significant portion of the world's fossil fuel resources needs to remain in the ground. These unused fuel reserves are often referred to as stranded assets and, in the context of a carbon budget, they result in carbon asset risk (CAR).

This research has fueled a wider debate about whether or not the financial sector is integrating adequately policy, economic, and social risks into evaluations of the financial risk of carbon assets in the transition to a low-carbon economy.

In response, the World Resources Institute and the UN Environment Program's Finance Initiative launched a process to develop guidance to help financial institutions and investors better identify, assess, and manage carbon asset risk. This guidance is being developed through the Greenhouse Gas Protocol's multi-stakeholder process, which includes representatives from banks, investors, academics, consultants and environmental advocacy organizations. In recognition of Deutsche Bank's ESG approach, our Group Sustainability Officer was invited to join the Advisory Committee.

The guide, expected to be released in 2015, defines CAR as the potential for a capital originator or provider to experience financial loss due to unmanaged operator carbon risk. It covers the key elements that must be addressed when assessing carbon asset risk in making new investments or lending decisions, and managing existing portfolios.

Transactions assessed with the ES Risk Framework



Increased awareness of ES risk among employees has led to a continuous rise in the number of transactions referred to the Group Sustainability team.

The ES Risk Framework makes it possible to reach a decision at the business level in most cases, avoiding the need to escalate to the risk committees except in particularly complex cases. In 2014, 13 of the 1,250 assessed transactions were escalated to regional and divisional Reputational Risk Committees for a decision involving environmental and social risks, and two were escalated to the Group Reputational Risk Committee.

Transactions escalated to Reputational Risk Committees

Number of transactions	2014	2013	2012
To regional and divisional Reputational Risk Committees			
Total	170	98	95
Those with ES issues	13	7	15
To GRRC			
Total	13	8	7
Those with ES issues	2	0	1
Total number	183	106	102
Thereof with environmental and social issues	15	7	16

Increasing awareness and understanding

Training is a powerful tool to help businesses apply these guidelines and strengthen our ES risk management process. We developed a training covering ES risk, which adds to initiatives such as Sustainability Days, Earth Week and presentations at business events to further increase awareness of ES issues across Deutsche Bank.

The training began in 2014 in Germany and will be rolled out globally in 2015. It contains five major elements:

- Discussion of sustainability trends
- The importance of sustainability, underlining that it is taken seriously across sectors and clients
- Introduction to sustainability at Deutsche Bank, with a focus on risk management
- Discussion of the governance framework for managing environmental and social risks
- Case studies to demonstrate practical application of our ES Risk Framework and specific guidelines

ES risk case study: Coal-fired power plant

Background

A Caribbean government asked Deutsche Bank to structure financing for a coal-fired power plant. We support the development of renewable energy and the transition to a low-carbon energy landscape. However, we believe that coal power will remain indispensable in most economies during this transition even though it is the most carbon-intensive energy source.

ES risk evaluation

We evaluated the proposal, applying specific guidance developed for financing new coal-fired plants. The main criteria are:

- The country's current electricity generation mix and energy situation, focusing on the total installed capacity for each fuel type and existing shortages in energy supply
- The government's electricity generation objectives
- The country's CO₂ emissions in comparison to similar countries
- The availability of alternative fuels
- The choice of technology for the proposed project
- The emissions performance of the proposed design
- Other environmental and social considerations, including the need for resettlement and other impacts on communities

Following the evaluation, we held intensive discussions with the project owner to clarify various questions with the support of independent experts. This process included a visit to the proposed site.

Findings and actions

Our analysis concluded that, although wind and hydro projects are being developed, for the time being, coal remains the only fuel available to this country to its unsatisfied demand in base-load energy generation. However, the technology proposed for the project appeared to be less efficient and would create higher emissions than other technologies currently available, such as supercritical pressure boilers. Discussions between Deutsche Bank, the project developer and independent technical experts reached the following conclusions:

- The optimum unit size in this project is in the range of 330–350 MW, lower than the 400 MW capacity of a supercritical boiler
- The project developer will guarantee that efficiency and emission levels for the project will meet the critical range and for certain values even the supercritical range based on International Finance Corporation standards for thermal power plants
- The project would incorporate the best available pollution abatement techniques for this type of plant
- The plant design will comply with the World Bank screening criteria for coal financing.

As the coal quality specified in the design is a prerequisite for meeting the design emission levels, the scope of the independent review will include an evaluation of the coal supply available. This is important to demonstrate that the appropriate coal is available at the calculated costs to meet the required CO₂ performance.

We also considered other factors such as the availability of technical knowledge and the country's capacity to operate and maintain the plant.

Decision and follow-up

Based on this analysis and discussion, we made a positive decision on this project, subject to an agreed-upon commitment to address any potential breach of the guaranteed emissions.

Respecting human rights

We are committed to respecting human rights, in accordance with our values and beliefs [page 8](#) and as a signatory to the UN Global Compact. Our policies and guidelines reflect our commitment to the UN Guiding Principles on Business and Human Rights.

The UN Guiding Principles emphasize that governments are primarily responsible for the human rights of their citizens. However, we as a bank may be exposed to potential or alleged violations committed by certain of our clients, in relation to issues such as land and labor rights, or health and safety. Therefore, before we agree to finance a particular business we review if clients' actions and decisions have the potential to violate human rights and we take appropriate action to manage potential risks.

Integrating the "Protect, Respect and Remedy" framework from the UN Guiding Principles in all aspects of our business is complex. It requires a comprehensive approach to identify and manage potential impacts and related risks. We have integrated human rights considerations in the due diligence processes required by our ES Risk Framework. Our sector-specific guidelines and policies explain potential risk areas and how to respond to them.

We aim to improve our understanding of human rights issues continually. For example, we are involved in the discussions of the Thun Group business, an informal group of banks with the goal to gain a better understanding of the Guiding Principles and of the ways they can be applied in the banking business.

Any grievances, including those concerning human rights, are initially dealt with by the business divisions through, for example, their complaints management processes. Deutsche Bank's Complaints Management policy, which was implemented in 2008, requires the business divisions to establish their own divisional policies and procedures to handle complaints. Clients and the public can make complaints through all of Deutsche Bank's dedicated channels. This includes branches, telephone, the website, social media and letters to any office of Deutsche Bank.

We hold ourselves
to the UN Guiding
Principles on
Business and
Human Rights

Our position on sensitive topics

[▶ db.com/cr/positions](http://db.com/cr/positions)

Topic	Our position
Agricultural commodities	Numerous studies have found no convincing evidence that financial activities have led to higher prices or increased volatility. We believe financial products are essential for markets to be efficient and we support increased transparency and appropriate legislation.
Cluster munitions	We have not provided direct funding for cluster munitions since 2009. Since 2011, we no longer do business with conglomerates involved with these weapons or components of these weapons banned under the Oslo Convention. We have exited some business and will not extend any existing contracts. If we are in any doubt about involvement, we require written confirmation that the client has had no involvement in cluster munitions before beginning or continuing the business relationship.
Coal	Coal power is still necessary to close the energy gap until renewable sources have grown sufficiently. In doing business with the coal industry, we expect companies to use the latest technologies to limit environmental impacts, meet sustainability criteria such as the IFC performance standard, and implement certification such as ISO 14001.
Human rights	We are signatories to the UN Global Compact, which explicitly requires respect for human rights. Our policies and guidelines reflect our commitment to the UN Guiding Principles on Business and Human Rights. We have integrated human rights considerations into the due diligence processes required by our ES Risk Framework. Our sector-specific guidelines explain potential issues and how to respond to them.
Hydropower	Our ES Risk Framework requires an evaluation of the social and environmental impact of all projects and we require appropriate sustainability standards for any project we consider financing.
Monocultural farming and palm oil	We recognize the risks, but also the contribution of palm oil production to the economic development in some countries and its importance for many products. As a minimum, clients must provide a plantation or mill certification plan in accordance with the criteria imposed by the Roundtable on Sustainable Palm Oil (RSPO).
Nuclear power	We view nuclear power as an important low-carbon energy source in the transition to a more sustainable energy mix. We therefore support finance for civil nuclear power, subject to specific country and project criteria such as compliance with international treaties and agreements and adherence to health, safety, environmental and social standards.
World Heritage Sites	We will only support activities in or near World Heritage Sites if the government and UNESCO agree that the planned activities do not place the value of the site at risk.

Sustainable fishery

About one billion people, mostly in developing countries, rely on fish as their primary source of animal protein and approximately 10% of the world’s population relies on fishing and aquaculture for their livelihood.

Sustainable fishing maintains fish stocks responsibly with a view to ensuring the effective conservation, management and development of living aquatic resources. Several issues undermine this goal.

Over-exploitation of important fish stocks, known as overfishing, is one of the major challenges. Illegal, unregulated, and unreported fishing affects between 11 and 26 million tons of seafood each year, resulting in global economic losses estimated at US \$50 billion

annually. Another serious concern in the fishing industry is the protection of workers. Working conditions on fishing vessels are among the worst in the world, with crew members facing violence, low or withheld pay, and, in extreme cases, imprisonment aboard the ship.

Developing guidance

Several guidelines, such as the UN Food and Agriculture Organizations’s Code of Conduct for responsible fishery, have been developed to promote sustainable fishing, but many obstacles remain.

In this context, we decided to develop guidance on fisheries for our business units. We will consult with relevant experts in developing our guidance.



»With Deutsche Bank's help, Unilever has issued the first ever sterling green bond. This will help to raise essential funding to invest in energy efficiency and other vital ingredients for a sustainable business.«



Deutsche Bank has a significant management presence in London, which reflects the strategic importance of the UK's capital in the banking industry.

Leveraging strengths, rising to the challenges, earning trust

Steve Weiner, London
Group Treasurer, Unilever



2

Our Business

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Financing the low-carbon economy

Client centricity

Putting clients first

In brief

- Client centricity is central to Strategy 2015+
 - Introduction of a common approach to client segmentation
 - Cross divisional collaboration intensified
-

Client centricity is one of our core values and is central to our Strategy 2015+. We recognize that satisfied, loyal clients are vital for our continued success. This requires a culture based on client needs rather than an approach that focuses on products or transactions. Deutsche Bank's leadership launched a major initiative in 2014 to put this client-centric culture into practice.

We need to improve our understanding of clients and gauge their needs better in the rapidly changing business environment. Putting clients first means analyzing who our clients are, what they want, how well we currently meet their needs, and how we can add value for them in the future. Only then will we be fully able to help clients meet challenges such as shifting demographics, globalization, digitalization, evolving consumer behavior and climate change.

Two concepts are central to this commitment, which we are embedding across our businesses:

- **Client selection:** a much deeper understanding of our current or prospective clients and the longer-term prospects of a business relationship for both parties
- **Product suitability:** appreciating our clients' needs, their specific risk appetites and financial skills, combined with a broader perspective of what is right for other external stakeholders

Client selection is increasingly important for our businesses. It is a key feature of our reputational risk processes to ensure we safeguard and uphold integrity and prevent abuse of the financial system. [Page 21](#) We are reviewing our existing client base and terminating relationships if we cannot create or maintain sustainable, mutual benefits, or if we have well-founded concerns about reputational risk and integrity.

We also take a robust approach to product suitability. In line with our Product Principles, we refrain from offering certain types of products to our retail clients. [Page 42](#) Similarly, we no longer offer public sector clients in Germany certain derivative products unrelated to hedging their underlying business. We only offer investment products to these clients based on strict suitability criteria.

Satisfied and loyal clients are vital for continued success

Living the values

In 2014, the Credit Risk Management team raised concerns about the reputational risk from continuing to do business with a hedge fund client that was facing legal action. The client represented a lucrative source of revenue but the team was concerned about the potential long-term implications for Deutsche Bank. The issue was escalated to the Regional Reputational Risk Committee. It was then reviewed by the Group Reputational Risk Committee, which judged that while the issue was not clear-cut, maintaining the relationship would be inconsistent with Deutsche Bank's values and beliefs. As a result, Deutsche Bank ended its relationship with the client, even though competitors continued to do business with the client.

We evaluate the tax considerations of products with regard to the intent and spirit of applicable tax laws, the social context within which the Bank operates, and the Bank's standing and reputation with the public, tax administrations, regulators, and political representatives.

Putting client centricity into practice

A new initiative launched in 2014 will help us to develop client-oriented strategies and offer a full suite of effective products and services across the business divisions. We are introducing a common approach to client segmentation, analysis and measurement of satisfaction, with a more systematic approach to gathering feedback directly from clients.

This requires coordination across our divisions and processes, and greater collaboration between Deutsche Bank's divisions. An early example of such collaboration is an agreement between Corporate Finance and Deutsche Asset & Wealth Management to enhance service for high-net-worth clients. We have also developed a new framework to govern the selling of products and services across divisions.

Clients will benefit from a more seamless experience when they work with different parts of the Group. The business will benefit from the creation – as far as possible – of a single client dashboard providing a Group-wide view of key customer metrics.

Satisfied, loyal clients are central to our success. Building on existing processes we have determined a Net Promoter Score (NPS) for all client segments to create a consistent and systematic measurement of client satisfaction across the Bank, supporting the Bank's goal to foster client centricity.

Private and business clients Creating customer value

In brief

- Client satisfaction is an important performance indicator
 - Investing €200 million in expanding digital offerings
 - One in every seven mortgages in Germany provided by Deutsche Bank
-

Our private and business client network, operating from 2,700 locations in seven countries, serves the banking needs of private individuals and smaller as well as mid-sized businesses. As a major element of our FairShare™ (FairShare) principle, we place clients at the core of our business and client satisfaction is an important performance indicator for our advisors.

We are responding to rapid shifts in consumer behavior, driven by technological developments and societal trends. To improve our services for clients, we are investing €200 million in digital innovation over the next three years. We also continue to invest in customer research to understand the needs of our clients better and to improve our products.

With interest rates remaining low, our clients demand comprehensive and competitive mortgage and loan offerings. We satisfied this demand with market leading financing solutions. Also, our clients are looking for attractive investment opportunities. Our award-winning advisory services, investment and insurance product portfolio, and deposit campaigns in the second half of 2014 helped us to meet this demand. As a result, we achieved:

- Large inflows in brokerage accounts: €10 billion increase in assets under management, of which €7 billion are net new assets
- Very good results in our insurance business: More than €4 billion of premiums collected. Thereof more than €700 million in corporate pension and €800 million in single premium
- A positive response to our deposit gathering campaigns, with attractive interest rates for new deposits: €7 billion in new deposits, including Postbank
- Strong growth in credit products, especially in mortgages, where we made more than 160,000 home loans

€7
billion
increase in net
new assets

FairShare principle

embedded in retail and
business banking

Creating value for clients

We place our clients at the core of our organization. This is a central tenet of the FairShare principle, which has been embedded in our retail and business banking operations since 2009.

As part of FairShare, a Product Code and our Product Principles commit us to create long-term value through products that are transparent, part of the real economy and beneficial to individuals. All new products are subject to an enhanced product approval process and existing products are reviewed regularly to ensure compliance with the Principles.

Certain exclusions also apply. In line with our Product Code and Product Principles, and Deutsche Bank's overall approach to reputational risks, we will not advise on or offer products directly connected with:

- Wagers on death, illness, invalidity or insolvency
- Production and sale of nuclear weapons, cluster munitions or land mines
- Speculation on commodity scarcity
- Encouragement or use of child labor
- Criminal activities, including illegal drugs and money laundering
- Human rights violations

The Responsible Banking Committee (RBC) of senior executives has supervised compliance with these Principles since 2012. In 2014, we strengthened governance by integrating the RBC into the Group Internal Control Committee, a senior management group which deals with all matters of risk, reputational and control.

Some of our products and services specifically support Deutsche Bank's commitment to advocating a low-carbon economy. In all our European operations, we provide financing for energy-efficient buildings, renewable energy, investments in technology and research that supports CO₂ reductions. In 2014, we made €304 million in funding for energy efficient construction and renovation as part of KfW environmental programs available to private and business clients in Germany. Additionally, we sell sustainable investment funds through our network of branches in Europe.

Focusing on client needs

Taking a long-term approach aligned with client needs, we have established the role of a Chief Client Officer (CCO) in 2009. He acts as a customer advocate in retail banking at management level, advising senior management on potential issues clients may face. Customer satisfaction, retention and the FairShare principle are his key areas of focus; he has no responsibility for sales or financial returns. Close contact with consumer organizations and the media provides insights that inform action on customer satisfaction.

The CCO is involved in the development and amendment of products and processes and has the power of veto in deciding whether:

- The benefit of new products to the customer is clear
- Products and processes function correctly
- Advisors have the skill to advise customers on a particular product or need additional training
- Clear and easily understood product documentation is available, such as a product information sheet

Offering tailor-made advisory solutions

Deutsche Bank aims to offer to each client tailor-made advisory solutions with financial products that fit their individual situation and position in the financial life cycle. That is achieved through:

- Client segmentation within private and commercial banking, ensuring that we understand the financial needs of each type of customer
- Providing a dedicated personal advisor to advise each client throughout their lives, who is trained to understand the financial needs of specific customer segments in each stage of life and to provide prudent advice on financing, investing, saving, insuring and provisioning
- Supporting advisors through dedicated product specialists who can adjust financial products to individual customer needs

This three-pronged approach, combined with our international expertise, is at the core of Deutsche Bank's "Hausbankprinzip" for all private and commercial clients.

Researching customer satisfaction

Client satisfaction is an important performance indicator and firmly anchored in our retail business model. We therefore invest in extensive customer research.

Approximately 360,000 retail clients in Germany participated in our 2014 client satisfaction survey. The responses provide detailed feedback on how clients perceive our advice and services, how they evaluate the range of services on offer at our branches and whether they would recommend Deutsche Bank to a friend or relative. The survey is not anonymous so our advisors can act on praise and criticism more effectively and contact clients directly to continue the dialog.

Despite the difficult market situation, the client satisfaction index increased from 68.4% in January to 71.2% in December 2014.

Client satisfaction index

In %	2014*
Client satisfaction index	71.2
Client satisfaction with our advice	71.7
Client satisfaction with our services	72.5
Client satisfaction with actively offered products and services	66.8
Willingness to recommend Deutsche Bank	74.0

*Previous years are not comparable as the methodology has changed.

360,000
retail clients
participated in client
satisfaction survey

9,300
telephone calls
to clients to ensure
compliance with advice
and service standards

We used mystery shoppers to make around 2,800 purchases in 2014 and conducted 9,300 telephone calls to clients following an advisory meeting to assess compliance with our advice and service standards. The standards aim to ensure we build client relationships by continually delivering a high-quality customer experience. This includes adhering to regulatory requirements, providing error-free product and service documentation and customized product recommendations, as well as offering a friendly welcome.

The results of mystery shopping and telephone calls are combined in our mystery shopping index. The index was 78.4% in 2014. In 2014 we changed our methodology to increase the focus on existing clients.

The results of the client satisfaction survey and mystery shopping influence the objectives for our branches. Additionally, both are linked to the performance-related component of remuneration for our sales staff.

Handling complaints

Improving customer satisfaction also depends on listening to complaints, so it is important that customers feel able to approach us. The central complaint management team reports directly to the Chief Client Officer, whose role in reviewing new processes is intended to prevent complaints from arising in the first place. Advisory topics and new investment products, in particular, are scrutinized closely to improve future quality and satisfaction.

When we recognize mistakes, we work to solve cases quickly without excess bureaucracy. However, we will defend our position where we are not able to substantiate a complaint or identify any damage to clients. From 2015, we follow a new process to ensure we confirm receipt of a complaint promptly, identify a personal contact in Deutsche Bank who will deal with it, and give an expected processing time.

In 2014, the German Federal Court of Justice (Bundesgerichtshof) ruled that credit institutions are not allowed to charge credit processing fees within standardized consumer credit agreements. Clients may claim refunds for transactions dating back to 2004. All clients who claim refunds will receive an interlocutory notice and we aim to pay out justified refunds in short order.

We have a Hardship Cases Commission for special cases when a complaint involves hardship for the client. Senior complaint managers alert the Commission and the client is contacted personally by one of our advisors to resolve any issues. We pay particular attention to clients who contact us after finding themselves in urgent situations through no fault of their own. Complaint Management found an appropriate solution for our clients' needs in all seven hardship cases in 2014.

Protecting consumers

In line with FairShare, we aim to promote products that offer solutions customized to clients' needs. We only recommend products and services that are comprehensible and have clear benefits for the client. Information and marketing materials must be easily understood and provide all relevant information, including costs and prices.

We analyze clients' financial situation before granting loans or approving lines of credit to ensure that the duration of the loan is appropriate to the financing purpose and the client's financial circumstances. Our employees must be sure that clients understand the characteristics, functions and risks inherent to a product.

In addition to our exclusion criteria [page 42](#), some products are not available to certain client groups. For example, products with long-term or limited tradability will not be actively sold to people over the age of 70. To prevent conflicting objectives between customer value and revenue generation, our advisors do not receive commission on individual business transactions.

As a responsible lender across the life-cycle of a loan, we aim to work with customers in financial difficulties to avoid cancellation. Only the unpaid installments are due before an account is cancelled and enters the legal process, not the total loan amount. Our objective is to maintain the relationship, bring customers back to a current status and support them through temporary payment problems using deferrals, interest-only periods, debt restructuring and, in certain circumstances, debt waivers.

Meeting client needs with new technology

Digital media is changing people's behavior. Banking products are increasingly purchased online, and half of our retail clients are already "going digital" in their interactions with Deutsche Bank. Rapid advances in technology and changes in communication and networking patterns impact our business significantly, providing an opportunity to demonstrate innovation and attract young customers.

We responded to client needs in the field of digitalization in 2014 with new services as part of a €200 million investment program. Several projects in digital communication, advice and banking respond to changes in the way clients interact with Deutsche Bank.

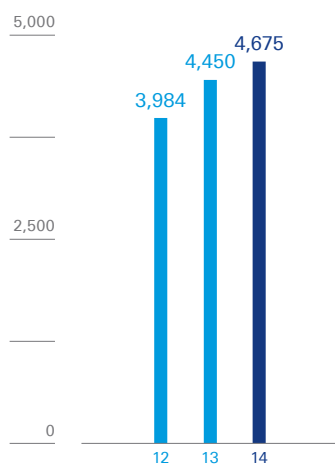
For example, the photoTAN app enables significantly faster authorization of client transactions in online and mobile banking and increases security for clients. Using the My Bank mobile app, clients can use photoTAN to transfer funds with a mobile device in just three clicks.

Touch ID also speeds up mobile banking and increases security. Clients with the My Bank mobile banking app use fingerprint login instead of entering their branch number, account number and PIN to log in. Touch ID is disabled if the device is lost and the PIN is not stored on the device.

€200
million
allocated for
digitalization

All ATM and banking terminals have braille

Germany



Further information

► db.com/cr/accessibility

Other developments include:

- **Digital mailbox extension:** Clients can access their digital mailbox via mobile banking and view important documents at any time, including account documents, securities and credit card transaction statements.
- **Financial planner:** An online budgeting service in Deutsche Bank OnlineBanking. This service gives customers a clear overview of their spending so they are better informed when making financial decisions. It includes automatic categorization of spending, graphics and personalized analysis.
- **Services with push notifications:** Clients can configure the service to receive customized notifications, including exceeding an overdraft, maturing securities, changes in personal interest rates and status updates when sending a credit card.

These achievements come at a time when we have to respond to new legislation which has impacted not only our cost base, but put additional pressure on our internal quality controls. Our customers expect innovation that meets high security standards. Through our NPA process and weekly meetings with control functions we ensure timely and high quality products and services that conform to all regulatory and IT standards.

Making banking accessible

Since 1995, Deutsche Bank has strongly supported the *Ein Girokonto für Jedermann* initiative to make a current account available to everyone, regardless of financial status. The principles of this initiative are explicitly stated in our account opening guidelines. We already meet most of the standards of the EU Directive on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features. [Page 80](#)

We also offer products and services tailored to the specific needs of particular customer groups. For example, we have equipped new ATMs in Germany with headphone jacks for a voice menu and lettering in braille to enable access for people with visual impairments. As we remodel branches worldwide, we aim to improve access for people with disabilities through measures such as eliminating steps, adjusting the width of doors and creating more maneuvering space for wheelchair users.

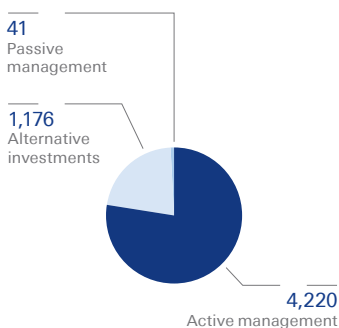
Managing assets for clients

Strengthening ESG investment

In brief

- ESG Head Office is driving research, governance and innovation
- New software solution adds objectivity and flexibility to ESG analysis
- Launch of ESG version of our CROCI World fund

ESG assets under management In € m.



Investors, clients and other stakeholders are requesting more transparency around corporate activities and are making decisions based on a broader variety of information. In the age of digitalization information is widely available and at comparatively low cost.

The resulting improved awareness, traceability of entire value chains and overall transparency are allowing investors to identify additional opportunities and risks from corporate behaviors related to the environment, society and governance (ESG). These investors are almost always active as well, either in a corporate or personal capacity. They are challenging asset and wealth managers, looking for appropriate short and long term investment strategies in response to these opportunities and risks.

Investors' increasing interest in responsible investment strategies – which make ESG issues an integral part of the investment decision – makes this a fast growing segment. Growth of the market is driven mainly by institutional investors switching to this investment style, while retail investors are catching up fast.

At the end of 2014, we managed and advised on €5.4 billion assets incorporating ESG criteria and themes (2013: €5.1 billion), which represents about 0.5% of total assets under management. We made further progress in 2014 in strengthening the ESG governance and management approach in our asset and wealth management business.

ESG assets under management

In € m.	2014	2013	2012
Active management			
Retail and institutional funds, including best-in-class and themed funds as well as Wealth Management, Private Banking services for High-Net-Worth individuals and institutional clients	4,220	3,787	3,413
Passive management			
Exchange traded funds	41	163	32
Alternative investments			
Impact investing, including funds with environmental or social objectives that are sponsored by governments and/or institutions	1,175	1,128	1,017
Total	5,436	5,078	4,462

In 2014, Deutsche Asset & Wealth Management managed assets with a volume of €1,045 billion (December 31, 2014).

Achieving long-term performance

Corporate behaviors that externalize costs to society – for example, to taxpayers across the world and to future generations – are likely to have detrimental long term effects on profitability. Conversely, companies or projects that meet or exceed internationally accepted ESG standards may represent better investment opportunities on a longer term investment horizon.

For that reason, we deem it part of our fiduciary duty to incorporate all identifiable opportunities and risks to a business in our investment and risk management process. This is a precondition for achieving the best possible long-term performance for our clients.

Our ESG approach already ranges from actively managed “best-in-class” portfolios and algorithmic or “passive” ESG investment solutions, to impact investments in projects that directly create employment, reduce greenhouse gas emissions or improve food security in Africa.

We are guided by the UN Principles for Responsible Investment (PRI), which we signed in 2008. In 2014, we submitted our second PRI report and have been active in working groups. Engagement and proxy voting are key pillars of our ESG investment philosophy and key components of our fiduciary duty regarding corporate governance.

Further information

- ▶ eeef.eu
- ▶ aatif.lu

ESG approaches

Category*	Optimized for	Return	ESG themed selection	Exclusions	General ESG KPI excellence	Specific ESG KPI excellence	AWM ESG (examples)
1. Classical	Standard investments where mainly basic ESG standards apply, e.g. on governance	●					DWS Top Dividende
2. Thematic ESG	Investments into topics which relate to sustainability and ESG	●	●				DWS Water Sustainability
3. Responsible (SRI)	Avoidance of exposure to sectors and business practices an investor deems controversial	●		●			CROCI World ESG
4. ESG (best-in-class)	Preferential investments into corporations which excel generally concerning ESG	●			●		Postbank Dynamic Vision
5. Dedicated Impact	Select corporations delivering quantifiable social/environmental impact in particular ESG KPI	●	●			●	Africa Agriculture and Trade Investment Fund
6. Philanthropy	Similar to above, but return considerations are outweighed by the benefit generated		●			●	Eye Fund

*ESG Impact Instruments (wide definition).

ESG Head Office –
pillars of responsibility

ESG research

ESG governance

ESG innovation

Providing state-of-the-art ESG solutions

We established the ESG Head Office in 2013 as a central function serving the entire Deutsche Asset & Wealth Management (Deutsche AWM) division, including all portfolio managers. The office reports directly to the Chief Investment Officer. It is responsible for providing state-of-the-art ESG solutions to further improve our investment and risk management process, based on objective and leading ESG research.

The role of the ESG Head Office in the New Product Approval process emphasizes the importance of ESG integration throughout the whole Deutsche AWM platform. The office will analyze all products that require an NPA for ESG compliance, paying particularly close attention to products classified as ESG.

The ESG Head Office also offers the development of ESG products for broader investor audiences as well as tailored solutions for the specific ESG standards and requirements of single investors. The greatest challenge continues to be defining and setting common ESG standards that can be objectively reviewed for compliance. We are meeting that challenge by integrating data from external ESG agencies into our investment process. This allows a blend of objective and reliable external intelligence with solid in-house ESG expertise.

We use externally accepted standards such as

- the UN Global Compact
- the UN Principles for Responsible Investment (UN PRI)
- the UN Convention against Corruption
- the Geneva Additional Protocol II
- the International Labor Organization (ILO)
- the Convention on Cluster Munitions
- the Ottawa Protocol on Anti-Personnel Mines

to check compliance with norms and adopt a clear separation of duties between data collection and assessment. The externally sourced intelligence is translated into individual parameters which are used, for example, to define exclusions. The choice of parameters is subjective, but the application of the criteria is objectively based on international standards.

1,500

ESG factors

can be screened to
develop tailored products

Strengthening our research with a new ESG engine

Fulfilling our commitment to ESG integration, we have established best practice in our proprietary research framework, collaborating with relevant bodies such as PRI to develop this important area.

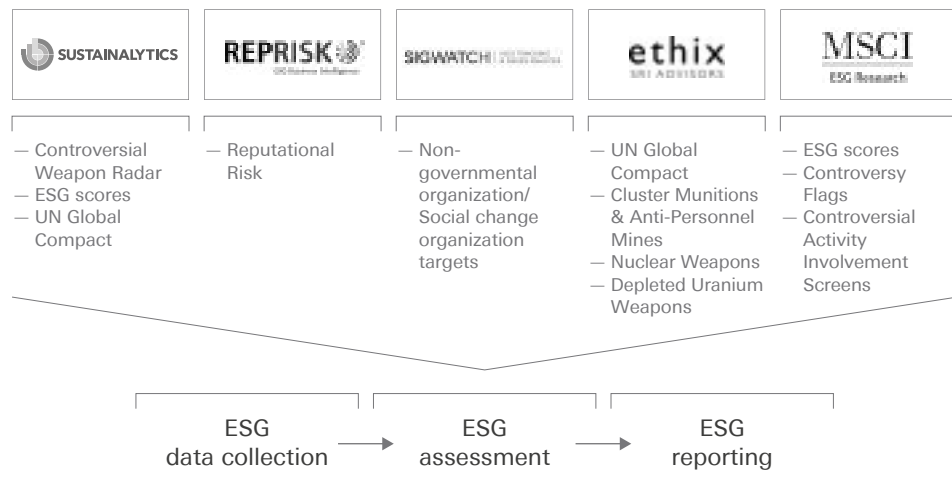
Since 2007, our ESG rating process has translated raw data from the ESG research provider Sustainalytics into an A–F rating. Sustainalytics provides us with approximately 200 ESG indicators for each of around 1,800 stocks in the ESG global research universe.

In 2014, we developed a proprietary software solution that:

- Uses several additional data providers, each with unique strengths
- Allows for standardized fully flexible negative screening that can be customized to mirror each client’s individual ethical framework
- Allows constant analysis and monitoring of corporate ESG behaviors
- Creates an investment overlay that easily blends active and passive strategies.

The so-called ESG engine is based on data from five leading external ESG data providers. They provide a variety of services, maximizing the expertise we source to provide optimum objectivity and reliability. We can screen for up to 1,500 distinct subsets of corporate ESG behaviors for more than 5,000 companies. This means we can develop ESG products tailored to the specific ESG standards of individual institutional investors.

External data providers



Sample ESG classes we currently test for

Controversial sector screening	Norm screening	Sovereign level screens
<p>WHAT products or services does the corporation offer?</p> <p>Is the product controversial under a particular ESG regime or could it be seen as beneficial?</p>	<p>HOW does the corporation conduct its business?</p> <p>Is it in breach of norms and standards (e.g. labor rights violations) or excelling (e.g. diversity programs)?</p>	<p>TO WHAT EXTENT is a country following leading international standards?</p> <p>E.g. Kyoto protocol or involved in controversial actions (e.g. military conflicts)?</p>
<ul style="list-style-type: none"> – Adult Entertainment – Alcohol/Hard Liquor – Anti-Personnel Mines – Birth Control – Civilian firearms – Cluster Munitions – Depleted Uranium Weapons – Gambling – Genetically Modified Organisms – Military/Defense Industry – Nuclear Power – Nuclear Weapons – Stem Cell Research – Tobacco 	<ul style="list-style-type: none"> – Animal Testing – Business Ethics and Corruption – Child Labor – Environmental Impact – Forced Labor – Governance – Human Rights – Labor Rights – Product Controversies – Reputational Risk/ESG Conformity – UN Global Compact Warnings 	<ul style="list-style-type: none"> – Environmental Compliance – Military and Conflict – Political System – Society

The ESG engine automatically assesses and ranks a corporation on several ESG classes and allows exclusions of companies with controversial involvement in relevant classes. The test can be tailored so it is up to the client to specify the issues we scan for, what defines a severe issue and how much evidence on the issue is required.

The tool creates an ESG rank on four levels in relation to controversial products or severe breaches of norms:

- Controversies – significant involvement
- Warnings – secondary involvement
- Unknown
- Confirmed no involvement

Exercizing responsible ownership

The ESG engine informs investment decisions, but we also subscribe to the PRI principle of continued engagement with investee companies.

We promote better corporate governance and responsible practices through dialog with companies and proxy voting. Our aim is to shape corporate strategy as well as monitor management performance. We expect companies to manage relationships with shareholders and stakeholders effectively, and to integrate environmental and social aspects into strategic planning and operations.

An active dialog provides a deeper understanding of companies and enables us to improve the investment process, which leads to better and sustainable long-term returns for our clients. Our engagement activities promote responsible business practices and address business risks associated with breaches of environmental and social regulations or internationally accepted norms. If a constructive dialog with company management is not successful, we will vote accordingly and may voice criticisms publicly.

We exercise voting rights according to a uniform and transparent process, and publish votes cast on our website. Voting decisions are defined by the legal framework, national and international best practice as well as widely accepted environmental and social standards. Our governance standards are geared to the guidelines of the International Corporate Governance Network.

Further information

► dws.com/corporate-governance

Innovating to create new products

We launched the first product using the new ESG engine in 2014. CROCI World ESG is a passive global equity fund created by applying an ESG filter to the established Deutsche Bank CROCI strategy.

Further information

► croci.deutscheawm.com

CROCI World ESG invests in companies that do not have a material negative environmental, social or governance impact. It excludes companies with severe violations of norms as well as those with significant involvement in controversial activities. ESG filtering excluded 10–20% of potential companies compared to the CROCI World, while both products have performed similar in 2014.

The following screening categories are applied to the CROCI World ESG:

- Controversial Conventional Weapons
- Nuclear Weapons and Defense
- Tobacco and Alcohol
- Gambling & Adult Entertainment
- Human & Labor rights Violations
- Forced & Child Labor
- Environmental Damage
- Corruption and Business Ethics
- High reputational risk

Further information

▶ db.com/cr/sustainable-asset-management

Managing Real Estate investment

We also incorporate ESG criteria in real estate investment strategies to preserve and enhance risk-adjusted returns, addressing the issues that are material to financial performance.

In 2014 we:

- Adopted an ESG screening process for all direct real estate acquisitions
- Expanded our Standards of Sustainability to cover the UK, in addition to the US and Germany
- Raised our weighted average overall score in the Global Real Estate Sustainability Benchmark (GRESB) to 54 (2013: 48) and earned a GRESB “Green Star”
- Received a Scope Award for our German open-end fund business
- Contributed to two thought leadership papers published by the UNEP-FI Property Working Group (PWG) on energy efficiency retrofits and sustainability metrics for commercial property

Assets under Management with a third party “green” label grew out by €1.2 billion, raising the total of €4.0 billion (2012: €2.0 billion).

Further information

▶ db.com/rreef

Impact investments Enabling prosperous communities

In brief

- An estimated US \$1.75 billion made available to microentrepreneurs since 1997
 - £10 million UK Impact Investment Fund catalyzes innovation and social change
 - 79 employees have advised non-profit organisations since 2008
-

In addition to integrating ESG factors in asset management, Deutsche Bank has a long history of working to enable disadvantaged communities to achieve economic success. Our efforts not only direct Deutsche Bank's own capital for this purpose but also structure opportunities for like-minded investors that are not currently being served by conventional capital markets. We are a recognized leader in supporting microfinance institutions – which in turn provide financial services to microentrepreneurs – and in facilitating community development projects in distressed urban areas. Deutsche Bank's funds under management in this impact investment portfolio exceeded US \$1.5 billion in 2014. Whenever possible, the Bank cooperates with others to increase the scale of its activities and in certain instances involves employees as pro bono consultants for community partners. Within the Bank's *Corporate Community Partnership* program, 79 employees have been seconded to microfinance institutions and other non-profit organizations on short-term assignments since 2008. In the course of their stay that lasts several weeks, they help establish self-sustaining social and economic structures. Typical tasks include project management, IT system improvement, finance and marketing.

Deutsche Bank was the first global bank to launch an investment fund supporting the microfinance sector in 1997. Since then, we have pioneered standards to promote ethical behavior in the industry and protect its clients. We have lent approximately US \$330 million to over 130 microfinance institutions in 51 different countries, seeding an estimated 3.9 million loans for microentrepreneurs worth an estimated US \$1.75 billion.

In addition to supporting microfinance institutions, we have created funds that pursue specific development goals. Deutsche Bank's Essential Capital Consortium II, which closed in 2014, provides flexible debt financing that supports the growth of social enterprises in poor communities. The US \$50 million fund, of which Deutsche Bank invested US \$5 million, focuses on three sectors that can have a direct impact on the poor: energy, healthcare, and "Base of the Pyramid" financial services.

In 2014, for the first time, we launched an opportunity for employees to participate in our social finance activities, in partnership with the non-profit organization Kiva. We provided every US employee with US \$25 to facilitate a loan to a microentrepreneur of choice. Kiva aggregates these loans – US \$193,025 in total, based on 60% participation – and delivers them to field partners in more than 70 countries. We have also extended the program to France, where almost 80% of local Deutsche Bank employees have subscribed to the offer, and will roll it out globally in 2015.

An estimated
3.9
million microloans
have been facilitated by
Deutsche Bank since 1997

Over
3 billion
people
in developing countries
cook on open fires, often
within small homes

In the UK, the *Deutsche Bank Small Grants Fund* has distributed over £750,000 to local initiatives since it began in 2006. In cooperation with our partners, the Community Foundation for Merseyside, Foundation Scotland and the London Community Foundation, Deutsche Bank employees decide on the recipients. In 2014, the Fund provided 31 grants to initiatives that benefit young people (e.g. *WORLDwrite*, Hackney and *Sport 4 Life UK*, Birmingham). Endowments that support local causes currently attract 50% match funding from the Government.

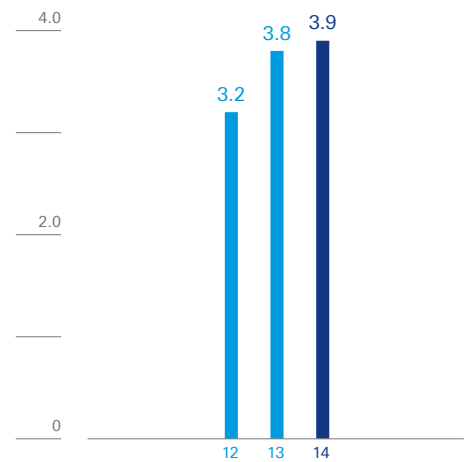
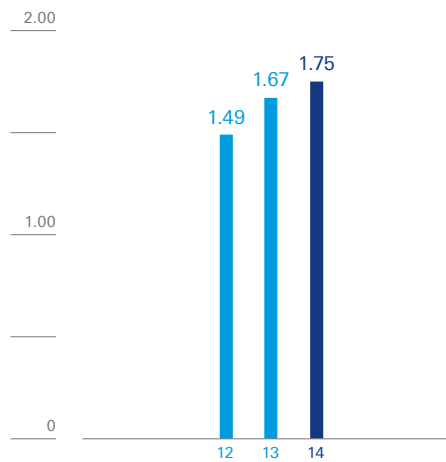
The US \$4 million *Clean Cooking Working Capital Fund* supports social enterprises that manufacture, sell, and provide safe fuels. In partnership with the Global Alliance for Clean Cookstoves, development finance institutions and private investors, the goal has been defined to facilitate the establishment of a US \$100 million second stage fund that further helps these companies reach scale. The Alliance aims to replace traditional stoves and open fires in developing countries, which create indoor air pollution that is responsible for four million deaths a year. Similarly, the £10 million *Impact Investment Fund* helps to close the financing gap for social enterprises in the UK. In 2014, it invested £1 million in the UK's first social impact bond fund which raised £25 million. The Fund supports early intervention schemes that aim to address the root causes of social disadvantage. In Italy, the new *Fondazione Deutsche Bank* launched its first social bond, raising €100,000 for the food bank *Banco Alimentare* that collects and redistributes food free of charge every day to almost 9,000 charities.

In 2015, we plan to further increase our impact investments portfolio and to establish new conduits to support start-up enterprises.

Microfinance

Estimated cumulative financing to micro-borrowers, in US \$ bn.

Estimated cumulative number of microloans financed since 1997, in m.



Further information

- ▶ db.com/cr/microfinance
- ▶ db.com/cr/community-development

Business with companies

Financing the low-carbon economy

In brief

- Lead manager for several Green Bond issues
 - More than €978 million allocated to clients' renewable energy projects
 - Support to the development of the concept for a Sustainable Shipment Letter of Credit
-

Our corporate clients operate in all sectors of the economy. We provide them with direct financing and access to capital markets and offer risk management for adverse movements in prices, currencies or interest rates. Our clients can have positive and negative impacts on society and the environment. Our banking services and products aim to support their business while mitigating potential negative impacts. [Page 27](#) In this context, financing the transition to a low-carbon economy is vital.

Achieving low-carbon growth is essential to counter the risks of climate change. The latest report by the United Nations Intergovernmental Panel on Climate Change (IPCC) emphasized the urgency. Failure to reduce carbon emissions will increase the likelihood of severe, widespread impacts on the environment and on economic development. A reliable, clean energy supply is critical.

For the first time, the IPCC has estimated the required shift in energy investments over the next 15 years. Investment in low-carbon electricity supplies needs to increase by US \$147 billion (double the level in 2010). Energy efficiency investments in transport, industry and buildings are also important and are projected to rise by about US \$336 billion a year.

The private sector will play a significant part in this transition. It creates a substantial market with important environmental and economic benefits which Deutsche Bank is well-placed to serve.

Further information

► ipcc.ch/report

Raising capital to benefit the environment

Green Bonds offer a novel way to unlock the capital for projects that benefit the environment and society. They use the debt capital markets to raise funds for investment in developments such as renewable energy, energy efficiency and clean water. These bonds were initially issued by multilateral organizations such as the World Bank, but companies have become increasingly active.

Continued growth in this market requires clear definitions. At the beginning of 2014 Deutsche Bank joined twelve other major financial institutions in supporting the Green Bond Principles which provide a framework for integrity and transparency of this product. They set out requirements for designating, disclosing, managing and reporting on capital raised from a Green Bond. This ensures that the funds will make a difference for people and the environment.

Green Bonds co-managed by Deutsche Bank

Issuer	Amount
European Investment Bank	CHF350 m. €250 m. £750 m.
KfW	€1.5 bn.
Unibail-Rodamco	€750 m.
Unilever	£250 m.
Vornado Realty Trust	US \$330 m.

The clarity provided by the Green Bond Principles helped the market to grow quickly. 80 financial institutions and issuers became signatories during 2014. A total of 35 labeled Green Bond issuers raised a total of US \$36.6 billion in 2014, up from just US \$11 billion in 2013. The Green Bond market is forecasted to reach US \$100 billion in 2015. Deutsche Bank was involved in several Green Bonds. We also managed the first ever securitization of loans for residential energy efficiency. Two bonds raised US \$233 million to retrofit over 12,000 homes through California's Property Assessed Clean Energy (PACE) – a mechanism for financing improvements such as home insulation and solar panels on private property. With more than 31 US states having passed the necessary legislation, this could be a critical mechanism for financing energy improvements in large numbers of homes.

Raising funds for Unilever's green ambitions

In 2014, Deutsche Bank helped the leading global consumer products company to raise £250 million in the first sterling corporate Green Bond issue. These funds will be used to support Unilever's Sustainable Living Plan – its blueprint for sustainable growth. Projects will reduce energy, water and waste in factories in South Africa, China, Turkey and the US. One project is developing "Lean & Green Freezer" cabinets, changing refrigerants to significantly reduce greenhouse gas emissions.

The funds raised by the bond can only be used for projects that reduce water use, waste generation or carbon emissions from energy by 50% for new factories and 30% for existing sites.

Further information

► db.com/cr/green-bonds

€978
million

allocated to clients'
renewable energy projects

Financing renewable energy

For the first time in three years, global new investment in clean energy increased in 2014, growing by 16% to reach US \$310 billion. The investment outlook continues to be promising, but there is wide variation in the technologies. Wind energy investment has been restricted by policy uncertainty in many countries. But studies suggest the world is experiencing the second solar energy growth spurt. Research by our market analysts concludes that solar is currently competitive without subsidies in at least 39 countries/regions globally. We expect more markets to reach this “grid parity” as prices fall further.

Our finance and advisory services support clients developing, acquiring and selling low-carbon businesses and assets. In 2014, Deutsche Bank allocated more than €978 million (2013: €783 million) to clients' renewable energy projects. We advised and provided financing to projects with a total capacity of more than 1,793 MW, worth more than €4.3 billion. According to Bloomberg New Energy Finance, we were the sixth largest private sector financier of renewable energy projects globally. We were also the third largest public markets co-lead manager, helping clean energy companies to raise more than US \$5.1 billion of capital through the equity and debt capital markets.

Significant deals in 2014 included:

- Multiple key lead roles in a €2.8 billion deal to finance the second-largest offshore wind farm in the world. The 600 MW Gemini offshore plant in the Dutch North Sea will supply almost 800,000 households and reduce Dutch CO₂ emissions by 1.25 million t a year. Gemini was Project Finance International's European Power Deal of the Year.
- Agreeing a ¥11 billion (€81 million) loan to finance construction of a large-scale solar farm in Japan, developed by Gestamp Solar. The plant will generate enough power for 10,000 households.
- Helping the leading electric vehicle company Tesla Motors raise US \$2.3 billion in convertible bonds in two deals. Deutsche Bank was one of the joint book-runners, raising US \$575 million. This capital will assist the company in building a large new electric battery factory.
- Providing €186 million bridge loan to the Klettwitz wind farm in Germany to refinance an existing loan and to finance the upgrading/repowering of the wind farm.
- Raising capital for the leading US solar technology company SunEdison with two equity block trades and a convertible bond that raised US \$842 million. Deutsche Bank also started to provide our third revolving credit facility to support SunEdison in developing and acquiring new projects in North America.
- Providing a variety of trust and agency services for renewable energy investments. In 2014, we supported renewable energy deals with a total value of US \$4.2 billion.

Promoting action to reduce carbon emissions

Deutsche Bank is a member of the Banking Environment Initiative, which worked with the Consumer Goods Forum (CGF) to develop a Sustainable Shipment Letter of Credit. CGF is a consortium of consumer goods companies that has committed to stop net deforestation by 2020. It has set deadlines by which members will only buy commodities produced in line with sustainability standards.

The new Letter of Credit is only available for goods which meet such standards. It can be used by banks to incentivize trade in sustainably produced commodities. The International Finance Corporation will offer trade finance banks preferential rates for transactions using a Sustainable Shipment Letter of Credit.

Carbon neutrality

To reduce emissions from the energy we use in our offices, we invest in energy efficiency measures and purchase electricity from renewable sources. We offset the remaining net-GHG-emissions [page 87](#) by buying and retiring certificates from high quality emission reduction projects. Our business operations have been carbon neutral since 2012.

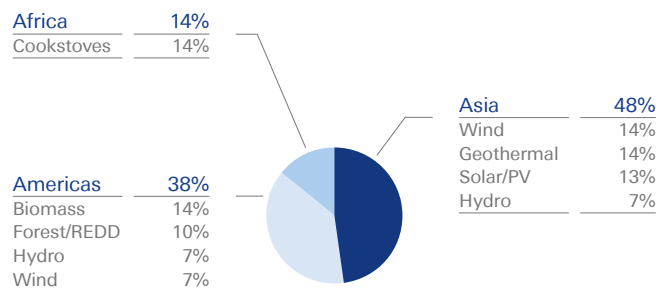
Reputable service providers purchased and retired emission reduction certificates in the voluntary carbon market on our behalf. In 2014, all nine of the offsetting projects we invest in comply with the widely recognized Verified Carbon Standard. Some also comply with additional standards such as the WWF Gold Standard or Social Carbon Standard.

The projects support climate change mitigation and economic development in Africa, the Americas and Asia in a range of ways (see chart). More than 75% of the emission reductions in 2014 were from renewable energy,

including an award-winning project distributing fuel-efficient cookstoves to households. Another project restores degraded land by planting sustainably managed rubber trees.

Carbon neutral offsetting portfolio

Regional split and supported projects, rounded in % of total offset portfolio



Further information

► db.com/cr/carbon-neutrality

Other collaborations in 2014 to develop sustainable finance include:

- Working with the Energy Efficiency Financial Institutions Group on ways to scale up finance for energy-efficient buildings. The study concluded that despite the importance of energy efficiency, current investments are less than half what is needed to achieve Europe's 2020 energy efficiency targets. Recommendations included improving data on energy consumption and costs as well as strengthening building energy standards and processes for Energy Performance Certificates. The report had a significant impact on the European Commission's policies.
- Joining more than 1,000 businesses and 44 countries supporting the World Bank's "Putting a Price on Carbon" campaign. Signatories pledge to work for a carbon price applied throughout the global economy. We believe this will increase low-carbon investment and encourage innovation.
- Signing the New York Declaration on Forests, a non-binding political declaration supporting a global timeline to restore forests and cropland and to cut natural forest loss in half by 2020 and strive to end it by 2030. The statement was signed by 27 national governments, eight sub-national governments, 16 indigenous peoples groups, 45 non-governmental organizations and 34 companies from the consumer goods, commodity production, investment and banking sectors.

The business opportunities in low-carbon growth

The next 15 years will see around US \$90 trillion invested in infrastructure in the world's urban land use and energy systems – an average of US \$6 trillion per year. The nature of these investments will shape future patterns of growth, productivity, living standards and the world's climate system.

This planned infrastructure investment can support the transition to a low-carbon economy with only a modest additional cost, according to the New Climate Economy, which is the flagship project of the Global Commission on the Economy and Climate, a major international initiative with Deutsche Bank participation. It aims to help governments, business and society make better-informed decisions on achieving economic prosperity and development as well as addressing climate change.

The New Climate Economy report 2014 estimates that a combination of renewable energy, investment in fossil fuels, more compact cities and more efficiently managed energy demand would increase investment requirements by only US \$27 billion a year – less than 0.5%. And the higher capital costs could be fully offset by reduced operating costs such as lower fuel expenditure. Many low-carbon policies also deliver other benefits, including greater energy security, less traffic congestion and air pollution, stronger resilience to climate change, and reduced poverty.

Investing in a low-carbon economy is a cost-effective form of insurance against climate risk.

Engaging with our clients on ES issues

We consider risks to both communities and the environment as we support clients in various sectors. We actively promote and support renewable energy. However, we are aware that although this is a positive step in tackling climate change, renewable energy infrastructure may involve risks to people and the environment which must be managed appropriately.

Case study: Hydro power

Background

Hydro power is one of the key sources of renewable energy, but can also cause negative impacts. For example, large hydro projects may result in large-scale resettlement, lower water quality and biodiversity loss.

Deutsche Bank was asked to structure financing for a large hydro project in Africa.

ES risk evaluation

We evaluated the project proposal and applied our Environmental and Social (ES) Risk Framework. We then proposed measures to comply with our internal requirements for hydro power projects. The risk evaluation process involved:

- Reviewing the Environmental Impact Assessment carried out by a local consultant on behalf of the client
- Selecting independent international environmental and technical consultants to carry out due diligence in accordance with international standards such as the International Finance Corporation performance standards, the World Bank environmental, health and safety guidelines and the Equator Principles
- Setting up a site visit with the client, advisors and stakeholders including Export Credit agencies
- Agreeing an ES plan based on the due diligence conclusion that: “virtually none of the gaps and deficiencies are considered material, and can be addressed in the short to medium term”

Findings and actions

The high quality of the local ES impact assessment provided a basis for taking the project forward. However, areas still requiring action were identified: community engagement, biodiversity protection, and dam safety.

The advice of an international advisor was key for improving on community consultation, supporting the development of a formal resettlement action plan, and assessing the cumulative impacts of the project.

Our site visit with several stakeholders enabled us to address outstanding issues, meet affected communities, project owners and developers, and align the requirements of all the parties involved in the project.

Decision and follow-up

We approved the project with the condition to implement improvement measures and to establish monitoring by an independent consultant.

»Boosting the innovative potential of our diverse staff through inclusive leadership supports our strategic objectives of competing at the highest levels globally and understanding our client and stakeholder needs.«



Deutsche Bank's Head Office is located in Frankfurt am Main, the most important financial center in Continental Europe. About 10,400 people from 75 nations are based here.

Leveraging strengths, rising to the challenges, earning trust

Gülabatin Sun, Frankfurt am Main
Global Head of Diversity and Inclusion,
Deutsche Bank AG.



3

Our People and Society

65 Employees
Embedding our values and beliefs

74 Corporate citizenship
Tackling key social challenges

Employees

Embedding our values and beliefs

In brief

- Instilled our new corporate culture through our human resources processes
 - Female representation increased in leadership positions
 - Adaptation of reward structures to meet the latest legislative requirements
-

With increasing competition worldwide, attracting and retaining the best talent has never been more important. In an environment of rapid change, Deutsche Bank aims to be an attractive global employer in the financial sector. We are pursuing this goal through our strategic Human Resources agenda.

We have embedded our values and beliefs in our recruiting, interviewing, and on-boarding processes as well as development activities.

In 2014, we focused on engaging employees throughout Deutsche Bank with what these values mean in practice. We encourage visible and measurable changes in behavior as well as in policies, processes and practices. Workshops across Deutsche Bank aim to engage small groups and reinforce the need for alignment and change, while also identifying opportunities to drive business performance.

Adherence to the values and beliefs now accounts for 50% of individual performance ratings, and is a determining factor in promotion decisions. Alongside this, additional elements of compensation have been aligned to encourage, reward and support the right behaviors as well as sanction wrong behaviors. This includes

- Adding key metrics related to the values in the year-end compensation process for members of the Management Board and employees in all divisions
- Developing a global approach to disciplinary practice
- Aligning the suspension, Red Flag and performance management processes to the disciplinary process and the year-end review

To recognize employees who achieved exceptional business outcomes while demonstrating Deutsche Bank's values, we launched the *Living the Values Awards*. Out of 100 employees who were considered for an award, ten teams were ultimately honored for their work in 2014.

>400

Managing Directors participated in two-day culture seminars to date (90%)

Seeking employee feedback

The Deutsche Bank People Survey provides valuable insights into our employees' understanding of our culture. In 2014, we updated the People Survey to reflect our values and beliefs and to gauge adoption of our Operational Excellence (OpEx) program. Over 60,000 employees – 58% of our workforce – responded, with Postbank participating for the first time.

Since the last survey in 2012, our employees have experienced difficult market conditions and a fluctuating share price. Against this backdrop, they have reported in the latest survey that while we are making progress in building and strengthening a shared culture, much remains to be done. Of the respondents, 82% were familiar with our values and beliefs. Meanwhile, 35% have experienced changes in behavior.

Commitment levels remain in line with the financial services benchmark and employees said they felt more able to use their skills and abilities (68%, up from 64% in 2012). These findings will continue to influence our actions directly in 2015.

Attracting and retaining employees

In 2014, we began to apply a more consistent approach to the hiring, training and management of graduates across different divisions and locations to meet Deutsche Bank's junior talent needs. This will improve efficiency while positioning our graduates as a pool of available talent for the future.

In July 2014, 751 graduates joined Deutsche Bank across all businesses and infrastructure functions, 19% more than in 2013. A further 522 interns joined Deutsche Bank's summer internship programs.

By strengthening our social media presence, we have seen significant increases in engagement. For example, since March 2014, LinkedIn followers have grown by 59% and Facebook followers more than doubled. An online employer branding campaign targeting junior professionals generated over 35,000 visits to our website. This integrated approach to building our reputation as an employer has improved the position of the brand in many global and regional rankings. Deutsche Bank was ranked 18th of the world's 50 most attractive employers in Universum's Ideal Employers global rankings – our best performance to date (2013: Ranked 28). We are investing in the professional and personal development of our employees and managers to motivate our people and maximize their capabilities.

Further information

▶ db.com/careers

Regulatory requirements

With increasing regulation, it is critical that we make the most of our existing expertise while combining this with external experts in the relevant areas. In 2014, we hired more specialists in areas such as Compliance, Legal and Risk. We have implemented a range of activities to ensure a steady pipeline of qualified candidates and successful recruitment results.

Training

A governance framework for the procurement of training services for all employees ensures expenditure on training and offers more accessible and innovative learning methods. Our total investment in training decreased by 4% to €82 million (2013: €86 million), in line with targeted OpEx savings. However, no less training was delivered: training was simply delivered more cost effectively, e.g. optimizing use of vendors and the delivery of training. Despite the decrease in expenditure, attendance increased by 8.5%. In 2014, we noted a marked increase in compliance training attendance at 74% of total training attendance with a cost effective budget of €500,000.

We continue to align our key flagship leadership and management programs, such as the *Infrastructure Global Director Talent* program and the *Developing Leaders* program. These programs are designed to cultivate a pool of inspirational leaders who can responsibly drive our business and execute our strategy. These are complemented by the *Leading for Performance* program for Managing Directors and Directors, which has been established across Deutsche Asset & Wealth Management, Global Transaction Banking, and Corporate Banking & Securities.

Leadership and talent management

The role of leaders in inspiring and engaging their employees has never been more important. In 2014, Deutsche Bank developed a new framework for senior leadership development. This is designed to strengthen Deutsche Bank's leadership capabilities and support career mobility, succession planning and development activity.

The suitability of current and future employees in what regulators consider to be "key risk positions" is of increasing importance. We have taken proactive measures to ensure we have a pool of senior executives prepared to lead in the future. This included the development of a new Leadership Capability Model, which defines our expectations for such roles. Our Leadership Diagnostic tool provides rigorous developmental feedback to our Senior Leadership Cadre and is aligned to the Leadership Capability Model. In 2014, 69 senior leaders took part.

Senior appointments are centrally coordinated to ensure the most qualified and suitable talent is readily identified for critical positions. This is closely linked to the succession planning approach, and supports cross-divisional mobility, career development, retention of key talent and greater progress for women in leadership. Half of top management internal appointments were cross-divisional moves and around 63% of internal candidates were sourced from Deutsche Bank's succession plans. Furthermore, 25% of all Senior Leadership Cadre appointments were female Managing Directors.

The internal career mobility awareness campaign, launched in 2013, saw positive results in the Asia Pacific region with rate of internal fill increasing from 27% in 2013 to 36% in 2014. This trend is mirrored globally.

25%

of all Senior Leadership
Cadre appointments
were female Managing
Directors

145

nationalities
at Deutsche Bank



Cultural diversity:
~70% of all nations
are represented in
Deutsche Bank

Fostering a diverse and inclusive workplace

Deutsche Bank recognizes the value of a diverse and inclusive organization. We aim to instill this culture within our organization through Diversity Strategy 2.0.

Deutsche Bank's Group People Committee, led by our Co-CEOs, was formed in 2013 to steer and govern Bank-wide strategic talent practices. In 2014, the Committee's remit expanded to provide guidance on diversity objectives for business units. These objectives aim to increase the accountability of regional Diversity Councils. In 2014, we expanded coverage by creating a UK Diversity Council comprised of senior leaders. Diversity Councils are now established in all regions.

We have increased female representation in senior management positions across Deutsche Bank. Notably, we have appointed two female executives to the Group Executive Committee (GEC). Since 2010, the number of female Managing Directors and Directors has increased by 260 (17%), comprising 19.4% of all employees with those corporate titles. Similarly, the number of female officers has grown by about 2,200 (18%), now accounting for 31.7% of all officer positions.

Programs to support women in leadership positions continue to thrive. Since its launch in 2009, 42 women have participated in the award-winning *Accomplished Top Leaders Advancement Strategy* (ATLAS) program for female Managing Directors: 56% of the active alumni have been promoted at least once and 13 participants are now members of global or regional business Executive Committees. In June 2014, 37 female Directors participated in the fifth *Deutsche Bank Women Global Leaders program* for female Directors at the INSEAD Business School. In 2014, we extended the workshop *Managing Unconscious Bias* for Managing Directors and Directors in more regions of Germany, so that senior leaders have greater opportunity to take part. We have also placed a renewed focus on our global e-learning program, *Great Minds Don't Think Alike – The power of different perspectives*. More than 6,000 employees have already participated in the e-learning program. Both programs will be continued.

There has been no increase of the percentage of female executives on Supervisory Boards. In 2014, the proportion of female membership on Regional Advisory Boards increased to 8.5% and the proportion of women has therefore doubled since the launch of the initiative in 2011.

Fostering awareness

Diversity and inclusion are embedded in our people processes. For example, diversity objectives for managers were formulated to ensure investment in diverse talents and to foster diversity awareness and inclusive leadership. Diversity and inclusion related questions were integrated into the Deutsche Bank People Survey.

Our efforts to implement the Diversity Strategy 2.0 are regularly communicated to all employees. Every year we celebrate a global diversity week – the focus in 2014 was about creating *A Culture of Inclusion*. During the event, GEC members and senior managers from different businesses shared experiences and demonstrated their contribution to a culture of inclusion. Participation in 2014 increased considerably with 20,000 employees taking part in 250 events around the world, up from just 6,000 employees in 2011.

Strong link between reward and individual performance

Rewarding our employees

With an increased focus in our industry on risks and rewards stemming from regulatory changes, public scrutiny and our own cultural change initiative, Deutsche Bank has implemented a clearly defined and documented reward strategy which embodies Deutsche Bank's values and beliefs. In 2014, cultural and control elements have been integrated more comprehensively into the compensation systems, putting a greater emphasis on the link between pay and performance.

The Capital Requirements Directive IV (CRD IV) that came into effect on January 1, 2014 is applicable to EU-headquartered institutions globally. The headline measure, limiting fixed to variable compensation ratios to 1:1 (1:2 with shareholder approval), is applicable to compensation in performance for the year 2014. While CRD IV applies the maximum ratio to so-called material risk takers only, the "Institutsvergütungsverordnung" (InstitutsVergV) and the German Banking Act extend this to all employees globally. Deutsche Bank is fully cognizant of the regulatory changes and is fully compliant with the new requirements. At our Annual General Meeting on May 22, 2014, shareholder approval was granted to increase the ratio to 1:2 (individuals within defined control functions are treated at 1:1). To ensure that total compensation levels remain competitive, we have adjusted the compensation structure of individual cases, for example, through rebalancing from variable to fixed compensation.

Variable compensation governance

For many years, Deutsche Bank has used variable compensation to incentivize, reward and retain high-performing employees. At a senior level, Deutsche Bank is committed to ensuring that a large portion of any variable compensation award is linked to the long-term development and performance of the Bank. A structured deferral of a minimum of three years, with robust performance conditions and forfeiture provisions is used. As of February 2014 a number of enhancements to these provisions were made for deferred awards, which have been maintained for February 2015 awards. A robust and effective governance structure ensures that Deutsche Bank operates within the clear parameters of its compensation strategy and policy. In 2014, improvements to the governance structure focused on the remit and work of the Group Compensation Oversight Committee (GCOC), and delivered a strengthened and streamlined governance process. A key achievement is the improvement of the documentation of individual variable compensation allocation decisions and increased emphasis on the importance of culture considerations.

Further information

► db.com/reports

20,000

employees from
31 countries
participated in
Global Share
Purchase Plan

Further information

► berufundfamilie.de

Employee benefits

We provide a comprehensive range of benefits that add value for our employees and support their personal and professional development, including around 900 employee benefit programs.

Approximately 20,000 employees from 31 countries participated in Deutsche Bank's Global Share Purchase Plan in 2014. In Germany, 56% of the eligible workforce took part, along with more than 36% in other countries where the plan operates. The plan provides employees with the opportunity to purchase Deutsche Bank shares in monthly installments. At the end of the purchase cycle, Deutsche Bank matches the acquired shares up to a maximum of ten free shares.

We honor our loyal employees through Long-Term Service Awards, which were globally harmonized in 2014. The new scheme is applicable for new joiners and provides grandfathering to existing staff. In Germany, a voluntary buy-out was offered to approximately 22,000 staff of whom 33% accepted. Those who took up the offer received the discounted value of their grandfathered service awards in advance while Deutsche Bank was able to lower provisions for this benefit and reduce exposure to revaluation of these provisions due to changing discount rates.

Balancing work and non-work commitments

A good work-life balance as well as physical and mental well-being ensures employees can effectively contribute their skills and competencies and deliver exceptional performance. Where possible, we provide flexible working arrangements that include opportunities to work from home, part-time, and in job-shares.

Part-time employment

In Headcount	2014	2013	2012	2011	2010
Part-time employees	14,213	14,220	13,843	13,510	13,644
In % of total staff	13.2%	13.2%	12.8%	12.2%	12.3%

Part-time employment by region

In Headcount, 2014	Americas	APAC	Europe*/ Middle East/ Africa	Germany	UK
Part-time employees	38	46	1,188	12,597	344
In % of total staff	0.4%	0.2%	7.8%	23.6%	3.9%

*Europe excluding Germany and UK.

Part-time employment reflects regional labor market.

In Germany, about 90% of employees return to work after parental leave and an increasing number of male employees are now taking paternity leave.

Return to work after parental leave

In Headcount, Germany	2014	2013	2012	2011	2010
Female	575	589	578	581	607
Male	427	324	280	231	174

Excluding Postbank.

About
90%
of employees
return to work
after parental
leave, in Germany

Deutsche Bank continues to be certified as a family-friendly company by the Hertie Foundation. In 2014, we increased the number of childcare places worldwide near workplaces to 475, from 400 in 2013. In Germany, the UK and the US we provide more than 5,600 emergency care days for children every year. For parents returning from maternity or paternity leave, we fund workshops and other advisory services in many locations.

Partnering with employee and employer representatives

Following the elections of works council and the committee of executive employees, we continue to cooperate on the basis of neutral trust. Our business is changing and so are roles and responsibilities across Deutsche Bank. As a result, some positions may no longer exist. In such cases, we support the affected employees in finding a new position within Deutsche Bank or on the external labor market.

We maintain a constructive dialog with all our employee representatives and trade unions and interact in partnership and in a spirit of trust. Together with employee representatives, we seek solutions that best align the interests of employees possibly affected by labor-law measures and Deutsche Bank, while ensuring full transparency. This includes adhering to all local statutory and regulatory requirements as a matter of course.

Further information

 Human Resources Report, page 37

Almost
17,000

employees volunteered
more than 190,000 hours
in social projects

Employee engagement
drives overall performance

10% improved
client ratings

21% improved
productivity

22% improved
profitability

Source: Gallup 2013.

Engaging employees

Corporate volunteering improves employee morale, increases motivation and enhances job satisfaction. A recent study commissioned by the City of London even underpins that volunteering is a hugely valuable way to develop skills. Learning through experience sets this method apart from more traditional approaches to training. Deutsche Bank has actively supported employee volunteering and charitable fundraising for more than 20 years. Employee engagement has become firmly embedded in our corporate culture. In 2014, almost 17,000 employees (21% of global staff) volunteered over 190,000 hours of their time. 94% of current volunteers say they are likely to get involved again. 55% of employees who do not currently volunteer say they intend to do so in the future. Staff loyalty among corporate volunteers is 11% higher than the average.

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Increasingly, the focus of our volunteering agenda is to leverage employees' skills and knowledge, and to make them available to community organizations. In 2014, Deutsche Bank mentors, coaches or consultants offered over 62,500 hours of skills-based volunteering around the world.

The *Engagement im Gallus* initiative has enabled the first upper high school grades in this Frankfurt district. *Patenschaftsmodell Offenbach* celebrated its tenth anniversary: to date, 260 students have been matched with 80 mentors, including 24 Deutsche Bank employees. A role-model initiative in the UK is *STEMettes*, which was set-up by one of our employees in 2013. It addresses the issue of declining numbers of women working in science, technology, engineering, and mathematics (STEM) by organizing events, webinars, exhibitions, and mentoring for girls in elementary and secondary schools. 30 female Deutsche Bank employees have been matched with students aged 16 and over through a new initiative called *Student to STEMette* where they share their experience, personal networks, industry knowledge, and journey to employment. Together with *I'mPOSSIBLE*, a social enterprise supporting women from ethnic minorities, we developed this initiative further by offering six work experience placements within our Group Technology & Operations function.

Leveraging skills and networks to support non-profits

We encourage our employees to make their professional skills available to charitable organizations, microfinance institutions, social businesses, academic institutions, and foundations. Through the global *Corporate Community Partnership (CCP)* program, Deutsche Bank managers are matched with non-profits in developing and emerging countries. Since 2008, the program has sent 79 employees to assist in 25 initiatives in Africa, Latin America, and Asia. In Germany, the *Partners in Leadership* initiative matches our managers with school administrators who are increasingly facing challenges of human resources and project management, among others. We have supported the program since 2006, and 25 employees have become part of a one-year tandem in 2014, thus contributing to promoting the quality of education.

Over
€12.5
million

is the total sum of the
Matched Giving programs
(added donations from
employees and
Deutsche Bank)

Deutsche Bank also started the first joint capacity development activities with the Gesellschaft für Internationale Zusammenarbeit (German Development Agency) in Myanmar. And from 2015 onwards, Deutsche Bank employees will support NGOs in South Africa within the *Alternate Income Generation* project that we developed in close cooperation with TSiBA.

Rising to the challenge

Our Team Challenge program encourages employees to offer hands-on support to drive tangible progress in their local community. In 2014, 7,933 employees made a difference in more than 1,100 projects worldwide. The team challenges are an integral part of the curriculum of our apprentice and internship programs. Employees can also propose their own project ideas through the *Initiative Plus* scheme. The second annual Deutsche Bank's *India Volunteering Week* saw more than 950 employees get involved with 50 initiatives, contributing over 5,000 volunteering hours. The global Group Technology & Operations (GTO) initiative, *GTO Cares: Be the Change*, mobilized 1,731 employees to give over 10,000 hours of their time. In Frankfurt, around 300 employees volunteered for eight consecutive weeks in two local soup kitchens.

Fundraising for charities

Deutsche Bank employees are equally committed to raising funds for non-profit organizations. Our established *Matched Giving* programs in the US, the UK, South Africa, and Australia generated a total of more than €12.5 million in 2014. The employee-chosen *Charities of the Year* programs in the UK and Australia, and the *Donate One Day* program in Singapore rally colleagues to provide small charities with unrestricted funding. For the first time in 2014, the UK and Australian programs were aligned with the Deutsche Bank's *Born to Be* mission: to help young people fulfill their potential. [Page 75](#)

In our largest sporting fundraising event, *DeutscheBike*, 160 employees challenged themselves to tackle up to a 300 mile stretch of the 2014 Tour de France UK route. An incredible £250,000 was raised to support the two UK *Charities of the Year* – *Rainbow Trust Children's Charity* and *Malaria No More UK*. In Australia, employees and clients supported the crowdfunding project *Females for Finance* of Australia's Charity of the Year, The Smith Family, which helps young people. Deutsche Bank colleagues in Dubai raised funds to support the international medical charity Operation Smile.

Towards 2015

In 2015, we will build on our achievements and launch the *RestCent* initiative, which will enable employees in Germany to round down their net salary to the nearest euro and donate the extra cents to charitable projects. The first proceeds will go towards scholarships for disadvantaged students, thus supporting the *Born to Be* agenda.

Further information

- ▶ db.com/volunteering
- ▶ db.com/bornto

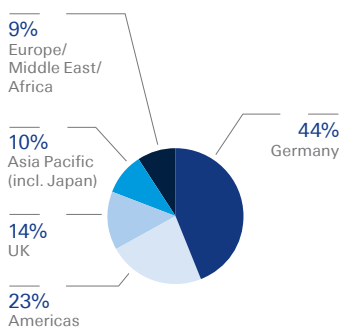
Corporate citizenship Tackling key social challenges

In brief

- More than 5.8 million people reached through our corporate citizenship programs in 2014
- Born to Be initiatives have helped more than 1 million young people to build their potential
- Social projects touched the lives of 1.6 million people around the world

Corporate responsibility investments

Regional split, €80.5 million in total, in %



People expect banks to embrace the highest ethical standards and live up to their responsibility for society at large. By meeting these expectations, we can better connect with society, boost employee and client loyalty, and build trust among key stakeholders. Our corporate citizenship initiatives tackle key social challenges, engage important stakeholders, and thus contribute to Deutsche Bank's long-term business performance.

Our long-standing commitment as a corporate citizen demonstrates how Deutsche Bank and its employees combine a culture of performance with a culture of responsibility. Our initiatives focus on removing barriers to education and personal development, and on enabling communities and economies to prosper. We also make cultural experiences available to wider audiences. Whenever possible, we partner with non-profit organizations, renowned institutions, and the public sector. Employee engagement and public advocacy maximize our impact.

With a total investment of €80.5 million in 2014, Deutsche Bank, together with its foundations, continues to be among the world's most active corporate citizens. Around 17,000 employees volunteered over 190,000 hours of their time, offering their skills and knowledge to strengthen community organizations and their beneficiaries.

Corporate Citizenship – Governance Principles

Deutsche Bank views corporate citizenship as an investment in society and in the future success of the company. The cornerstones of our strategy are laid out in the Group Principles for Corporate Citizenship, which constitute the mandatory operating framework for all Deutsche Bank Group companies, their employees and external partners acting on their behalf. These principles are underpinned by dedicated Group policies and procedures for: donations, memberships, sponsorships, volunteering, art, etc. All governance documents are available to employees in the Bank's policy portal. The Corporate Citizenship function must be involved whenever new projects are

launched. Proposals are evaluated based on a standardized governance framework and, depending on the size of the investment, are subject to sign-off by the regional Corporate Citizenship Committee or the Corporate Responsibility Management Committee at board-level. To ensure that resources are deployed efficiently and projects are fully aligned with our strategic objectives, we monitor the impact of our corporate citizenship investments annually and systematically collect feedback from our community partners with the help of the Global Impact Tracking (GIT) tool. [Page 82](#)



Born to Be youth engagement program

Deutsche Bank created *Born to Be* in response to a global problem: youth unemployment. According to a 2013 “The Economist” report, there are more than 300 million young people without jobs worldwide. Our *Born to Be* youth engagement initiatives tackle unemployment through early intervention. The education-led projects encourage young people to develop the skills they need to pursue their aspirations and prepare themselves for the world of work. Over 1 million young people around the world have benefitted from *Born to Be* in 2014.

Born to Be was originally launched in 2013 in the UK, where one in seven 16 to 25 year-olds are not in education, employment or training (Office of National Statistics). In response to this issue, we developed a new flagship program of sports for development in partnership with the Sported Foundation. It provides four years of support to 33 grass-roots community sports clubs in London, through grants, capacity building, and the commitment of Deutsche Bank volunteers. *sporteducate* helps disadvantaged young people at a high risk of disengaging or dropping out of school, by providing them with extra-curricular activities, skills development opportunities, and access to role models. This improves motivation to go on to further education, training, and employment. The partnership of Deutsche Bank Middle East Foundation with the Rashid Centre for the Disabled also uses sport to overcome obstacles young people face. The *Therapeutic Horse Riding Programme* has helped 480 children with disabilities enhance their physical, social and academic skills.

In the US and Germany, educational achievement strongly correlates with social background. Each year, 400,000 high school students in the US become qualified to attend four-year colleges, but either never enroll or select less competitive schools. In Germany, 77 out of 100 children of parents who hold an academic degree will go to university, but only 23 out of 100 children without an academic family background will decide to do so. We aim to change this by supporting programs that create pathways to college and careers. Therefore, we support *Strive for College* in the US; and in Germany, Deutsche Bank Foundation is engaged in *STUDIENKOMPASS*. Their success is impressive: more than 90% of participants enroll in a college or university after completing one of the programs. Similar initiatives in other regions are *Columba Leadership* (South Africa) or *Junior Achievement* (Spain), which works to prevent students from dropping out of school.

1.2
million
young people benefitted
from Born to Be/education
projects around the world

Promoting talent in competitive sports

Talented young athletes work hard for their sporting career, often investing around 60 hours per week in their training and education, which leaves them with no time to earn an income. The *Deutsche Bank Sports Scholarship*, in partnership with the non-profit Stiftung Deutsche Sporthilfe, supports 300 collegiate athletes with €300 in monthly funding, increased to €400 for 400 athletes from 2015 onward. In addition, we foster future career opportunities through mentorship from Deutsche Bank employees participating in *Sprungbrett Zukunft*. Deutsche Bank also supports the *Praktikantenbörse – Unternehmen suchen Spitzensportler*, an online internship exchange, launched by German Chancellor, Dr. Angela Merkel, in October 2014.



Dr. Michael Ilgner, Chairman of Stiftung Deutsche Sporthilfe; Malaika Mihambo, long jumper and Sports Fellow of the Year 2014; Jürgen Fitschen, Co-Chairman of the Management Board of Deutsche Bank

Further information

► db.com/cr/supporting-top-athletes

Well-trained teachers are critical to ensure the good quality of education. Deutsche Bank thus promotes programs such as *TEACH South Africa*, *Enseñá por Argentina*, and *Teach For China*, which recruit talented graduates to teach in under-resourced schools for two years. *Brainwave Careers* pursues a comparable goal by helping pre-school teachers create a stimulating learning environment. *Brainwave Careers* was the main beneficiary of the Bank's *15th Annual Charity Trading Day* in South Africa, which raised over ZAR2.5 million. Over the last three years, Deutsche Bank Americas Foundation has supported *PROED* to raise the quality of education in public primary schools in disadvantaged communities in Mexico. *PROED*'s unique approach engages community leaders, teachers, school principals, students, and parents in a collective effort to create a better primary education system. To date, it has worked with more than 100 primary schools, reaching over 67,000 students, teachers, and families. *PROED* schools outperformed the national average for both math and Spanish in recent national examinations (ENLACE 2012).

Barriers to educational success vary worldwide. While most young people in more developed markets pursue education without worrying about basic necessities such as clean water and sufficient food, millions of children and young people in emerging regions face these problems every day. We support a variety of global programs to address this issue. Through the Families and Children for Empowerment and Development Foundation (FCED), Deutsche Bank Asia Foundation provides 300 children in Manila with an education that can lift them out of poverty. In China, our partnership with INCLUDED, a non-governmental organization, provides early childhood development and extracurricular programs for the children of migrant workers. Further examples of partnerships that take a comprehensive view on promoting the development of children and young people include the *Angkor Hospital for Children* (Cambodia), the *Satya Bharti School Program* (India), *Sem Pringpuangkeo Foundation* (Thailand), and the *Mothers and Vulnerable Children's Project* (South Africa).

Born to Be beneficiaries per project category:

30% Aspirations raised

14% Skills improved

56% Better access to education/employment

More than
37,000
young people have taken
part in the Education
Programme of the Berliner
Philharmoniker since 2002

Deutsche Bank and its foundations are also committed to developing young people's vocational skills in order to enhance their employment prospects. For example, each year in South Africa, *Sparrow Schools Educational Trust* helps 300 students from underprivileged backgrounds, many of whom have learning difficulties, to gain the skills to become self-sufficient members of society. In Vietnam, Hagar International's *Career Preparation and Employment Project* helps vulnerable women identify and access various career options. *The Code of Talent*, the flagship program of the newly established Fondazione Deutsche Bank in Italy, is a unique cultural initiative that bridges the gap between the arts and the manufacturing sectors. Deutsche Bank also supports several projects to strengthen entrepreneurial skills: Initiatives like *Design Ventura* (UK), *Creamos nuestro proyecto* (Spain), *Kaliyan Mith* (Cambodia), *Be! Fund* (India), and *Peuan Peuan* (Thailand) provide young people with the knowledge they need to set up their own businesses.

Cultural exposure can positively influence aspirations and boost academic achievement. The *Education Programme of the Berliner Philharmoniker* helps participants to develop their creativity, overcome personal and cultural boundaries, and experience team spirit. It has reached more than 37,000 young people in the last 13 years. Since 2013, the new choir program, *Vocal Heroes (Vokalhelden)* creates spaces for young singers in three districts of Berlin. *Stay Tuned*, a *Born to Be* partnership between Deutsche Bank and the City of Birmingham Symphony Orchestra (CBSO), is designed to engage children, especially those from schools which have little music provision, in the thrill of live music through workshops and concerts with CBSO musicians. It reaches 17,000 school students in the UK's West Midlands every year. The *Hong Kong Arts and Festival's Young Friends* program, the *Art Bus* (Singapore Art Museum), *Yayasan Kampus Diakoneia Modern* (Indonesia), *Sinfonía por el Perú*, and *Little Artists* (South Africa) also inspire the youngest to venture into new grounds.

Fostering thought leadership and advocacy

With a presence in over 70 countries, Deutsche Bank is well-positioned to tackle global challenges. Our public advocacy maximizes the impact of our initiatives. In the UK, we support the *Centre for Social Justice*, a social policy think tank, and its research into new education systems. In Germany, Deutsche Bank Foundation cooperates with the *Council for Cultural Education (Rat für Kulturelle Bildung)*, which promotes the quality of cultural education in Germany. We also partner with organizations that foster international dialog and understanding. Deutsche Bank is a founding partner of the *Transatlantic Outreach Program*, which reached around 4,000 North American educators and more than 100,000 students in 2014.

We advocate sustainable improvements in academia and support state-of-the-art research that bridges the gap between theory and practice. We partner with recognized institutions like Bocconi University, Milan, or the Luxembourg School of Finance, and recently celebrated the 100th anniversary of our partner, the Goethe University in Frankfurt. Its Center for Financial Studies will award the *Deutsche Bank Prize in Financial Economics 2015* to Stephen A. Ross for his groundwork and fundamental contributions to the analytical development of financial economics.

Further information

- ▶ db.com/gesellschaft
- ▶ db.com/borntoBe
- ▶ deutsche-bank-stiftung.de



Promoting social innovation and creating opportunities

We leverage our global network and expertise to empower social enterprises, help develop the communities we work in, and support the disadvantaged to enable them to lead a self-supporting life.

Enabling enterprise

One in four companies formed in the EU is a Social Business. In 2014, almost 870,000 young entrepreneurs in Germany alone pursued their business ideas. However, many struggle to succeed due to a lack of resources. The social investment programs of Deutsche Bank and its foundations can help these people by providing support ranging from microfinance and impact investment funds to business plan competitions and pro-bono consulting programs.

In November 2013, Deutsche Bank Foundation and Social Impact gGmbH launched *Social Impact Finance*, an online crowdfunding platform that enables individuals to jointly finance social projects – even with small contributions. The funding adds up to secure the capital needed for innovative projects that drive positive social change. In its first year, the platform made €320,000 available to eight social enterprises.

Around the world, Deutsche Bank's volunteers play a key role in helping new businesses become commercially successful in the long term. UnLtd, a UK charity, supports social entrepreneurs by matching them with a Deutsche Bank mentor. The *startsocial* business plan competition and the *Investment Readiness Initiative* in Germany and the Yunus Social Business *Accelerator Program* in Albania also strive to kick-start social enterprises. In total, around 700 employees around the world volunteered in 2014 as consultants, jury members or coaches, thereby helping to build capacities in the third sector. We will build on this commitment further in 2015.

Page 72

€320,000

made available to
eight social enterprises
through crowdfunding

Further information

- ▶ db.com/volunteering
- ▶ deutsche-bank-stiftung.de

US \$2 billion

provided to community initiatives in the US since 1992

Over 2,700

projects have earned prizes in the Landmarks in the Land of Ideas competition since 2006

Further information

- ▶ alfred-herrhausen-society.org
- ▶ db.com/ideas

Regenerating and developing communities

In addition to empowering start-ups and supporting non-profits, we also strengthen local economies by working in partnership with the public sector to contribute to the social and economic stabilization of disadvantaged areas.

Deutsche Bank's experience of public-private partnerships in the US includes more than 20 years of support to initiatives for affordable housing. Our commitment goes well beyond the requirements of the Community Reinvestment Act (CRA), with the Federal Reserve Bank consistently rating Deutsche Bank's performance as "outstanding". In 2014, Deutsche Bank Americas Foundation launched the *Community Development Financial Institutions New Partners Program* to support communities in underserved regions in the Appalachia region, Maine, Texas, Virginia, Wisconsin, and Puerto Rico. The initiative has granted US \$2 million in low-interest loans to six organizations. Since 1992, Deutsche Bank has distributed a total of US \$2 billion in loans and investments to community initiatives throughout the US.

The cities of the future are growing fast. By 2030, around five billion people – 60% of the world's population – will be living in urban centers. This will have a dramatic impact on our cities. The Alfred Herrhausen Society, the international forum of Deutsche Bank, is working with the London School of Economics and Political Science to research the future of these cities. *Urban Age* brings together mayors, architects, city planners, academics, and NGOs to initiate innovative urban development projects. This year's *Deutsche Bank Urban Age Award* recognized two waste management initiatives in India, granting US \$50,000 to each.

In Germany, Deutsche Bank has enabled the annual *Landmarks in the Land of Ideas* competition since 2006. Following a focus on urban innovation in 2013, last year's limelight was on projects that promote the development in rural areas. Since 2014, selected awardees and Deutsche Bank employees are matched in tandems. Our colleagues share their economic and management expertise with the awardees over a period of up to six months. In 2014, twelve of these tandems kicked-off this new network. The core theme of the 2015 competition is digital innovation (*Stadt, Land, Netz! – Innovationen für eine digitale Welt*).

For more information on corporate citizenship units and foundations, see page 88.

1.6
million
people
benefitted from
social projects

Supporting the disadvantaged

Worldwide, 1.5 billion people live in poverty and many suffer deficiencies in their health, education, and living standards. Another 800 million people are at risk of falling back into poverty. Deutsche Bank and its foundations cooperate with local partners in developing countries and emerging markets to mitigate hardship, provide relief after natural or human disasters, and promote self-sufficiency.

Microfinance is a proven and effective tool to empower marginalized populations through the provision of small loans and other financial services. With our microfinance funds, we have enabled an estimated 3.9 million loans to microentrepreneurs since 1997, delivering social and economic value to the beneficiaries and their communities. In addition, our impact investments and social venture funds help to drive social and environmental change by supporting projects that pursue a double-bottom-line approach. [Page 54](#)

Homelessness is a visible issue on the streets of many European cities. We help to raise money for *StreetSmart* and *SleepSmart* in the UK and *Hilf Mah!!* in Germany to support homeless young people. More than £4.5 million has been donated to charities that support the homeless across the UK since we started working with *StreetSmart* in 2006. In 2014, the campaign raised around £600,000. Thanks to *Hilf Mah!!* in Munich a further sum of around €25,000 could be raised to support the homeless in Germany.

In Indonesia, we support Rachel House's *Clinic in a Box* project, which trains young nurses to have a positive impact on the local palliative healthcare system. We also support the Orbis' *Flying Eye Hospital* program, a mobile teaching hospital built into an operating jet plane that will enable overseas specialists to provide hands-on training to local doctors and nurses.

Deutsche Bank is equally committed to supporting emergency relief efforts and long-term reconstruction in the aftermath of disasters. As part of our ongoing support for bushfire-affected communities in Victoria, Australia, we contribute to the *Rivers and Ranges Community Leadership Program* that helps emerging leaders develop sustainable skills. Moreover, 50 Deutsche Bank volunteers helped to rebuild a school in Bogo City, Cebu, an area of the Philippines that was devastated by Typhoon Haiyan in November 2013.

Financial inclusion

According to the OECD, 12% of the 65+ year-olds live in relative income poverty, and only 40% of the working population has invested in private retirement plans so far. In Germany, the volume of debt incurred by young people increased fourfold between 2004 and 2014. Client protection thus remains a key challenge for financial service providers around the world. Deutsche Bank lives up to its responsibility and promotes the financial inclusion and empowerment of its potential clients.

Initiatives such as *Finanzielle Allgemeinbildung (Financial literacy)* in Germany or *Na minha casa poupo eu (In my house I save)* in Portugal foster economic understanding among students. In Poland, Deutsche Bank cooperates with one of the country's largest newspapers to improve people's awareness of individual retirement plans. And globally, Deutsche Bank has been a thought leader and driving force in promoting ethical standards in the microfinance sector.



More than
3 million

people reached by
art and music initiatives
around the world

Making cultural experiences accessible

Art and music thrive on the lively interplay between tradition and avant-garde, and between established and aspiring artists. In addition to promoting cultural learning as part of our *Born to Be* youth engagement program, Deutsche Bank and its foundations provide a platform for talented emerging artists and musicians, and make contemporary art and exceptional music experiences accessible to broader audiences around the world.

The *Festival at the Culture Forum* in Berlin marked the 25th anniversary of our close partnership with the Berliner Philharmoniker. Thousands of visitors, including nearly 1,000 Deutsche Bank employees, attended the festival and were inspired by it. The orchestra's *Digital Concert Hall*, a first in the world of classical music, allows people around the world to join the orchestra's performances via the Internet. More than 550,000 visitors have registered with the *Digital Concert Hall* to date. *EXPLORE CLASSICAL MUSIC!* makes concerts accessible to younger audiences. The education initiative grants 500 free *Digital Concert Hall* subscriptions to schools and colleges each year. In 2014 alone, more than 2,000 institutions from 90 countries applied for the subscriptions.

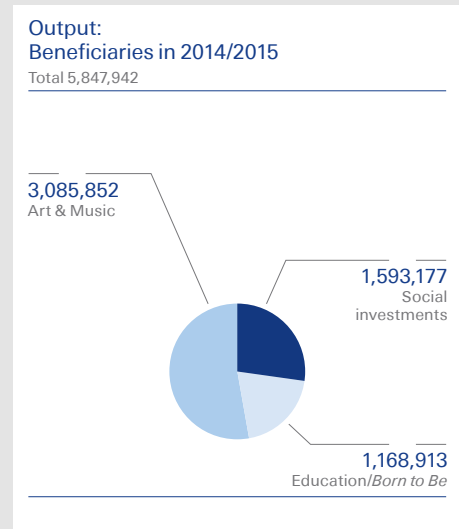
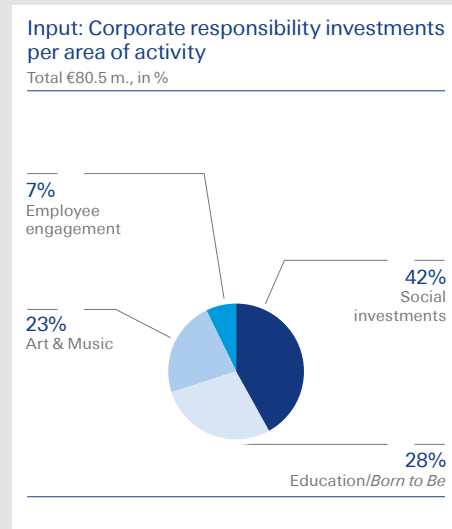
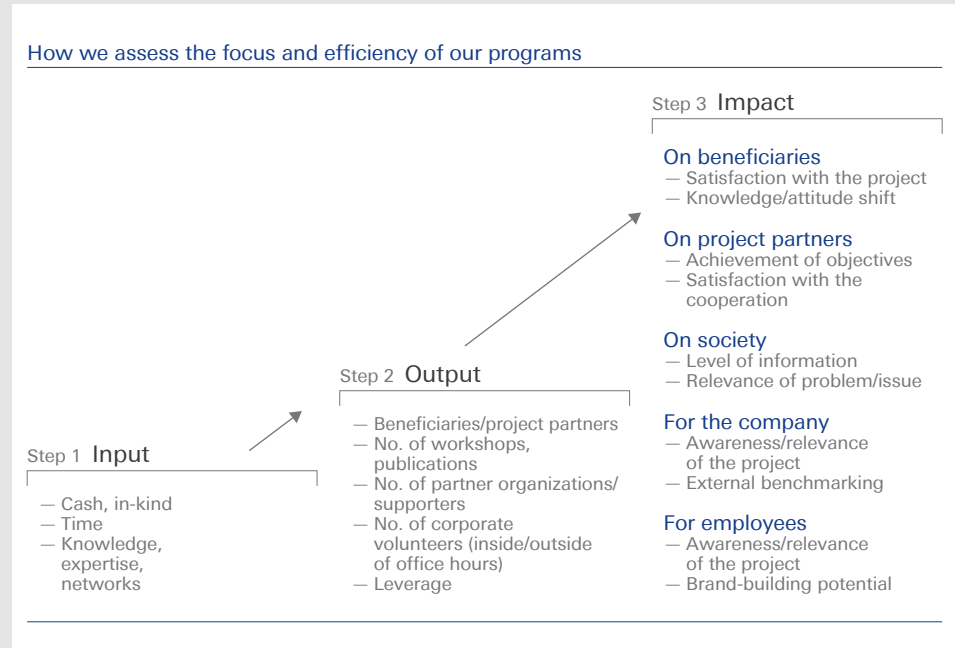
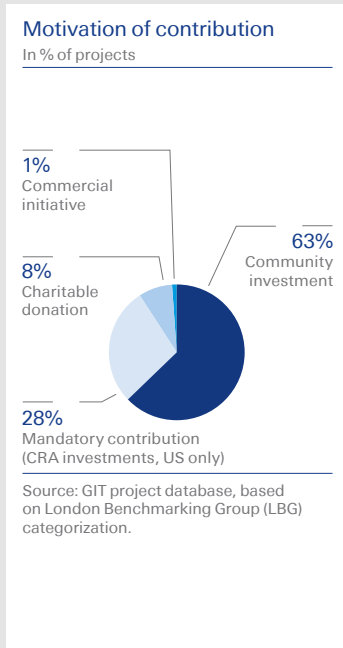
Art can inspire people and become a source of innovation and growth. For more than 35 years, Deutsche Bank has provided access to contemporary art at over 900 locations, through exhibitions, targeted educational programs, and partnerships. In 2014, our *Time Present* exhibition tour, featuring 80 photographs from *Deutsche Bank Collection*, opened at the Singapore Art Museum and will travel to museums across Asia. In Singapore, it has already reached 64,721 visitors in just three months. The *Deutsche Bank KunstHalle* in Berlin is a unique venue for international contemporary art. Each year, it showcases three to four shows – some conceptualized by international guest curators, some facilitated by partnerships with recognized art institutions. Every exhibition is accompanied by customized offers for kindergartens, schools, families, the visually-impaired, and the hearing-impaired. In 2014, we welcomed nearly 85,000 visitors to *KunstHalle*. More than 10,000 guests joined its special events and education program.

ArtMag
by Deutsche Bank

▶ db-artmag.com

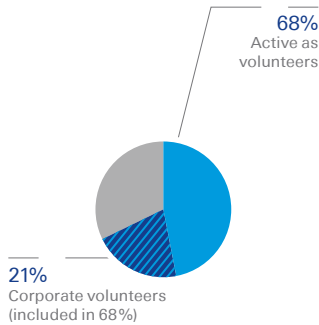
Consistent impact monitoring

Our annual Global Impact Tracking (GIT), launched in 2012, evaluates whether our investments are aligned with our strategic goals and monitors all central and regional corporate citizenship investments (2014: 58% of total). The analysis shows that our projects generate a lasting impact on their beneficiaries. Whenever possible, we involve our employees as corporate volunteers. [Page 72](#)



Share of volunteers

In %

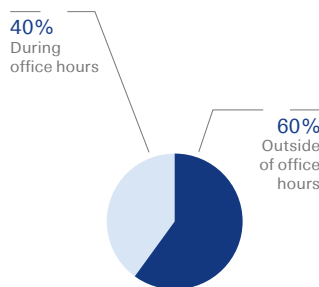


Source: Representative employee survey 2015.

Corporate volunteering
boosts internal
brand identification
+11%

Corporate volunteering time invested in 2014

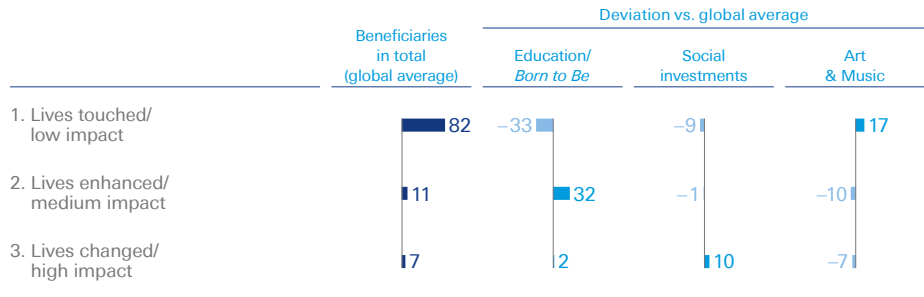
190,000 hours in/outside of office hours, in %



Source: Corporate volunteering database.

Impact: How do our projects impact the beneficiaries?

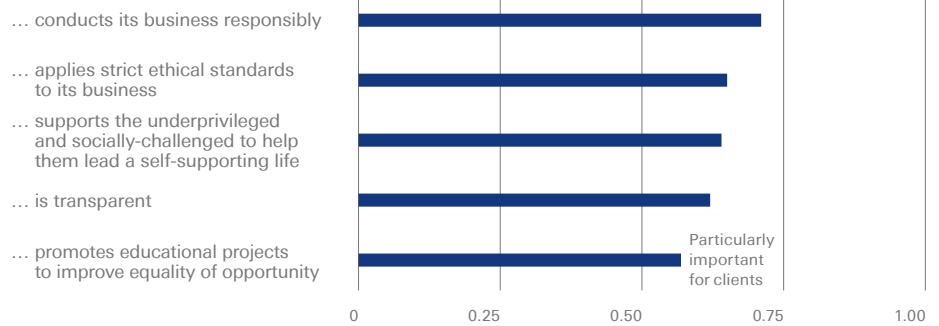
5.8 million beneficiaries in total, in %



Source: Global Impact Tracking 2014.

Trust in Deutsche Bank highly correlates with the assessment of the following statements

Deutsche Bank ...



Source: Representative tracking in Germany.

Perceptions of corporate volunteers

89% I feel proud that Deutsche Bank takes on responsibility for the community at large.

84% Corporate volunteering helps to combine our performance culture with a culture of responsibility.

57% Corporate volunteering improves my job-related skills.

33% In my daily business life, it is easy to find time for corporate volunteering.

Source: Representative survey of Corporate Volunteers 2014. (Top 2 on 5-point scale: agree strongly/slightly)

85	Selected financial and non-financial figures
88	Corporate citizenship units and foundations
90	Imprint/Publications
	Selected goals
	Reporting standard GRI/UN Global Compact

Supplementary Information

Deutsche Bank

Selected financial and non-financial figures

The Group at a glance	2014	2013	2012
Share price at period end ¹	€24.99	€33.07	€32.95
Share price high ¹	€38.15	€36.94	€39.51
Share price low ¹	€22.66	€28.05	€22.11
Basic earnings per share ²	€1.34	€0.64	€0.28
Diluted earnings per share ²	€1.31	€0.62	€0.27
Average shares outstanding, in m., basic ²	1,242	1,045	934
Average shares outstanding, in m., diluted ²	1,269	1,073	960
Book value per share outstanding	€49.32	€50.80 ²	€57.37
Tangible book value per share outstanding	€38.53	€37.87 ²	€42.26
Pre-tax return on average shareholders' equity	5.0%	2.6%	1.3%
Pre-tax return on average active equity	5.1%	2.6%	1.4%
Post-tax return on average shareholders' equity	2.7%	1.2%	0.5%
Post-tax return on average active equity	2.7%	1.2%	0.5%
Cost/income ratio ³	86.7%	89.0%	92.5%
Compensation ratio ⁴	39.2%	38.6%	40.0%
Noncompensation ratio ⁵	47.5%	50.3%	52.5%

In € m.	2014	2013	2012
Total net revenues	31,949	31,915	33,736
Provision for credit losses	1,134	2,065	1,721
Total noninterest expenses	27,699	28,394	31,201
Income before income taxes	3,116	1,456	814
Net income	1,691	681	316

	Dec 31, 2014	Dec 31, 2013	Dec 31, 2012
Total assets in € bn.	1,718	1,611	2,022
Total Shareholders' equity in € bn.	68.4	54.7	54.0
Common equity Tier 1 capital ratio ⁶	11.7%	12.8%	11.4%
Tier 1 capital ratio ⁶	15.2%	16.9%	15.1%

Long-term ratings

Moody's Investors Service	A3	A2	A2
Standard & Poor's	A	A	A+
Fitch Ratings	A+	A+	A+

Sustainability ratings

Carbon Disclosure Index (on a band from A to E)	92/Band B	91/Band A	90/Band A
OEKOM research (on a scale from A+ to D-)	C/Prime	C/Prime	C/Prime
RobecoSAM (on a scale from 0 to 100)	70	78	72
Sustainalytics (on a scale from 0 to 100)	62	61	59

¹ To reflect the capital increase 2014, the historical share prices until and including June 5, 2014 (last trading day cum rights) have been adjusted with retroactive effect by multiplication with the correcting factor of 0.9538 (R-Factor).

² All periods have been adjusted in order to reflect the effect of the bonus component of subscription rights issued in June 2014 in connection with the capital increase.

³ Total noninterest expenses as a percentage of total net interest income before provision for credit losses plus noninterest income.

⁴ Compensation and benefits as a percentage of total net interest income before provision for credit losses plus noninterest income.

⁵ Noncompensation noninterest expenses, which are defined as total noninterest expenses less compensation and benefits, as a percentage of total net interest income before provision for credit losses plus noninterest income.

⁶ Figures presented for 2014 are based on the transitional rules ("CRR/CRD 4") and the full application ("CRR/CRD 4 fully loaded") of the CRR/CRD 4 framework. Figures presented for 2013 are based on "Basel 2.5". The capital ratios relate the respective capital to risk-weighted assets. Until 2013 transitional items pursuant to the former Section 64h (3) of the German Banking Act are excluded.

The calculation of the regulatory capital numbers and ratios presented in this report includes the proposal of the Management Board to the Supervisory Board and Annual General Meeting of a dividend payment of €0.75 per share.

Our Controls	Pages 17–35	2014	2013	2012
Employees with completed compliance training		97%	97%	87%
Number of transactions reviewed within the ES Risk Framework		1,250	721	406
Number of transactions escalated to regional/divisional or Group Reputational Risk Committee		183	106	102
thereof due to environmental and social criteria		15	7	16
Our Business	Pages 39–61	Dec 31, 2014	Dec 31, 2013	Dec 31, 2012
Assets under management integrating environmental, social, and governance factors in € bn.		5.4	5.07	3.72
Estimated cumulative financing to micro-borrowers since 1997 in US \$ bn.		1.75	1.67	1.49
Cumulative number of microloans financed since 1997 in m.		3.9	3.8	3.2
All KfW environmental programs, including energy-efficient construction and renovation in € m.		304.1	347.6	348.5
Volume of infrastructure and energy asset financing in € bn.		4.2	2.7	1.9
Our People and Society	Pages 65–83			
Number of branches		2,814	2,907	2,984
thereof in Germany		1,845	1,924	1,944
Employees (full-time equivalent)		98,138	98,254	98,219
thereof in Germany		45,392	46,377	46,308
Gender diversity ¹				
Female staff in total		41.7%	41.7%	41.7%
Female staff (Officers)		31.7%	31.1%	30.8%
Female Managing Directors and Directors		19.4%	18.7%	18.0%
Female members on Supervisory Board		35%	35%	40%
Female members in Group Executive Committee		2	0	0
Female members on Management Board		0	0	0
Training expenses in € m.		82	86	109
Hired global graduates		577	501	653
Share of female hired graduates		34.3%	33.7%	35.5%
Voluntary staff turnover rate		6.6%	6.4%	6.2%
Employees participating in the Bank's volunteer programs in % of total staff (excluding Postbank)		21%	25%	24%
Total employee donations and matching by Deutsche Bank in € m.		12.5	9.9	11.4
Corporate citizenship	Pages 74–83			
Total investments in € m.		80.5	78.2	82.7
Participants in education/ <i>Born to Be</i> projects		1,168,913	411,121	1,322,026
Beneficiaries of social projects		1,593,177	439,635	710,898
People reached with Deutsche Bank's art and music programs		3,085,852	1,211,495	n/a
Visitors at Deutsche Bank KunstHalle, Berlin		83,454	125,000	153,702 ²
Participants in the <i>Education Programme of the Berliner Philharmoniker</i>		4,568	4,222	6,235
External perception of Deutsche Bank as a responsible corporate citizen (global B2B market ³)		64%	51%	49%

Further information

► db.com/cr/key-figures

¹ Excluding legal entities outside of DB Corporate Title system: primarily Postbank, Sal Oppenheim, BHF (sold in 2014) and DB Investment Services.

² Visitors at the Deutsche Guggenheim, Berlin.

³ Representative global B2B survey in 16 countries; top 2 ratings on a 5-point scale.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Environmental data		2014	2013	2012
Greenhouse gas (GHG) emissions¹	Variance from previous year in %			
In t of CO ₂ e (unless stated differently)				
Total gross GHG emissions²⁻³	-5%	540,626	568,211	574,867
Emissions from energy use	-4%	434,362	452,377	457,853
Emissions from business travel	-8%	98,774	106,366	107,208
Scope 1, direct GHG emissions⁴	-10%	60,876	67,104	67,617
From natural gas consumption	-9%	30,400	33,240	29,984
From liquid fossil fuels	-66%	1,650	2,745	3,105
From HFCs	-26%	7,489	9,469	9,806
From owned/leased vehicles	-1%	21,336	21,651	24,721
Scope 2, indirect GHG emissions⁴	-3%	402,312	416,392	424,764
From electricity consumption	-3%	352,308	364,514	372,568
From steam, district heating and cooling	-4%	50,004	51,879	52,196
Scope 3, other indirect GHG emissions⁴	-9%	77,439	84,715	82,486
From air travel	-10%	72,856	80,904	79,042
From rented vehicles and taxis	17%	3,146	2,681	2,396
From rail travel	27%	1,437	1,131	1,048
Emissions reductions				
Net GHG emissions ⁵	-2%	297,303	304,682	346,983
Offset of net GHG emissions by retirement of high-quality carbon certificates ⁶	0%	100%	100%	100%
Net GHG emissions (incl. renewables, excluding carbon credits)/rentable area per sqm	-9%	0.07	0.08	0.09
Net GHG emissions (incl. renewables, excluding carbon credits) per FTE	2%	3.04	2.97	3.40
Total energy consumption in GJ⁷	-5%	3,989,714	4,190,719	4,197,030
Total energy consumption in GWh⁸	-5%	1,108	1,164	1,166
Energy consumption	-3%	737	762	779
Energy from primary fuel sources (oil, gas, etc.)	-10%	156	174	159
Delivered heat and cooling	-5%	215	228	228
Electricity from renewables	-6%	565	602	524
Space-normalized energy consumption in kWh per sqm	-12%	261	293	310
FTE-normalized energy consumption in kWh per FTE	0%	11,344	11,359	11,414

¹All data reported as 2014 is from October 1, 2013 to September 30, 2014.

²The GHG reporting boundary is defined according to 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; Scope 3 are from purchasing goods or services where emissions sources are controlled by others, e.g. air travel. In previous years emissions from liquid fossil fuels contained estimated Scope 1 emissions from heating. This is now allocated to natural gas usage.

³Total emissions are based on actual, estimated, or extrapolated data. All assumptions and calculation methodologies are in line with the ISO 14064 Standard Guidelines with supporting documentation. The most appropriate emission factors have been used for each activity data type, from internationally recognized sources, e.g. DEFRA (2014), GHG Protocol and IEA (2013), or if unavailable, from country specific sources, or manufacturers specifications where applicable.

⁴Germany emissions cover Deutsche Bank and Postbank operations. Postbank emissions Scope 1: 15,747 t CO₂e; Scope 2: 68,180 t CO₂e; Scope 3: 1,100 t CO₂e.

⁵The net GHG emissions include renewable electricity with zero emissions factor from the purchase of renewable electricity in Australia, Austria, Belgium, Canada, Germany, Italy, the Netherlands, Spain, Switzerland, the UK and the US and exclude VERS.

⁶For 2014, carbon neutrality was accomplished by the purchase and retirement of verified emissions reduction units.

⁷Calculated electricity and heating intensities are used to extrapolate electricity and heating demand where data is not available. For electricity, where these are more than 20% higher or lower than comparable industry benchmarks (and for heating 20% higher or 80% lower), the benchmark figure (from CIBSE) is used. Calculated intensities from refrigerant gas loss are also used to extrapolate where data is not available.

⁸Total energy consumption in gigawatt hours comprises all sources used in Scope 1 and 2: natural gas, liquid fossil fuels (mobile and stationary), renewable and grid electricity, district heating, cooling, and steam.

ERM Certification and Verification Services (ERM CVS) was engaged to provide assurance in relation to specific environmental data. The table above shows only a selection of data. The full table, a description of the data collection process and the Independent Assurance Statement of ERM CVS are available on our website.

Corporate citizenship units and foundations

Deutsche Bank's corporate citizenship activities are brought to life by its regional units and endowed foundations.

► db.com/cr/society

Deutsche Bank Donation Fund

Founded	1970
Endowment funds	€10.1 m.
Commitments 2014	€1.9 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 and encourages dialog between research and practice.

€1 million for the Center for European Studies at Herzliya University, Israel

► stiftungsfonds-deutsche-bank.de

Deutsche Bank Foundation

Founded	1986
Endowment funds	€140.4 m.
Commitments 2014	€4.1 m.

Deutsche Bank Foundation focuses its support on cultural, educational, and social projects. Within the global *Born to Be* program, the foundation enables young people to realize their full potential, and fosters equality of opportunity. The foundation's Alfred Herrhausen Fund supports initiatives aimed at improving the career prospects of disadvantaged youths. In the event of natural disasters, funds are provided to support national and international relief initiatives.

Over €1 million were provided to relief projects for the victims of Typhoon Haiyan in the Philippines, supported by Deutsche Bank, its clients, and employees

► deutsche-bank-stiftung.de

Corporate Citizenship UK

Founded	1989
Commitments 2014	€2.9 m.

Corporate Citizenship UK primarily focuses its support to Deutsche Bank's *Born to Be* youth engagement program. First launched in the UK in 2013, its main goal is to break the cycle of youth unemployment through early intervention. *Born to Be* targets 11 to 18 year-olds at risk of exclusion with education-led projects that aim to increase achievement, develop employability skills and raise aspirations. Corporate Citizenship UK expects to reach 160,000 young people through *Born to Be* by 2016. Volunteering and fundraising activities for charities are another focus of the commitment.

£1.7 million were raised by employees and Deutsche Bank for the *Born to Be Charities of the Year 2014*

► db.com/uk/cr
► db.com/bornto-be

Historical Association of Deutsche Bank

Founded	1991
Number of members (end of 2014)	2,043

The Historical Association of Deutsche Bank was founded as a non-profit organization dedicated to researching the history of Deutsche Bank and the political, economic, and cultural environment in which banks operate. Via publications, lecture series, and excursions, it studies the interrelation between banking and pioneering innovations that have influenced economic and social changes in a sustainable manner.

100 years of Deutsche Bank in the Rhine-Ruhr region

► banking-history.com

Alfred Herrhausen Society

Founded	1992
Budget 2014	€3.1 m.

The non-profit Alfred Herrhausen Society is the international forum of Deutsche Bank. It focuses on new forms of governance as a response to the challenges of the 21st century. It works with international partners, including policy-makers, academics, and business to organize conferences that are accessible to a broad 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.

5,000 attendees have taken part in 13 *Urban Age* conferences since 2005

► alfred-herrhausen-society.org
► dbuaaward.com

Deutsche Bank Americas Foundation

Founded	1999
Commitments 2014	€8.6 m.

The Americas Foundation program of loans, investments, and philanthropic grants is designed to encourage sustainable community development and to provide steadfast support for the arts. Since 2014, the educational projects of the foundation underpin Deutsche Bank's global *Born to Be* agenda and promote wider access to high-quality education. The foundation works in partnership with the Global Social Finance Group, which makes loans and investments in low- and moderate-income communities.

More than 6,000 employees in the US made a Kiva loan to microentrepreneurs in over 67 countries

► db.com/usa/cr

Transatlantic Outreach Program (TOP)

Founded	2001
Endowment funds	€2.4 m.
Commitments 2014	€0.15 m.

With this foundation, Deutsche Bank supports TOP, a non-profit, public/private partnership that seeks to promote a contemporary and comprehensive image of present-day Germany to North American educators, including key decision-makers, professors, authors, teachers, and students.

More than 100,000 students were reached in 2014

► goethe.de/top

Deutsche Bank South Africa Foundation

Founded	2001
Endowment funds	€16.9 m.
Commitments 2014	€0.7 m.

Deutsche Bank South Africa Foundation's *Born to Be* initiatives focus on two specific areas: Early Childhood Development (ECD) and High School Learner Development (HSD). Thus, they address the key challenges inhibiting young people from realizing their full potential.

More than 6,000 people benefit through the *Bulungula Incubator*

► db.com/southafrica/cr

Deutsche Bank Asia Foundation

Founded	2003
Commitments 2014	€2.2 m.

Deutsche Bank Asia Foundation is committed to improving and sustaining the livelihoods of vulnerable communities in Asia. *Born to Be* initiatives in the region combine education with the personal well-being of young people and their families. Furthermore, a variety of innovative outreach programs have been successfully implemented.

More than 70,350 youths were reached with the launch of *Born to Be* in Asia

► db.com/asiapacific/cr

Deutsche Bank Middle East Foundation

Founded	2008
Commitments 2014	€0.3 m.

Deutsche Bank Middle East Foundation focuses on investments in education, community development, sustainability, and volunteering in Middle Eastern and North African countries. The foundation also organizes cultural events and is a great supporter of the regional art scene.

More than 5,000 families benefit from the clean water project in the underprivileged districts of Lahore, Pakistan

► db.com/mena/cr

Deutsche Bank Düsseldorf/ Niederrhein Stiftung; Deutsche Bank Köln/Bonn/Aachen Stiftung

Founded	2010; 2013
Commitments 2014	€15,000; €33,000

The two regional foundations in Germany were established by employees of Deutsche Bank primarily to support projects for children and young people in local communities.

22 local projects were supported by the two foundations in 2014

Fondazione Deutsche Bank Italia

Founded	2013
Commitments 2014	€0.55 m.

Fondazione Deutsche Bank mainly focuses on social and educational projects in Italy. Its main objective is to encourage young people to realize and develop their full potential and to promote equality of education for the disadvantaged. Furthermore, the foundation is committed to promoting Italy's traditions in the arts and crafts.

€100,000 donated to the food bank Banco Alimentare via a social bond

► db.com/italia/foundation

Imprint/Publications

Deutsche Bank Aktiengesellschaft
Taunusanlage 12
60262 Frankfurt am Main
Germany
Telephone: +49 69 91 000
deutsche.bank@db.com

Management/responsible for content
Dr. Sabine Miltner

Project coordination
Heike Hilbig, Christina Burmeister

Editorial comment

All the information in this report has been compiled in good faith and with the greatest care from various sources. To the best of our knowledge, the information and data contained in this report reflect the truth. Nevertheless, we cannot assume liability for the correctness or completeness of the information provided herein.

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Insofar as the masculine form is used in the contents of this report, it is assumed that this refers to both genders on equal terms.

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

This Corporate Responsibility Report 2014 is also available in German.

Unless stated differently, all information applies to Deutsche Bank Group.

Climate neutral

The greenhouse gas emissions of 15t of CO₂ equivalents caused by production and distribution of this publication have been offset by investing in the Cruz Alta Bagasse Cogeneration Project, Brazil.



Contact

Deutsche Bank AG
Corporate Responsibility
corporate.responsibility@db.com
db.com/responsibility

Publications relating to the financial statements

- Annual Review 2014 (German/English)
- Financial Report 2014 (German/English)
- Corporate Responsibility Report 2014 (German/English)
- Annual Financial Statements and Management Report of Deutsche Bank AG 2014 (German/English)
- List of Advisory Council Members (German)

Our stakeholders' feedback is important for the further development of our CR reporting. We appreciate your comments and suggestions via E-mail.

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Photos

- Andreas Pohlmann, Munich page 5
- Matthias Ziegler, Munich pages 14/15, 36/37, 62/63 as well as cover, U2 and U5
- Michael Reitz, Berlin page 76
- Kyle Ellis, London page 78
- Monika Rittershaus, Berlin page 81

Selected goals

Goals 2012–2015

ES risk management

- Strengthen management of ES risks by intensifying engagement on ES issues with clients
- Proactive shaping of relationships with critical stakeholders with reference to controversial topics
- Optimization of ES risk coverage in Management Information Systems and external reporting

Private and corporate clients

- Improving the governance structures within Private & Business Clients division to strengthen our approach to sustainable and responsible banking

Asset and wealth 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
 4. Communicate ESG activities
- Extension of assets under management with responsible investments up to €650 million by 2015 within Wealth Management business Germany

Human resources

- Increase the commitment towards sustainability; integrate aspects of sustainability into the performance management process
- Continued commitment to the DAX 30 voluntary declaration to increase the proportion of female senior managers to 25% (Managing Director and Director level) and for all officer titles to 35% by the end of 2018*

Sustainable operations

- Continuation of carbon mitigation strategy; continue integration of sustainability into standard operating procedures

Corporate citizenship

- Strategic review and strengthening of high impact corporate citizenship (CC) projects
- Increase stakeholder involvement in Deutsche Bank's corporate citizenship programs
- Strategic bundling of youth engagement programs under the *Born to Be* umbrella
- Foster social entrepreneurship
- Extend skill-based volunteering programs
- Further extend reach of art and music programs

Progress 2014

- Continued interaction with various stakeholders on sensitive topics throughout 2014: Agri-Forum, SRI investor meetings, hosting Sustainability Day along with NGOs and SRI investors
- Participated in industry-wide discussion on human rights
- Effective use of client engagement including site visits in resolving ES-related matters
- Introduction of IT system for ES risk reviews
- Publication of all key positions on the IR website ahead of the Annual General Meeting

- Strengthened governance by integrating the Responsible Banking Committee into the Group Internal Control Committee, a senior management group which deals with all risk, reputational and control matters

- Implementation of the ESG Head Office in 2013
- Creation of tailored investment products based on in-depth ESG research via our proprietary ESG engine
- Launch of the first product developed using the new ESG engine. CROCI World ESG is a passive global equity fund created by applying an ESG filter to the established Deutsche Bank CROCI strategy
- Wealth management goal reached in June 2013
- As of the end of 2014, total ESG AuM in Deutsche AWM have reached a volume of €5.4 billion

- Adherence to our values and beliefs now accounts for 50% of individual performance ratings
- In 2014, the proportion of female senior executives increased to 19.4% from 18.7% in 2013, and the proportion of women in all officer titles rose to 31.7% from 31.1% in 2013

- Maintained carbon neutrality
- 5% reduction in total energy consumption
- 12% reduction in total waste produced
- 7% reduction in office paper consumption

- Ongoing monitoring of centrally and regionally managed CC programs via the Global Impact Tracking
- Extension of social media offerings, launch of 3D newsletter in Germany
- Global roll-out across all regions

- Extension of the *Investment Readiness Initiative* from Berlin to other cities in Germany
- Almost 62,500 hours of skill-based volunteering
- Three million people reached with art and music programs

*Subject to applicable laws worldwide.

Reporting standard

GRI/UN Global Compact

Our Corporate Responsibility Report provides a comprehensive disclosure of our material topics, including both our management approach and developments in 2014. Information on financial data is available in our Annual Report. ▶ db.com/14 The table below shows the location in the report where the management approach towards our material topics is disclosed. Furthermore we link the topics to the relevant categories of the Global Reporting Initiative's (GRI) G4 standard and the principles of the United Nations Global Compact (UNGC). The detailed GRI index can be found in our online report. ▶ responsibility.db.com/14

By participating in the UNGC, we have committed ourselves to preserving internationally recognized human rights, creating socially acceptable working conditions, protecting the environment, and fighting corruption. This report also serves as our communication on progress.

Material ESG topics	(Sub-)Chapter and page	UNGC ¹	GRI G4 category, material aspect ²
Management of the legal & regulatory environment	Our Controls, pp. 17–35 Our Business, pp. 39–61		V.
Prevention of financial crime, money laundering, bribery and corruption, fraud	Control processes, pp. 19–22	10	
Managing conflicts of interest	Oversight and Controls, pp. 17–18		
Risk Management	Our Controls, pp. 17–35		IV.
Integration of ESG (risk) factors into policies & procedures	Environmental and social risks, pp. 27–35	7	
Business continuity & technology risk	▶ Financial Report		
Discipline	Our Controls, pp. 17–35		GSD ³
Effective control & governance systems	Oversight and Controls, pp. 17–18 ▶ Annual Review ▶ Financial Report/Corporate Governance Report		I.
Operational excellence/cost efficiency	▶ Annual Report		
Ethics & Conduct	Our Controls, pp. 17–35	1, 2	GSD
Risk culture	Risk culture, pp. 24–26		IV.
Integrity	Letter from the Co-Chairmen, pp. 6–7 Deutsche Bank's values and beliefs, p. 8 Control processes, pp. 19–22 Employees, pp. 65–73		V.
Client Relationship Management	Our Business/Client centricity, pp. 39–40		GSD
Customer satisfaction	Client centricity, pp. 39–40 Private and business clients, pp. 41–46		VI.
Complaint management	Handling complaints, p. 44		
Client privacy & data security	Protecting consumers, p. 45		

Material ESG topics	(Sub-)Chapter and page	UNGC ¹	GRI G4 category, material aspect ²
Products & services	Our Business, pp. 39–61		VI.
Product responsibility & suitability	Protecting consumers, p. 45		
Responsible lending & debt prevention	Client centricity, pp. 39–40 Private and business clients, pp. 41–46		
Systematic integration of ESG factors	Strengthening ESG investment, pp. 47–53	8, 9	
Financial inclusion & capacity building	Our Business, pp. 39–61 Our People and Society, pp. 65–83		I. V.
Financial literacy	Financial inclusion, p. 80		
Impact investment	Impact Investments, pp. 54–55		
Access to banking	Making banking accessible, p. 46		
Technology & innovation	Our Controls, pp. 17–35 Our Business, pp. 39–61		I. VI.
Intellectual capital & innovation	Managing assets for clients, pp. 47–53 Private and business clients, pp. 41–46 Promoting action to reduce carbon emissions, pp. 59–60		
Digitalization	Meeting client needs with new technology, pp. 45–46		
Employment & employability	Our People, pp. 65–73 ► Human Resources Report	3, 4, 5, 6	III.
Employee commitment	Seeking employee feedback, p. 66		
Diversity & equal opportunities	Fostering a diverse and inclusive workplace, p. 68	6	
Recruitment/talent management	Attracting and retaining employees, p. 66		
Employee engagement	Engaging employees, pp. 72–73		
Reward	► Annual Report		GSD
Board compensation	► Annual Review ► Financial Report/ Compensation Report		
Employee remuneration	Rewarding our employees, p. 69 ► Human Resources Report		
Corporate citizenship	Corporate citizenship, pp. 74–83		V.
Education	<i>Born to Be</i> youth engagement program, pp. 75–77		
Social investments	Enabling prosperous communities and economies, pp. 54–55 Promoting social innovation and creating opportunities, p. 78		

¹UN Global Compact. ► db.com/cr/ungc-principles

²The GRI specific standard disclosure categories are: I. Economic, II. Environment, III. Social: Labor practices and decent work, IV. Social: Human rights, V. Social: Society, VI. Social: Product responsibility.

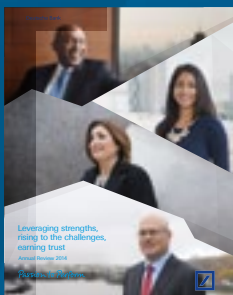
³General Standard Disclosure.

Corporate annual reporting

The Corporate Responsibility Report is part of Deutsche Bank's annual reporting publications presenting the Bank's performance and initiatives in 2014.

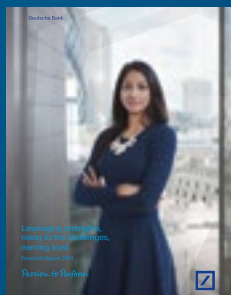
It complements the Annual Report and Human Resources Report and focuses on how we provide value for our stakeholders: shareholders, clients, employees and society – and describes how we are making our business more sustainable.

Annual Review 2014



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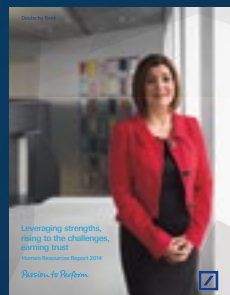
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