

2012 SUSTAINABILITY REPORT

ABOUT THIS REPORT

THIS SUSTAINABILITY REPORT COVERS THE ESSENTIAL DEVELOPMENTS IN, AND PROGRESS MADE BY, DZ BANK AG'S SUSTAINABILITY CAMPAIGN FOR THE REPORTING YEAR 2012. IT BUILDS ON THE SUSTAINABILITY REPORT FOR 2011 AND IS INTENDED FOR ALL OUR STAKEHOLDERS.

Since 2008, DZ BANK has been using its Sustainability Report to provide information on the progress it has made economically, ecologically, and in the community. Alternating annually with the summary status report, a detailed Sustainability Report is published every two years. The key performance indicators we have used are based on the period January 1 to December 31, 2012 but for especially significant results the period has been extended up to the publishing deadline of May 29, 2013.

Qualitative and quantitative data has been collected locally at departmental level, amalgamated in a central database, and analyzed by the Communication and Marketing division. There were no material changes in the period under review so the data is directly comparable with previous publications. DZ BANK AG and its activities are the exclusive subjects of this report. Employee data in the report relates to all DZ BANK AG locations. The same applies to environmental data.

The Sustainability Report for 2012 was produced in accordance with Global Reporting Initiative (GRI) guidelines and the additional guidelines given in the financial services sector supplement. The topics it addresses were determined with reference to an analysis of material issues conducted in 2012 (SR 13 et seq.). A summary of the contents relevant to GRI guidelines can be found at the end of this report (SR 54 et seq.). The Sustainability Report has been given the highest GRI application level (A).

In 2013, in addition to the Sustainability Report, a stand-alone communication on progress was issued detailing the progress made by companies in the DZ BANK Group on implementing the ten principles of the UN Global Compact.

In the interests of readability, we have omitted gender-specific repetitions and we have not written out the bank's full legal name. This report is available in German and English. The next Sustainability Report will appear in 2014 as a status report.



**FURTHER INFORMATION
IS AVAILABLE
ON OUR WEBSITE.**

www.dzbank.com
www.sustainability.dzbank.com

All the contents of this printed report, together with supplementary information, can be found on our redesigned portal www.sustainability.dzbank.com. Smartphone users can use the QR code at the end of the main section to link to sector-specific pages on our sustainability portal.

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Dear Shareholders,

The Volksbanken Raiffeisenbanken cooperative financial network today enjoys a reputation that our founders, Hermann Schulze-Delitzsch and Friedrich Wilhelm Raiffeisen, could only have dreamed of when they launched the organization. Since then it has become generally accepted that the cooperative model can contribute to long-term and sustainable solutions for economic and social problems. The importance of the cooperative principle has also been recognized by the United Nations, which named 2012 International Year of Cooperatives.

- On a daily basis we can see that, in Germany and elsewhere, cooperative banks are setting the standards for responsible banking.
- We see ourselves as creators of economic wealth with social and environmental responsibility. These are values with which we strongly identify.
- We know that making products, processes, and partnerships transparent is the right thing to do and we act accordingly.

Against this background, I am pleased to present DZ BANK AG's fifth Sustainability Report.

Examine closely: that is this report's guiding principle. We must examine things closely in order to do business sustainably. This is a maxim that we live by consistently across the whole of our organization. We work in partnership with the entire cooperative financial network and, as its central institution, assume wide-ranging corporate social responsibility.

Thanks to our long-term business model, 2012 was a good year for DZ BANK AG, despite the challenging regulatory environment and the continuing financial crisis. The volume of approved loans to corporate customers rose by more than 20 percent to €9.9 billion, while new business for development loans rose by about 20 percent to €7.3 billion. Working with local cooperative banks, our specialist Agriculture, Nature and Energy team has become a driver of growth in the SME sector for agriculture and renewable energies. Clear gains were made here in 2012. Together we are supporting the development of areas rich in potential such as the environment, infrastructure, and health.

As well as developing sustainable products and services, DZ BANK AG has enhanced key processes along social and ecological lines. In 2012, we prepared to sign up to the Equator Principles, the international standard for project finance. The introduction of a code of conduct was another of the company-wide initiatives we implemented at DZ BANK in 2012. And since 2008, we have been expressly committed to the ten principles of the United Nations Global Compact.

Sustainability is also an important theme for the DZ BANK Group as a whole, which includes, among others, Bausparkasse Schwäbisch Hall, Union Investment, R+V Versicherung, and Teambank. With our 2010 sustainability market initiative, we have been working together on groupwide supplier standards, an environmental management strategy, and standards for our core business. Our efforts are already bearing fruit. The DZ BANK Group was accorded Prime Status classification by the respected sustainability ratings agency oekom research and praised for its above-average social and environmental performance.

My fellow board members and I are delighted to see that DZ BANK has made irreversible progress on sustainability; not least because sustainable thinking and behavior have become an integral part of our cooperative culture.

On the following pages, you can join us in 'examining closely' how we are creating sustainable added value. Please tell us what you think. It's the only way we can be sure of continual improvement.

Kind regards,

Frankfurt am Main, August 2013

Wolfgang Kirsch

Wolfgang Kirsch, Chief Executive Officer



A PORTRAIT OF DZ BANK

With around 4,000 employees and total assets of approximately €238 billion, DZ BANK AG is one of Germany's leading banks. As the central institution of the cooperative financial network, it is an important partner to more than 900 cooperative banks. In this role, it is responsible for supporting the business of the independent cooperative banks and strengthening their competitiveness. In addition, DZ BANK AG acts as a corporate bank for companies and institutions that need a nationwide banking partner. Its range of products and services extends from classic and innovative products, structuring, and issues, to trading and sales in the equity and bond markets. Together with Bausparkasse Schwäbisch Hall, Union Investment, Teambank, R+V Versicherung, and other specialist providers, it forms part of the DZ BANK Group, which acts as the holding company.

Cooperation between the companies is characterized by shared success and the cooperative principle. Mutuality, partnership, and social responsibility are the values guiding the companies that make up the DZ BANK Group. The principles established by cooperative pioneers Friedrich Wilhelm Raiffeisen, Hermann Schulze-Delitzsch, and Wilhelm Hass are

today more relevant than ever, as can be seen from the fact that the United Nations named 2012 International Year of Cooperatives (SR 18).

DZ BANK GROUP

With their well-established brands, the companies that make up the DZ BANK Group – from Bausparkasse Schwäbisch Hall, R+V Versicherung, and the Union Investment Group to VR LEASING and various other specialized institutions – constitute key pillars in the range of financial products and services offered by the cooperative financial services network. Their role is to use their products to enhance the competitive position of cooperative banks in the German market. With total assets of €407 billion, the DZ BANK Group is one of Germany's largest financial services providers.

THE COOPERATIVE FINANCIAL NETWORK AS A MODEL FOR SUCCESS

With around 1,100 cooperative banks and 13,350 branches, the Volksbanken Raiffeisenbanken

cooperative financial network is Europe's largest consolidated banking group, providing its customers with a comprehensive one-stop shop for financial services and advice. Over 17 million members and 30 million customers attest to the success of the cooperative financial network.

FINANCIAL PERFORMANCE

In 2012, DZ BANK AG had total assets of approximately €238 billion. Its business performed extremely positively overall, despite growing regulatory requirements. In particular, DZ BANK can look back on 2012 as a good year for its corporate banking business. The volume of approved loans to corporate customers increased by more than 20 percent to €9.9 billion. In corporate banking, the group's combined marketing efforts in the German SME sector have borne fruit. In particular, the financing of renewable energies projects has seen significant growth. In retail banking, investors' nervousness was clearly a factor. Against this background, sales of investment certificates and structured securities totaled €4.3 billion compared to €5.2 billion the previous year. In its capital markets business,

90

percent of our customers are also our shareholders.

Breakdown of share ownership:
82.3 percent held by local cooperative banks
6.7 percent by WGZ Bank
6.9 percent by other cooperatives
4.1 percent by private individuals and other shareholders

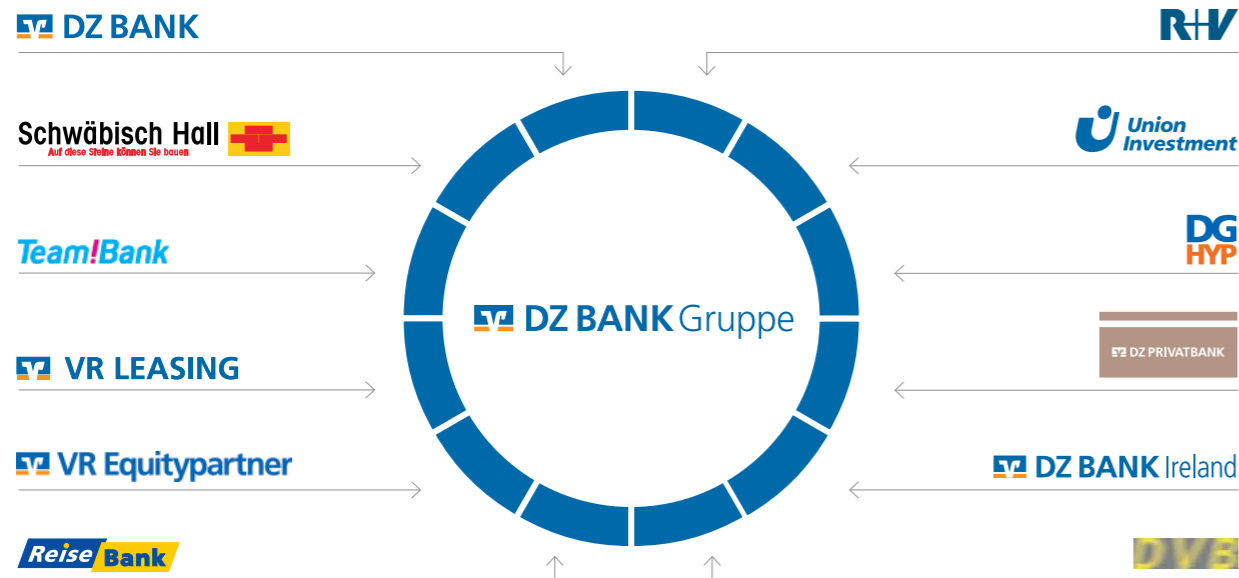
DZ BANK maintained its strong position with the volume of supported bond issues amounting to €22 billion.

This positive trend could also be seen in the results for the DZ BANK Group as a whole: since 2008, its Tier 1 capital ratio has doubled to 14.8 percent. Profit before taxes increased fourfold from €324 million in 2011 to €1.32 billion in 2012.

SUSTAINABLE DEVELOPMENT MILESTONES FOR DZ BANK



STRONG BRANDS IN THE DZ BANK GROUP: DZ BANK'S PRINCIPAL SHAREHOLDINGS



SUSTAINABILITY MARKET INITIATIVE OF THE DZ BANK GROUP

The sustainability market initiative launched in 2010 bundles the group's activities more tightly together than previously and focuses on the shared goal of exploiting market opportunities and avoiding risk while enhancing corporate citizenship. Since then, the companies in the DZ BANK Group have worked together on sustainability. Dr. Matthias Metz, Chief Executive Officer of Bausparkasse Schwäbisch Hall, is the initiative's sponsor.

The first strategic review and the implementation of specific measures in the companies have already borne fruit. Since 2011, respected sustainability ratings agency oekom has categorized the DZ BANK Group as Prime Status.

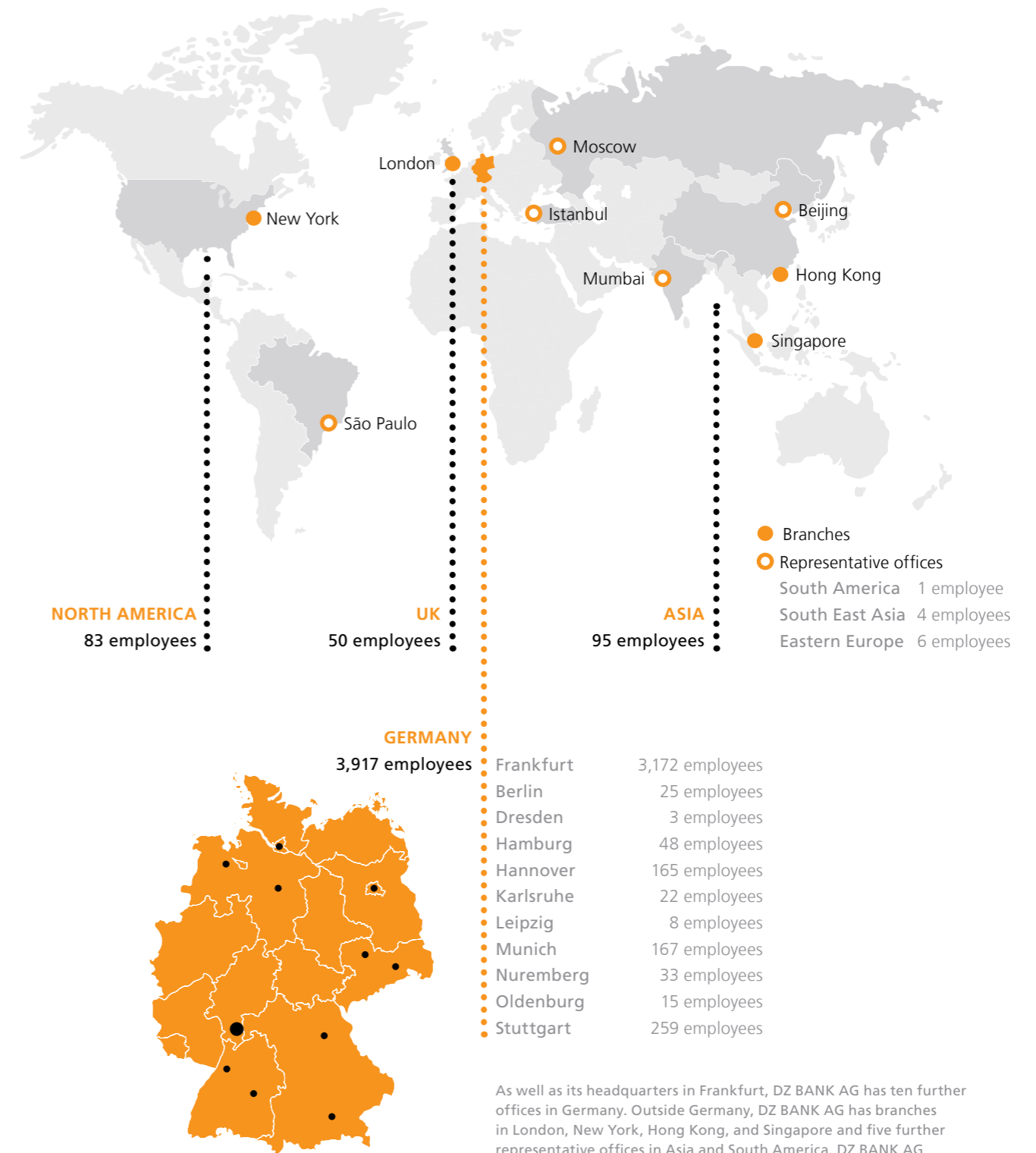
In 2012, the focus was on working together on key areas. This included developing and implementing sustainability standards for suppliers and service providers. An internal climate study in 2012 laid down the basic principles for the development of a new climate strategy in the DZ BANK Group. A systematic database structure is one of the components in the development of a groupwide information-sharing system. This database structure will be used for the first time in 2013 following preparation work carried out by a working group during 2012. In the future, the sustainability market

initiative will address the issue of creating uniformity across further standards. Policies implemented by individual companies will be reviewed to assess whether they can be used throughout the group. This includes an evaluation of the United Nations Global Compact, which was signed by DZ BANK AG in 2008, to establish whether it can be rolled out to other companies in the DZ BANK Group.

FURTHER INFORMATION ON THE COMPANIES IN THE DZ BANK GROUP CAN BE FOUND AT

- » www.dzbank.com
- » www.schwaebisch-hall.de
- » www.easycrredit.de/Teambank.htm
- » www.vr-leasing.de
- » www.vrep.de
- » www.reisebank.de
- » www.ruv.de
- » www.union-investment.de
- » www.dghyp.de
- » www.dz-privatbank.com
- » www.dzbank.ie
- » www.dvbbank.com

DZ BANK AG – WORKING GLOBALLY AND LOCALLY FOR ITS CUSTOMERS



As well as its headquarters in Frankfurt, DZ BANK AG has ten further offices in Germany. Outside Germany, DZ BANK AG has branches in London, New York, Hong Kong, and Singapore and five further representative offices in Asia and South America. DZ BANK AG employs 4,156 employees around the world.

SUSTAINABILITY IN FIGURES

10

YEARS

is how long the renewable energies sector has been one of DZ BANK's biggest growth areas. The bank's lending volume in this sector is now around €2 billion.

6,500 WORKS OF ART

make up DZ BANK's art collection.

3.1

WORKING DAYS

were spent on average by our employees on continuing professional development in 2012.

130 PEOPLE

celebrated their 10th, 25th, or 40th year of service in 2012.

16.1 PERCENT

of our managerial positions were held by women in 2012.

2,770 APPLICATIONS

were received by DZ BANK in 2012 for its management trainee program.

64 COOPERATIVE BANKS

received a DZ BANK annual development prize in 2012.

58 MANAGEMENT TRAINEES

began their careers at DZ BANK in 2012.

263

MANAGEMENT TRAINEES

were employed at DZ BANK as part of a development program in 2012.

7.4 PERCENT

reduction in electricity usage at our Frankfurt site from 2008 to 2012.

46 PERCENT

of our donations in 2012 went to academic and educational causes.

78 PERCENT

of our employees in Germany used '180-degree feedback' to give their manager direct feedback in 2011.

6,700,000 KILOMETERS

is the distance that can be travelled by the average smart car, emitting the same amount of CO₂ as DZ BANK saved in 2010 by using green electricity. That is the equivalent of 166 circumnavigations of the globe. Since 2010, the offices in Frankfurt, Berlin, Hannover, Karlsruhe, and Munich have been using CO₂-neutral electricity.

3 YEARS

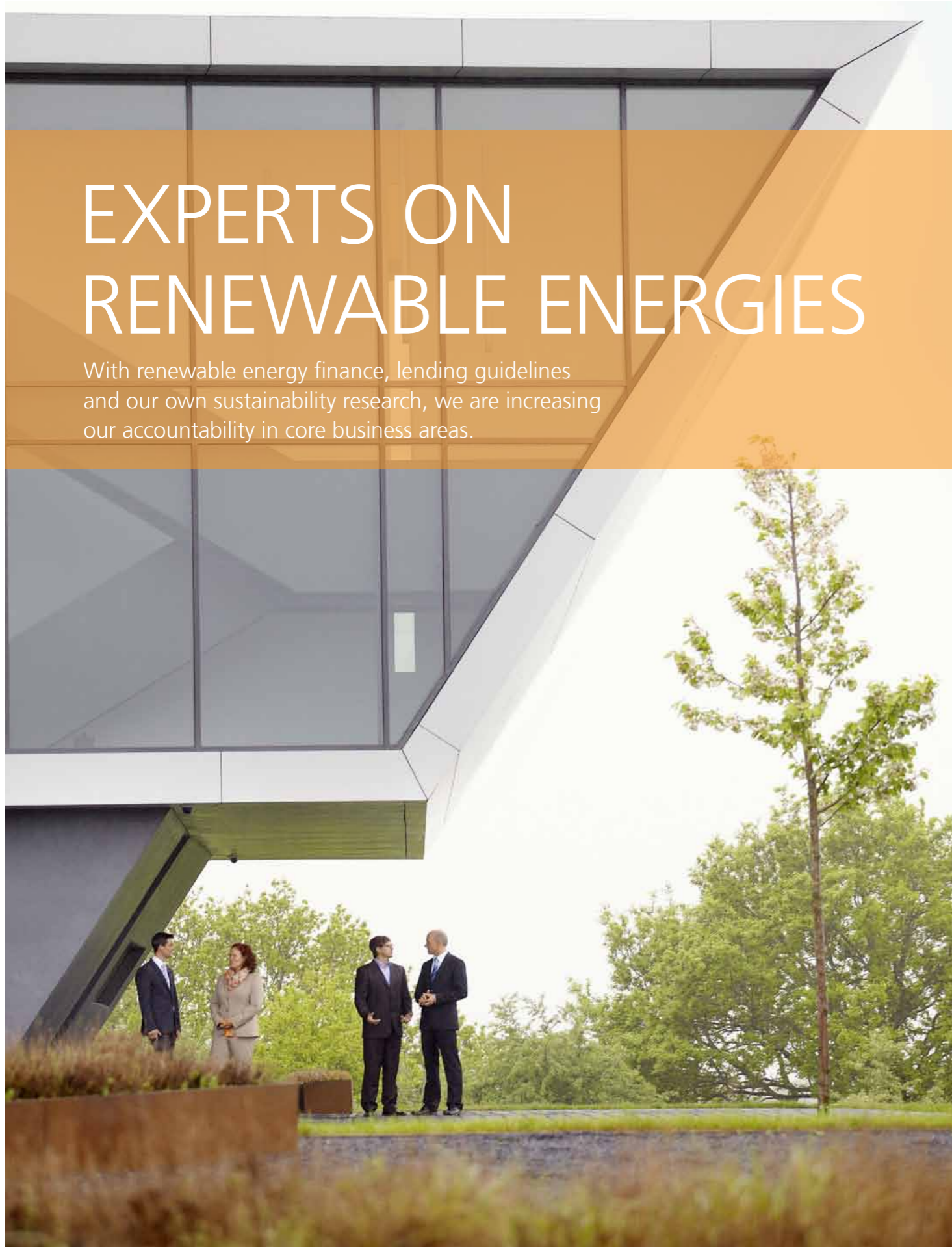
is how long the groupwide sustainability market initiative has been providing input and working toward coordinated strategic goals.

193,503 CUPS

of Fairtrade coffee were drunk at our Frankfurt site in 2012.

EXPERTS ON RENEWABLE ENERGIES

With renewable energy finance, lending guidelines and our own sustainability research, we are increasing our accountability in core business areas.





Left to right: Tobias Zienecker, Kieler Volksbank; Alexandra Pohl, DZ BANK; Torsten Levsen, Denker & Wulf; Hans-Joachim Krambeck, Volksbank-Raiffeisenbank im Kreis Rendsburg

At the end of 2012, the Holtsee wind farm was connected to the national grid. Today there are three modern wind turbines working quietly in this town in Schleswig-Holstein. Between them they create enough electricity for over 6,250 households. The project was financed and coordinated for wind farm developer Denker & Wulf by DZ BANK together with Kieler Volksbank and Volksbank Raiffeisenbank im Kreis Rendsburg.

Kieler Volksbank, whom Denker & Wulf had only just appointed as their principal bank, played a decisive role so the project was something of a baptism of fire for this new relationship. The bank mediated the developer's relationship with DZ BANK's Agriculture, Nature and Energy (ANE) team in Hamburg. Volksbank-Raiffeisenbank im Kreis Rendsburg also played a role in the project. The advantage in involving several institutions in the finance was explained by Hans-Joachim Krambeck, agriculture customer relationship manager at VR Bank Rendsburg. "As we are all cooperative banks, we all work well together and share the same values. At the same time, we each have a wide range of business contacts. We are familiar with the facts on the ground, Kieler Volksbank manages the customer relationship, and DZ BANK, with its expertise in renewable energies, is on hand for all those involved."

In practice, the two local cooperative banks took care of customer relations, ran the corporate current accounts,

and managed the investments. The ANE team provided support at every stage of the project, from checking documents to working out the finance structure and loan conditions, drafting the loan agreement, and documenting the process.

The whole process, from the planning phase to connection to the grid in December 2012, took just 13 months. "As the central institution for the cooperative banks, DZ BANK has many years' experience from a wide range of renewable energy projects," explains Alexandra Pohl, head of the ANE team. "We know exactly how to overcome barriers and can support local cooperative banks in the implementation of their projects, even when they don't have any experience in this area." Torsten Levsen, Chief Executive Officer of Denker & Wulf, adds that "with the cooperative banks acting as local and regional partners, and with DZ BANK providing its extensive expertise in this area, everyone involved had complete confidence in the project being run professionally."

So much confidence, in fact, that the cooperative financial network has now won the contract for the wind farm's extension. Since then, Kieler Volksbank has received four more applications for wind farm project finance.

► Read the full interview with the planners and finance partners at www.sustainability.dzbank.com

ALEXANDRA POHL

"With around 1,100 local cooperative banks and excellent regional contacts, the cooperative financial network is ideally placed to contribute to achieving a decentralized shift toward renewable energy."

WORKING TOGETHER FOR A SUSTAINABLE FUTURE

SUSTAINABILITY MANAGEMENT

Behaving responsibly is a key corporate objective for us and has to be embedded in day-to-day activity across the organization. That is why overall responsibility for sustainable development at DZ BANK lies directly with our Chief Executive Officer Wolfgang Kirsch. Environmental and employee-related matters are the remit of Thomas Ullrich, member of the Board of Managing Directors responsible for IT, Organization, HR, and Operation/Services.

In order to do justice to the multi-faceted nature of this area, in 2008 we assigned the coordination of sustainability activities to the Communication and Marketing division, which reports directly to the Board of Managing Directors. The opportunities and risks of sustainable development are here assessed at strategic level and communicated to the departments in the bank. The head of this division reports regularly to the Chief Executive Officer on the progress being made in specific areas.

Sustainability management structure at DZ BANK

The goals and proposals arising from consultation with companies in the DZ BANK Group and other stakeholders are conveyed to the bank via its Communication and Marketing division and discussed with a working group of representatives from key divisions of the bank. This well-established working group supports the Communication and Marketing division in day-to-day sustainability management. Together, both these groups formulate the objectives of the sustainability program (SR 52 et seq.).

Focal points, standards, and dialog processes

In addition to contributing to the sustainability program, the working group makes suggestions for measures to be taken in the various departments. In 2012, the meetings

were used, among other purposes, to provide input for the process of determining which factors will have a material effect on the business (SR 13 et seq.).

In 2012, the following areas were the focus of our sustainability work:

- » Groupwide introduction and implementation of supplier standards (SR 33)
- » Company-wide introduction of a code of conduct for DZ BANK (SR 15)
- » Cross-departmental implementation of the Equator Principles (SR 22 et seq.)
- » Improvement of stakeholder engagement, for example through surveys (SR 14)
- » Expertise exchange with external bodies such as Germany's Association for Environmental Management and Sustainability in Financial Institutions (VfU) and the German Global Compact Network (SR 52)
- » Extension of internal communication on sustainability

Planned projects and partnerships

By the end of 2013, we aim to have developed additional communication channels and formats for inhouse sustainability news. With DZ BANK AG having signed up to the United Nations Global Compact in 2008, by August 2013 we expect the other companies in the DZ BANK Group to have signed up as well. Also at groupwide level, we are planning a data management system for sustainability (SR 6).

METHODICAL SELECTION OF AREAS OF ACTION

In order to lead our company as effectively as possible, we need the deepest possible understanding of our stakeholders' social, ecological, and economic expectations.



Henrik Ohlsen, acting director of the German Association for Environmental Management and Sustainability in Financial Institutions (VfU)

FROM VOLUNTARY ENGAGEMENT TO A CORE PART OF OUR BUSINESS

Given the current upheaval in the financial system, 'business as usual' is no longer an option. Instead we have to engage with sustainability as a strategy to secure our future existence. We have to redefine the role of the finance industry as a socio-political force. And we have to re-establish people's trust in the system and in its transparency and credibility.

With its cooperative structure, DZ BANK already comes close to embodying this ideal. Basic principles such as partnership and solidarity are reflected in the way we do business.

And in the future, banks will be challenged to play even more of a leading role in their financing of, and investment in, sustainable economic activity. That is why banks need to re-invent themselves as social actors who initiate sustainable development by becoming more responsible.

Therefore, from October to November 2012, we carried out our first ever online survey of a group of internal and external stakeholders regarding DZ BANK's commitment to sustainability.

Consultation with a wide range of stakeholders In choosing which interest groups to survey, we took account of their diversity and their relevance for us as a company. The following key points emerged:

- » Among our most important stakeholders are the cooperative banks, who are both our customers and our owners, and the employees of DZ BANK and the DZ BANK Group.
- » Suppliers and service providers as well as trade associations and investors are highly relevant to us from a financial point of view.
- » We also listened to critical opinions from NGOs and ratings agencies as well as from academia and politics.

Results of the stakeholder survey and implications for us as a business Our stakeholders' opinions underlined for us once again the importance of integrating sustainability strategically into our core business and across all areas

of action. The utmost relevance was attached to sustainable company management as well as to sustainable products and services. For us, this means the even greater systemization of the principle of sustainability – already at the core of the cooperative model – and making it the point of departure in all our business activity. The contents and structure of this report have been guided by the results and salient messages arising from the survey.

RESPONSIBLE CORPORATE MANAGEMENT

Doing business sustainably means making good corporate governance a reality. For us this principally means compliance, risk management, reputation management, and transparent decision-making.

As the central institution for the cooperative banks, we have embedded the values of partnership and solidarity into our corporate culture and made integrity a core part of our mission. When determining our managing directors' remuneration, we follow the recommendations of the Financial Stability Board and the Remuneration Ordinance for Institutions.

The code of conduct as an overall framework for DZ BANK regulations As a responsibly managed company, we provide our employees with guidance on how to behave properly and respectfully in their dealings with customers, business partners, and other members of staff. In order to gather all the different directives and guidelines in one place, our Compliance Office (SR 16) has developed a code of conduct in collaboration with the departments. This came into force on December 3, 2012.

COMMUNICATING THE CODE OF CONDUCT

When the code of conduct came into force, DZ BANK started to communicate it to all employees through various communication channels including the compliance portal, the internal portal for written procedures, and the welcome page for new starters on the intranet.

As part of our sustainability program, we aimed to embed the code of conduct into employee behavior by the end of 2013, using information initiatives and existing training programs to do so. However, this goal was largely reached ahead of schedule by the beginning of 2013 and further measures will be taken during the year for its completion.

GROWING ACCOUNTABILITY IN COMPLIANCE-MANAGEMENT

Compliance plays an important role in the financial sector. In the battle against insider dealing, market manipulation, corruption, and other illegal behavior, and for the imposition of financial embargoes, governments are calling on the finance industry for support.

MATERIALITY MATRIX



The matrix shows the relevance of each topic for DZ BANK and its stakeholders. The themes with the highest priority for both sides are situated in the upper right section of the matrix. The diagram shows an excerpt from the materiality matrix.

- AREAS OF ACTION**
- Company management
 - Products and services
 - Responsibility for employees
 - Climate change and environmental protection
 - Corporate citizenship

Additional rules have been brought in that regulate transactions and subject institutions to disclosure and stringent inspection. This increasingly restrictive statutory environment has a fundamental effect on the way we do business.

In the past few years, lawmakers have made increasing demands on banks' compliance departments. Implementing European regulatory guidelines, Germany's financial services regulator, BaFin, has tightened up the regulations contained in the German Securities Trading Act (WpHG), particularly those to do with investor protection, by issuing its Minimum Requirements for the Compliance Function and Additional Requirements Governing Rules of Conduct, Organization and Transparency. In so doing, it has increased considerably the remit of compliance departments. For example, compliance departments must now get involved in the early stages of any new product launch or publication and must assess, among other considerations, whether customers' interests are sufficiently protected.

Compliance at DZ BANK

As the central institution of the cooperative financial network, DZ BANK bears particular responsibility for guaranteeing proper business practices. It was back in the 1990s that, in accordance with international standards, DZ BANK first introduced a central Compliance Office to interact with its other banking functions. In line with legal requirements, the Compliance Office was particularly responsible for capital markets compliance and the prevention of money laundering and was the main body responsible for preventing other criminal activity. The office advises managers and staff as well as the bank's business units on the implementation and monitoring of legal requirements. It also checks compliance with the provisions of the WpHG, the ban on insider trading, and the rules on employee transactions and ensures that the bank does not become involved in money laundering or the funding of terrorism.

As compliance officer, anti-money-laundering officer, and group anti-money-laundering officer, the head of the Compliance Office reports directly and regularly to the Board of Managing Directors and the Supervisory Board.

Fraud prevention measures and tools

DZ BANK's code of conduct (SR 15), introduced in 2012, contains various fraud prevention measures. These include guidelines for declaring gifts as well as

a whistleblowing hotline and training. In addition to the introduction of area coordinators in 2012, we redesigned our written procedures for fraud prevention, including guards against corruption and price manipulation within the meaning of section 25c of the German Banking Act (KWG).

APPROACH TO RISK

For the collation of money laundering and fraud risk data for the annual risk analysis, the Compliance Office works closely with, among other areas, the Group Operational Risk function in the Risk Control division. Through the application of standardized tools for the collation of operational risk and by using feedback from money laundering and fraud risk analysis, we can be sure that the bank recognizes and controls the risks involved and thereby minimizes or avoids the risk of losses at an early stage.

WHISTLEBLOWING HOTLINE

To identify irregularities at an early stage, we offer our staff the opportunity to report in the strictest confidence. In addition to a compliance and money-laundering hotline, we operate a whistleblowing hotline that allows our staff to anonymously report signs of suspected criminal activity to the bank. The internal contact for this procedure is the head of the Compliance Office. Externally an independent attorney is available as an additional ombudsman who guarantees the whistleblower's anonymity as part of client confidentiality and as part of the immunity guaranteed to public sector employees. The information provided is checked confidentially by a committee. This system helps DZ BANK ensure it complies with legal obligations and avoids any reputational damage or financial loss.

28

suspicious transaction reports were made by DZ BANK to the prosecuting authority in 2012.

As a central institution, DZ BANK processes international payments for many cooperative banks as well as for other banks and, under Germany's Anti-Money Laundering Act (GwG), has to identify and report any suspicious transactions that arise.

COMPLIANCE TRAINING

Our staff receive regular compulsory training in banking compliance, the prevention of money laundering, the ban of price manipulation, and fraud prevention. Our goal of training over 90 percent of eligible staff in fraud prevention by the end of 2013 was exceeded ahead of schedule in 2012 with coverage of 97-99 percent (SR 27). In addition to the training measures, in 2012 we introduced a software program that examines all trades for price manipulation.

Data protection

Our staff adhere to all legal data protection requirements relevant to their work and we regularly update them on current data protection law. We protect our customers' data and only pass it on to third parties with the customer's consent or if we are legally permitted or required to do so. Our data protection officer is responsible for ensuring conformity with the law and is the primary contact for our customers, business partners, and staff.

CUSTOMER DIALOG

For DZ BANK, customer satisfaction is of the utmost importance. DZ BANK's most important customer group, the cooperative banks, are also owners of DZ BANK. We therefore feel particular solidarity and a sense of partnership with this group. But we also want to offer the highest levels of customer service to institutional and private investors.

Dialog ensures customer satisfaction

We actively seek dialog with our customers and wider stakeholders (SR 13 et seq.) and wish to engage them in our corporate processes to our mutual advantage.

Every three years we undertake a customer satisfaction survey among the cooperative banks measuring not just overall satisfaction with DZ BANK but also attitudes to the individual departments. The 2013 survey showed that 96 percent of those asked were satisfied with DZ BANK, the highest number since the survey began. Alongside customer surveys of the cooperative banks we also use regular surveys of the SME sector in order to predict trends.

In addition to conventional events with opportunity for dialog, we use a quality management system to ensure customer satisfaction (SR 18). Like the awards we receive from independent organizations, it helps our customers build trust in the quality of our services.

Dialog with cooperative banks

Using various dialog formats, we aim for two-way communication and in particular the participation of our customers and owners, the cooperative banks. Meetings of the regional Banking Advisory Councils and of the Financial Services Advisory Council have a particular strategic significance in this process.

SUPPORT AT DAY-TO-DAY LEVEL

Since 2011, we have been using the annual VR MittelstandsDialog to support corporate customer advisors at the cooperative banks to advise their SME customers. In 2012, the focus of the VR MittelstandsDialog was on renewable energies (SR 20 et seq.).

DEMOGRAPHIC CHANGE AND CUSTOMER COMMUNICATION

Demographic change is increasingly important for DZ BANK's customers. It therefore emerged as a strategic product theme during talks with the cooperative banks in 2012 and was made part of advisory meetings with these banks' Boards of Managing Directors.

SME study delivers trend analysis

The twice-yearly SME study is used by DZ BANK to inform its customers of current trends in the sector. In it we regularly ask about SMEs' expectations of the financial sector, customer satisfaction, their views on the performance of the economy, and subjects specific to the SME sector. As we have been conducting the survey since the 1990s, we make sure we use meaningful time series to classify the results.

In a comparison of customer satisfaction at principal banks, the local cooperative banks attained the highest levels in Germany for 2012. In the same year, we also trialed a flash poll on the theme of the globalization of the SME sector. Further flash polls are planned for 2013.

Quality management and dealing with complaints

For product-related processes we use a quality management system that allows us to provide good customer service, particularly to private investors. As a leading issuing house, DZ BANK has had its entire product development process inspected and certified by international certification organization TÜV Süd. The seal of approval issued in the form of industry standard ISO 9001 guarantees comprehensive quality management from initial product idea to measurement of customer satisfaction.

In addition to product development, 2011 saw the first customer service inspection undertaken in the Capital Markets Retail division, which had set itself ambitious quality standards for dealing with customer inquiries in terms of staff availability and processing times.

Complaints managers in all divisions with direct or indirect contact with customers are also responsible for customer-focused case management. All complaints, whether they are made by telephone, letter, email, or in person, are dealt with promptly.

SKILLS FOR FUTURE-FOCUSED BUSINESS

DZ BANK ensures that its products and services always meet sustainability criteria. That is how we create added value for customers, the environment, and society and ensure our own success. We see ourselves as a reliable partner always on hand to support the cooperative banks and their customers.

Finance along sustainable lines

Responsible lending decisions can make a fundamental contribution to social progress. Our focus is therefore on the sustainable design of finance products and lending. At the start of 2013 we signed up to the Equator Principles (SR 22 et seq.), which establish international sustainability criteria for project finance. And since 2013, renewable energies have been an important growth area for cooperative network business with the cooperative banks (SR 20 et seq.).

Sustainability research creates investment ideas

In response to regulatory requirements and increasing customer demand, the cooperative banks and institutional investors at home and abroad are increasingly evaluating their investments and portfolios using sustainability criteria. Since 2011, DZ BANK's sustainability research has offered these investors a comprehensive audit and consultancy service for sustainable investments in equities. Our sustainability research analyzes not only DZ BANK's entire equities investment portfolio, but is also combined with analysis of fundamentals and work by other departments to translate sustainability trends into realistic investment ideas (SR 24).

Payment transfer with sustainability bonus

In the Transaction Banking division, DZ BANK works with individual customers to bring sustainable products



INTERNATIONAL YEAR OF COOPERATIVES

We have taken the opportunity offered by the United Nations International Year of Cooperatives to put cooperative thinking into the public domain across a variety of platforms. We marked the year with an introductory event at our head office and an art exhibition (SR 49 et seq.). In addition, we launched the Cooperative of the Month campaign, in which we feature a range of outstanding cooperatives on our website. Each of the cooperatives selected embodies an important social issue such as regionalism, renewable energies, or contemporary cooperative thinking.

to market. In this context, DZ BANK played a significant role in helping Triodos Bank and other partners to develop the GreenCardPlus MasterCard, the first Germany-wide sustainable credit card program with a bonus point system for encouraging ecological and community-based projects. In 2012, the program received the Innovation Prize from the Profit for Non Profit Awards sponsored by the French sustainable business consultancy Axylia Conseil.

FINANCIAL AND REPUTATIONAL RISK

Risk management in the banking industry is different from risk management in other sectors. The main issues are the control and monitoring of trading risk, issuer risk, country risk, and credit risk. DZ BANK – and the DZ BANK Group as a whole – adopts the principle that risk should be incurred only to the extent required to achieve strategic goals, provided the risk appears manageable.

Dealing with reputational risk

Reputational risk is evaluated during credit checking by applying a sustainability checklist (SR 19 et seq.). Our sector-specific skills centers ensure that the necessary expertise is always available to carry out credit ratings and to assess the quality and risk structure of loans to companies from various industries.

The sustainability market initiative working group ensures that the issues relevant to DZ BANK are coordinated and communicated across the DZ BANK Group. Sensitive issues are communicated to the departments via the working group and are worked on jointly. In this way the effects of sensitive issues on DZ BANK reputation can be managed.

SUSTAINABLE LENDING

Corporate social responsibility is a central part of DZ BANK's business model. As a risk-conscious lender, DZ BANK assesses loan applications systematically against relevant sustainability criteria. To this end, it uses a uniform company-wide application assessment procedure based on a comprehensive sustainability checklist as well as sector-specific principles (SR 22).

Sustainability check for all loans

As part of the loan checking procedure, all loan applications (setting of limits for conventional loans, project finance, and trading limits) are assessed using our own sustainability checklist. The list, which has been in use since 2009, is based on the ten principles of the United Nations Global Compact and, in the case of project finance, on the Equator Principles (SR 22 et seq.). We use it to assess all the factors relevant to that loan that may affect ecological or social risk. Included in this assessment could be, among others, business partners, customers, suppliers, sector, and commercial focus.

How the sustainability check works

The sustainability checklist is based on a four-stage traffic light system with levels ranging from exemplary (green = 1) to dubious (red = 4). It contains eleven inspection criteria:

- » Social: working conditions; respect for human rights; protection of heritage, culture, memorials, and cultural sites; and protection of neighboring residential areas
- » Ecological: environmental protection; insurance in case of environmental damage; products; and previous usage of company land
- » Anti-corruption
- » Competition/tax
- » Additional criterion

As part of the sustainability check, each individual criterion is allocated a value. The overall rating for the loan is obtained by taking the average of the values. If this figure exceeds 3.5, no loan is granted.

1792

loan applications with a sustainability check were approved by DZ BANK staff in 2012.

They applied social and ecological criteria such as human rights and environmental protection.

Since July 2011, we have been capturing the results of the sustainability checks across the company: in 2012, 1,792 applications that underwent a sustainability check were approved.

RENEWABLE ENERGIES: A GROWTH AREA

For some years now, the political will in favor of a shift in energy policy, and public interest in renewable energies, have had a consistently stimulating effect on the market for these forms of energy.



Expansion of market share in the renewable energies sector

It was ten years ago that DZ BANK declared the renewable energies sector to be one of its key growth areas. The bank's lending volume in this sector is now around €2 billion.

DZ BANK expects this growth trend in renewable energies to continue and is working with the cooperative banks to build on its already significant market share in this sector over the coming years.

With its commitment to the development of renewable energies, DZ BANK, together with the cooperative banks, is making a significant contribution to the switch to alternative energy sources in Germany, from the building of infrastructure to the installation of new higher-performance facilities. At the same time DZ BANK's development lending business is helping to ensure a reduction in energy usage in Germany

through the use of better insulation, heating technology, and other advances (SR 22).

Today the cooperative model has proved its worth in both the rolling out of renewable energies and the increase in energy efficiency. To date, more than one third of all solar power installations and one third of all energy-efficient houses has been financed by a cooperative bank.

Diverse approaches to finance in the energy sector

With the cooperative banks working locally and the DZ BANK Group in the background, the cooperative financial network brings together the potential of the renewable energies and energy efficiency sectors. The spectrum of energy-related business initiatives at DZ BANK is therefore extremely diverse, ranging from project finance for new builds and repowering of wind, solar and bio-gas facilities, to the financing of energy cooperatives, to helping SMEs invest in energy

ENERGY COOPERATIVES AS A DRIVING FORCE

The switch to renewable energy is largely supported by private individuals who join forces to form energy cooperatives. In less than a decade, the number of such cooperatives has increased tenfold to over 600. In 2012, 171 new energy cooperatives were founded and over 80,000 people are involved in these organizations. According to a study conducted by the German Cooperative and Raiffeisen Confederation, the German Solar Industry Association, and Germany's Renewable Energies Agency (AEE), people can buy a stake in most of the cooperatives for less than €500. In this way, the energy cooperative model creates the right conditions for the mutually beneficial participation of private individuals, companies, farmers, and municipal organizations, all under one roof. And the study provides one further proof: as far as energy cooperative members are concerned, environmental protection, the expansion of renewable energies, and the encouragement of regional value creation are all clearly more important than returns.

efficiency improvements. With their network of local contacts, the cooperative banks can play an important role in this process.

58

**percent volume increase in loans
for wind power projects was achieved
by DZ BANK from 2010 to 2012.**

DZ BANK's volume of lending for such projects is around €772 million, making wind power one of DZ BANK's most important areas of renewable energies finance.

Agriculture, Nature, and Energy (ANE) team

In the renewable energies sector, the cooperative banks are particularly supported by the Agriculture, Nature, and Energy (ANE) team. Renewable energies investments are managed by this decentralized team together with the local cooperative banks. The ANE team's strength lies in its understanding of local circumstances and close cooperation with the cooperative banks in the management of project finance. In order to further strengthen this successful relationship, the team will be significantly enlarged in 2013.

Loans to cooperative banks and companies in the DZ BANK Group, as well as certain standard low-risk loan products and restructuring loans, are exempt from the checks.

Sectoral rules for sensitive industries

For the assessment of loan applications from sensitive industries, DZ BANK uses what are known as sectoral rules in addition to the sustainability check. These serve as a frame of reference for lending decisions. Processing in accordance with sectoral rules is an integral part of the sustainability check.

So far, sectoral rules exist for forestry, extractive industries, reservoir projects, and maritime industries. Sector-specific guidelines for agriculture are being prepared for 2013.

Training multipliers in sustainable lending

Since 2011, DZ BANK has been providing training in the application of sustainability criteria for lending. The training teaches those employees involved in lending about DZ BANK's concept of sustainability, and the theoretical and practical application of that concept to the loans business. The instruction modules are designed to enable course participants to become multipliers so that they can go on to support their departmental colleagues in applying the sustainability checklist.

By the end of 2012, 64 employees had taken the training. Our goal of training all of the required multipliers by the end of 2012 is therefore 80 percent fulfilled. In 2013 we will roll out the training in Frankfurt and other selected locations.

A PARTNER FOR DEVELOPMENT LENDING

When it comes to development lending, DZ BANK can provide the cooperative banks with marketing solutions and specialist knowledge. Development loans in the environmental sector and action plans for coping with demographic change play a significant role here. For retail customers as much as in the business sector, investments in improving energy efficiency – whether through new builds or renovations – are becoming increasingly important. The same applies to community-based programs such as adapting buildings for older residents or creating childcare facilities. These themes will form the focus of our development loan marketing for 2013.

Growth of development lending

In 2012, DZ BANK's development loans business showed clear gains and, with new business of around €7.3 billion, approached the level achieved in the record year of 2010. The volume of business earned by DZ BANK and the cooperative banks just for development loans from Germany's KfW development bank came to €4.9 billion. With a share of 15 percent of all loans made by KfW, DZ BANK was the development bank's biggest single customer. Measured by volume with KfW, DZ BANK has a 15 percent market share of the commercial environmental sector and a 20 percent share of retail banking. In particular, this performance was driven by public-sector programs for energy-efficient construction and renovation work and for the expansion of renewable energies.

PROJECT FINANCE

Project finance frequently touches on a wide range of economic, environmental, and social issues and is associated with long terms to maturity. One of the distinguishing features of project finance is the fact that the project's facilities constitute its collateral and loan repayments are mostly made from current income. At DZ BANK, the term 'project finance' is used for proposals for, among others, Germany's renewable energies sector as well as for long-term equity investment in large-scale projects.

With its project finance department active across Germany and beyond, DZ BANK's comprehensive knowledge pool is available to the institutions of the cooperative financial network. The focus is in the following areas:

- » Energy generation and distribution and renewable energies
- » Infrastructure/public-private partnerships (PPPs)

Sustainable standards for project finance

On January 1, 2013 DZ BANK officially recognized the Equator Principles. When it signed up to this voluntary agreement, the bank was making official what it had been doing for years in practice: taking account of sustainability standards in project finance. In so doing, it is meeting the requirements of preventive risk management and taking responsibility for the environment and society. All the departments involved worked closely together in the run-up to signing the

Equator Principles, proving that sustainability is a company-wide concern that affects all aspects of DZ BANK's business.

The Equator Principles comprise ten guidelines introduced in 2003 for all new project finance with a net investment of over US\$ 10 million. Of significance for the classification is the total volume of a project; the portion invested by DZ BANK itself may be lower. Since introduction of the Principles, more than 78 financial institutions from 32 countries (as at March 2013), including some of the world's leading project finance banks, have signed up to them. Together they represent over 70 percent of project finance volumes worldwide.

LENDING ADAPTED TO THE EQUATOR PRINCIPLES

As a signatory to the Equator Principles, DZ BANK is obliged to check projects with a total lending volume of more than US\$ 10 million. The check assesses social and environmental relevance and classifies social and environmental impact as 'high', 'moderate' or 'low' risk. This classification takes place as part of the standard lending process. DZ BANK enhanced its lending conditions for the affected financing as part of its implementation of the Equator Principles.

Project finance focus for 2012

At the end of 2012, the volume of project finance credit limits approved by DZ BANK for wind, solar, and biogas/biomass came to around €2 billion. Since 2009, this figure has risen by around 260 percent. In keeping with demand, the proportion of DZ BANK's project finance volume accounted for by infrastructure projects remained high at approximately 50 percent in 2012. In the PPP sector, DZ BANK financed projects totaling €146.09 million in 2012, which represented an increase of around 17 percent on the previous year's total of €125.25 million.

SUSTAINABILITY RESEARCH

Since 2011, DZ BANK Research has been providing a specific type of sustainability research that subjects traded equities to systematic analysis and makes appropriate investment recommendations. Sustainability research today forms an important part of DZ BANK's research spectrum. The analysis is used by institutional investors in Germany and abroad, cooperative banks, and DZ PRIVATBANK.

DZ BANK's sustainability rating is based on a holistic investment approach and enables institutional investors, investment managers, and cooperative banks to combine

expected returns with sustainability when making investment decisions. The rating's methodology is based primarily on the equity market.

Companies that our analysts classify as 'sustainable' are awarded the DZ BANK Research seal of approval for sustainability and they are identified as recipients in published research.

655

institutional investors with total assets under management of US\$ 78 trillion were signatory investors as at February 1, 2012.

On their behalf, the sustainability research team produced the 2012 Carbon Development Project (CDP) Climate Change Report for Germany, Austria, and Switzerland.

In 2012, the seal of approval was used in the whole range of equity research publications. It was also mentioned in what is known as the master list, which is used by the cooperative banks as a ratings instrument. Along with comprehensive market information, this list now also provides sustainability reports on the companies covered by equity research.

The ratings are used for all 300 or so individual securities in the DZ BANK equity universe. Up to 2012, almost 30 percent of these securities had been classified as sustainable and awarded the DZ BANK Research seal of approval for sustainability.

Discussing the research

The sustainability research team talks to all customer groups and is the impetus for intensive networking aimed at marketing relevant products and embedding sustainability as an investment theme.

In 2012, the team held the fifth Sustainable Technologies Conference in Zurich as well as its own one-day event as part of the 2012 German Equity Forum in Frankfurt. At this sustainability forum the team demonstrated the link between sustainability and the capital markets.

Topics covered included the expectations of politicians, investors, fund managers, and company directors. In addition to these events, the sustainability research function published five studies in 2012 on SRI-focused sustainability issues such as transportation, energy efficiency, and sustainability on the capital markets. This range of analyses, which have frequently been requested by institutional investors, was also made available to the cooperative financial network via special mailing lists and to individual investors via the local cooperative banks' VR-BankenPortal.

In 2012 the total number of events run by the sustainability research team rose by around 25 percent compared with the previous year.

DZ BANK Research's plans in the area of sustainability

In order to raise awareness and generate new business for sustainable investment, DZ BANK Research's plans include rolling out the sustainability roadshows (the Corporate SRI Roadshows) to non-German companies. In addition there are plans to introduce at least one new research product before the end of 2013. As well as research into equities, the long-term plan is to include further asset classes such as corporate and government bonds in sustainability research (SR 53).

SUSTAINABLE INVESTMENT PRODUCTS

The investment ideas contained in DZ BANK Research's focus study Sustainable Transportation were adopted for a 2012 campaign of the same name. It was in this context that DZ BANK issued several new theme-specific investment certificates for its 'Anlage Zukunft' product line, part of its AKZENT Invest brand.

The 'Anlage Zukunft' line was increased by a total of 13 new investment certificates. It offers our retail customers a range of innovative investment products that combine sustainability standards and expected returns and offer a number of other advantages.

Performance of the sustainable investment products market

In the course of the year we again advertised the 'Anlage Zukunft' certificates intensively. Under the banner of Sustainable Transportation, we achieved considerable success. Nonetheless, in the face of overall investor nervousness, it will be difficult, if not impossible, to

reach the goal we set in 2009 – to increase the proportion of securities sales accounted for by sustainable investment certificates and improve market penetration – by the end of 2013 (SR 53).

Approved quality and security

In order to ensure the security of our sustainable investment products, we have put a range of precautions in place. In selecting the underlying instruments for investment certificates in the 'Anlage Zukunft' line, we work closely with our inhouse sustainability research team. We examine companies from the fast growing environment & resources, infrastructure & transportation, healthcare, welfare & education, and nutrition & quality of life markets, and subject them to stringent selection criteria. Since November 2011 we have based our selection on the DZ BANK Research sustainability rating (SR 23).

Furthermore the quality of our investment products in terms of investment performance and adherence to the code of conduct of the German Derivatives Association (DDV) is recognized with TÜV certification (SR 18).

As a result of the financial crisis and the subsequent collapse of confidence, retail investors have high expectations of the security of investment certificates. DZ BANK is a member of the protection scheme operated by the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR) [National Association of German Cooperative Banks]. The BVR is obliged by its charter to operate an investment protection scheme. Customers holding investment certificates issued by DZ BANK (bearer bonds) are among those who are provided with unlimited protection by the scheme.

Smartphone users can scan this QR code to access more information on our website.



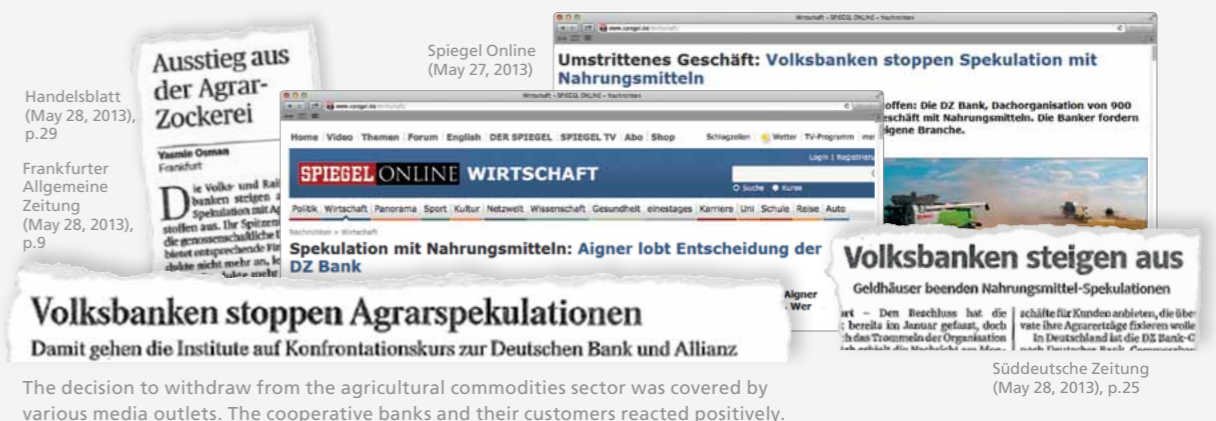
DZ BANK NO LONGER OFFERS PRODUCTS BASED ON AGRICULTURAL COMMODITIES

In the future, the DZ BANK Group will no longer offer products based on agricultural commodities. This decision was made by the bank in 2012 and the necessary measures are currently being implemented for securities aimed at retail customers.

In the meantime, any investment products based on agricultural commodities and issued by DZ BANK that are not fixed-term (known as open-ended products) will not be traded on the stock exchange. Customers who have invested in these products have been informed. The bank had already removed all open-ended agricultural commodities products from the stock exchange, provided they did not represent any client assets. Nearly all fixed-term agricultural commodities products come to maturity in 2013 and no follow-on products will be issued. The AKZENT Invest Fonds BestPortfolio has also been adapted so that it no longer invests in agricultural commodities. The Union Investment funds affected have not invested in agricultural commodities since March 1, 2013. There are only two funds where, for legal reasons, it has not been possible to subsequently adapt the investment strategy, but they mature in 2016 and 2017.

These decisions were made by the DZ BANK Group in consultation with its stakeholders in the cooperative financial network. The decision was also based on falling demand for agricultural commodity products. The DZ BANK Group expressly welcomes and encourages close academic involvement in this area and will continue to monitor developments closely. For example, as part of a strategic partnership, Union Investment is working with development researcher Professor Joachim von Braun on further research into the effects of investing in agricultural commodities. In order to create more transparency and reduce risk for its contractual partners, DZ BANK has long backed efforts to settle all derivatives – including, for example, futures on agricultural commodities – through the stock exchanges or, in the case of OTC derivatives, via central clearing platforms. Moreover the bank is requesting that the transaction volume be controlled, above all by introducing meaningful position limits on stock exchanges or central clearing platforms.

Separately from its retail banking products and services, DZ BANK, with its long tradition of serving the agriculture sector, will continue to help its corporate customers to secure prices with standardized products.



The decision to withdraw from the agricultural commodities sector was covered by various media outlets. The cooperative banks and their customers reacted positively.

Sustainable business KPIs

KPIs are a basic requirement for evaluating the success of the projects, processes, and strategies we implement. The following KPIs relate to sustainable business:

MAIN FINANCIAL KPIs

€ million	2012	2011	2010
Operating profit	1,100	558	948
Profit/loss before taxes	-317	152	67
Taxes	445	-92	89
Net income	128	60	156
Total assets / total equity and liabilities	238,504	245,412	227,337
Volume of business*	260,657	268,356	251,010
Equity	6,417	6,350	6,436
Tier 1 capital	9,087	7,817	7,503
Tier 1 capital ratio (%)	17.7	12.6	15.6
Staff expenses	-447	-418	-437
LONG-TERM RATING			
Standard & Poor's	AA-	AA-	A+
Moody's Investors Service	A1	Aa3	Aa3
Fitch Ratings	A+	A+	A+

In 2012, DZ BANK AG had total assets of approximately €238 billion. Despite growing regulatory requirements, its business performed extremely positively.

* Total equity and liabilities including contingent liabilities and other obligations

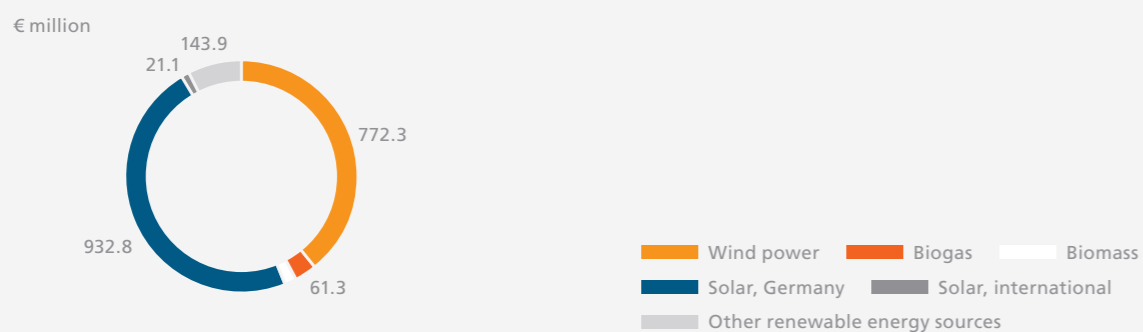
LOANS BY ENERGY TYPE*

€ million	2012	2011	2010
Wind power	772.3	686.1	489.2
Biogas	61.3	52.4	32.9
Biomass	34.5	29.4	16.1
Solar power, Germany	932.8	545.7	280.8
Solar power, international	21.1	21.5	16.3
Other renewable energies sources	143.9	29.2	0
Total	1,965.9	1,364.3	835.3

The growth trend for renewable energies remains strong. The 2012 volumes for all energy types were up sharply on 2011 levels.

*Excl. development lending

LENDING BY ENERGY TYPE IN 2012



DEVELOPMENT LENDING

€ billion	2012	2011	2010
New business volume	7.3	6.1	8.1
Of which: KfW new business volume	4.7	4.4	-

Following a decrease in 2011, the volume of development lending for 2012 approached that of the record year of 2010.

COMPLIANCE TRAINING IN 2012

Total number of participants	2012	Percentage of employees for whom training is compulsory	2011	Percentage of employees for whom training is compulsory	2010***
Compliance for banks	3,856	99.4%	3,673	98.7%	3,620
Compliance for banks – follow-up course	3,356	99.1%	3,223	98.3%	-
Prevention of money laundering	4,044	99.0%	3,659	98.3%	3,617
Prevention of money laundering – follow-up course	3,287	98.7%	3,122	97.7%	-
Ban on market price manipulation*	1,111	98.3%	998	89.9%	-
Fraud prevention for managers**	437	97.1%	218	50.9%	-
Fraud prevention for employees**	3,404	97.8%	1,665	50.5%	-

* The 'Ban on market price manipulation' training course was launched in August 2011 and is aimed at staff in trading or trading-related units.

** Training courses in fraud prevention were introduced in December 2011.

*** In 2010 training data was not captured with the same level of detail as it has been in subsequent years. Just under 85 percent of the total workforce was included in 2010.

Nearly 100 percent of the employees required to undergo the training attended a relevant CPD course in 2012. That meant that the goal of providing the fraud prevention training introduced in 2011 to more than 90 percent of staff by the end of 2013 was in fact reached by the end of 2012 (SR 52).

VALUE DATES OF INVESTMENT CERTIFICATES ISSUED IN 2012*

Name	WKN	Issue type	Value date
EKK NACHHALTIGKEITSANLEIHE V	AK0A5G	Private label	Feb. 3, 2012
EDG VarioZins Garantianleihe III Nachhaltig	AK0CGE	Private label	Mar. 5, 2012
VarioZins Garant Nachhaltigkeit 2012/10	AK0CK6	General issue	Apr. 23, 2012
VarioZins Garant Nachhaltigkeit 2012/11	AK0CHW	Private label	Apr. 23, 2012
BasketKlassik Garant Nachhaltigkeit 2012/3	AK0CK8	General issue	Apr. 23, 2012
VARIOZINS GARANT FRÜHLING	AK0CJL	Private label	May 16, 2012
VarioZins Garant Mobilität 2012/16	AK0CN2	General issue	May 22, 2012
VarioZins Garant Mobilität 2012/17	AK0CJP	Private label	May 22, 2012
BasketKlassik Garant Mobilität 2012/5	AK0CN1	General issue	May 22, 2012
VR BasketKlassik Garant Mobilität 2012	AK0CKY	Private label	Jun. 29, 2012
EKK Nachhaltigkeitsanleihe VI	AK0CKA	Private label	Jun. 1, 2012
VBV VarioZins TeilGarant	AK0A5L	Private label	Jun. 15, 2012
BBBank VarioZins Garant Mobilität	AK0CLK	Private label	Aug. 6, 2012

* incl. the Sustainable Transportation campaign

FUTURE-READY BANK

It is not just in our lending that we take account of ecological criteria. We are also trying to reduce the environmental impact of our offices.





Matthias Kreft, DZ BANK

MATTHIAS KREFT

“DZ BANK constantly keeps abreast of technological developments in order to control the effects its IT has on the environment and climate.”

In today's world, computers are needed for everything. And that includes banking. In the last five years, the volume of data handled daily by the DZ BANK servers has risen by over 500 percent. However, we are encouraged by the fact that electricity usage at our computing centers has remained constant. This has been made possible by consistently deploying the most up-to-date IT, which optimizes the use of resources during the production, operation, and even the disposal of equipment. The concept of designing IT and communications technology to be as energy-efficient as possible is known as ‘green IT’.

What this means for DZ BANK in practice is that, in the past few years, most of our software, which is currently run from around 1,300 servers, has been outsourced to two highly efficient computing centers. Using an external service provider ensures we deploy the latest technology available, which in turn ensures optimal energy efficiency from the equipment – as proved by the various certificates that have been awarded for, among other achievements, environmental protection, occupational safety, and quality management.

“Energy efficiency is first and foremost dependent on the energy necessary for cooling the servers,” explains Matthias Kreft, group manager for IT at DZ BANK. “In one room there are around 500 servers producing the heat of about 2,500 hairdryers at full blast. To keep this room cool, a lot of cold air has to be pumped in.

The power needed to operate the servers is divided by the amount needed to operate the computers. This provides us with what's known as the PUE (power usage effectiveness) reading. With a reading of 1.5, the computing centers used by DZ BANK rate very well.”

In order to reduce the energy it uses for the servers and the cooling process, the bank also uses cloud computing technology as part of its own IT structures. This allows up to 40 virtual servers to be used on one physical server. “With cloud computing we don't need to have so many servers manufactured, delivered, connected, and then disposed of in accordance with data protection laws,” states Kreft. “That helps us to conserve resources and reduce our CO₂ emissions.” And with cloud computing, servers can be run at optimum capacity, enabling us to significantly reduce the energy used for operating and cooling them. Data storage can be more efficiently designed as well. DZ BANK uses a system that prevents the storage of duplicate data records. “That allows us to free up 30 percent of hard-drive space,” says Kreft. The end result of all these measures is that, in 2012, DZ BANK used green IT to lower its energy consumption by around 14.5 million kilowatt hours in its computing centers.

► Read the full interview with Matthias Kreft at www.sustainability.dzbank.com

PROTECTING THE ENVIRONMENT TOGETHER

CLIMATE PROTECTION AND ENERGY EFFICIENCY

We want to reduce our environmental impact as far as possible and can see opportunities for doing so at our main office in Frankfurt in particular. DZ BANK's environmental management program is making a concerted effort to realize these opportunities. In so doing, it is helping to reduce not only environmental impact, but also costs. With the environmental protection measures we are taking, we want to show our colleagues, customers, and other stakeholders just what improvements are possible.

7.4

percent was the saving made on our electricity consumption between 2008 and the end of 2012.

This means we were close to meeting the target we had set ourselves in our sustainability program.

Our goal of achieving a 30 percent reduction in CO₂ emissions was achieved in 2011. Since 2010, all our major offices, including Frankfurt, Berlin, Hannover, Karlsruhe, Stuttgart, and Munich – have obtained electricity generated from renewable sources and our offices are heated with district heating, which further reduces our impact on the environment and climate. This involves primary fuels such as coal and gas being used more efficiently, thereby reducing CO₂ emissions.

For environmental impact that we can only influence indirectly, we try to avoid it as far as possible or offset it by acquiring certificates. Since 2010, we have been offsetting the CO₂ emissions produced by one of our most important major events – Investment Dialog – through emissions certificates for financing the construction of energy-efficient ovens in Ghana. We have almost achieved our target of reducing electricity consumption at our Frankfurt office by 7.5 percent between 2008 and 2013 with a reduction of around 7.4 percent.

Efficient building technology

A cornerstone of our energy management strategy is the modernization of technical facilities in our buildings. In 2012, we held our electricity consumption in DZ BANK buildings in Frankfurt (20,301 megawatt hours) at almost the same level as the previous year, despite the fact that we are now occupying more space in Cityhaus 1.

In 2012, we replaced part of our air conditioning equipment in our Frankfurt offices and improved its efficiency rating by 10 percent. We also modernized the air conditioning equipment in both of the Cityhaus buildings to improve its heat retention rating. Alongside this work on the air conditioning, we also installed an intelligent control system for the elevators in Cityhaus 1, which coordinates the journeys undertaken by the elevators.

In 2013, we will continue to modernize the way the air conditioning is powered and initiate new measures such as replacing the heating distributor. We also have the long-term goal of obtaining ‘green office building’ certification for GENO-Haus, our office in Stuttgart. Other long-term goals have been set for Cityhaus 1 in Frankfurt, where we intend to replace the cooling tower by the end of 2017 and completely update the induction units for the office air conditioning system by the end of 2021.

Start of ECOPROFIT in Frankfurt

In 2013, we will make the ECOPROFIT program part of our environmental management system in Frankfurt and use the program to initiate new environmental measures and consumption targets. ECOPROFIT stands for 'ecological project for integrated environmental technology' and involves local companies becoming environmentally compliant and making a significant contribution to achieving Green City status for Frankfurt. Through active environmental management, ECOPROFIT Frankfurt is contributing to long-term reductions in environmental impact and costs. Alongside ecological and economic aims, the program emphasizes social aspects such as providing staff with motivation and awareness raising around environmental protection. This program, which enjoys the support of Frankfurt's city authorities, aims to build a local network and establish long-term partnerships in corporate environmental management.

84

percent of our employees
use public transportation

to get to and from work.

ENVIRONMENTALLY FRIENDLY TRANSPORTATION

Travel is an essential aspect of our work. As a central institution, we provide support and on-site visits for more than 900 independent cooperative banks. In 2012 our employees covered a total of over 25 million kilometers on business trips.

Our business travel policy encourages travel with low environmental impact. Under this policy, business trips are only permitted if their business purpose cannot be achieved by other means, e.g. by telephone or video conference. In order to reduce CO₂ and other emissions, trips should preferably be taken by rail rather than by air or road. Travel has increased by around 2 million kilometers on the previous year.

Travel cards support journeys with reduced environmental impact

DZ BANK subsidizes all staff to take public transport to work by providing a travel allowance. At most of our major offices, we offer our employees a subsidized travel card for the local public transport network. We also have an agreement with Deutsche Bahn under which employees who live outside local public transport zones can travel to work by train, and therefore with reduced environmental impact, at reduced rates. In 2012, 84 percent of our staff used public transportation to travel to and from work.

RESOURCE AND WASTE MANAGEMENT

Paper for the printers and photocopiers accounts for the largest proportion of consumables used at DZ BANK. Paper production uses a large amount of resources. In order to reduce this consumption, we have been using an e-document management system since the start of 2012. The first step was to introduce an e-invoicing system. We then gradually migrated the administration of partner-related data onto the e-system during the course of 2012. We train staff in the use of the new system by providing videos and training literature via the intranet. The system will have been introduced company-wide by the end of 2013.

New system for ascertaining the volume of waste

In order to facilitate recycling, in 2011 we developed a solution with which to standardize waste management throughout Germany. Since the beginning of 2012, we have been recording waste volumes at our offices in Germany – not just for paper, non-recyclable waste, and plastic but also for additional categories such as data storage media and lighting. Offices with fewer than 20 staff are excluded from this initiative. This allows us to provide detailed information on the volume of waste we generate and to work toward gradually reducing it. In 2012, we produced less commercial waste than in the previous year. At our Frankfurt office, this was achieved through improved waste separation.

We are also working to reduce water usage at our offices. Compared to 2011, our water consumption remained almost constant at 72,697 cubic meters (73,663 cubic meters in 2011). In 2012, water consumption increased overall due to data being captured for an increased number of offices.

DZ BANK'S ENVIRONMENTAL STRATEGY

For DZ BANK, environmental awareness is of central importance. As well as complying with the statutory requirements we have therefore undertaken to minimize our impact on the environment. We have also set targets for service providers and suppliers, as well as for our employees. We report comprehensively on the implementation of our environmental protection measures, thereby ensuring the greatest possible level of transparency vis-à-vis the general public.

SUSTAINABLE PROCUREMENT

DZ BANK's sustainable procurement operations are based on proactive supplier management. The minimum social and environmental standards that we expect our suppliers to comply with were developed in 2010. We integrated them into our procurement processes in 2011 and started to harmonize procurement standards across the group in 2012. A working group has developed a framework for the companies in the DZ BANK Group that is based on the existing standards at DZ BANK and lays down the financial, environmental, and social features needed for a supplier relationship to be sustainable.

Since then, we have used a sustainability agreement requiring both new and existing suppliers to comply with DZ BANK's minimum standards, the principles of the United Nations Global Compact, and the requirements of the International Labour Organization.

We classify our suppliers according to their sustainability relevance for DZ BANK. From the beginning of 2013, suppliers who are categorized as particularly relevant to sustainability because of the volume of orders we place

with them, their specific activity or country-specific risks, have been asked more searching questions about the sustainability of their core business. This includes certification and schemes for minimizing environmental impact. We base further action plans on the data we collect. From 2013 onward, our suppliers' sustainability performance data will be stored in a new database. The first survey of the relevant suppliers is expected to be completed in August 2013.

Environmental sustainability in procurement

Naturally, we also apply the demands we make of our suppliers to our own procurement. When we are purchasing office supplies, we pay special attention to environmentally friendly product features, such as products that are made from renewable resources or those that use returnable systems. We give preference to them if it is justifiable from a cost perspective. For example, 80 percent of the highlighter markers and 100 percent of the rollerball pens we buy are made of recyclable materials. When we are purchasing electrical equipment, we check its energy efficiency just as closely as its other features.

We only use paper bearing the FSC® Mix label for copying and for printing brochures. At least 50 percent of the fiber for the paper is from responsibly managed forests.

Eco-friendly mail dispatch

Our mail room has been using carbon-neutral services to send parcels and letters since May 1, 2013. DZ BANK uses Deutsche Post's eco-friendly GoGreen service to send express items, letters, and parcels to recipients via DHL. Every day, 100 courier deliveries and 2,000 letters leave DZ BANK across Germany and reach their recipients all over the world by environmentally friendly means.

2,000

letters and around 100 courier
deliveries leave DZ BANK throughout
Germany every day – using
carbon-neutral GoGreen services.

Carbon emissions are offset
using internationally recognized
environmental projects.



Smartphone users can scan this QR code
to access more information on our website.

Environmental protection and climate change KPIs

KPIs are a basic requirement for evaluating the success of the action we are taking in the area of environmental protection and climate change. The following KPIs relate to this area (as at December 31, 2012). Consumption was higher in 2012 because almost all the environmental data covered additional sites.

ELECTRICITY, HEATING, AND WATER CONSUMPTION

Kilowatt hours (kWh)	2012*	2011	2010
ELECTRICITY CONSUMPTION			
Total electricity consumption	26,947,829	27,349,821	28,546,563
of which green electricity	26,942,158	27,348,821	28,545,563
Individual electricity consumption (kWh per FTE)	8,734	8,311	8,664
HEATING CONSUMPTION			
Total heating consumption	13,796,408	11,202,717	13,747,341
Individual heating consumption (kWh per FTE)	4,352	3,404	4,394
WATER CONSUMPTION			
Cubic meters (m ³)	2012**	2011	2010
Total water consumption	80,060	73,663	82,885
Water consumption (m ³ per FTE)	26	22	26

* In Germany, the level of coverage per full-time equivalent (FTE) excluding temporary staff and trainees was 93 percent, a year-on-year increase in coverage of 2 percent.

In 2012, there was a year-on-year fall of 1.5 percent in the electricity consumed across all the sites recorded, while there was a rise in heating consumption. Half of the rise in heating consumption was attributable to an increase in our own use of floor space at Cityhaus 1 and the other half was due to data being recorded at additional sites.

DZ BANK'S water consumption totaled around 80,000 cubic meters in 2012. The increase was due to data having been recorded at additional sites in Germany. Consumption per employee was around 26 cubic meters in 2012.

** The level of coverage for sites in Germany per full-time equivalent (FTE) excluding temporary staff and trainees was 84 percent.

CO₂ EMISSIONS FROM ELECTRICITY AND HEATING

Kilograms (kg)	2012*	2011	2010
Total CO₂ emissions: electricity			
Total CO ₂ emissions: electricity	2,500.5	98.4	98.4
Individual CO ₂ emissions: electricity (kg per FTE)	0.81	0.03	0.03
CO₂ emissions: heating			
CO ₂ emissions: heating	2,859,636	2,235,072	2,337,048
Individual CO ₂ emissions: heating (kg per FTE)	902	679	747

Our CO₂ emissions attributable to electricity were higher because data was recorded at additional sites in Germany where it was not possible to switch entirely to green electricity. CO₂ emissions attributable to heating rose because there was increased consumption of heating.

*The level of coverage per full-time equivalent (FTE) excluding temporary staff and trainees was 93 percent, a year-on-year increase in coverage of 2 percent.

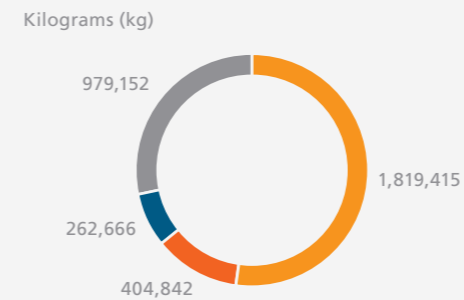
BUSINESS TRAVEL

'000 kilometers / %	2012*	2011	2010
Total business travel ('000 km)			
Total business travel ('000 km)	25,675	21,424	13,462
Individual business travel ('000 km per FTE)	7.5	5.9	3.6
Of which by train (%)	26	28	43
Of which by air (%)	24	22	51
Of which by private car (%)	3	4	6
Of which by company car (%)	37	39	-
Of which by rental car (%)	10	7	-

In 2012, the number of kilometers traveled on business trips was higher than in 2011. The increase was attributable to the rise in the headcount as well as to a larger number of flights abroad. The percentage of travel using rental cars was higher because less use was made of company cars and private vehicles.

*The level of coverage of full-time equivalents (FTEs) was 100 percent.

CO₂ EMISSIONS FROM BUSINESS TRAVEL* IN 2012**



Data on CO₂ emissions attributable to our business travel was collected for the first time in 2011. The data collected the following year showed an increase because there was a rise in the number of business trips.

■ Total by company car ■ Total by rental car
■ Total by rail ■ Total by air

* CO₂ emissions generated by travel have been collected since 2011. The classification system used in 2011, when data on company cars and rental cars was collected for the first time, has been changed and the figures have been restated.

** The level of coverage of full-time equivalents (FTEs) was 100 percent.

USE OF PUBLIC TRANSPORTATION

Number of employees	2012*	2011	2010**
Travel subsidy recipients	589	597	603
Regional travel card users	2,479	2,334	2,301
Deutsche Bahn travel card users	168	177	-
Public transportation users (%)	83.9	79.4	79.6

Use of public transportation rose sharply in 2012 when around 84 percent of our employees travelled to and from work on public transport.

* In Germany, the level of coverage per full-time equivalent excluding temporary staff and trainees was 100 percent.

** The proportion of DB travel card users was not recorded in 2010.

PRINTER AND COPIER PAPER CONSUMPTION

Kilograms (kg)	2012*	2011	2010
Total paper consumption			
Total paper consumption	150,221	140,235	129,730
Individual paper consumption (kg per FTE)	43	41	49
Proportion of FSC-certified paper (%)**	100	100	-
Proportion of chlorine-free paper (%)	-	-	100

In 2012, there was a slight increase in the total consumption of printer and copier paper, and also in consumption per full-time equivalent.

* The level of coverage per full-time equivalent excluding temporary staff and trainees was 84 percent while coverage for Germany was 100 percent.

** Retrospective reporting of the proportion of FSC-certified paper used in 2010 was not possible.

VOLUME OF WASTE

Kilograms (kg)	2012*	2011	2010
Total paper			
Total paper	335,413	286,853	326,455
Individual paper (kg per FTE)	115	92	104
Total mixed packaging			
Total mixed packaging	235,077	252,915	260,869
Individual mixed packaging (kg per FTE)	98	81	83
Total non-recyclable			
Total non-recyclable	210,120	220,501	225,089
Individual non-recyclable (kg per FTE)	67	70	72
Total commercial waste			
Total commercial waste	74,390	97,162	122,955
Individual commercial waste (kg per FTE)	25	33	38

With the exception of paper, we cut the total amount of waste we generated in 2012. The amount of waste paper was higher due to improved separation of paper from the remaining types of waste (packaging, non-recyclable waste, commercial waste).

* The level of coverage per full-time equivalent (FTE) excluding temporary staff and trainees was 92 percent for waste paper, packaging, and non-recyclable waste (2011: 86 percent) and 92 percent for commercial waste (2011: 80 percent).



EMPLOYER OF CHOICE

We offer our employees diverse job prospects and support them as much as possible on their personal career paths.





Hartmut Dietz, VR Bank Main-Kinzig-Büdingen

HARTMUT DIETZ

"TeamUp not only enhances the appeal of the local cooperative banks as employers, it also helps with the strategic positioning of the group, as well as strengthening the collaborative partnership with DZ BANK, our central institution."

Demographic change is posing ever greater challenges for HR managers in the financial sector. Regional banks find it particularly difficult to recruit well qualified university graduates. In accordance with the cooperative principle of strength in numbers, DZ BANK and the cooperative banks have joined forces to offer TeamUp, a groupwide trainee program. The ultimate objective of this program, which is geared to the needs of the workplace, is for participants to be offered a specialist role at one of the regional cooperative banks.

During their 18-month traineeship, participants work in different jobs at one of the cooperative banks they have chosen, at DZ BANK, and at up to two other specialized service providers in the DZ BANK Group. In this way, they get an impression of the variety of divisions and companies in the cooperative financial network.

"TeamUp is of particular interest for us, because it enables us to access a well qualified target group that is difficult for us to reach as a company in a region with no university," explained Hartmut Dietz, HR Director at VR Bank Main-Kinzig-Büdingen. "The program gathers together the expertise of the financial services group and enables the participants to embark on a career in one of the world's biggest finance teams within a very short time."

Because they are assigned to different divisions, the trainees are able to establish a broad network of contacts across the group, and networking is one of the program's specific focal points. Julian Berger, one of the first TeamUp alumni, has made the most of this opportunity, saying: "Throughout my entire time as a trainee, sharing information with departments in the various companies played a huge role. It was a way of getting lots of useful practical advice, and I would like to continue this dialog after my traineeship has finished."

The trainee program was developed in close consultation with the local cooperative banks taking part in it. "The outstanding collaborative partnership on TeamUp is a bonus for all involved," said Hartmut Dietz. From day one, the trainees are launched straight into the world of work, as Julian Berger confirms in his summary of his time as a trainee: "On TeamUp I was given responsibility from the outset. I gained key practical experience and learned a lot about the structures in different units."

The success of the program speaks for itself. Since its launch in October 2011, around 1,500 applications have been received and 25 trainee places have been filled. The fifth TeamUp course starts on April 1, 2014.

► The interview with Julian Berger and Hartmut Dietz can be found on www.sustainability.dzbank.com.

A STRONG WORKFORCE EQUALS A STRONG COMPANY

WIDE RANGE OF ENTRY-LEVEL JOBS FOR YOUNG PROFESSIONALS

The competition for highly qualified professionals and managerial staff is increasing in the financial sector, as it is elsewhere. So it is important for DZ BANK not only to offer established employees attractive prospects but also to recruit well qualified young people.

DZ BANK offers a wide range of entry-level jobs for both trainees and graduates. We offer school leavers a variety of opportunities to train for qualifications in areas such as banking or office communications as well as four courses combining work and study specializing in business informatics, business administration, banking, and applied IT.

From 2013 onward we will be offering a course in applied IT at the Baden-Wuerttemberg Cooperative State University. In partnership with the Baden-Wuerttemberg Cooperative State University, we have also established additional places at our sites outside Frankfurt on courses leading to Bachelor of Arts degrees in banking, which also start in 2013. University graduates are able to join DZ BANK as trainees who will undergo on-the-job training in specialist areas.

A total of 58 trainees started their career at DZ BANK in 2012. 96 percent of apprentices and trainees were offered permanent jobs in 2012. The ratio of trainees to other employees was 3.2 percent in 2012, which was higher than the ratio of 2.9 percent in 2011.

TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT

DZ BANK attaches great importance to supporting all its employees in their own professional and personal

development, which is why it has introduced a broad range of development opportunities.

Targeted training courses for developing potential

As part of our inhouse CPD program, which can be used by all staff members, we offered courses covering around 150 subject areas in 2012. Given the changes in regulatory requirements, training in banking regulation and bank management was particularly relevant and included a course on the Minimum Requirements for Risk Management (MaRisk) and a series of progressive training courses on German GAAP and IFRS financial reporting. As well as external trainers, many inhouse speakers also contribute their extensive expertise during courses covering banking regulation. In order to remain competitive at all times, we also offer training in the field of methodology, communications and personal skills, which we constantly update.

150

subjects were covered by our employees as part of the internal training program in 2012.

Other training courses run by external providers were also available.

In addition to the inhouse CPD program, which accounted for nearly 39 percent of the training and development offered by DZ BANK, 23 percent of training days covered customized training for departments, around 10 percent covered project training while 28 percent

were run at external providers. In all, the employees of DZ BANK attended around 11,900 training days in 2012; which was a year-on-year increase of more than 2,400 days. This increase was partly the result of training to accompany a major IT project.

12.9

years is the average period that employees work at DZ BANK.

This shows us that we are on the right track with our career prospects, work-life balance aids, and groupwide development opportunities.

Practical solutions developed by the SoundingBoard

The DZ MeinungsSpiegel staff survey is both a tool for measuring staff loyalty and satisfaction (Organizational Commitment Index, OCI) and the basis for division-specific or groupwide initiatives. A working group known as the SoundingBoard collates and processes these initiatives. The SoundingBoard consists of delegates from all 23 DZ BANK divisions, employee representatives, and two trainees. The committee has made a total of 22 proposals relating to corporate and management culture, the role of group heads, competitiveness, and career opportunities within the bank – four issues that affect the whole bank – and 17 of them have been implemented.

The 180° Feedback process is one of the initiatives resulting from the 2009 DZ MeinungsSpiegel survey and it was introduced as a management tool across all hierarchy levels throughout the bank in 2011. 180° Feedback provides managers with feedback about their performance from both their staff members and their superiors. Supplemented by self-assessment, the process creates a more professional managerial style and also plays a key role in strengthening DZ BANK's corporate and management culture.

PERFORMANCE-RELATED PAY AND SOCIAL SECURITY

Performance-related pay with variable components is one of DZ BANK's key management tools. We use our remuneration structure to provide each employee with incentives for personally implementing DZ BANK's strategic goals and those of his or her own division. Variable components are used to reward the performance of motivated staff. We also offer our staff a wide range of employee benefits such as group accident insurance, a travel allowance or subsidized travel card, and various CPD subsidies. In 2012, an option to defer compensation was added to the occupational pension scheme in the form of an additional voluntary component. It allows employees to benefit from tax relief by contributing part of their variable compensation to a supplementary pension provision.

PROMOTING EQUAL OPPORTUNITIES

Equality of opportunity is one of DZ BANK's core principles, which we also acknowledged publicly when we signed the diversity charter in November 2011. For us, equality of opportunity means treating and advancing all employees in the same way, regardless of their origin, skin color, gender, age, or physical ability. In 2012, we continued to provide new staff members and managers with training on the German General Equal Treatment Act and we complied with our company agreement on the integration of people with disabilities. In 2012, the proportion of the workforce with a severe disability was 4.5 percent.

DIVERSITY@DZ BANK

We launched the Diversity@DZ BANK project in 2012 with the aim of permanently increasing the proportion of female managers at DZ BANK. We started by analyzing the status quo. This analysis included in-depth interviews with all members of the Board of Managing Directors, management surveys, and benchmarking of existing measures for encouraging diversity. Most of the managers surveyed expressed the opinion that gender diversity has a huge influence on the performance of a company. The respondents also agreed that the commitment shown by the Board of Managing Directors was

vital to the success of this project. Currently, there are two female members out of a total of 21 on the DZ BANK Supervisory Board, 16 of its 199 departmental heads are female, as are 63 of its 346 group managers. The results of the status-quo analysis showed that further action for the advancement of women was needed. As a first step, we are focusing on creating the appropriate cultural environment.

In 2012, for the first time, we organized an event specifically targeting female students. We also provide support for female managers in ways other than Diversity@DZ BANK, such as a platform for female decision-makers to discuss business and personal matters, which was made available to around 70 female members of the Boards of Managing Directors in the cooperative financial network in 2012.

BALANCING WORK AND FAMILY LIFE

A key objective of our HR policy is to maintain employee commitment and satisfaction over the long term so we create the conditions in which a balance can be created between work and family in different life situations. As one of the 380 original signatories to the 'Joint declaration on the family as a success factor' in May 2008, we are firmly committed to our family-friendly personnel policies.

In addition to flexible working hours, our employees benefit from teleworking and various part-time working models. In 2012, 17.1 percent of employees worked part time, 9.1 percent worked at least some of the time from home by way of teleworking, and 188 employees, 134 women and 54 men, took parental leave. Internal company agreements govern other options such as pre-retirement part-time employment and sabbatical leave.

Services for our employees

DZ BANK has developed various services to make work and family life more compatible – some of them in cooperation with external service providers. For example, we help our employees to find places at suitable day nurseries and kindergartens and we subsidize childcare costs. We even make allowances for times when childcare is unexpectedly unavailable, so parents are entitled to emergency childcare at a partner care provider for ten days a year. We also provide parent-child offices at four

locations in Germany, which allows parents to bring their child with them to the office in exceptional circumstances.

Employees who are also carers can share information via the inhouse carer network, attend a seminar supported by DZ BANK about home care and care of the elderly, and make use of appropriate external advisory services. We have complied with the legal requirements of the German Care Leave Act (PflegeZG) since it came into force on July 1, 2008. If a family member needs care, employees can take up to six months' unpaid leave from work. In unforeseen cases when care is needed for a

DZ BANK EMPLOYEE BENEFITS

- » Inhouse sports activities
- » Glasses for computer work/eye examinations
- » Study leave
- » Subsidized Deutsche Bahn travel card
- » Company cafeteria or meal vouchers
- » Pay for working on Saturdays, Sundays, or public holidays
- » Travel allowance
- » Subsidy for private CPD
- » Group accident insurance
- » Long-service awards
- » Subsidy for child care costs
- » Contingency benefits
- » Special leave
- » Vacation allowance

relative, employees can take up to ten days unpaid leave to organize care that meets their needs. We work with managers and staff to find individual solutions that combine work and care in the best possible way. Employees have had access to a concierge service provided by an external agency since 2011. This service includes running errands and finding carers or even tradespeople.

96.7

**percent health rate at
DZ BANK in 2012.**

The rate has remained virtually constant for three years. This high rate is partly due to our range of customized preventive measures.

HEALTH MANAGEMENT AND SAFETY AT WORK

Increasing professional and personal pressures, combined with a longer working life, require us to be particularly careful of our employees' health. Our health management is aimed at maintaining employees' ability to perform, which we do by encouraging and supporting responsible behavior.

Fully integrated health management

As part of our corporate health management, we offer employees exercise classes, such as athletics and cycling, as well as preventive classes such as orthopedic back exercise, yoga, and autogenic training. In 2012, around 24 percent of the staff at our Frankfurt office took part in company sports activities and attended preventive classes (2011: 28 percent).

The theme of the DZ BANK health day in 2012 was maintaining a work-life balance. Examining the key question 'Are you in balance?', lectures and workshops provided employees with a wealth of information. At the Frankfurt office we also work with a healthcare center to offer the opportunity to attend lectures and seminars on medical topics.

Employees returning to work after a lengthy period of illness receive assistance via a dedicated reintegration program. If they are having difficulties, help and advice is also provided by an independent social counselor. In addition to meeting employees in person, she also gives talks at our offices throughout Germany. Our addiction policy provides specific guidance to ensure that managers and other staff know how to deal with addiction issues.

Compliance with health and safety standards

DZ BANK complies with the legal requirements and technical standards for health and safety at work at all its German offices, and appoints health and safety officers in accordance with the German Health & Safety at Work Act (ASiG). They help to prevent accidents at work by carrying out health and safety inspections at each workplace and by providing employees with relevant information. In 2012, DZ BANK prepared a risk assessment process for the workplace and conducted initial interviews and premises inspections.

ACTIVE DIALOG AND COOPERATION ACROSS THE GROUP

Professional and personal employee development and the provision of comprehensive support are also high priorities at the companies in the DZ BANK Group. The HR divisions at the companies in the DZ BANK Group jointly promote relevant topics and form permanent committees that meet regularly to share information about creating the optimum range of services for employees. In 2012, the companies concentrated on activities for recruiting, retaining, and motivating staff. They focused on improving the internal job market and boosting the DZ BANK Group's image as an employer of choice.

Career scouts provide personal support

At the end of 2011, we added the concept of 'career scouts' to the DZ BANK Group's talent management program. This concept is intended to improve career opportunities and development prospects within the group, thereby reinforcing a common identity within the DZ BANK Group and increasing networking across the entire organization. Initial successes were already apparent in 2012 when 22 people moved to a job in another area of the group. Career scouts are HR specialists from the individual companies in the DZ BANK Group who provide employees with confidential advice and assistance on moving jobs when key positions are being filled in another part of the group.

Corporate Campus development and dialog platform

The Corporate Campus for Management & Strategy was set up in 2010 as a development and information-sharing platform for senior management in the DZ BANK Group. In its third year, the Corporate Campus successfully grew into a well-established facility for nurturing both strategic group initiatives and

management development. In 2012, it provided the framework for a total of 30 management development events and supported two strategic group initiatives ('Tomorrow's corporate banking in the DZ BANK Group' and 'Strengthening customer focus and competitiveness through lean management in the DZ BANK Group'). The number of participants grew from 114 in 2011 to 150 in 2012. Almost every single participant in all the various management development formats last year said that they would recommend participation to others.

Advancement of women is a shared goal

In 2011, the DZ BANK Group set itself the shared goal of actively supporting the continuing professional development of women, a goal that it reasserted in a letter of intent. Combined with initiatives such as qualifying for the Work and Family Audit certificate, two group companies took part in Women&Work in the year under review. This is Germany's biggest trade fair and congress for women and six companies in the DZ BANK Group are planning to take part in 2013.

AWARDS



» Top German Employer 2013 (Corporate Research Foundation, CRF)



» Germany's top 100 employers
(2013 trendence 'Absolventenbarometer' graduates survey)



» 2012 award for career-enhancing & fair trainee program (Absolventa GmbH in cooperation with the Institute for HR Management at the Ludwig Maximilian University of Munich)



» Logib-D certification (Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, 2011)



» Work and Family Audit certificate for family-friendly HR policy, since 2007 (non-profit-making Hertie Foundation)

For more information, visit
<http://www.sustainability.dzbank.com/en/employees/awards.html>

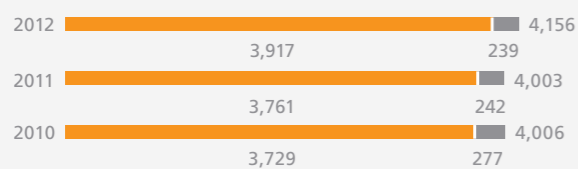


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Key performance indicators for responsibility for employees

KPIs are a basic requirement for evaluating the success of the projects, processes, and strategies we implement. The following KPIs relate to responsibility for employees (as at December 31, 2012):

NUMBER OF EMPLOYEES*



Location
■ Germany ■ International

In 2012, the total headcount rose by around 150 to 4,156. Given the way the business performed, the increase was largely restricted to our sites in Germany.

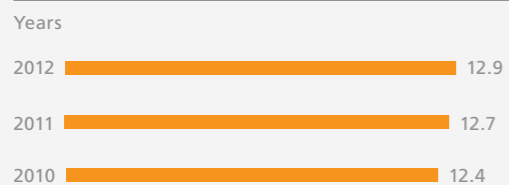
* Includes active and inactive staff, all works council members, and staff on training and development schemes

STAFF TURNOVER

Average for the year (%)	2012	2011	2010
Total	2.9	5.4	6.1
Germany	2.6	4.3	5.3
International	6.2	21.6	17.0

The rate of staff turnover was lower in 2012 because restructuring had been completed in Germany and abroad.

AVERAGE YEARS OF SERVICE



The stability of our company is reflected by the average years of service of its employees, which rose slightly from 12.7 years in 2011 to 12.9 years in 2012.

AVERAGE AGE

Years	2012	2011	2010
Total	42.7	42.3	41.9
Germany	42.6	42.2	41.9
International	43.7	43.3	42.7

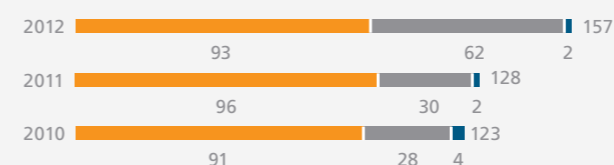
The average age of our employees was 42.7 years in 2012, slightly higher than in 2011.

PROFESSIONAL DEVELOPMENT DAYS AND COSTS

Days	2012	2011	2010
Germany	11,891	9,487	9,125
Per employee	3.1	2.5	2.5
Professional development costs per employee (€)	1,367	1,118	1,153

In 2012, there was an increase in the total number of training days and the cost of training per employee in Germany. This was the result of the general rise in staff numbers in Germany and the intensive training associated with a major IT project.

NUMBER OF TRAINEES BY PROGRAM



Program
■ Vocational training or bachelor degree programs
■ Trainee programs* ■ Postgraduate students

We employed a total of 157 trainees in 2012. The increase of nearly 30 management trainees on training schemes was the result of a new allocation of TeamUp trainees.

* Includes undergraduate trainees

PROPORTION OF WOMEN

%	2012	2011	2010
Total proportion of women	41.9	41.9	41.9
Proportion of women in managerial positions	16.1	15.6	14.9

The total proportion of women in managerial positions at DZ BANK rose slightly by 0.5 percent. In the future, we intend to increase further the proportion of women in managerial positions.

USE OF WORKING-TIME MODELS

%	2012	2011	2010
Flexible working hours	100.0	100.0	100.0
Full-time*	82.9	82.4	83.1
Part-time*	17.1	17.6	16.9
Virtual offices**	9.1	9.0	7.8
Sabbatical**	0.1	0.2	0.1
Preretirement part-time employment**	4.1	3.5	2.8

The proportion of employees in preretirement part-time employment was slightly lower than in the previous year, while there was a slight increase in employees working in virtual offices.

* All employees (Germany and international, active and inactive)

** Active employees in Germany only

HEALTHCARE MEASURES incl. inhouse sports

	2012	2011	2010
Number of employees			
Total participants*	756	805	775
Total for inhouse sports*	502	539	561
Total for preventive classes*	254	266	214
Average health rate for the year (%)	96.7	96.6	96.6

While the number of employees participating in healthcare initiatives was down in all areas in 2012, the health rate of 96.7 percent remained virtually the same.

* At the Frankfurt site

ACADEMIC PARTNERSHIPS

As a cooperative bank, our corporate citizenship focuses on partnership and helping others to help themselves in our local region and by supporting academic research, the arts, and social projects.





Professor Andreas Hackethal, House of Finance
Goethe University Frankfurt

ANDREAS HACKETHAL

“For me, success is the constant acquisition of knowledge for the benefit of society.”

The DZ BANK Foundation is committed to the long-term advancement of academic study and research, particularly with regard to the cooperative movement and banking. Since 2002, the foundation has established four endowed professorships for research into banking at private and public universities, along with numerous other projects.

“Endowed academic chairs play a key role in raising our profile at German universities,” explained Dr. Kirsten Siersleben, Managing Director of the DZ BANK Foundation. “They enable universities to pick up swiftly on innovative lines of research, to focus on new areas, and to expand existing subjects.” The first academic chair endowed was in financial engineering and derivatives under Professor Marliese Uhrig-Homburg at the Karlsruhe Institute. Because its evaluations were of such high quality, it continued to be endowed for ten years. During this period, the chair gained such prestige that the regional government took over its funding in 2012.

Professor Andreas Hackethal holds one of the academic chairs currently endowed by the DZ BANK Foundation. He has also gained international acclaim for his research into retail investor behavior undertaken at the House of Finance, part of the Goethe University Frankfurt. In October 2011, he also became Dean of the Faculty of Economics and Business Administration at the Goethe University. “Our research contributes important em-

pirical data to the debate about regulation in the area of investor protection that is currently preoccupying the banking world. We were one of the first to use large data sets to examine the issue of investment advice systematically with the focus on customer benefits,” he said. In 2013, his team is working on specific solutions for significantly improving the quality of retail investors’ decisions about financial matters.

It is no accident that his research work is of such practical relevance. As Dr. Kirsten Siersleben explained, “At the DZ BANK Foundation we bridge the gap between research and practice, and vice versa.” The key criteria adopted by the foundation include openness to new scientific methods and sponsorship tools, scope for unconventional ideas, and reward for innovative research and teaching methods. At the same time, it is non-profit-making and does not benefit directly from projects it sponsors.

The DZ BANK Foundation was created over 50 years ago by the gradual merger of what were originally four foundations, the oldest of which dates back to the establishment of a development fund in 1961. The foundation provided funding totaling some €650,000 for new and existing projects in 2012.

► The interview with Dr. Kirsten Siersleben and Professor Andreas Hackethal can be found at www.sustainability.dzbank.com.

RELIABLE PARTNER FOR A SUSTAINABLE SOCIETY

MAIN CAUSES TO WHICH WE DONATE

Our intention in making donations is to provide encouragement, to help to create an open society, and to contribute to a sustainable community. We are principally committed to academic, educational, cultural, and social causes. These focal points of our corporate citizenship are enshrined in DZ BANK’s donations policy.

In 2012, we donated a total of €303,500 to non-profit-making causes – an increase of 3 percent on the previous year. We maintained our support for the Frankfurt children’s office and together with our employees made a Christmas donation to help children and young people in need. Overall, social causes accounted for 18 percent of the total donations we made.

Practical relevance of donations to academic and educational causes

Academic research and education remained a focal point of our financial assistance and accounted for 46 percent of our donations. Within academic and educational causes, we concentrated on financial studies and research into the cooperative movement.

We presented the DZ BANK Group Career Prize for the eleventh time in 2012. With total prize money of €24,000, it is the most generously endowed university prize awarded by a German company. We award it in recognition of outstanding academic dissertations for both Bachelor’s and Master’s degrees with particular practical relevance to banking and finance. Submissions for the award were received from 165 university graduates – roughly the same number as in previous years.

Our own history is also a matter of importance to us, which is why we commissioned a team of economic historians under the leadership of the Institute for

Banking and Financial History Research to research the history of DZ BANK. Using various articles, we compiled a monograph on the history of the central institutions of the cooperative financial network as exemplified by DZ BANK and we published it in 2012. Our aim in publishing this book was to promote understanding in society of the importance of cooperative financial institutions.

Sponsorship of the arts: new reading room in the ART FOYER

In 2012, 19 percent of our donations went to culture and the arts, which equated to an amount of €58,000.

175

meters of shelf space is located in the reading room in the DZ BANK ART FOYER.

Around 6,000 monographs, catalogs, and periodicals about photography are lined up on the shelves ready for visitors to read on site five days a week.

Over and above its sponsorship of the arts, DZ BANK’s art collection, which predominantly features contemporary photography, is one area of focus in its long-standing cultural involvement. In 2012, we showed over 500 works of art by 80 artists in four exhibitions staged in our ART FOYER.

We opened the new reading room in the ART FOYER of DZ BANK's art collection in November 2012. Interested members of the public can now access our wide range of specialist literature on artistic photography. Over 5,000 monographs, catalogs, relevant books on the history of art, and specialist periodicals are available for perusal on site, free of charge. Around 300 new publications are added to the collection every year. In 2012, we also sponsored the Frankfurt University of Music and Performing Arts. As the only university for music, theater, and dance in Hessen, it is extremely important for the region.

Partnership with the Deutsche Sporthilfe foundation

In the year under review, we maintained our long-standing involvement with the Deutsche Sporthilfe foundation. Based on a citizens' initiative, the institution upholds the values of merit and fair play. Since its establishment in 1967, it has supported more than 45,000 sportsmen and women, both talented youngsters and those at the top of more than 50 sports. Its mission is also to campaign for integrity in sport and to highlight the importance of sport for peaceful coexistence in our society.

DZ BANK supports the parliamentary system
DZ BANK's donations to political parties only support the parliamentary system as a whole. Donations are therefore made to parties that are active throughout Germany, are represented in the German Bundestag, and are committed to the German Basic Law and to the model of a social market economy.

CORPORATE VOLUNTEERING

DZ BANK helps its employees to engage in community work, such as Social Days, and provides financial support for their voluntary activities. In 2012, we set up an alliance with the JOBLINGE project. Supported by influential entities in the worlds of business, government, and society, the program helps young people who have difficulties starting a career because they lack formal qualifications. From 2013 onward, our employees will be helping young people within this project by acting as voluntary mentors.

Trainees support senior citizens

We have established a tradition of involving our trainees in our corporate citizenship activities. In 2012, 13 management trainees and their mentors from Human Resources visited residents at the Bockenheimer old peo-

ple's and care home as part of the Social Day organized by the Order of Malta association in Frankfurt. They were building on the tradition of past years as DZ BANK had already taken part in this event seven times. The trainees accompanied the residents on a trip to the Palmengarten botanical gardens in Frankfurt where they visited the harvest festival show and then spent time together over coffee.

DZ BANK microfinance fund helps people to help themselves

The DZ BANK microfinance fund was established by employees to provide financial assistance to microfinance institutions in African countries. In 2012, the fund – which is managed on a voluntary basis – worked with a total of four microfinance institutions in Tanzania, Togo, Algeria, and Namibia. These microfinance institutions lend small amounts, accept savings deposits, and transfer funds for their customers. At the end of the 2012 reporting year, the DZ BANK microfinance fund had 288 members. DZ BANK has supported it with donations since it was established in 2000.

The DZ BANK microfinance fund was established as a cooperative in the United Nations' International Year of Cooperatives. Previously run as a partnership under the German Civil Code (Gbr), the legal form of the microfinance fund was then changed into a registered cooperative (eG), which means that in the future, corporations as well as individuals will be able to make financial contributions to the fund. Our aim is for other companies in the cooperative financial network and their employees to become members of the DZ BANK microfinance fund and to support it.

MEMBERSHIP OF ORGANIZATIONS

- » German Benefactors' Association for Science and Learning
- » Marktwirtschaft Foundation
- » Frankfurt Institute for Risk Management and Regulation (FIRM)
- » German Equities Institute
- » E-Finance Lab



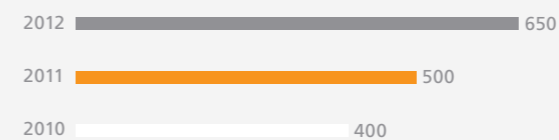
Smartphone users can scan this QR code to access more information on our website.

Corporate citizenship KPIs

KPIs are a basic requirement for evaluating the success of the projects, processes, and strategies we implement. The following KPIs relate to corporate citizenship:

VOLUME OF PROJECTS SPONSORED BY THE DZ BANK FOUNDATION

Sponsorship volume (€'000)



The volume of projects sponsored by the DZ BANK Foundation was higher in 2012 than in previous years, which enabled new projects to be initiated and existing ones to be maintained.

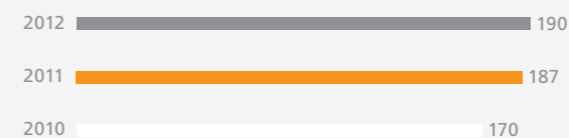
BREAKDOWN OF DONATIONS BY AREA

%	2012	2011	2010
Academic research and education	46.2	41.6	54.2
Social causes	17.5	23.1	10.8
Arts	19.2	19.7	17.5
Politics	9.9	10.5	11.9
Sport	7.2	5.1	5.6
Total amount donated (€)	303,497	295,000	251,000

The total amount donated was also higher in 2012 than in previous years. The main recipients remained academic and educational causes. The fall in donations to social causes was due to the fact that we did not donate to any disaster aid projects in 2012, unlike in 2011 when we made a donation to victims of the tsunami in Japan.

CAPITAL HELD BY THE DZ BANK MICROFINANCE FUND

Capital (€'000)



The capital held by the microfinance fund also increased slightly, which allowed us to support two additional microfinance institutions and to maintain existing projects.

MEMBERSHIP COSTS

€'000	2012	2011	2010
Banking organizations	1,403	1,367	1,313
Academic and other organizations	570	512	590
Total costs	1,973	1,879	1,903

Expenses for memberships were up by 5 percent year on year. This was largely attributable to the conversion of our membership of the Institute for Risk Management and Regulation (FIRM) into a donor membership, which we are using to substantially increase our commitment to research and teaching in this area.

SUSTAINABILITY PROGRAM

Objective	Action	Deadline	Status	Comment/explanation of status
SUSTAINABLE BUSINESS				
Create a framework for sustainability activities	Implement the code of conduct throughout the company by providing information and incorporating into existing employee training	Dec. 2013	➤	Once the code of conduct had come into force, it was distributed via a number of channels and incorporated into new employee training courses. Other activities to ensure complete coverage will follow in 2013 (SR 15).
Raise compliance standards	Extend training on fraud prevention to cover over 90 percent of employees	Dec. 2013	⬆	The target was achieved ahead of schedule at the end of 2012 with over 97 percent of employees and managers covered (SR 27).
Intensify stakeholder dialog	Conduct a stakeholder survey to review areas for action	Jun. 2013	⬆	The stakeholder survey was conducted in the fourth quarter of 2012 (SR 13 et seq.).
	Review sector and topic-related memberships to intensify dialog among experts	Dec. 2012	⬆	Following analysis of the channels used internally by the departments, contact was particularly stepped up with the German Global Compact Network in 2012 (SR 13).
Introduce an environmental management system	Identify suitable communications channels to further raise DZ BANK employees' awareness of all aspects of sustainability; develop suitable formats	Dec. 2013	NEW	
	Implement an environmental management system based on ISO 14001 for the headquarters in Frankfurt and prepare for certification	Dec. 2013	➤	In preparation
Improve sustainability standards	Improve comparability of sustainability activities using application level GRI A	Sep. 2013	⬆	Our self-assessment of our application level for the GRI G3 guidelines is 'A'. The GRI has verified and confirmed this self-assessment (SR 56).
Conduct special review of sensitive sectors for lending business	Devise a sector-specific guideline for agribusiness	Dec. 2013	➤	In preparation (SR 22)
Follow accepted guidelines for project finance	Report on the Equator Principles	Jun. 2013	⬆	In 2012, the departments set up the processes for the required reporting on categorization and verification under the Equator Principles ('implementation reporting'). This reporting will be included in the Sustainability Report from the 2013 reporting year onwards (SR 22 et seq.).
Increase employees' awareness of product-relevant sustainability issues	Train all of the necessary multipliers on using the sustainability checklist in divisions involved in lending	Dec. 2012	➤	Around 80 percent of the required multipliers had been trained by the end of 2012. Further training courses will run in 2013 (SR 22).
	Give presentations on sustainability at the regional director conferences, which take place several times a year	Dec. 2014	NEW	

Objective	Action	Deadline	Status	Comment/explanation of status
Increase the proportion of sustainable products	Increase the proportion of securities sales accounted for by sustainable investment certificates from 7 percent to 10 percent (base year: 2009)	Dec. 2013	➤	The bank continues to work on increasing this percentage in order to achieve the target. Information on the related sustainable investment activities: SR 24.
	Increase the market penetration of sustainable investment certificates to 50 percent, i.e. increase the proportion of local cooperative banks taking part (base year: 2009)	Dec. 2013	➤	See above
Increase customer satisfaction and quality management	Implement a holistic quality management system in the sales process for investment certificates and certification based on ISO 9001	Dec. 2013	➤	The customer service and product development processes had been certified/recertified according to ISO 9001 by 2011. Our intention is to implement a more detailed quality management system.
Increase the products and services in the DZ BANK sustainable investment research portfolio	Increase the range of services relating to products and roadshows; extend the sustainability rating	Jan. 2016	NEW	
ENVIRONMENTAL PROTECTION AND CLIMATE CHANGE				
Increase energy efficiency	Reduce electricity consumption by 7.5 percent by updating the building systems technology (base year: 2008)	Dec. 2012	➤	The target of reducing electricity consumption by 7.5 percent between 2008 and 2013 was almost achieved with a reduction of approx. 7.4 percent.
	Implement the GoGreen postal service at all sites across the company	Dec. 2013	NEW	
	Replace the building systems technology in the course of regular maintenance	Dec. 2015	➤	
	Replace the cooling towers at Cityhaus 1 in Frankfurt	Dec. 2017	NEW	
Apply ecological and social criteria to procurement	Obtain 'green office building' certification for GENO-Haus in Stuttgart	Dec. 2019	NEW	
	Update the induction equipment for the office air-conditioning at Cityhaus 1 in Frankfurt	Dec. 2021	NEW	
	Extend the minimum procurement standards in the DZ BANK Group	Jun. 2013	➤	
	Introduce a sustainability agreement coordinated across the group	Dec. 2013	NEW	
	Conduct a sustainability survey among suppliers with particular relevance for sustainability	Dec. 2013	NEW	
RESPONSIBILITY FOR EMPLOYEES				
Promote a balance between career and family	Undergo a re-audit by the non-profit-making Hertie Foundation	Aug. 2013	➤	
Ensure a supply of qualified employees	Offer apprenticeships at DZ BANK's regional sites	Dec. 2013	NEW	In progress
Increase employee satisfaction and loyalty	Improve development opportunities by offering activities identified in the DZ MeinungsSpiegel employee survey	Dec. 2015	NEW	
CORPORATE CITIZENSHIP				
Expand corporate volunteering	Implement a company-supported volunteering initiative	Dec. 2013	➤	In preparation
	Strengthen the microfinance fund by specifically communicating it within the DZ BANK Group	Jun. 2012	⬆	Already communicated internally; pursuit of objective to continue in 2013.

LEGEND

⬆ Objective reached ➤ In progress NEW New objective ➤ Objective not reached

GRI Content Index

To ensure that our reporting is clear and understandable, we follow the guidelines issued by the Global Reporting Initiative (GRI) (third version, G3), plus the sector supplement for financial services providers. In 2012, our self-assessment of our application level for the GRI guidelines was 'A' for the first time, which is the highest application level. The GRI has verified and confirmed this self-assessment (SR 56). The GRI Content Index shown here is a condensed version and indicates the pages in the report where the required information can be found. A detailed statement is available on DZ BANK's sustainability portal at www.sustainability.dzbank.com.

GRI indicator	Application level	Page
1. STRATEGY AND ANALYSIS		
1.1 Statement from the most senior decision maker	▲	SR 2 et seq.
1.2 Key impacts, risks, and opportunities	▲	SR 16, 18 et seq., 33, 53; AM 26 et seq.; online
2. ORGANIZATIONAL PROFILE		
2.1 Name of the organization	▲	SR U3
2.2 Brands, products, and/or services	▲	SR 4 et seq.
2.3 Operational structure of the organization	▲	SR 4 et seq.; AM 104 et seq.; online
2.4 Location of organization's headquarters	▲	SR U3
2.5 Countries where the organization operates	▲	SR 7
2.6 Nature of ownership and legal form	▲	AM 16
2.7 Markets	▲	SR 5
2.8 Scale of the organization	▲	AM U2, 33
2.9 Significant changes regarding size, structure, or ownership	▲	AR 17
2.10 Awards	▲	SR 43; AM 20; AR 44 et seq.
3. REPORT PARAMETERS		
3.1 Reporting period	▲	SR U2
3.2 Publication of most recent previous report	▲	SR U2
3.3 Reporting cycle	▲	SR U2
3.4 Contact	▲	SR U3
3.5 Process for defining report content	▲	SR U2, 13 et seq.; see 4.14 et seq.; online
3.6 Boundary of the report	▲	SR U2
3.7 Limitations on the scope of the report	▲	SR U2
3.8 Joint ventures, subsidiaries, outsourced operations	▲	AM 104 et seq.; see 2.9, 3.6
3.9 Data measurement	▲	SR U2
3.10 Re-statement of information provided in earlier reports	▲	SR U2
3.11 Changes in the scope, boundary, or measurement methods applied in the report	▲	SR U2
3.12 GRI Content Index	▲	SR 54 et seq.
3.13 External assurance for the report	▲	
4. GOVERNANCE, COMMITMENTS, AND ENGAGEMENT		
4.1 Governance structure of the organization	▲	SR 13; AM 98 et seq.
4.2 Indicate whether the chair of the highest governance body is also an executive officer	▲	AM 98 et seq.; online
4.3 Independent members of the highest governance body	✗	AM 98 et seq.; see 4.1
4.4 Mechanisms for shareholders and employees to provide recommendations to the highest governance body	▲	SR 17, 24; AM 68, 98, 130
4.5 Linkage between compensation for members of the highest governance body and the organization's performance	▲	SR 14 et seq.; AM 98
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided	▲	SR 15 et seq.
4.7 Qualifications of the members of the highest governance body regarding sustainability issues	▲	SR 13
4.8 Statements of mission, codes of conduct, and principles	▲	SR 15 et seq., 33; see 4.6
4.9 Procedures of the highest governance body for overseeing sustainability performance	▲	SR 13; see 4.8, 4.12
4.10 Processes for evaluating the highest governance body's sustainability performance	▲	see 4.5
4.11 Precautionary approach	▲	SR 18 et seq., 22 et seq.; AM 25 et seq.
4.12 Externally developed charters, principles, initiatives which the organization endorses or subscribes to	▲	SR 18 et seq., 40 et seq.
4.13 Membership of organizations	▲	SR 14, 24 et seq., 52; online
4.14 Stakeholder groups	▲	SR 13 et seq.
4.15 Basis for selection of stakeholders	▲	SR 13 et seq.
4.16 Approaches to stakeholder engagement	▲	SR 13 et seq., 40; AM U2; see 4.4, 3.5
4.17 Topics and concerns of stakeholders	▲	SR 18, 40; see 3.5
ECONOMIC PERFORMANCE INDICATORS		
Management approach	▲	AM 66 et seq.; SR 7, 20 et seq.; see EC1
EC1 Direct economic value generated and distributed	▲	SR 26, 49 et seq.; AM 66 et seq.
EC2 Financial implications due to climate change	▲	SR 6, 22 et seq., 31 et seq.
EC3 Coverage of defined benefit plan obligations	▲	SR 40 et seq.; AM 68 et seq., 73, 98
EC4 Financial assistance received from government	▲	

GRI indicator	Application level	Page
EC6 Policy, practices, and proportion of spending on suppliers	▲	SR 33
EC7 Procedures for local hiring	▲	SR 40
EC8 Infrastructure investments and services for public benefit	▲	SR 22 et seq., 49 et seq.
ENVIRONMENTAL PERFORMANCE INDICATORS		
Management approach	▲	SR 31 et seq., see EN1 et seq., EN6 et seq. (online), EN21, F51 et seq. (online)
EN1 Materials used	▲	SR 31 et seq.
EN2 Recycled materials	▲	SR 33
EN3 Direct energy consumption	▲	SR 31, 34 et seq.
EN4 Indirect energy consumption	▲	SR 34 et seq., 53
EN8 Total water withdrawal	▲	SR 32, 34
EN11 Land in, or adjacent to, protected areas	✗	
EN12 Impacts on biodiversity	✗	see EN11
EN16 Greenhouse gas emissions	▲	SR 31 et seq., 34 et seq., 53
EN17 Other greenhouse gas emissions	▲	SR 32, 34 et seq.
EN19 Emissions of ozone-depleting substances	✗	
EN20 NO, SO, and other air emissions	✗	
EN21 Water discharge	✗	see 2.5
EN22 Waste by type and disposal method	▲	SR 32, 35
EN23 Significant spills	✗	
EN26 Initiatives to mitigate environmental impacts	▲	see F51 et seq. (online)
EN27 Packaging materials	✗	
EN28 Sanctions for non-compliance with environmental laws	▲	
SOCIAL PERFORMANCE INDICATORS: LABOR PRACTICES AND DECENT WORK		
Management approach	▲	SR 39 et seq., 42 et seq.; see LA10
LA1 Total workforce by employment type, employment contract, and region	▲	SR 44; AR 73
LA2 Employee turnover	▲	AR 72
LA4 Employees covered by collective bargaining agreements	▲	
LA5 Minimum notice periods regarding operational changes	▲	AR 71 et seq.
LA7 Occupational diseases, lost days, and work-related fatalities	▲	SR 42, 45
LA8 Education and training regarding serious diseases	▲	SR 42
LA10 Training per employee	▲	SR 39 et seq., 44
LA13 Composition of governance bodies and breakdown of employees per category	▲	online
LA14 Ratio of basic salary of men to women	▲	SR 40
SOCIAL PERFORMANCE INDICATORS: HUMAN RIGHTS		
Management approach	▲	see HR2, F51 et seq. (online)
HR1 Investment agreements with human rights clauses	▲	SR 19, 23
HR2 Suppliers that have undergone screening on human rights	▲	SR 33
HR4 Number of incidents of discrimination and actions taken	▲	
HR5 Freedom of association and collective bargaining	▲	SR 24
HR6 Measures taken to eliminate child labor	▲	SR 19; see F51 et seq. (online), HR2
HR7 Measures taken to eliminate forced or compulsory labor	▲	SR 19; see F51 et seq. (online), HR2
SOCIAL PERFORMANCE INDICATORS: SOCIETY		
Management approach	▲	SR 16; see SO2, SO5
SO1 Impacts of operations on communities	▲	SR 50; see EC8 et seq. (online)
SO2 Risks related to corruption	▲	SR 16
SO3 Training in anti-corruption policies and procedures	▲	SR 17, 27
SO4 Actions taken in response to incidents of corruption	▲	SR 16 et seq.
SO5 Public policy positions and lobbying	▲	SR 49 et seq.; online
SO8 Fines and sanctions for non-compliance with laws and regulations	▲	AM, AR
SOCIAL PERFORMANCE INDICATORS: PRODUCT RESPONSIBILITY		
Management approach	▲	SR 16 et seq.
PR1 Health & safety impacts on customers	✗	
PR3 Product information required by law	▲	SR 16 et seq.; see F515 (online)
PR6 Standards related to advertising	▲	
PR9 Fines for non-compliance with regulations concerning products & services	▲	AM, AR

LEGEND

▲ fully applied ▲ partially applied ▼ not applied ✗ not relevant

REFERENCES

SR page in 2012 Sustainability Report AM page in 2012 annual financial statements and management report

AR page in 2012 Annual Report of the DZ BANK Group

Online further information available online in the GRI Content Index

GRI confirmation



Statement GRI Application Level Check

GRI hereby states that **DZ BANK AG** has presented its report "2012 Sustainability Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 23 July 2013



Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 30 April 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

FIND OUT MORE ABOUT DZ BANK

Sustainability portal

Our sustainability portal provides continually updated information on sustainability-related issues.

www.sustainability.dzbank.com

DZ BANK website

On our website you can find up-to-date information about DZ BANK AG and the DZ BANK Group.

www.dzbank.com

The 2012 Annual Report of the DZ BANK Group and the 2012 annual financial statements and management report of DZ BANK AG are available in the Investor Relations section.

www.dzbank.com > Investor Relations > Reports

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We would like to thank all our staff and everyone else involved for their help with producing this report.

The current report is also available in German. The print version was printed on Heaven 42 paper certified by the FSC® and its CO₂ emissions have been offset, thereby supporting various environmental projects that have been awarded Gold Standard.

