

Sustainability Report 2013





Ladies and gentlemen,

In 2013, Postbank was put to the test in an environment continuing to be very difficult for banks. We have mastered these challenges and even accomplished to improve our operating profit. At the same time, it was important to us that we fulfil our social and corporate responsibility towards employees, customers and shareholders also in difficult times. Our responsibility as a corporation is the basis for the confidence our customers have in us. It is the prerequisite of our sustainable business success.

In 2013, we laid down in our new Mission Statement what we understand corporate responsibility to mean. In a broad dialogue process, many employees and managers have contributed to it. They ensured by their ideas and contributions to the discussion that our vision, our mission, and our values and principles are set on a wide base. In the year 2014, we will deepen our Mission Statement in further workshops, so that it will ultimately transfer into the fundamental genetic equipment of Postbank. By the way, you can find the six values and principles of the Mission Statement in the blue cubes that are shown on the title page of this report.

Our values and principles are also reflected in our social commitment. Together with the independent children's rights organisation "Save the Children", Postbank actively promotes the lasting improvement of educational opportunities in Germany. "Wir für Kinder – Bildung ist Zukunft!" ("Our commitment to children – the future lies in education") is the motto. In 2013, we launched the cooperation for this schools project. We are not only focused on collecting donations in this process while also securing the proactive support from our employees. It is our goal to reach more than 6,000 children in the medium term. You too are very welcome to support us in this project.

This report is to provide you with insight into how we have fulfilled our corporate responsibility in the year 2013 and how we have satisfied the demands of our stakeholders. As a signatory of the UN Global Compact, we continue to feel obligated under its ten principles and hereby present our progress report. You are invited to assure yourself of our advancement and we are looking forward to your feedback.

Kind regards
Yours



Frank Strauß
Chairman of the Board
Deutsche Postbank AG



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Sustainability model

Our sustainability model summarises the principles of sustainability. Here, the focus is on

- Supporting social aspects
- Protecting the environment
- Contributing to a robust economic environment.

We see it as our task to make an active contribution to the natural living conditions on earth and to our social environment, which is why sustainability is an important element of our company strategy. By this means, we want to secure our company's long-term success and to convey the model of sustainability to every one of our employees. In our self-image, sustainability should be a way of life and not just something to contemplate.

We undertake to provide our employees with attractive and secure employment conditions and to protect natural resources. We as a company are an integral part of the society in which we operate. Our goal is therefore to create added value for our stakeholders.

As the biggest private customer bank in Germany, we see ourselves as obliged to conform to our model.

Sustainability management | *For Postbank, sustainability means dealing responsibly with social, ecological and economic resources in order to secure for future generations a life worth living over the long term. As a fixed element of company strategy, sustainability is actively practised in day-to-day cooperation and continuously developed further by sustainability management.*

Organisation of sustainability

Postbank has established a comprehensive, group-wide sustainability management system. It ensures that the bank's sustainability strategy provides guidance for the business conduct of each employee and that it becomes an integral part of the bank's business strategies and daily business decisions. The sustainability management system of Postbank fulfils the requirements of the international environmental management standard ISO 14001 and is audited and certified by an external, recognised certification institute at regular intervals.

The function "Sustainability" is attributed to the domain of the "Chairman of the Board". The Chairman of the Board appoints the Sustainability Officer, who is responsible for the operative implementation and control of all topics that are relevant for sustainability. In the course of the growing together of Postbank and Deutsche Bank, the collaboration in the area of sustainability has intensified on both sides.

The Sustainability Officer fulfils the role of the moderator and coordinator for interdisciplinary sustainability issues and projects. As the central point of contact internally and externally, he is responsible for the following areas of work, among others:

- Management of the Competence Center "Sustainability and Climate Protection"
- Sustainability reporting/communication
- Enquiries from CR rating agencies

- Development of new concepts
- Review of new products and business processes for sustainability
- Assistance to the business and infrastructural divisions in the development of sustainable business strategies (e. g. products, risk control)
- Organisation of charity projects
- Memberships of associations and societies

Competence Center "Sustainability and Climate Protection"

The Competence Center for Sustainability (until 2013, the "Competence Center Sustainability and Climate Protection") is responsible for the company's sustainable development across departments and sites. It is managed by the Sustainability Officer and is composed of the Environmental Officers of the departments and the Environment Officers of the sites.



- **Environmental Management Officer (UMB)**

The Sustainability Manager is at the same time the Environmental Management Officer (UMB). He has the authority to issue technical instructions to the Environmental Officer and the internal environmental auditors with regard to the environmental management system.

- **Departmental Environment Officers (UB) and Site Environment Officers (UB StO)**

At the Competence Center for Sustainability, there is respectively one representative (Environment Officer) representing each department and each site. This ensures the operational implementation and control of sustainability-related measures throughout the entire company. The consistent exchange of information and ideas also guarantees the constant development of the environmental management system.

- **Internal Environmental Auditors**

Currently, five members of the Competence Center for Sustainability also carry out the tasks of internal auditors. Under the management of the UMB, they are responsible for the planning, implementation and evaluation of internal audits of the environmental management system. Within the internal audits, they check, among other things, the observance of ecological standards and the implementation of measures introduced on the sites. The auditors are qualified for these internal audits by continuous training and deployed in such a way as to maintain their independence for the audits.



Workshop for internal auditors, Bonn, November 2013

Environmental committees

The meetings of the environmental committees serve the Environment Officer as a common platform for direct communications. Within the departmental and site committees, interdisciplinary and/or operational tasks are carried out and decided.

Company portrait | *With around 14 million customers, 18,000 employees and a balance sheet total of EUR 162 billion, the Postbank Group is one of the largest financial service providers in Germany. The group focuses on business with private customers, as well as small and medium-sized companies.*

Private customers

The Postbank offers its private customers simple and reasonably priced products for their everyday needs. The product portfolio ranges from payment transactions, deposit and lending activities right through to bonds, investment funds, insurance products and mortgage endowment plans.

The Postbank is easily accessible to its customers via its branches, online or by telephone. It boasts the densest branch network of any bank in Germany. Its 1,100 branches deliver not only comprehensive financial services but also postal services. Added to this come over 4,500 partner branches of the Deutsche Post – which offer selected Postbank financial services – and 700 Postbank Finanzberatung consultancy centres. Roughly 3,000 mobile consultants support their customers, in particular with building finance and pension plans.

The Postbank has assumed a top spot in Germany when it comes to online and telephone banking. A total of 9 million customer accounts are activated for online banking. And 9 million accounts have access to telephone banking. Trend: On the increase

Business and corporate customers

A total of 300,000 companies in Germany are customers of the Postbank. In the corporate customer division the bank provides its services to freelancers, the self-employed, traders, clubs and homeowners' associations.

It offers simple and attractive solutions, which cover essential needs pertaining to payment transactions, finance, investments and provisions.

The Postbank utilises its core competences in delivering services to its corporate customers. It offers solutions across the spectrum of payment transactions, commercial property finance, classic corporate finance for medium-sized business, factoring and leasing, as well as assets management. PB Firmenkunden AG, a company of the Postbank Group, provides customer services to the Postbank's corporate customers both personally and on the telephone.



Offers by brands of Deutsche Postbank AG



Main brand
Leading bank for private customers,
business and corporate customers



Provider of mortgage savings
plans and construction financing



Provider of real estate financing and
consumer credits

Sphere of influence | *Sustainable company management is deeply rooted in the group-wide applicable social, ecological and economic principles of Postbank. In its Mission Statement newly formulated in 2013, the bank has defined sustainable performance as an independent company value.*



Postbank meets its responsibility towards society in that it contributes within its sphere of influence to a stable environment that is worth living in. The bank pledges commitment to its employees, customers and society. The topics of education, integration and demographic change form special focus points in this regard.

- Postbank operates nearly exclusively in its home market of Germany. Accordingly, its commitment is primarily made as part and parcel of this society. In Germany, the bank has about 1,100 branches and 3,000 mobile financial advisers.

- Satisfied and dedicated employees are of particular importance for a service provider such as Postbank. Good employment conditions, flexible working hours, training and development at high standards, meanwhile also company sports and health related offers contribute to the satisfaction of employees and thereby support a sustainable company management.
- Postbank sponsors foundations, student organisations and professorships. The cooperation launched in 2013 with the independent children's rights organisation "Save the Children" formed a special focus in the area of social partnerships. Under the motto "Wir für Kinder – Bildung ist Zukunft" ("Our commitment to children – the future lies in education"), Postbank not only collects donation, but also actively promotes the commitment of its employees to a lasting improvement of the educational opportunities in Germany.
- By means of modern technologies, Postbank limits the consumption of resources by its buildings and IT systems. Precise data on greenhouse gas emissions, energy consumption, business travel and other activities are gathered by Postbank and published in an environmental impact summary.
- Ecological aspects are also taken into account in the procurement and call-off of services. Ecologically responsible products and services are preferred.

Postbank is committed to a company management that is oriented on sustainability. It aligns its business dealings on the wishes and concerns of its stakeholders.

Postbank understands environmental protection to be one of the biggest challenges of our time. By means of numerous measures, the bank aims at keeping the negative effects of its business operation on the environment as low as possible.

- As early as in 2008, Postbank pledged its commitment to active environmental and climate protection through the implementation of an environmental management system according to ISO 14001. Furthermore, it offers its customers a multitude of products that also take ecological aspects into account. For example, ecologically positive construction and modernisation plans are supported by the arrangement of special subsidy allocations from the Kreditanstalt für Wiederaufbau (KfW).
- Since 2013, the values and principles for responsible action apply as defined in the Postbank Mission Statement. They supplement and specify the ethics code of Deutsche Bank, which has also been binding on Postbank since 2012.
- Quality management, good corporate governance, and rules and measures in the fields of compliance and money laundering contribute to the long-term maintenance of the company's value.
- Moreover, risk management and the responsible granting of loans are important controls for guaranteeing Postbank's long-term profitability and at the same time, taking into account the impact on society and the environment.

The following pages set out in detail how Postbank fulfils its social, ecological and economic responsibilities.

Stakeholder dialogue | *Postbank engages in the exchange with its stakeholders. Mutual understanding helps in the discussion of differing demands.*



Fall meeting of the
Customer Advisory Committee
in Cologne, November 2013

Stakeholder groups

Postbank actively discusses the concerns of its different demand groups. The most important stakeholders are:

- Shareholders
- Customers
- Employees
- Public institutions
- Non-governmental organisations
- Society

Forms of dialogue

- **Customer Advisory Committee**
Since 2006, the Customer Advisory Committee of Postbank has critically examined the bank's service and products and it is actively engaged in the further development of the service offer. It is composed of a core council and an expanded advisory committee.

In the meeting period 2011-2013, overall 24 customers were members of the core council, which convenes twice a year for a personal dialogue with representatives of the bank and for consultation. The expanded Advisory Committee included overall about 800 customers in 2013. Numerous suggestions for improvements were discussed and implemented. The Customer Advisory Committee will be newly composed in 2014 for three additional years.

For more information, see section
"Integration and dialogue".

- **Customer magazines, newsletters**
Postbank informs its customers through various customer media on financial topics and products. Examples of these media are the magazine "Wohnen" (Living) and the electronic newsletters "Geldwert" (Monetary Value) and "Business Update".
- **Social media**
Social media platforms such as Facebook and Twitter enable the uncomplicated and quick contact with Postbank for customers and non-customers. Postbank uses social media also for service information in that it answers questions and offers assistance.

More information here!



or on www.postbank.de

- **Postbank Dialog**

Postbank's Chairman of the Board, Frank Strauß, has given the personal discussion with managers and staff a festive setting. He regularly visits the bank's sites and discusses there with employees of all company divisions what is important to them with regard to their company, location and daily experiences. Every employee can furthermore contact Frank Strauß personally at a separate email address.

For more information, see section "Company management".

- **Employee Survey**

Postbank's employees are regularly surveyed about their company and their employment conditions. In 2013, this was done in the scope of an employee survey conducted by Deutsche Bank within the Private & Business Clients unit. At Postbank participated 60 % of those surveyed – a significant increase compared to the previous year (50 %).

For more information, see section "Staff management".

- **Ideas management**

Postbank supports the creativity of its employees and systematically analyses improvement suggestions. The employees' ideas are collected, evaluated and awarded prizes in a defined process. Numerous products and business processes could already be improved this way. By means of the ideas management, each employee can contribute to the improvement of their work area and the bank overall.

For more information, see section "Company management".



- **Whistleblowing hotline**

In December 2012, with the whistleblowing hotline, a process was introduced in which there are standard rules on how to handle justified comments from staff. This system for submitting comments allows every employee to report breaches, if necessary anonymously. Here the employee can turn to managers, trusted persons from various departments or the hotline directly.

Postbank Dialog,
Hamburg, August 2013

- **Postbank Finance Award**

The "Postbank Finance Award" celebrated its tenth year anniversary in 2013. It is the college and university competition with the highest prize money in the field of banking & finance in Germany. Each year, students and teachers are called upon at home and abroad to jointly discuss a current question of finance and develop solution approaches together. The competition thereby sustainably supports research and teaching.

For more information, see section "Education".

- **Work with associations**

Postbank has joined several organisations and initiatives, which serve the sustainable development of financial services. These include for instance, the Bundesverband deutscher Banken (BdB) and the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e. V. (VfU). These institutions are important platforms for Postbank to exchange ideas and experiences.

For more information, see section
"Initiatives and memberships".

- **nachhaltigkeit@postbank.de**

Postbank maintains contact to all stakeholders and people interested in the topics of sustainable company management. For this purpose, the sustainability team of Postbank has set up the central email address nachhaltigkeit@postbank.de.

nachhaltigkeit@postbank.de

Corporate Responsibility Programme



Sustainability management

Goal	Measures	Deadline	Status quo
Further development of Postbank sustainability	Holistic implementation of a sustainability strategy	31.12.2015	in progress
	Codification and implementation of principles of corporate responsibility (Level 3-Policy)	31.12.2014	new goal
	Expansion of the pool of internal auditors by training of additional Departmental Environment Officers	31.12.2014	new goal
	Survey of employees and customers on the topics of sustainability	31.12.2014	new goal
Making employees aware of sustainability	Range of e-learning courses on sustainability subjects	ongoing	in progress
	Ingraining understanding of the Postbank Mission Statement among managers and employees, focus: Management culture	End of 2014	new goal
Commitment in external sustainability projects and campaigns	Participation in the "Stadtradeln" (City Cycling) campaign at the Bonn site	31.12.2014	new goal
	Participation in charity company runs	31.12.2014	new goal

Social commitment

Goal	Measures	Deadline	Status quo
Supporting education	Support for talented students, foundations and professorships	ongoing	in progress
Support for social institutions	Collaboration with Save the Children: getting additional project schools on-board	31.12.2014	new goal
	Collaboration with Save the Children: Expansion of the employee commitment	31.12.2014	new goal
	Concentration of the bank's social commitment: Focusing established donation campaigns (e.g. Christmas Tree Wishlist Campaign) on the collaboration with Save the Children	31.12.2015	new goal
	Promoting the established "Postbank Gewinn-Sparen" (Win and Save) product on behalf of Aktion Mensch	ongoing	in progress
	"Bälle für Deutschland" (Balls for Germany) campaign: Supporting associations, schools and nursery schools with soccer balls from Postbank	ongoing	in progress
	Installation of a new toilet for the disabled in the rented part of the Postbank Ludwigshafen	31.12.2014	new goal

Commitment to employees

Goal	Measures	Deadline	Status quo
Healthy at the workplace	Provision of health offers outside of the working hours at the sites (e.g. nutrition advice, yoga, massages)	ongoing	in progress
	Introduction of the structure "Contact for Health" at 12 major sites for personal and site-specific advising, conceptualisation and support, as well as for the implementation of sustainable health measures.	31.12.2014	new goal
	Establishing the structure "Regional Contact for Health" to serve the branch area of Hamburg City in the Postbank retail outlets	31.12.2014	new goal
	Free dispensing of mineral water and fruit to the employees at the Hameln site	31.12.2014	new goal
	Facilitating a blood donation campaign at the Berlin and Hamburg sites	31.12.2014	in progress
	Seasonal provision of additional bicycle parking spaces at the Bonn site (Friedrich-Ebert-Allee)	ongoing	in progress
Reconcilability of work and family	Setting up an additional parent and child office for parents to look after their children short-term	31.12.2014	new goal
Accident prevention for frequent drivers	Offer of safe driving courses for sales force staff with high mileage in the West region and the Berlin site	31.12.2014	in progress

Ecological Sustainability

Environmental control

Goal	Measures	Deadline	Status quo
External validation of the environmental data	Preparation for certification of the environmental data according to ISO 14064	31.12.2015	in progress

Energy

Goal	Measures	Deadline	Status quo
Reduction of CO ₂ emissions from business operations	Energy savings contract for the building lighting at the Munich site with SPIE Energy Solutions GmbH (formerly: HTEM)	31.12.2014	new goal
	Offer of job tickets for public transport to the employees of KSG Berlin	31.12.2014	new goal
	Replacement of old refrigerators for new, energy-efficient appliances at the Frankfurt site	Start in 2014	new goal
	Energy savings contract with SPIE Energy Solutions GmbH at the Hameln site (e.g. lighting and air-conditioning systems)	31.12.2014	new goal
	New, consumption-optimised dish washer in the company restaurant at Kennedy-Allee, Bonn	31.12.2014	new goal
	Setting up an additional video conference room in Bonn to reduce business travel	31.12.2014	new goal
	Measures to increase efficiency at the Cologne site: Installation of a mini block heating station (efficiency measure), overhaul of cooling equipment incl. efficiency increase (e.g. highly efficient turbo compressors) as well as improved lighting efficiency	31.12.2014	new goal

Procurement

Goal	Measures	Deadline	Status quo
Improving the purchasing of environmentally-friendly products via Deutsche Post DHL's GeT system	Substitution of non-GoGreen items and introduction of additional GoGreen items	31.12.2014	in progress
	Definition of central specifications and guidelines for an expanded range of GoGreen items	31.12.2014	in progress

Consumption of resources

Goal	Measures	Deadline	Status quo
Optimisation of print output	Implementation of the Managed Print Services project to reduce the number of printers in order to reduce the consumption of toner, paper and electricity, and to reduce the emission of pollutants	31.12.2014	in progress
	Increase in the proportion of recycled paper	31.12.2018	in progress

Waste/recycling

Goal	Measures	Deadline	Status quo
Optimisation of waste disposal processes	New documentation of the disposal process for hardware in order to create a basis for further optimisation	31.12.2014	new goal
	Setting up collection boxes for defective energy saving lamps and used batteries	31.12.2014	new goal

Product ecology

Goal	Measures	Deadline	Status quo
Range of ecological products and services	Further promotion of online products such as "SparCard direkt" and "On-line-Girokonto" and the related reduction of hardcopy account statements	31.12.2015	in progress
	Bankpost app for Android tablets	31.12.2014	new goal
	Testing of the e-signature for paper- and postage-free insurance sales	31.12.2014	new goal
	Introduction of video- and chat-based customer consulting	31.12.2014	new goal
	Increasing the sales from LichtBlick eco-electricity and gas contracts with promotional campaigns at the branches	ongoing	in progress

Economic sustainability**Processes**

Goal	Measures	Deadline	Status quo
Synergies in the sustainability management through the cooperation with Deutsche Bank	Harmonisation of the environmental controlling (data gathering, analysis, indicators of success)	31.12.2015	new goal
	Harmonisation of the reporting period and presentation of the environmental impact summary in the sustainability report	31.12.2015	new goal

Risk management

Goal	Measures	Deadline	Status quo
Establishing a standardised risk culture	Sensitising managers and staff for the subject of risk/risk awareness: Clear communication of the meaning of risk management and individuals' responsibilities	31.12.2015	in progress
	Further implementation of a joint code of conduct and ethics code (e.g. by training and instruction measures and role model function)	ongoing	in progress
	Further development of risk governance by harmonisation of rules and processes	ongoing	in progress
	Inclusion of the identification and analysis of environmental risks as a part of the bank's risk assessment and risk management procedure	ongoing	new goal
Exclusion of reputational risks	Also adding an environmental focus to the implementation and application of the so-called credit directives (Credit and Reputational Risk Directives No. 1-5, Deutsche Bank Group) that are valid within the Deutsche Bank Group	ongoing	new goal
Optimising the risk-profit profile	Optimising the risk-profit profile of the bank by an improved capital allocation and through operational excellence	ongoing	in progress

Diversity-management

Goal	Measures	Deadline	Status quo
Supporting diversity	Establishing the subject of diversity-management (e.g. by courses, training clips)	31.12.2015	in progress
	Increasing the proportion of women in management positions	31.12.2015	in progress
	Day of the Future for boys and girls at the Hameln site	31.12.2014	new goal

Staff development

Goal	Measures	Deadline	Status quo
Improving employees' knowledge of foreign languages	Needs-oriented offer of English language courses	ongoing	in progress

Branches

Goal	Measures	Deadline	Status quo
Shortening waiting times in Postbank branches over Christmas	Use of Postbank and Deutsche Bank employees and temporary workers during peak periods	ongoing	in progress

Communication

Goal	Measures	Deadline	Status quo
Improving internal communication	Establishing an intranet standardised Germany-wide for the Postbank Group. Phase 1: Standardised portal	31.12.2014	new goal

Social Sustainability

Staff

Work & family

Education

Commitment

Demography

Employees | *Well-trained and dedicated employees are the most important assets for the sustainable success of Postbank. The company places great value in being an attractive employer who is at its employees' side to provide help and support so that each individual can fully develop their potential.*

Staff management

Headcount

As at the end of 2013, the total number of employees at Postbank Group was 18,223 (converted to full-time equivalent staff). Of which, 30 % were employed as civil servants, 54 % covered by collective employment agreements and 16 % not covered. The majority of 98 % Postbank employees work in Germany. In addition, Postbank operates sites in Great Britain, Italy and Luxembourg.

Postbank is aware of its responsibilities to its employees. It places great value on being a fair and reliable employer. Accordingly, nearly 92 % of the employees are hired as permanent staff. The strong bond between the bank and its employees is reflected in the average staff membership of 21 years as well as in the moderate staff turnover rate of 6.8 %.

To more easily facilitate the reconcilability of work and private life, Postbank relies on flexible working hour models. Presently, one quarter of the employees use the opportunity to work in part-time employment. According to the respective flexible working time rules, full-time employees have the liberty to harmonise their working hours with their private life.

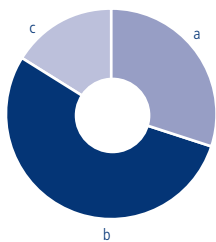


Nearly 60 % of the Postbank staff is female. However, this is not yet reflected in the management positions. In the scope of its gender diversity-aims, Postbank has therefore made it its goal to promote women in a targeted way and to increase the portion of women in management positions to 25 % by 2018. Initial measures already show effects. For example, Postbank accomplished to increase the portion of women in management positions from 14 % to 16 % in comparison to 2012. Among trainees, the portion of women is around 40 %.

Postbank's age structure reflects the demographic development in Germany. Accordingly, nearly half of the staff is older than 50 years of age. With an average age of

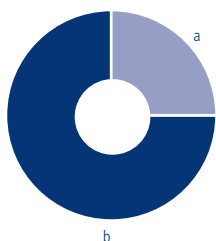
Management Conference,
Cologne 2013

Employees



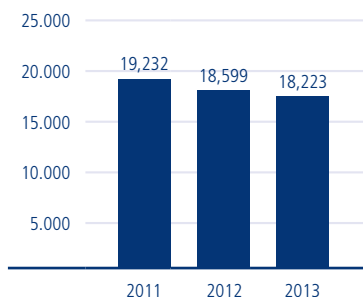
- a 30 % civil servants
- b 54 % employed under collective agreements
- c 16 % employed not covered by collective agreements

Employees by full-time/part-time

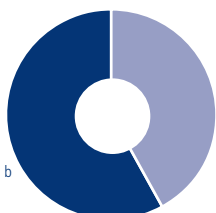


- a 25 % part-time
- b 75 % full-time

Employees (converted to FTEs)



Employees by sex



- a 42 % male
- b 58 % female

45.5 years, Postbank's employees roughly equal the average population age. The staff management of the bank is oriented on sustainability. It takes into account that the long-term performance capacity of Postbank depends on qualified employees.

Currently 922 young men and women are being trained by the Postbank. Besides bank clerks, also commercial clerks for dialogue marketing and IT specialists are in training. 71 young employees combine their professional training with scientific academic studies.

The number of training days in the year 2013 was 78,532. Compared to the previous year, this is an increase by 12 %.

The ratio of severely disabled employees at Postbank in 2013 was at 7.4 % and thereby, as in the years before, substantially exceeds the statutory ratio of 5.0 %.

Employee indices

31.12.2013

Number of employees (converted to full-time equivalents)	18.223
Average length of service	21 years
Average age	45.5 years
Proportion of female employees	58 %
Proportion of male employees	42 %
Employees covered by a collective agreement	54 %
Employees not covered by a collective agreement	16 %
Proportion of civil servants	30 %
Full time	75 %
Part time	25 %
Germany	98 %
Great Britain, Italy, Luxembourg	2 %
Turnover rate	6.8 %
Trainees	922

Information on remuneration systems

Postbank employees are remunerated according to their tasks and responsibilities. No differentiation is made for instance, by sex, nationality, ethnic origin or religion.

Postbank places great value on an incentive-oriented remuneration system. It is an important basis for the advancement of its performance culture. This is also reflected in the new collective wage agreement concluded with the social partners in 2013 for the employees at the branches. Besides a new basic remuneration structure, the variable remuneration elements contained in the agreement have been redefined for the employees at the branches: for the first time, parts of the variable remuneration are made dependent on the fulfilment of sustainability aspects, such as cancellation rates or customer complaints.

The employees share in Postbank's result through the company success bonus. The personal performance of the employees (as individual and team performance) is additionally compensated through performance-oriented, variable remuneration elements.

This strong performance culture is reflected both in target agreements as well as in the performance evaluation system. The same principles largely also apply to the employees who are civil servants.

Remuneration elements for managers with incentives promoting sustainable action have been established for several years already. Parts of the variable remuneration are postponed and dependent on the sustainable development of the company.

Employee survey 2013



In many areas, the Postbank employees were more satisfied with their work and the company in 2013 than in the previous year. This is an important result of the

group-wide employee survey, which was conducted this time within the scope of the employee survey of Deutsche Bank Private & Business Clients (PBC).

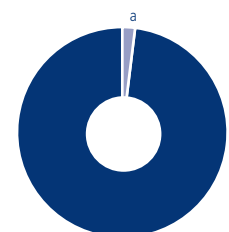
With a response rate of 60 %, participation was 11 percentage points higher than in the previous year. The employees had the chance to provide their feedback on 32 questions that were divided into the six topical fields of commitment (identification, motivation and expectation to remain on staff), management, business success/targets, customer focus, professionalism and fair share, whereby also the attitudes regarding values such as honesty and integrity are measured among other things. Furthermore, four additional questions were asked, which concerned the employees' perception of the direct supervisor and the top management.

The greater satisfaction is foremost expressed in a stronger identification with the company. Accordingly, both the number of employees who recommend Postbank as a bank to potential customers has risen as well as the number of employees who recommend the company as an employer to friends. Likewise, the dedication to work is at a very high level among employees.

The employees would like to see their managers support them more strongly in their continued professional training. In some cases, there is also a need for improvement in the personal appreciation by the supervisor.

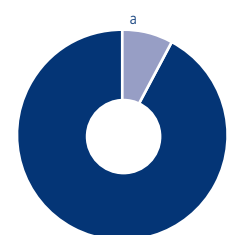
The survey results are used for improvements by means of a defined process. In a first step, the findings are discussed between employees and supervisors within the departments and branch areas. On-site measures are directly derived from these discussions. More far-reaching fields of action are transferred to the managerial level. It is ensured this way that important results are not lost and that the top management obtains a reliable basis for necessary improvements.

Employees by region



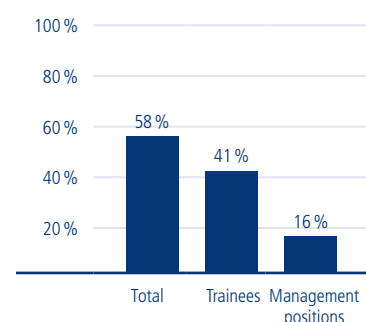
- a 2 % Great Britain, Italy, Luxembourg
- b 98 % Germany

Temporary and permanent contracts

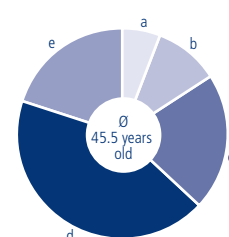


- a 8 % temporary
- b 92 % permanent

Proportion of female employees



Employee age structure



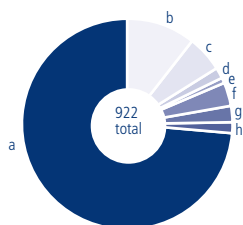
- a 6 % up to 24 years old
- b 10 % 25 – 34 years old
- c 21 % 35 – 44 years old
- d 43 % 45 – 54 years old
- e 20 % over 54 years old

Postbank is proud of its employees and their good work. They are the most important asset for the sustainable success of the bank. Postbank believes measures that serve the advancement of individuals, promote their health, and facilitate a good work-life balance to be investments in the future.

Training and development

Training

Trainees 2013



- a 677 banking staff
- b 99 sales-orientated banking staff
- c 52 sales staff in Dialogue Marketing
- d 15 IT specialists
- e 8 Commercial staff in office communication
- f 32 students Frankfurt School of Finance and Management
- g 23 students Hochschule Weserbergland
- h 16 students Hochschule Bonn-Rhein-Sieg

About 360 young people have started their training at the Postbank Group in the summer of 2013. There was a choice of eight different training programmes, while the trained profession of "bank clerk" continued to dominate in terms of the number of trainees.

The trainees are integrated in the daily business from day one and they pass through different departments at the Postbank Group. The focus is on the work with customer contact. The trainees are advised professionally by the lecturers of the Frankfurt School of Finance & Management and prepared for their later activity and the final exam in a number of seminars and workshops. The good training quality is reflected in the consistently high ratio of passed final exams: more than 90 % of the

Postbank trainees complete their training successfully. All trainees who have proven themselves during the term of their training will be offered subsequent employment at Postbank.

Postbank offers a variety of opportunities to combine the practical training with academic studies. It can be chosen from the following dual-track courses of study:

- In collaboration with the Frankfurt School of Finance & Management, a Bachelor of Science programme and a Master of Arts in Banking and Finance integrated in the training (currently 32 students).
- Jointly with the Weserbergland College in Hamelin, a Bachelor of Arts course with a banking aspect (currently 23 students).
- At the Bonn-Rhein-Sieg College, a study programme for a Bachelor of Science or Bachelor of Arts (currently 16 students).



Trainees also learn in workshops what team work means.

At the end of 2013, there were a total of 922 successor employees in a training relationship with the Postbank Group. Sustainability topics are already conveyed during the training period. For example:

- “Job Fit” health education
- Ergonomics and safety at work
- Presentation skills and methodological skills
- Social skills
- Environmental protection
- Awareness in dealing with resources
- Measures against racism, xenophobia and discrimination

A new programme for health promotion has been developed for the trainees of the year 2013: “Healthy Start” offers continuous advising on the topic of health. It utilises different communication channels that are to reach primarily young people.

More information here!



or on www.postbank.de

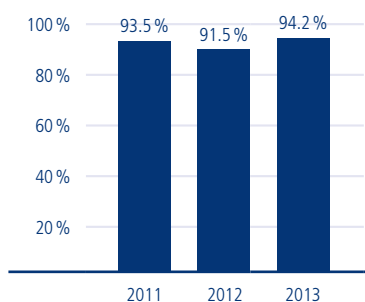


Trainees in Frankfurt, 2013

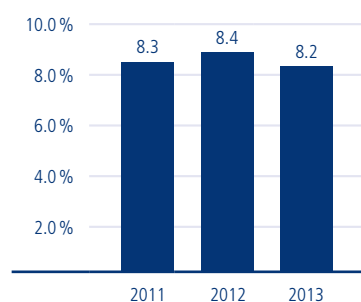


Trainees in Hameln, 2013

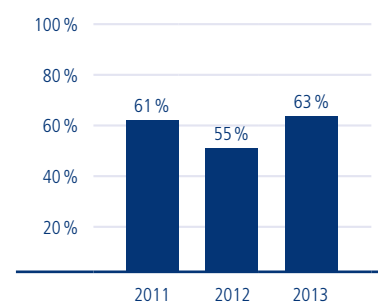
Proportion in training



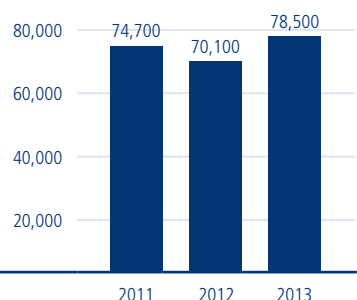
Proportion of trainees passing



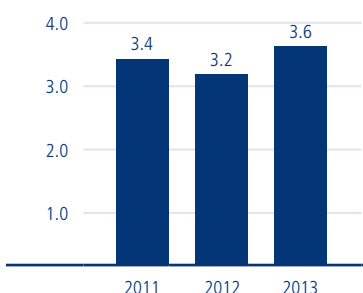
Proportion of trainees taken on



Development days
(rounded to the nearest hundred)



Development days per employee



Development

Postbank orients its educational offer along the model of lifelong learning. For different stages of life – from the career start until retirement – it offers training and development concepts. The tools and programmes of employee development support their permanent employability by expanding their skills and by measures to maintain health, ability to perform and job satisfaction.

The most important aims are:

- to keep specialist knowledge up to date
- to identify and develop potential
- to develop perspectives
- to promote employee satisfaction
- to improve knowledge transfer and health

The measures to promote health include both specific health training as well as education on the productive handling of changes. These include subjects such as “Staying healthy in stressful work situations”, “Management and Health – Tips on avoiding stress” and “Live and stay consciously healthy!” In addition, there are courses with practical tips on dealing with heavy physical demands and the opportunity for personal fitness diagnoses.

Some development programmes are designed for specific career situations and are intended to make the next career steps easier:

• Young Professionals

Concept for supporting young people with potential after their training or during the first years of their careers.

• Advanced Professionals

A measure for service providers to support specialists' careers and to define their private lives and careers.

• Start-up Leadership

Programme for non-executive managers at the start of their managerial role, with the aim of improving leadership skills and strengthening management in practice.

• Advanced Leadership

An opportunity for experienced non-senior managers, which covers dynamically changing, current management topics.

• Women's Development

A measure that is targeted towards female employees who have the potential for a management role but do not hold a management position.



Reaching the desired degree in parallel to the job with the Young Professionals Programme

- **Women's Empowerment**

A programme whose aim is to support and strengthen women in specialist and management positions.

- **Talent Management**

A programme to expand the competences of employees with interdepartmental management responsibilities.

In its learning concept, Postbank combines events with personal attendance and virtual learning, such as e-learning or web-based training. By virtue of the didactically well-founded alternation of different learning media, learning in own responsibility and the employee's own initiative are also promoted.

The offer of e-learning in the form of learning clips not only spans banking topics. It also deals with questions and aspects relating to social and methodological skills. Topics relating to sustainability such as safety at work, fire prevention, health protection and learning clips on Postbank's environmental management system are also part of the programme.

The "knowledge relay" is a model of this concept. It provides the organisational framework for the greatest possible transfer of experience from the predecessor to the successor when a position is newly staffed. In a systematic dialogue, the experience and knowledge fields are discussed, sorted, linked, recorded, and documented in bullet points.

In this process, experienced training managers from the Postbank Academy support the smooth transfer – similar as passing the baton in sports – of experience or specialist, project or managerial knowledge to successor employees.

The method has also proven to be valuable in the exchange between deputies and the induction of new employees.

Developing competences with
the Advanced Professionals
Programme

Knowledge transfer

The bank's employees have diverse specialist knowledge, individual experiences, ideals and detail information that is highly valuable for the company. In order to keep this know-how alive within the company, Postbank engages in an active knowledge management. In doing so, the bank has the aim to document relevant knowledge, make it available in a suitable form and transfer it to future employees.



Postbank takes responsibility for its employees in that it grants liberties for a work-life balance and is expanding its measures to continuously promote the health of its employees.

Work-life balance and health management



Career and family

Postbank was audited by the non-profit berufundfamilie gGmbH and certified for the first time in 2011/2012. The seal of quality certifies the bank's sustainable and family-friendly corporate culture. It is valid for three years and must then be confirmed by a repeated audit. The "audit berufundfamilie", sponsored by the Federal Family Ministry, is the strategic management tool for improving the compatibility of career and family. Postbank uses this tool additionally for the further development of its diversity-management, which aims in particular at supporting women's career development. The Board has confirmed the measures agreed in the audit and added several steps to them in the Staff Agenda 2013 to 2015. The re-audit of Postbank, including its branches is planned for the years 2014 to 2017.

More flexibility at the workplace and during working hours can help coordinate family and career better, even in difficult times. For this purpose, the pilot company agreement "Mobile Work" was concluded with the Works Council at the headquarters in Bonn in 2013. The implementation starts in 2014. Furthermore, it was decided to set up an additional "parent-child office" at the Bonn site in 2014.

The "parent-child office" has already been introduced successfully at the Munich site. It offers the possibility for employees to care for their child personally at the workplace in emergencies.

For adolescent and young grown-up children of employees, an international scholarship programme was organised in 2013. In cooperation with the non-profit association Verein für Jugendaustausch und interkulturelles Lernen (Association for Youth Exchange and Intercultural Learning), this programme offers AFS full scholarships for a school year abroad or the so-called Community Service Programme (CSP), an international volunteering service.



Service range of pme Familien-service

In collaboration with the pme Familien-service, Postbank offers various assistance services to its employees all around Germany to coordinate family and the job. In 2013, the employees have used the offer 2,690 times – at a rising trend. The concept includes the regular care for children in nursery schools, a backup service for care in emergencies, holiday programmes, household assistance and homework supervision.

At the already existing nursery school places for children younger than three years of age in Bonn and Munich, Postbank has obtained additional places for its employees' children in Cologne in 2013. The contribution structure has been adjusted in Bonn so that the parents receive financial relief.

All facilities are carried by pme Familien-service. They are characterised by the above-average quality of their nursery schools concept and a high staff ratio.

pme Familienservice also offers nursing care services for elderly family members. This service is in high demand among the employees. Postbank has organised several information events on this topic in the year 2013 and has supplemented these with advising offers.

Social fund

In 2000, a social fund was introduced for the payment of social benefits to the employees of Postbank. The annual budget is allocated to the sites and the head office, in proportion to the number of employees. The following social benefits are financed by the social fund:

- Expenditure on company parties
- Savings books for gifts
- Courtesies and giveaways
- One-off allowances for exceptional emergencies involving employees.

In 2013, a budget of EUR 263,500 was provided by Postbank.

ErholungsWerk

For over 40 years, ErholungsWerk (EW) has been offering holidays to current and former employees of Deutsche Postbank AG, Deutsche Post AG and Deutsche Telekom AG. The range covers family-friendly holiday destinations in Germany and the Netherlands and offers wellness and health programmes, and even travel by plane, ship, bicycle, as well as hiking and group tours.

The non-profit association ErholungsWerk has made it its goal to facilitate a recreational holiday for all employees – also during the expensive and booked peak holiday season. Postbank supports ErholungsWerk together with the other companies of the former postal service.

On certain conditions, employees of Postbank can receive allowances for themselves and their children travelling along.



ErholungsWerk

Post Postbank Telekom e.V.

Betreuungswerk

The foundation Betreuungswerk Post Postbank Telekom is a corporate social services institution of the former Deutsche Bundespost with headquarters in Stuttgart. It has undertaken to provide inexpensive social services. In accordance with the non-profit foundation purpose, Betreuungswerk is dedicated to the following tasks:

- Aid to the needy and orphans
- Support for studies
- Work for senior citizens

The aid to support people in need is funded from the interest income of the foundation's capital and from donations. Since Post's successor companies (Deutsche Postbank AG, Deutsche Post AG and Deutsche Telekom AG) bear the administration costs, the full amount of every donation benefits those in need.



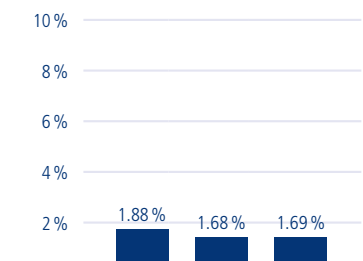
STIFTUNG
BETREUUNGSWERK

Post Postbank Telekom



Fitness courses with the Health Manager
keep fit at the workplace

Accident rate at work and travelling to and from workplace



Health management

Preserving the capacity to perform and motivation also of older employees is a particular concern for Postbank. For this purpose, it established a health management programme in 2005, which continues to be developed further year by year. In 2013, the already existing project "Health Status" was expanded by the subproject "Preventive Measures". The successful concept of providing contacts for health related issues has been broadened to the branches by regional contacts for health matters. As in the previous years, the employees could receive free flu vaccinations at many sites.

The health management team wants to make health an active experience, make aware of important knowledge, and offer personalised support on site where help is needed. At the same time, the health management bundles all resources for the promotion of health, involves the overlapping topics of work safety and occupational medicine, and ensures the systematic planning and control of processes.

For many years, the accident rate of Postbank has stayed at a low level that is common in the financial services industry. Most accidents can be classified as so-called commuting accidents, which occur on the way to and from work. The comparably rare accidents at work do not indicate any clear clustering pattern.

Following to the successful Health Days in 2012, the Postbank health management has intensified the regional cooperation with Deutsche BKK, the company health insurance of Postbank, and has made personal support and health at the sites its goal.

Together with Deutsche BKK, so-called "Health Managers" have been introduced at the Leipzig, Frankfurt, Stuttgart and Bonn since May 2013. The "Health Managers" are external specialists in the topic of health and are available for the employees at the workplace as well as by telephone and email concerning all questions relating to health. They devise service offers relating to health at the respective sites and support the health management.



Contrary to the present concept of Health Days taking place once annually, the Health Managers are present on site several days a month and provide their offers in their own responsibility. Since the experts come from the healthcare industry, professionalism in the promotion of health is ensured. At the same time, the external consultants observe strict data privacy and confidentiality due to their independence. In the year 2013, campaign periods for the topics of “low-threshold information” “musculo-skeletal diseases” “demography” and “wellbeing” were carried out at pilot sites.

The employees have enthusiastically accepted the regionalisation of the health management. Even long-term and lasting measures have seen strong participation. The concept of the “Health Manager” is thus far unique in Germany. Based on the positive response among the employees, the project will be expanded in 2014 to the 12 major Postbank sites.

Health is an important topic in the employee communication. Health campaigns on site are accompanied by internal communication and thereby substantively deepened. A “HealthWiki” has been set up on Postbank’s intranet. It collects and prepares information for employees on all issues relating to the topic of health. The employee magazine “bankpost” regularly takes up the issue of promoting health. For example, it provides instructions for gymnastics exercises at the workplace.

More and more employees make efforts for their health on their own initiative. Postbank supports them in doing so by the participation in company runs, company sports teams or supplementing offers such as Tai Chi, Yoga, Pilates and Nordic Walking.



Nutritional advice on site

Responsible action means to Postbank and its employees to make a commitment beyond one's own area of responsibility for the benefit of colleagues and society. As an established element of the corporate culture, social commitment is lived in various areas.

Social commitment

Help during the Christmas business



Helping hands from our headquarters were seconded again this year for the Christmas business at the Postbank branches. For three days, Rudolf Oltmanns assisted as Christmas help at the finance centre in the city centre of Düsseldorf.

"Hello Rudolf! Seems to us as if you had only been here last week!" Rudolf Oltmanns is happy about the collegial reception when he comes to the Düsseldorf branch early in the morning, shortly before Christmas – well prepared and with a lot of drive. Again, a year has passed since he has helped out. It will be his seventh time. For three days, he wants to support his colleagues during the Christmas business. "Why I like to do this so much? Quite different from my job at the headquarters, there is real contact with the customers that I can experience here and I get direct customer feedback. The situation is stressful for both employees as well as customers. But time and again, it is a great team experience to which I can make a small contribution", says Oltmanns.



A part of his time, Oltmanns spends behind the scenes in the back office and picks out parcels. This saves precious time for the colleagues at the counters because this way, they can fully concentrate on the acceptance and despatch of shipments. When a counter place is vacant, Oltmanns searches for addresses in the system and gets the matching shipments ready. This helps accelerating the service to the customers. Oltmanns provides hands-on help wherever he sees work. He empties full containers, fetches new ones, picks up, sorts, and restocks supplies. "On the first and second day, the customer run was immense.

But on the third day, which was my last, all hell broke loose indeed", the Christmas help reports. All places at the counters were staffed. But a long line had formed nonetheless. "I then passed through the queue and asked the customers if they have notified letters or parcels, which I may give them without making a registration entry. The relevant customers were surprised by the service and very happy that they did not have to wait till the end", explains Oltmanns.

The team hardly has time for a breather. It is very busy at all times. For the employees at the branch, the Christmas business is – despite all hectic – nothing unusual. In the same way as Rudolf Oltmanns, many hard-working employees have contributed as Christmas help again, so that the peak traffic at the branches was mastered successfully in all respects.

Participants in road traffic



Total time spent as participants in road traffic (in days)



Employees donate for employees: Support for the damages of the floodwater disaster

With the campaign "Kollegen helfen Kollegen" ("Colleagues Help Colleagues"), the Postbank employees have set a strong signal: When push comes to shove they will stick together. Those affected by the floodwater disaster have experienced this first hand.

The pictures in the media have not gone by anyone without having an effect on them. Houses, streets, entire municipalities had disappeared under the water masses and in some cases even for several days. In this situation, the employees of Postbank proved their solidarity with their colleagues in the flooded regions.

As early as during the impending threat of floodwaters, Postbank has supported its employees in that they were given flexible leaves of absence from work. When a call for donations in the benefit of the affected colleagues was issued by the Board and the Works Council, many employees participated by donating money and work hours. In addition, the company announced to double the received donation sum to offer quick help to the approximately 35 affected employees. That was motivation enough

and the result was impressive. In total, a rounded EUR 40,000 and approximately 9,000 work hours were collected through the donations. As announced, Postbank doubled the monetary amount to EUR 80,000. Overall, Postbank paid EUR 60,000 to the affected employees, in proportion to the level of the personal effects suffered by them, and thus managed to set the foundation to remedy the damages, which were grave in some instances.

The readiness of the colleagues to help was so overwhelming that more than EUR 300,000 – from the conversion of unclaimed, donated work hours into money – is now available for other emergencies. "I am very pleased about the great response to our call for donations. It proves that we at Postbank can also take our motto "We do this together!" seriously beyond our work routine", said the Chairman of the Board, Frank Strauß. "We have installed a committee of employee and employer representatives, which will decide on the allocation of remaining funds in any further cases of hardship." This way, the Postbank employees can rely on a well-functioning network also in the future.



Flood in Saxony:
The new Elbe Bridge in Meißen ended in the water in front of the old part of town on 06/06/2013.



Employees rescue their branch from the floodwater

The streets in Meißen were also damaged by the flood. Even though the Postbank branch is only a good one hundred metres away from the shores of the Elbe, it was largely unscathed thanks to the intervention by four employees.

After they had to close the branch on Monday, 3 June 2013, as early as at 5:00 p.m. because of the flood, the Postbank employees Irene Wystub, Simone Bäßler, Ilona Reiche and Silke Müller decided not to simply abandon their branch and leave it to the floods, but to return again on the next day. "We then went to the market square where sand bags were said to be ready", tells the branch director Wystub. Bags were there in sufficient numbers but these first had to be filled. Students

of the neighbouring high school happened to have a free period and started to help immediately. Even a customer spontaneously lent a helping hand to the Postbank employees. With united efforts, dozens of sand bags were filled this way. Because there were no pushcarts for transporting the bags, postal container carts had to be used as makeshift. The sand bags could in this way be carried through town and brought to the branch where they were stacked up into a protective barrier. The effort was well worth it. Differently than during the high-water disaster of 2002, the flood could not set the branch under water and caused only minor damages. Therefore, the branch could resume its business on 13 June already.

Dedicated colleagues in honorary functions: Culinary school of hope



When the Postbank employee Christine Schuster heard on her Africa trip of the commitment the Phiri brothers make, it was certain: She wants to help these boys. A spontaneous aid campaign developed into an association.

It all started in 2011 in Cape Town. Christine Schuster and her boyfriend were just spending their holiday in South Africa and invited to a barbecue in the evening at a befriended journalist's. He told them of his trips through Africa and the two brothers Dickson and James Phiri in Malawi. "Our friend gave such an enthusiastic account of the brothers that we couldn't stop thinking about the story anymore", says Christine Schuster. The Phiri brothers give hope. In Malawi, they teach youths from their village how to cook. For many of them, this is the only chance to get a job. "The brothers do this in honorary function because they want to pass on their skills as waiters and cooks", explains Schuster. The lessons are free for the students but basically, there is a lot missing in terms of necessary supplies.

On the evening in Cape Town, the decision was forged to help. Back in Germany, Schuster and her boyfriend founded the association “One small seed e. V.” Now they could really get started. “Many friends were thrilled by our idea and directly offered their help”, recounts Schuster. Photographers, designers, webmasters or simply helping hands joined in the effort. The website went online and the first donations were received. In March 2012, first her boyfriend flew to Malawi together with the journalist and met the brothers. When saying good-bye, he handed EUR 400 to them for the installation of a power and water connection.

Half a year later, Christine Schuster flew to Malawi herself to see the culinary school and its operators. “I was a little nervous but the meeting was nice and very warm”, Schuster remembers. But the to-do list for the interior equipment that they intended to work off in the next 16 days was very long. The roll-out manager at Postbank Systems is familiar with project work from her daily work routine, but her structured and well-timed plan did not work right off the start in Malawi. But “in the end everything always worked out”, she says happily. Everything that was needed, such as pans, pots, dishes, refrigerator, oven and dish washer was purchased, and a completely furnished culinary school was thereupon finished. The school has a good reputation and continuously more youths seek training there.

So that as many youths as possible can profit from this training, a dormitory for boys was built in the summer of 2013. A dormitory for girls is in planning. This way, children from far-away communities can stay overnight at the culinary school and learn for life. Likewise, a nutrition programme was launched, so that 300 students of a nearby primary school can be given a daily hot meal that is prepared in the Phiri’s culinary school.



Society | *Postbank takes responsibility for the welfare of the society in which it operates its business. Besides the projects in education, the bank supports social integration and assists in demographic change.*

Education

“Wir für Kinder” (“Our commitment to children”) – Cooperation with Save the Children



In cooperation with



Save the Children

In Germany, the educational opportunities for children continue to be distributed unevenly. To change this condition, supporting measures must be taken that start as early as with primary school children. For this reason, Postbank started a collaboration with Save the Children Deutschland e. V. in 2013, which pursues the aim to sustainably improve the educational opportunities in Germany.

Save the Children is the biggest international independent children's rights organisation of the world. The non-governmental organisation, founded in 1919 by the British teacher Eglantyne Jebb, is politically and religiously independent, and supports the rights of children in more than 120 countries.

Postbank and Save the Children jointly contribute to the improvement of the educational conditions at primary schools. This is important, as there are thus far hardly any support programmes in Germany for children younger than 10 years of age. The joint project “3 x 1 macht stark!” (“3 x 1 makes strong!”) is a children-parents schools project that has started its work at the first German schools by now. In the coming years, the commitment is to be expanded to further schools.

In the project, the communication and understanding within the family and between children, parents and school is strengthened and a novel kind of teacher and learning culture is promoted in Germany.

Under professional guidance, first and second graders, together with their families, receive strong assistance in a playful way for a period of eight weeks. Through a positive learning environment at school and home, the educational opportunities for boys and girls are to be improved.

Postbank is not only involved in the project by making donations. The employees are also actively engaged and can contribute their skills, e. g. as a Schools Ambassadors. A Schools Ambassador has the task to provide assistance in local campaigns as an intermediary between the school, Save the Children and Postbank, and to motivate other employees to make a contribution. The range of responsibilities spans everything from handiwork to mentored reading sessions.





Kick-off in Mönchengladbach

Postbank made Save the Children the theme of the soccer match of Borussia Mönchengladbach against Eintracht Braunschweig on 20/09/2013.

Postbank omitted advertising messages on banners in the stadium and on the players' jerseys, which is the bank's privilege as the main sponsor of Borussia Mönchengladbach. Instead of Postbank's logo, the logo of Save the Children could be seen in the entire stadium and also on the chests of the players.

For each spectator on this day, Postbank donated one euro to Save the Children. In addition, the jerseys worn by the players of Borussia on that day were auctioned on the internet after the game. Overall, this campaign collected donations of more than EUR 70,000 for Save the Children.

For more information, see section "Charity".

More information here!



or on www.postbank.de

School bank instead of Postbank

Employees had the chance to make an active contribution within the scope of the children-parents schools project by Postbank and Save the Children. Detlef Ehleben has gathered initial experience as Schools Ambassador at a Cologne primary school.



Detlef Ehleben is on the way to an important appointment – again. But this time, the Director of “Corporate Clients of Southern North Rhine-Westphalia” has changed his suit and tie for jeans and a corduroy jacket. His destination today is not the company head office but a primary school in Cologne, not far away from Ehleben’s workplace at the Airport Businesspark. 54-year-old Ehleben is one of the first five Schools Ambassadors of Postbank.

The Schools Ambassadors act as a liaison between the schools, parents and Postbank employees who want to contribute in the educational projects. Detlef Ehleben is happy for this opportunity to make an active commitment for the benefit of others. The father of a 19-year-old daughter has previously also been actively involved in youth work, but he has not had enough time in recent years. “I think it’s great that I can now contribute personally as a Postbank employee to the success of the project and enable children to encounter other people.” This is what Detlef Ehleben also says a short time later when he is seated among nine pairs of parents in a class room. While the children are playing in a room next door, he reports about the campaign “Wir für Kinder” (“Our commitment to children”) and Postbank’s role in it. Playfully improving the children’s learning environment is the aim of the three-hour meetings, which have been organised once a week since the spring by tutors trained for this purpose. “Many parents are new here and have difficulty asking for help. By this programme we want to network the families, strengthen their competence as parents in a playful way and reduce inhibitions towards the place of learning and school”, explains Petra Kohl, social worker at the school. “It is great that the parents experience this appreciation and that I can also make offers to the families in this way, for example for daytrips”, says Kohl.

Besides its financial commitment, Postbank intends to also involve the employees in the future to help actively at the schools. “This help can be a reading afternoon, help with homework, a trip or improving the schoolyard”, Ehleben tells the parents. Soon he will meet again with them in a so-called workshop for the future. There, parents, team members, the school principal and Detlef Ehleben develop projects together, which will be tackled at the school with the help of further Postbank employees.

Before he says good-bye, Detlef Ehleben still hands out gift cones for the first day of school to the children, which were filled with sweets and toys by the managers at the Postbank Management Conference in April 2013. The children’s eyes are beaming and it shows in the concluding surprise game that the Schools Ambassador has already won the hearts of the children.



Managers at the Management Conference in Bonn, May 2013, filling gift cones for new first graders

Postbank Finance Award 2013

The "Postbank Finance Award" celebrated its tenth year anniversary in 2013. It is the college and university competition with the highest prize money in the field of banking & finance in Germany. Each year, students and teachers are called upon at home and abroad to jointly discuss a current question of finance and develop solution approaches together. The participants are to derive specific proposals from theoretical consideration for future strategies of action. This way, the students can apply the specialised knowledge they have acquired in their studies and simultaneously strengthen their social skills by their work in a team. Postbank uses the winning works as ideas pool and develops the solution approaches further together with the winners in order to derive an active use for the bank from the results.

Prizes totalling EUR 100,000 make the Finance Award the college competition with the biggest prizes in the banking and finance sectors while the remaining 30 % goes to the teams of students. The patron of this competition is Frank Strauß, the Chairman of the Board of Deutsche Postbank AG.

In 2013, the participants examined the confidence crisis in the banking sector. 27 teams submitted contributions. With the "LIVEModell", an innovative early warning system for the banking sector, the team of the University of Frankfurt accomplished to convince the jury of representatives from science, economy, and the media to receive the award for first place. The team of the advanced technical college of Weserbergland came in second. Third place was taken by the team of LMU Munich.

The daily newspaper DIE WELT, which has covered the Finance Award as a media partner since 2011, awards a special prize, DIE WELT Finance Essay Award. The award honours the ability to describe complex scientific contexts in an engaging and



comprehensible form as a journalistic essay. In 2013, the team of the University Eichstätt was very pleased to receive this award. All winning contributions are published at WELT online and are thereby available to a broad public audience.

Since its introduction in the year 2003, 355 teams of 111 institutions of higher education have participated in the competition. The topic in the year 2014 is "Banking 3.0 – between digitalisation and the human".

Winning teams of the Postbank Finance Award 2013

More information here!



or on www.postbank.de

Year Subject

2003/	The development of retail banking within the confines
2004	of customers' wishes and profitability requirements
2004/	Private old age pensions and lifecycle strategies:
2005	A new area of business for banks?
2005/	New directions for the German banking system?
2006	
2006/	The optimum information system from internal and
2007	external ratings for the financial sector
2008	Opportunities and risks of hedge funds
2009	Lessons from the financial crisis
2010	Retail banking within the confines of short-term selling success and long-term customer benefit
2011	Stabilisation of the European Monetary Union and implications for private financial investment
2012	Financial investment in the context of inflation risks and political risks
2013	The bank of the future: A sector beset by a crisis of confidence
2014	Banking 3.0 – between digitalisation and the human

Group Ambassador Programme

The Group Ambassador Programme was set up by Postbank in 2009. Practical knowledge is conveyed to students from selected colleges and universities in guest lectures, informal evening discussions and by supporting case studies. Specialised and managerial staff of the Postbank Group passes on their knowledge and experience to the students in this way.

In addition, Postbank regularly organises banking business games at the University Bonn, and a case study on the topic of major bank mergers at a number of universities. Students of the Schumpeter School of Business and Economics in Wuppertal are offered an "Asset Management School".

Since the start of the programme, Postbank has been able to set up collaborations with over 25 colleges all over Germany and conducted 70 events.

Individual support for talented students

Postbank supports students who have been noted for outstanding performance. In this context, the bank supports foundations, student organisations and professorships both in financial as well as in idealistic ways.

Postbank grants a total of 12 North Rhine Westphalia (NRW)/Germany scholarships to talented students of Rheinische Friedrich-Wilhelms University in Bonn and Bonn-Rhein-Sieg College. In addition to the financial support, Postbank has offers for personal development in store for the scholarship students, for example the Business Knigge Seminars or career advice interviews.

Postbank also supports the following foundations, organisations and professorships:

- Sponsor of NRW/Germany scholarships since 2009
- Professorship for Finance/Business Administration 1 at Rheinische Friedrich-Wilhelms University Bonn
- Organisational forum Wirtschaftskongress e.V. (OFW) (Economic Congress inc. soc.), Cologne
- Centre of Financial Research (CFR), a research institute at the University Cologne
- Bundesverband Deutscher Volks- und Betriebswirte e.V. (Federal Association of Macro Economists and Business Economists inc. soc.)
- University Weserbergland
- Premium partner of Fresenius College since 2009
- Development of the focus of studies on "Customer-orientated bank management/retail banking" in collaboration with Fresenius College, Cologne since 2011
- Signatory of the "Bachelor-Welcome Convention"

Cooperation contract on the free provision of IT equipment

For seven years by now, a cooperation under a fixed contract has been established between Postbank and the Education Authority of the City of Bonn for the free provision of used IT equipment. There are also agreements with a non-profit organisation and nursery schools. Laptops, PCs and monitors, printers and scanners are provided, which are sorted out at Postbank according to the lifecycle management criteria. Since the beginning of the cooperation arrangement, a total of nearly 3,000 fully functional pieces of equipment have been provided. In the year 2013, 83 used devices were given away.

The diversity of its customers and employees is not only a challenge for Postbank but it is a great opportunity at the same time. The bank understands acknowledgement, appreciation and involvement of diversity as an indispensable part of its corporate culture. The bank perceives the diversity of its employees to be a basis for successful action in competition.

Integration and dialogue

Diversity-Charter

Postbank signed the "Diversity-Charter" in 2011. The Germany-wide corporate initiative for the promotion of diversity at companies was called to life in 2006, with the aim of acknowledgment, appreciation and involvement of diversity in the corporate culture. By now, more than 1,000 companies are participating in this initiative.

By signing the Charta, Postbank undertakes to implement the Charta's aims and create an open-minded work atmosphere where all employees with their differences and commonalities are welcomed and respected. Discrimination on the basis of gender, nationality, ethnic origin, religion, sexual orientation, age and disability is not tolerated.

Since 2013, Postbank has offered a seminar "Leadership with competence in diversity" to all managers. The positive response by the managers to this offer demonstrates that this topic becomes increasingly ingrained in the corporate and management culture. The seminar is to be expanded to all non-supervisory managers in 2014, and an e-learning offer on the topic of "Diversity" is to be provided for all employees.



Furthermore, Postbank has made it its goal to also expand diversity-management processes in the future so to continue to meet the needs of employees and advance its development as a company.

For more information, particularly on the topic of "Gender Diversity-Management", see section "Company Management".

Managers sharpening their senses for the diverse talents of their employees in the seminar "Leadership with competence in diversity"



IMPULS

Since 1998, a cooperation between BHW Bausparkasse AG in Hameln and IMPULS gGmbH, the municipal training and employment association, has been established in the area of disposal and destruction of documents and films.

As a non-profit company, IMPULS pursues the goal of reintegrating the long-term unemployed into employment. This goal is achieved by training measures and co-operation agreements with companies, thereby creating jobs in various sectors.

With this cooperation that has now been operating for 16 years, first BHW and then Postbank have contributed directly to additional jobs being created in the Hamelin region and disadvantaged social groups being integrated into working life.

Regenbogen Arbeit

Since 2012, the canteen at the Postbank site in Munich has been operated by Regenbogen Arbeit gGmbH. The non-profit integration enterprise offers specially adjusted workplaces to persons with mental disabilities and to the long-term unemployed with social problems.

Accordingly, the team employed at the Postbank canteen is composed in part of persons with mental and physical disabilities as well as learning and visual impairments. By way of the organisation being adjusted to the employees, also the challenging peak hours can be managed well. The concept was tried and proven so that the cooperation was extended until 2015.



Customer Advisory Committee

The Customer Advisory Committee of Postbank was established in the year 2006. It has the mission to view Postbank's service and products critically, provide suggestions for improvements and help develop new offers. This way, the customer perspective can contribute decisively to Postbank's products and services becoming continuously better, easier to understand and less complicated. The members work in honorary function for the company.

The Committee that is in office until the spring of 2014 commenced its work in April 2011. It is composed of a 24-member core committee and the expanded Advisory Committee with around 800 members. The core members convene in biannual meetings with representatives of Postbank to discuss current topics and find solutions to problems. Also outside of these events, the core members are actively engaged in projects. In addition to the regular meetings of the core members, meetings are convened in particular situations. They serve the purposes of discussing special topics and also involve the expanded Customer Advisory Committee.

The Customer Advisory Committee is informed of the new developments and results by the magazine "Dialog" which is published each quarter. Ideas, suggestions or criticisms can be addressed directly by the members to the email address kundenbeirat@postbank.de. Postbank has set up the "Working Group Customer Advisory Committee" for this purpose. It is composed of 20 employees of different departments and has the task to review the ideas and measures for their feasibility.

The Customer Advisory Committee has given important impulses in recent years. With the support of the Committee, a twelve-page brochure on the topic of authorisations was prepared. It can be accessed as a download in the online information library under "Lebenswelt Alter" ("Living World in Old Age").



The members of the Committee also pushed for lower costs in telephone banking. In consequence, Postbank has completely changed over to numbers with local area codes. In addition, the Committee members also critically examined the product information sheets concerning securities investments and made many useful improvement suggestions. In this process, also the publication of a glossary was initiated, which explains the technical terms.

More information here!



or on www.postbank.de



A milestone in the work of the Customer Advisory Committee is the Finance Knowledge Portal that was opened in 2013. To raise know-how among the population in all aspects of banking and finance topics, the Committee members have developed a comprehensive web offer jointly with the Postbank employees.

At finanzwissen.postbank.de, quick and substantiated information is available on all topics relating to money, payment transactions, banking and much more. Customers as well as all others who are interested can expand and deepen their personal finance know-how here. In a demanding quiz on the various topics, visitors of the portal can put their own knowledge to the test.

Spring session of the Customer Advisory Committee, Bonn 2013

kundenbeirat@postbank.de



More information here!



or on www.postbank.de

Postbank aims its social commitment particularly at creating development opportunities for children. The cooperation with Save the Children is a central initiative in Germany. Fundraising drives for World Hunger Aid and UNICEF also benefit young people outside of Germany.



Picture top right: Trainees decorated Christmas trees with wishlists at eleven sites around Germany



Charity

Christmas tree campaign

Postbank employees helped making the Christmas wishes of many children come true. In 2013, the Christmas Tree Wishlist Campaign of Postbank was carried out for the first time for the benefit of Save the Children. Under the motto "Wir für Kinder – Bildung ist Zukunft" ("Our commitment to children – the future lies in education"), colourful wishlists were hung on Christmas trees at all eleven sites of Postbank. The wishlists were taken down by employees and converted into donations for tinkering materials and toys.

In total, EUR 6,235 was collected in the process. In many cases, the employees donated higher amounts than was requested on the cards. The Postbank rounded up the sum to a total of EUR 10,000. The proceeds are designated for the joint educational project of Postbank and Save the Children.

€ 0,9 Mio.
.....
2013

Total donations to Save the Children Deutschland e.V.

RTL fundraising marathon

In the scope of the RTL fundraising marathon in which viewers are made aware of the children's aid projects and called upon to make donations, Postbank introduced its cooperation with Save the Children to a large public audience. Postbank presented a cheque for donations amounting to EUR 250,000 for the benefit of Save the Children. The donations cover for example, personnel costs, training of project employees and costs of material.

Help for typhoon victims

In November 2013, typhoon Haiyan destroyed large parts of the Philippines. Several thousands of people were killed in the disaster and hundreds of thousands lost their homes. Postbank made EUR 50,000 available immediately to its partner's, Save the Children, aid programme for the Philippines, whereby ad-hoc aid measures were financed to help the families affected the most. Postbank set up a donations account and called upon employees as well as customers to make further donations for the victims of the disaster. Rounded EUR 18,000 was collected in addition in the process.

Gewinn-Sparen (Win and Save) for Aktion Mensch

Saving and donating: in 2013, the Postbank's Gewinn-Sparen (Win and Save) collected a donation sum of EUR 288,000 for the benefit of Aktion Mensch.

For more information on the Postbank's Gewinn-Sparen, see section "Sustainable products".



Total donations to Aktion Mensch



Christmas collection for the benefit of Wold Hunger Aid

In the pre-Christmas season, the trainees at the Hameln site collected donations from colleagues for children and youths in Nepal. They collected more than EUR 4,200 in the donation boxes of World Hunger Aid. The proceeds will benefit remote villages in the hillsides of Nepal. Due to their remoteness, these communities are not included in state development programmes for health, education and nutrition. The project of World Hunger Aid is aimed at helping them. It grants development opportunities to the children and youths in these villages, which have thus far been unavailable to them. Postbank rounded up the donations turnout to the amount of EUR 5,000.

Sale of UNICEF greeting cards

2013 was a further successful year for the sale of UNICEF greeting cards, which are offered by Postbank and Deutsche Post in the pre-Christmas season at their branches. It was accomplished thereby to present a cheque for EUR 394,136.25 to UNICEF Germany. The amount will go directly to the worldwide UNICEF work.

Postbank and Deutsche Post have been selling UNICEF greeting cards charitably for seven years already. Since 2007, the joint commitment achieved making more than EUR 2.6 million available to the worldwide work of UNICEF Germany. In 2014 as well, the UNICEF Christmas greeting cards will be offered for sale from mid-October to the end of December in more than 1,000 branches of Postbank and Deutsche Post.



Total donations by UNICEF greeting card sales



Bälle für Deutschland (Balls for Germany)

Postbank's soccer balls are popular. For the sufficient supply of balls to sports clubs, schools and nursery schools, a monthly raffle has been conducted since early 2012. The number of balls that is raffled depends on the number of goals scored in the top Bundesliga (German football league). At the end of the month, the lucky winners are drawn and the Postbank balls are sent out in sets of 10 balls each.

At the "Postbank Fankurve" ("Postbank Fan Stands") on Facebook, clubs, schools, nursery schools and other institutions where soccer balls are needed can apply for the raffle. Since the campaign was started in January 2012, overall 3,590 balls have been raffled off.

More information here!



or on www.postbank.de



Postbank City Tour

The Postbank City Tour went into its third season already in 2012/2013. In parallel to the away game plan of the sponsoring partner Borussia Mönchengladbach, Postbank visited all Bundesliga cities. Under the motto, "Kick your city to the top!" fans and passers-by were animated to hold balls up, and each of them had the chance to collect kicks for their cities during 90 minutes. The city with the most collected kicks was Gelsenkirchen. As the winner's trophy, the city received a new football ground, funded by Postbank in collaboration with the PLATZ DA! initiative of the GOFUS charity association. The City Tour of Postbank will be continued in the 2013/2014 season.

More information here!



or on www.postbank.de



With increasing age, needs change Postbank takes the demographic development of our society into account with its offers. It perceives the growing segment of senior citizens to be an important target group whose demands it intends to fulfil.

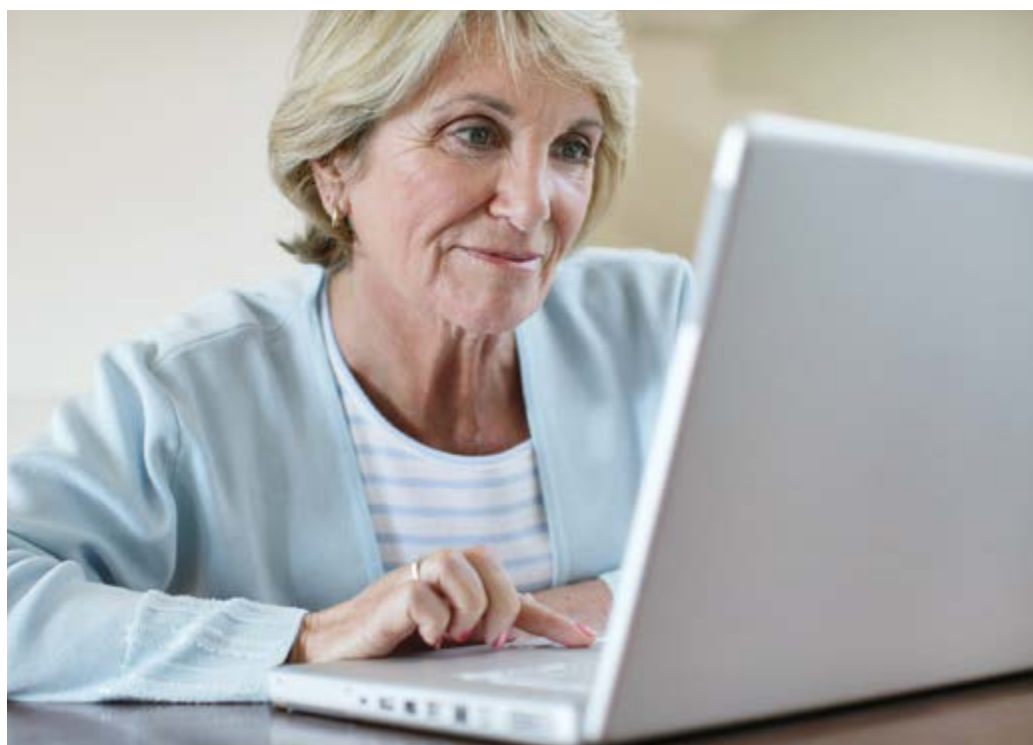
Demographic change

Product design

Postbank consults research findings on the demographic development in matters relating to its product range, the design of products and the equipment of its branches. For this reason, one central aspect of its product offer relates to care providers and insurers. The bank's online banking and self-service machines are continuously developed further. So that the needs of seniors can be considered in the process, Postbank involves its Customer Advisory Committee in the development. The age group above 50 years is strongly represented in the Customer Advisory Committee.

Online information portal "Lebenswelt Alter" ("Living World in Old Age")

In 2013, Postbank launched its new online information portal "Lebenswelt Alter" ("Living World in Old Age"). It covers the topics of taxes and pensions, inheritance and bequest, powers of attorney, health, insurance, safety, housing as well as living and travel. Besides expert contributions, the readers find also interactive forms and checklists here, as well as information brochures. The positive response shows that this information serves as welcome guidance to those who are interested.



More information here!



or on www.postbank.de



Brochures on fraud protection

Older people increasingly fall victim to fraud schemes. For the purpose of prevention, Postbank has developed information brochures that specifically target seniors. Topics, such as the so-called grandson trick, fraud in money transactions, fraud at automatic teller machines and burglary are treated and explained easy to understand. Besides information on fraud schemes, preventive measures are described to protect customers from damage. The brochures are available at the Postbank branches and can also be accessed online at Postbank's website.

Inheritance and bequests

Inheritances in Germany continue to increase. For advice on all aspects relating to the subject of "Inheritance and bequests", Postbank maintains an "Inheritance hotline" (0800 1008 904). Specially trained staff at Postbank's call centres is available via the telephone to customers almost round the clock and provide useful information for example, regarding the processing of inheritance and legal questions concerning inheritances.

More information here!



or on www.postbank.de

"Ruhestandsplaner" ("Retirement Planner") online tool

By the "Ruhestandsplaner" ("Retirement Planner"), the Institut für Vorsorge und Finanzplanung (Institute for Pension and Finance Planning) (IVFP) has developed a new analysis tool for Postbank. The online program can be accessed at Postbank's website. It enables a neutral and independent calculation that is conducted by oneself as to the financial means that can be expected to be available for retirement, in consideration of the specific living situation of the person interested. A forecast of future inflation is also integrated in the calculation. Besides the present income, the calculator also includes the already existing provisions for retirement and directly assesses the already existing net pension provision – taxes and social insurance contribution in retirement are also included in the calculation. If undercoverage in pension provisions is detected, the Retirement Planner will show it. Based on wishes and goals, it will thereupon make recommendations as to which pension products are particularly sensible. Despite the great complexity of the data that is processed, the Retirement Planner is very user-friendly.

"Inheritance hotline"

(0800 1008 904)

More information here!

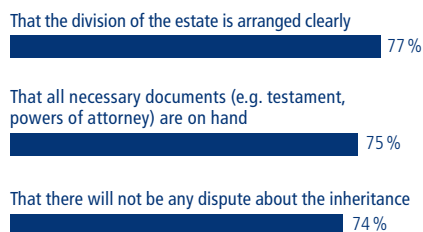


or on www.postbank.de

Postbank study “Inheritances in Germany 2013”

Germans learn from mistakes in inheritance – new openness is wanted.

This is “particularly important” to Germans who intend to bequeath an estate:



Germany experiences the largest inheritance wave in a historical view – the citizens of the Republic are well-prepared for it. They deal with the topics of inheriting and bequeathing much more intensely and earlier than has been the case in bequests so far. The reason is that transparency and a clear division of the bequest are the most important objectives for them so to avoid disputes.

This is the key result of the nationwide Postbank study “Inheritances in Germany 2013”, which has been conducted as the third study by now following to the ones in 2011 and 2012, with the support of the Institute Allensbach. “Germans have obviously learned from the past mistakes in inheritances”, Susanne Klöß summarises, Postbank’s General Manager, Products. “And they have increasing routine in planning a bequest.”

The most important goal for Germans who intend to bequeath an estate is a clearly arranged division of their assets: 77 % believe this to be “particularly important”. A transparent situation for heirs is even more important to them than the availability of any of the documents such as testament or powers of attorney upon death. Ranking third is the goal of avoiding any dispute regarding the inheritance. This is nearly exactly identical with the opinions of people who are expecting an inheritance in the future – this is every fifth adult of 16 years of age or older in Germany. In contrast, there are vast differences compared to the inheritances thus far: Until now, only in about every fourth case of succession was the distribution of the estate coordinated between the heirs and the bequeather. “A new openness for inheritance in Germany is wanted”, concludes Susanne Klöß.

- **Increasing experience and growing interest in advising**

Exactly two-thirds of all 50-year-olds in Germany have already dealt with the bequest of an estate. However, more than every other person of them has also inherited something themselves previously at least once and has therefore the corresponding experience. This can explain why according to the Postbank study, the wishes of future heirs and bequeathers in Germany are overall consistent to such a great extent by now.

Furthermore, the interest in advising on questions of inheritance is also rising. The heirs to date used to only seek information from advisers, e.g. tax, bank or financial advisers, in every fourth case of succession. Of the future heirs at the present time however, already every third is planning or has planned such discussions. And when real estate is expected as a part of the bequest, it is even four out of ten heirs who have done so.

- **Real estate inheritances are strongly increasing**

However, heirs personally move into the inherited homes only half as often than in the past. According to the Postbank study, real estate has thus far been included only in every second inheritance. In contrast, 71 % of the future heirs of today are expecting real estate. And in fact, nearly as many bequeathers are planning in this way. Therefore, in two-thirds of all future cases of succession, real estate is expected.

If a home occupied by the bequeather is inherited, every second heir has also moved into it to date. But this will change substantially in the future. Accordingly, future heirs are planning only in half as many cases to move into an inherited home. But at the same time, only 30 % of them want to sell the inherited home. In the cases of succession to date, this was the most frequent case at 37 %. Future heirs intend to rent out the inherited property in correspondingly more cases (19 %) than in the cases of succession until now (14 %).

- **Women are clearly more interested in transparent conditions than men are**

Where women expect an inheritance, their wish for a clear situation in all respects is by far stronger than that of male heirs.

The circumstance that the distribution of the inheritance is discussed openly and early on with the bequeather is nearly twice as important to women as it is to men. All in all, it is most important to women that all documents such as testament or powers of attorney are at hand in the case of succession. There is only one issue where men say more frequently than women that it is “particularly important” to them: the confidential handling of an inheritance and that only the persons participating in it are informed of it.

- **Nearly every third person also wants that children or spouses can be excluded entirely from inheritance**

Close relatives, such as children or spouses are entitled to a so-called mandatory part in inheritances in Germany, from which they can practically not be excluded. However, exactly 30 % of Germans consider this to be “generally wrong”. Of Germans under the age of 35 years, it is even 37 % who believe so. What is even more striking: In East Germany, nearly four of ten people are in favour of an option to exclude someone from inheritance, whereas it is only every fourth person in favour thereof. On this question as well, there is ultimately great consistency between future heirs and bequeathers: At 30 %, it is even slightly more future heirs who support the option to exclude someone from inheritance among close relatives than among those who plan to bequeath an estate (27 %).

In the study, three representative groups have been surveyed and compared nationwide: Germans who want to bequeath an estate and who have already received an inheritance and those who expect an inheritance in the coming years. The survey of 1573 persons in the population of German residents aged 16 or older was conducted in March 2013.

Postbank study “Private old age pensions in Germany 2013”

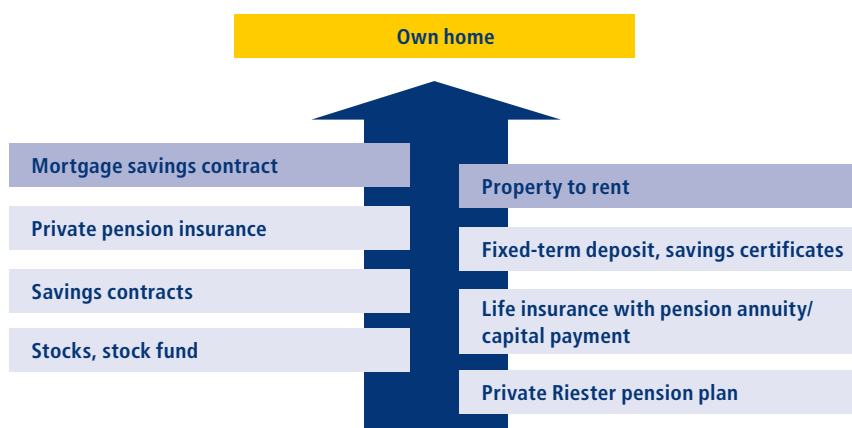
Since 2003, in cooperation with the Institut für Demoskopie Allensbach (Allensbach Institute for Opinion Polling), Postbank has been surveying Germans each year as to their attitudes toward private old age pensions. The results: Germans rely more and more on real estate for old age pensions.

The persistently low interest rate levels make an impression on the willingness of German citizens to arrange for old age pension provisions. Nearly half of all working professionals do not intend to expand private old age pension provisions also for this reason. Yet the low-interest phase also has a flipside: Among those who intend to increase provisions, real estate is in higher demand than ever.

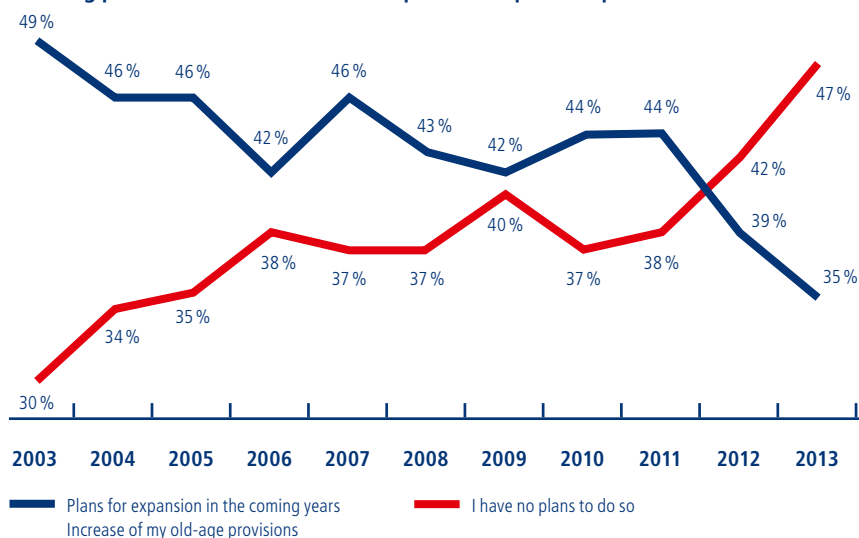
One-third of working professionals with plans for the expansion of pensions would like to build or purchase a house or a flat for their own residential use. This is nearly one half more than still five years ago. The reasons for it are the comparably affordable financing options and the idea of rent-free living in old age. “Your own four walls are by now and by far the most popular form of provisions for old age in Germany”, Dieter Pfeiffenberger, Group Executive for Real Estate Financing at Postbank, concludes. On second and third place of the popularity list is the expansion of old age pensions are two additional forms of the “concrete gold” ranking behind home ownership: Conclusion of a mortgage savings plan as well as the purchase of real estate for renting.

Property is very popular

What the old-age pension provision should consist of (top 9)



Working professionals who want to expand their pension provisions



• Changed investment behaviour

A good two-thirds of all Germans now say they perceive a house of their own or their own flat to be the “ideal form of old-age provision”. After all, home ownership is now perceived to be as the most profitable and the safest form of private provisions. Other investments such as life insurances have in contrast lost a great deal in reputation, particularly because of the low-interest phase. Only 11 % of Germans consider a life insurance with capital payment to be “particularly profitable”. Accordingly, the plans of working professionals who want to up their pension provisions have also changed. Only 5 % still plan to conclude a traditional life insurance with capital payment. And there continue to be only 9 % of working professionals who are interested in private Riester (state-aided) pensions and who want to expand their old-age provisions.

- **Company pension plans are more popular than ever**

As an “ideal form of old-age provision”, by now more than half of all working professionals are covered by a company pension plan (bAV). Since 2003, the popularity has thereby increased continuously by altogether more than one-third. Also, a statutory obligation of every employee to conclude a bAV is now demanded by a clear majority. Especially in East Germany, claims from a bAV are rare nowadays according to the study.

- **Worries in the population**

The worry about making ends meet in old age is felt by large parts of the population. Accordingly, more than three quarters of all Germans believe that today already, many people are affected by poverty in old age. Even more, exactly 89 % believe poverty in old age will increase in the future. With a three-quarter majority, it is demanded from politics therefore to counteract this trend. And two of three Germans also believe it is wrong to reduce the pension contributions despite the present surpluses of the pension insurance.

- **Resignation in East Germany**

More than every fourth working professional in East Germany by now believes they will not be able to finance their subsistence in old age from their own funds. That is two-thirds more than for example, five years ago and twice as many than in West Germany at the present time. Yet, even though clearly more people in the East feel inadequately informed of pension provision possibilities than people in the West, the interest in more information on the issues is by now even lower than in the West. In 2003, this was still the other way around.

- **Overall declining willingness to make pension provisions**

Since 2003, the group of working professionals, who do not intend to make more provisions for pensions, has grown by nearly 60 % – to the highest level in ten years to date. At the same time, also the demand for more state assistance for the purchase of homes is becoming stronger. Nearly 40% of working professionals demand such.

- **Interest in advising is weakening**

Around half of all working professionals feels “adequately informed” about the issue of pension provisions. It was just as many as in 2003. Since then however, the interest in information on pension provisions has fallen drastically. And this is so especially among young professionals younger than 30 years of age, of whom one-third fewer is interested in such information than was the case ten years ago. Overall, more than four of ten professionals have never received professional advice on this topic from a financial, tax, bank or insurance adviser.

For the representative study, nationwide 1,553 people were surveyed of the population of German residents older than 16 years.

More information here!



or on www.postbank.de

Ecological Sustainability

CO₂

Green IT

Paper

Energy

Water

Environmental management system | *Postbank understands environmental protection to be one of the biggest challenges of our time. It strives to reduce the negative environmental effects of its own business activity, promote positive environmental effects, and make a dedicated commitment to the preservation of the natural bases of life.*

Environmental guidelines

Postbank introduced its environmental management system in the year 2008. It meets the requirements of the environmental management standard ISO 14001. By now, the bank has continued to develop its environmental management into a comprehensive sustainability management, which also includes questions of social and economic sustainability.

The environmental management system of Postbank is based on a group-wide applicable environmental guideline with six fundamental principles that specify the organisational requirements with regard to ecological responsibility. As a fixed part of the company strategy, these principles are binding on all employees and they are taken into consideration for all business policy decisions.

The environmental management system of Postbank implements the requirements of the environmental guidelines according to the principle of continuous improvement: "Plan, Do, Check, Act".

- In the first step, "Plan", Postbank specifies ecological and/or sustainable goals and measures as set down in the context of the Corporate Responsibility Programme.
- Implementation of the agreed goals occurs in the second step "Do".

- In the next step, "Check", the observation of self-imposed and statutory rules is checked by Postbank's Environment Officers and by means of regular internal and external audits.
- Then in the last step, "Act" a check is performed on whether further opportunities for improvement in company processes are achievable.

In order to achieve a continuous improvement process in the environmental management system, the loop then starts again from the beginning.

Deutsche Postbank AG's environmental guidelines



Certification according to ISO 14001 | *Following to the successful re-certification of the environmental management system in the year 2012, Postbank has successfully completed its first monitoring audit in 2013. It has thereby strengthened its claim to continue developing its system of ecological sustainability at a high standard.*



For the Postbank, responsible use of natural resources is not merely an economic necessity. The bank shares the opinion of the majority of climate researchers – that human-induced climate change constitutes one of the greatest future challenges facing mankind. The Postbank is therefore taking responsibility under its own initiative. It is meeting the requirements of corporate environmental protection, without neglecting questions of economic sustainability.

To this end the Postbank has established an environmental management system that not only helps to satisfy legal requirements, but also supports energy-saving and resource-conserving enterprise. In order to assess and safeguard the quality of the environmental management system, TÜV Rheinland regularly certifies the Postbank's compliance with standards, regulations and stipulations according to ISO 14001.

ISO 14001 is an internationally recognised standard that defines the requirements applicable to an environmental management system. These include compliance with legal regulations, documentation, achieving and sustaining environmental objectives and the sensitisation of employees. If all requirements are fulfilled then this is verified by a certificate, which is valid for three years.

Following successful certification of the Postbank environmental management system for the first time in 2009, its effectiveness was confirmed in March 2012 with re-certification for the first time by TÜV Rheinland. The new certificate is valid from March 2012 to March 2015.

Continued compliance with the standard is assessed through annual follow-up audits. The Postbank successfully passed the follow-up audit in April 2013.

The Postbank also conducts so-called internal audits of its own divisions and major branches under its own steam, in order to assess compliance with the environmental specifications. These assessments are conducted by specially trained internal auditors of the Postbank. Thanks to the internal audits it has been possible to significantly improve the quality and performance level of the divisions and branches over the years. The positive results are motivating the Postbank to maintain its efforts towards a viable environment.

Environmental goals | *Postbank sets concrete aims in environmental and climate protection each year. They are published in the Corporate Responsibility Programme of the bank. Open communication of the achieved results provides transparency and promotes the continuous optimisation of responsible action.*

Until and including 2012, Postbank has published a separate environmental programme, wherein its environmental goals and measures were listed. In the course of the further development of sustainability, the environmental programme was replaced by the comprehensive Corporate Responsibility Programme for the first time in 2013. It is structured into three columns of social sustainability, ecological sustainability and economic sustainability, while it also includes the bank's environmental goals. These can be found in the Corporate Responsibility Programme under "Ecological Sustainability".

For more information, see section "Corporate Responsibility Programme".

Results of the environmental goals 2013

The environmental goals of the Corporate Responsibility Programme 2013 could be realised to the furthest extent. The environmental impact summary was presented on an improved data stock. Therefore, 82 % of greenhouse gas emissions in 2013 could be calculated on the basis of consumption data.

• Environmental controlling

- The consumption data and greenhouse gas emissions for 2012 and 2013 were prepared for the first time in the scope of the data review of the Deutsche Bank Group according to ISO 14064.
- The net greenhouse gas emissions per employee have fallen by 37 % compared to the previous year. Primarily the risen share of eco-electricity is responsible for this development.

• Energy

- Postbank's energy consumption has risen by 8 % in 2013 for the first time after several years with a declining trend. This was caused by the increase of rental floor space in the buildings by 5 % and the unusual cold spring in 2013.
- Due to the greater rental floor space and the long heating period, also the above-average increase of greenhouse gas emissions in Scope 1 can be explained: it resulted from the risen consumption of natural gas and heating oil. In Scope 2, the emissions caused by district heating rose above average for the same reason, whereas the emissions caused by business travel (Scope 2 and 3) have declined overall.

Heating system at the Kennedyallee site in Bonn





- The drop of HFC emissions is the consequence of taking cooling devices out of operation and modernising them. At the Dortmund site for example, the installation of the new cooling unit with highly efficient cooling machines was completed successfully.
- At the Frankfurt site, the exterior windows on 5 floors were replaced. The heating boiler was replaced for a low-temperature boiler.
- At the Hameln site, the equipment for the uninterrupted power supply was optimised, e.g. by a new cooling system. To reduce the electricity consumption, motion sensors were installed in ancillary rooms. In the nursery school, the last ones of the old windows were replaced by triple glazing.
- The goals for the Berlin site were not realised, as the building was sold in early 2014. Likewise not implemented was the redesign of the computing centre in Bonn, since it will be integrated into the computing centre of Deutsche Bank in Frankfurt.

• Procurement

- The environmental optimisation of the ordering system GeT was continued, e.g. by introduction of additional Go-Green products.
- The concept for the GoGreen optimised user interface in GeT was drawn up. The implementation is planned for the year 2014.
- Recycling paper rate has risen. The consumption of recycling paper has risen to 27 tons, which is a 48 % increase compared to the previous year. However, the level at which this was accomplished continued to be low. The increase of the recycling rate therefore remains a goal for the coming years.
- The goal to further lower the paper consumption could not be reached. The consumption of printing and copying paper has risen by 7 % compared to the previous year to reach 896 tons. It was thus again at the same level as in the year 2011. Postbank expects that there will be a modest improvement in the coming years by the completion of the project "Managed Print Services" in late 2014.

• Waste/disposal

- In the waste monitoring process, Postbank is changing over – as previously done for the consumption data of the buildings – its calculation base: Instead of the extrapolation based on 20 large sites, the waste is recorded that is created at the overall more than 1,300 sites. The changeover is not completed yet. This is reflected in a nominal increase of the created waste by 70 %. The higher value can be explained primarily in that recycled waste was entered incompletely in the environmental impact summary of the year 2012. Because of the still unreliable data stock, the waste data have not been included yet in the data validation according to ISO 14064.

- The project "Managed Print Services" for the reduction of the printer fleet was completed as planned for Postbank. Result: Reduction of the output devices by nearly 50 %. In 2014, the project will be continued at BHW and the branch offices of Postbank Finanzberatung (Financial Consulting) and is to be completed by the end of 2014 at the group level.

• Water/wastewater

- The drinking water consumption could be reduced by 6 % to 327,815 m³. Per qm rented floor space, the reduction amounted to 10 % per employee (full-time equivalent) 4 %.
- The repair of defects following to the pressure tightness testing on the building in Kennedyallee in Boon was completed successfully.

• Mobility

- The number of kilometres travelled by plane was lowered by 15 % compared to the previous year to 6.18 million km. The reduction per employee (full-time equivalent) was 13 %.
- The number of kilometres travelled by rail was also lowered by 15 % to 11.01 million km. Since all railway tickets of Postbank utilise the CO₂-neutral rate of Deutsche Bahn, the railway travel was entered with zero in the CO₂ balance sheet.
- The number of kilometres travelled by car could be reduced by 1 % to 36.60 million km. At the same time, the distances travelled by company vehicles were reduced meanwhile the mileage of rental cars has increased in comparable amount.
- Overall, the number of travelled kilometres per employee (full-time equivalent) was reduced by 4 % compared to the previous year. The causes for this are the strict requirements set forth in

the travel guidelines of the bank and the increased use of video conferences instead of meetings with personal attendance.

• Management/awareness

- In 2013, the paper-free app for the iPad of the employee magazine "bankpost" was introduced in addition to the print edition. A version for Android devices is planned for 2014.
- In autumn 2013, the Postbank Mission Statement was introduced. It summarises the vision and mission of the bank and presents six binding values and principles. One of them is the principle of "sustainable performance".
- The Environmental Days planned for 2013 at the major sites could not be conducted due to capacity shortages.

• Product ecology

- The share of credit cards used in the online procedure has increased to 60.1 % as at 31/12/2013 (31/12/2012 in comparison: 56.8 %).
- The share of the paper-free SparCard direkt could not be increased once more in contrast, because the savings volume has declined overall due to the low-interest phase. The SparCard direkt was affected by this more than average, as many interest-sensitive investors use the product. The share fell to 20.1 % compared to 22.4 % as at 31.12.2012.
- The sale of eco-electricity contracts at the branches could likewise not be increased further because the sale of energy contracts declined on the whole at the branches.



Credit cards in the online procedure
(in thousands of units)

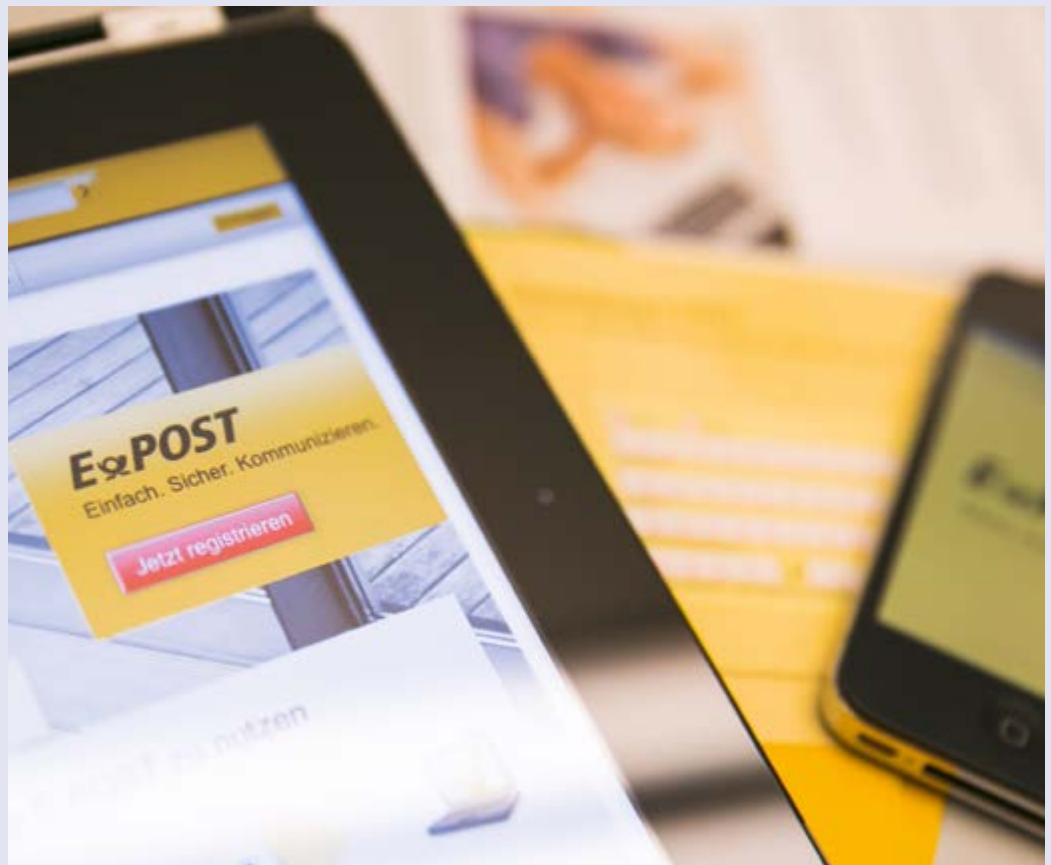


Paper-free mobility

Many people nowadays like to communicate quick and simple by email, via apps and the internet. Those who do not want to make compromises at the same time, in terms of safety and reliability as it is ensured for letter, now have the E-Postbrief letter as an option.

As of 2013, customers of Postbank can communicate with Postbank by means of the E-Postbrief – without having to go to the mailbox or keeping to opening hours. The environment as well profits from it. The E-Postbrief can do without paper and without the physical transport.

More and more customers demand ways to send important documents not only by common mail but also in a safe digital method. The E-Postbrief letter offers this possibility. One of the reasons is that the Post service procedure with binding authentication makes the e-Post users uniquely identifiable. And another reason is that Post uses special encoding and signature technologies to ensure the security of the e-Post portal and the transmission of the E-Postbrief letters. The transmission takes place in a closed, not publicly accessible user room that is simultaneously also protected against malware from the internet. This way, integrity and confidentiality of the content of the E-Postbrief letters remains secure.



Energy savings contracting | *Energy savings contracting helps Postbank reduce its consumption of electricity and heating energy for the long term. At the same time, it is improving its efficiency. Energy contracting thereby serves for both the ecological as well as economic sustainability. The environment profits from the lower consumption of natural resources and the reduced emission of greenhouse gases.*

The energy savings partnership between SPIE (formerly: HOCHTIEF Energy Management) and Postbank began in 2009. As a first step, the energy optimisation experts of SPIE studied more than twenty Postbank buildings nationwide for potential energy savings. Energy performance certificates were prepared for the buildings.

To date, the Postbank sites of Leipzig, Hamburg, Karlsruhe, Essen, Frankfurt, Ludwigshafen and Dortmund have been made more energy efficient on this basis. In the year 2014, additional measures in Cologne, Munich and Hameln are planned. The planning for the Berlin site was not continued further because the building was sold in early 2014.

Energy savings were arose from lighting, hot water generation, combined heat and power generation, as well as from the modernisation of windows and refrigerating appliances. Overall, rounded 20,000 MWh could be saved per year thus far. Improvements were also achieved in terms of the drinking water use in Karlsruhe and Leipzig as well as in the district cooling supply in Hamburg.

Supply contracts have been concluded in addition for the sites in Munich, Bonn and Dortmund. SPIE supplies cooling in Munich to the Postbank site in Bayerstraße and heat to the Kennedyallee premises in Bonn.



The supply of cooling in Dortmund commenced in 2013. In all cases, the energy generation units were improved by SPIE before commencement of the supply, so that now not only the supply is subject to more favourable commercial conditions, but also additional energy and CO₂ savings are achieved.

Distribution station for district heat at the Hameln site

Green IT and Green Procurement | *Intelligent server architectures, more efficient devices and new network technologies help reduce the energy consumption. The central purchasing office of Postbank chooses services and products also according to ecological and social criteria.*

Green IT

- **Lifecycle Management**

Thanks to the continual replacement of old, power-hungry hardware by more efficient and leaner systems, Postbank Systems is constantly increasing the efficiency of its infrastructure. This life-cycle management makes sense ecologically and financially.

- **Active energy management**

At the computing centre in Bonn, the power consumption is actively managed. The persons responsible for infrastructure meet at regular intervals to review the installation of new components and their energy efficiency. Studies have shown that only one third of the energy at the computing centres is used directly by the computers and their subsystems. Two-thirds of the power is consumed on account of the computing centre infrastructure. Postbank therefore manages the energy consumption of its computing centres across the board.



Magellan is the basis of our future. Thanks to low costs per unit, we can offer affordable products to our customers. The processing times become shorter and the quality of our services is rising. «

- **More efficient emergency power supply**

The computing centres of the bank have to be available around the clock even in a power outage. For the uninterrupted power supply (UPS), Postbank has installed UPS systems with emergency power generators that ensure the continued operation of the computer systems in the case of a failure. The UPS systems at the computing centre in Bonn were replaced for new and more efficient ones in 2013. The effect on the energy supply was considerably improved in consequence.

- **Feed-in from emergency power test runs**

The emergency power generators at the computing centre in Bonn undergo a test run each month. While in the past, the energy generated in the process used to dissipate as heat, but this energy can now be used for the internal power supply by virtue of the new generator controls. In a sum, this is equivalent of 9,000 KWh or the annual power requirement of two single family homes with three persons each.

- **Video conferences**

By means of video conferences, Postbank can save a part of its business travel. This not only reduces the CO₂ emissions. Unproductive travel time is also avoided.

- **Magellan: shared IT platform of Deutsche Bank and Postbank**

Deutsche Bank and Postbank are working on a shared IT platform with the name "Magellan". It is to become Europe's most modern and highest capacity IT, product and service platform for bank services. Around one billion euro will be invested in the project by 2015.



Dr. Ralph Müller,
Chief Operating Officer

The shared IT platform is not only economically reasonable but also ecologically sensible because new and more efficient technology comes to use. In June 2013, e.g. the processing of payment transactions was transferred to hardware that is based on the common x86 architecture for computer processes, as it is also used in notebooks and desktop PCs.

The use of this affordable standard hardware leads to declining operating costs compared to the present systems, at equal or even better performance. For this reason, the existing applications are successively changed over to the x86 hardware. The application servers for giro and savings applications were already changed over in 2013. On the cost side, the harmonisation of IT systems of Postbank and Deutsche Bank is expected to realise effects from the leverage of scales. On the process side, it is about reducing the complexity in the interaction between branch and service units, getting products ready for the market more quickly and creating simpler and more transparent products.

Green procurement

Postbank has concentrated the procurement of products and services in one independent unit, the "Central Purchasing" department. This allows taking into account both ecological and economic aspects in procurement. Ecology and economy have an equal influence on the decisions about suppliers, procured services and economic goods.

Before a business relationship with a supplier is established at the Postbank Group, the supplier must accept the Supplier Code of Conduct of Postbank, and fill out and pass a survey on environmental aspects. In this environmental survey, the supplier is initially asked whether it verifiably has a certified environmental management system.



If this is not the case, the supplier must provide more information by answering additional standardised questions, as to the areas in which its company pursues what environmental goals. The answers are evaluated by means of a scoring system.

As a rule, suppliers who do not emerge with a score of at least "satisfactory" are not considered in quotation and order processes. If they are monopolists or specialists, how to proceed will be decided in the individual case in consultation with the operational department placing the order. In the process, it is checked, e.g. the extent to which a substitution of the supplier can be made on the basis of Postbank's sustainability goals. This procedure for the evaluation of suppliers according to environmental aspects is gaining more and more acceptance among the suppliers since its introduction. Many suppliers have been prompted by Postbank's procedure to apply a similar method in their own procurement processes.

The procurement of economic goods is subject to equally high standards relating to sustainability. Before the purchase of IT hardware to equip workstations, the Postbank Group's suppliers must fill out a product-related questionnaire, the "Green IT" performance sheets.

Strong effect: The new system for the uninterrupted power supply at the computing centre in Bonn

Besides technical details, major emphasis is put on ecological criteria here. For instance, statements on energy, the environment (even including recyclable packaging materials) and certificates relevant to environmental protection are demanded. From an economic point of view, the purchase decision is made in favour of the IT product that combines the greatest sustainability effects for the same cost/benefit characteristics.

Within the scope of the "Managed Print Services" project, exclusively printers are used that are included in a recycling system for toner cartridges: The used cartridges are returned in their original packaging to the manufacturer where they are refilled. The new printers are furthermore configured in such a way that the default setting is double-sided printing.

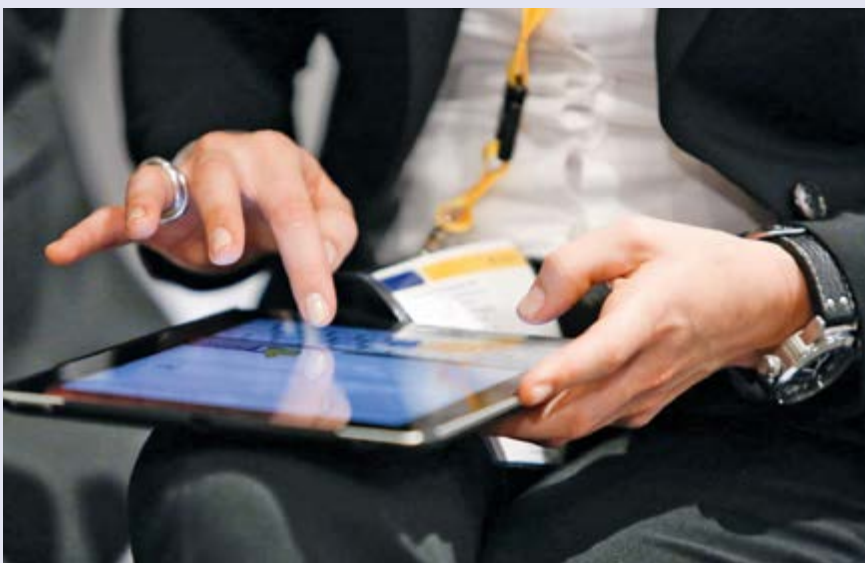
Office and operating supplies and other consumables are purchased in the Postbank Group via the Global e-Procurement Tool (GeT) of Deutsche Post AG.

Here the availability of environmentally friendly "GoGreen" articles is currently being improved in Central Purchasing by expanding the number of environmentally friendly articles and using them to replace environmentally unfriendly ones.

To support that the employees' orders are environmentally friendly, a new start screen was installed on GeT in 2012, which displays frequently ordered "GoGreen" products and places them in a well-visible position. By means of a consistent identification of the "GoGreen" products in the search result lists, a filter option by "GoGreen" products and an additional display of "GoGreen" products in the navigation pane of the ordering system, the ordering of "GoGreen" products is likewise promoted.

Without paper and postage

The PB insurances are testing a new mobile technology: The eSignature is to allow for the paper-free sale of insurance policies in the future.



A click on the signature field opens a window. The signature is added by using one's finger or a tablet pen.

The eSignature in practical use: Since November 2013, five Regional Sales Directors of Postbank Finanzberatung (Postbank Financial Consulting) have been testing the new application for the sale of insurance policies on site with the customer. In the process, financial advisers and the customer sign directly on the mobile end-device. No app needs to be installed for this purpose. The technology runs on many different mobile end-devices. Customer, adviser and sales assistant are subsequently sent the application document with the signatures and terms of contract by email – with password protection for reasons of data privacy. The individual passwords are then sent separately at a delay. The further processing also takes place electronically.

Advantages: This way, a fully automated processing of insurance contracts is possible for the first time. No paper and manual applications are necessary any more. This spares the environment and costs for postage are avoided in addition. Provided the pilot project will be successful, it is planned to introduce the eSignature for the entire Postbank Finanzberatung.

Environmental impact summary | *Postbank has set its environmental controlling on a new foundation. It has calculated its CO₂ emissions since 2012 based on a broader and verified data stock. It is using the data for its decisions from now on.*

New data stock

Until 2012, Postbank has calculated its real estate related greenhouse gas emissions by means of extrapolation: Based on the consumption data of 20 major sites with more than 10,000 qm floor space, an extrapolation was furnished for the total floor space of more than 1,300 buildings including the branches. This extrapolation was associated with uncertainties, which resulted for example, from different building sizes, building types and the different age as well as the use of the buildings.

In the context of the environmental reporting of the Deutsche Bank Group, Postbank has assessed the consumption data of all its buildings since 2012, wherever account or meter data are available. It was possible thereby that for the first time 82 % of the greenhouse gas emissions in 2013 were calculated in the present report based on consumption data. Where consumption data are missing, the electricity and heating consumption was extrapolated by means of comparable electricity and heating intensities.

The consumption data of the buildings, including the data concerning business trips are entered on the environmental impact summary of the Deutsche Bank Group. The plausibility of the underlying processes in the data survey and data compilation according to the standards of ISO 14064 is verified by the independent certification enterprise, ERM Certification and Verification Services. In this process, the waste data are not included yet. Here, Postbank is still working on surveying methods that are more reliable.

The present report uses the described broader data stock for the first time, which is available for the years 2012 and 2013 by now. The tabular presentation is consistent with the system applied at Deutsche Bank Group.

[For more information, see section](#)

[“About this report”](#).

Comparability with previous years

Until 2012, Postbank has surveyed and reported the data for its environmental impact summary on the basis of the calendar year (January to December). In the present report, all data of the environmental impact summary refer to the period from October to September. Postbank has thereby adjusted to Deutsche Bank whose environmental impact summary includes the data of Postbank.

For the first time in this report, Postbank uses the certified calculation factors that are applied as a standard in the Deutsche Bank Group as the factors in the calculation of CO₂ emissions. Before the Sustainability Report 2012, Postbank used emissions factors of the VfU in its calculations, which differ significantly, especially concerning travel by plane.

Due to the divergent reference period, the differing CO₂ conversion factors, the broader data stock, and the differing systematics in the presentation of the environmental impact summary of the Sustainability Reports of 2012 and earlier years are not comparable to the present report. For this reason, the comparison to the years before 2012 is omitted here. No comparable data are available for these years.

Postbank's environmental impact

Greenhouse gas emissions ¹ in t CO ₂ equivalents (CO ₂ e) (unless stated differently)	Deviation compared to prev. yr. in percent	2013 ²	2012 ³
CO₂ emissions (gross)^{4,5}	7 %	102,708	96,019
Emissions from energy use	8 %	95,806	88,680
Emissions from business travel	-4 %	6,210	6,436
Scope 1: direct CO₂ emissions	14 %	25,528	22,335
From natural gas consumption	17 %	7,508	6,413
From liquid fossil energy media	26 %	12,089	9,560
From HFC	-23 %	692	903
From own or leased vehicles	-4 %	5,239	5,460
Scope 2: indirect CO₂ emissions	5 %	76,209	72,708
From electricity consumption	1 %	52,724	52,026
From steam generation, district heat and cooling	14 %	23,485	20,682
Scope 3: other indirect CO₂ emissions	-1 %	970	976
From travel by plane	-15 %	609	718
From rental cars	40 %	361	258
From travel by train ⁶		0	0
Reduction of emissions⁷			
CO ₂ emissions, net (incl. renewable energies)	-38 %	51,992	83,832
CO ₂ emissions, net (incl. renewable energies)/rental space per qm	-41 %	0.036	0.061
CO ₂ emissions, net (incl. renewable energies) per employee (full-time equivalent)	-37 %	2.82	4.47
Energy consumption (total) in GJ	8 %	1,146,276	1,052,649
Energy consumption (total) in GWh⁸	8 %	318	292
Electricity consumption	1 %	120	118
Energy from primary fuel sources (oil, gas, etc.)	14 %	90	79
Provided heat and cooling	14 %	109	96
Electricity from renewable energies	316 %	115	28
Energy consumption in kWh per qm	3 %	222	214
Energy consumption in kWh per employee (full-time equivalent)	11 %	17,293	15,582
Travelled kilometres in km			
Travel by plane (total)	-15 %	6,180,478	7,255,711
Short-distance flights	-16 %	2,571,267	3,059,756
Medium-distance flights	-9 %	3,013,435	3,306,589
Long-distance flights	-33 %	595,776	889,367
Travel by plane per employee (full-time equivalent)	-13 %	336	387
Travel by train (total) ⁹	-15 %	11,016,614	12,923,452
Road traffic (total)	-1 %	36,596,282	36,841,388
Travelled kilometre per employee (full-time equivalent)	-4 %	2,921	3,039
Waste and paper in t			
Waste¹⁰			
Disposed waste	13 %	3,578	3,170
Disposed waste per employee (full-time equivalent)	15 %	0.19	0.17
Generated waste	70 %	12,725	7,494
Generated waste per employee (full-time equivalent)	73 %	0.69	0.40
Recycled waste	165 %	9,146.45	3,451.29
Recycled waste per employee (full-time equivalent)	170 %	0.50	0.18
Portion of recycled waste in %	56 %	71.88	46.05

Paper consumption			
Consumption of copying and printing paper	7 %	896	840
Recycled paper	48 %	27	18
Portion of recycling material in %	38 %	3	2
Paper consumption in kg per employee (full-time equivalent)	9 %	49	45
Water consumption¹¹ in m³			
Water consumption (total)	-6 %	327,815	346,980
Water consumption employee (full-time equivalent)	-4 %	17.80	18.49
Water consumption per qm	-10 %	0.228	0.255
Reference values			
Number of employees (full-time equivalent)	-2 %	18,413	18,766
Rental floor space (total) in qm	5 %	1,437,045	1,363,379

1) Since 2012, Postbank has assessed the consumption data of its more than 1,300 buildings including the branches. It was possible thereby that for the first time, 82 % of the greenhouse gas emissions in 2013 were calculated on the basis of consumption data. Where consumption data are missing, the electricity and heating consumption is extrapolated by means of comparable electricity and heating intensities.

2) All data from 2013 refer to the period from 1 October 2012 to 30 September 2013.

3) All data from 2012 refer to the period from 01 October 2011 to 30 September 2012.

4) Among the greenhouse gas emissions of Scope 1 are the combustion of fossil energy media, own or leased vehicles and losses from coolants of cooling systems. Scope 2 includes supplied energy such as electricity and district heat. Scope 3 comprises the emissions caused in the procurement of goods and services that have externally controlled source of emissions, as applies to travel by plane.

5) The overall emissions are derived from the actual, forecast or extrapolated data. All assumptions made and calculation methods used are in accordance with the standard ISO 14064 and respectively the supplementary documentation. The most adequate emissions factors are attributed to the respective activity data. These are derived from internationally accepted sources, such as the DEFRA, GHG-Protocol, IEA.

6) All Postbank employees travel CO₂-neutral when using the railway.

7) The emissions caused by Postbank's business operations are fully compensated by the Deutsche Bank Group in the scope of its new climate neutrality strategy in that high-value emissions certificates are deactivated. The positive effect resulting thereof has not been included in the calculation of the greenhouse gas net emissions of Postbank by the present report, since it is not an independent achievement of Postbank. The reduction of the greenhouse gas net emissions herein presented results from the use of eco-electricity.

8) The energy consumption in GWh includes all sources that are considered in Scopes 1 and 2: natural gas, liquid and fossil energy media (mobile and stationary), regenerative and network power, as well as district heat, cooling and steam generation.

9) CO₂-neutral.

10) The waste quantities were extrapolated based on the container sizes. The data on waste were not included in the data verification 2013.

11) The figures for water relate only to drinking water.

Economic sustainability

Company

Products

Customers

Data Privacy

Company | *Postbank has closed the financial year 2013 successfully. Despite the unchanged difficult market environment, it has improved its profits, and sharpened and expanded its business model at the same time. Postbank has made good progress in the course of the integration in Deutsche Bank Group.*

Company development

Successful financial year

Postbank is looking back on a successful year 2013. It accomplished to improve its consolidated profits in a market environment that continued unchanged to be difficult for banks: low interest rates, stricter regulatory requirements and the sovereign debt crisis are a few keywords to describe it.

Despite the adverse conditions, Postbank could further expand the sustainability of its business model. It has reduced risks, pushed ahead its online business and the Postbank agenda, and it has made progress in the integration in the Deutsche Bank Group. With the new Postbank Mission Statement, the bank has bindingly defined its vision, mission, and values and principles for all employees.

- **More reliability**

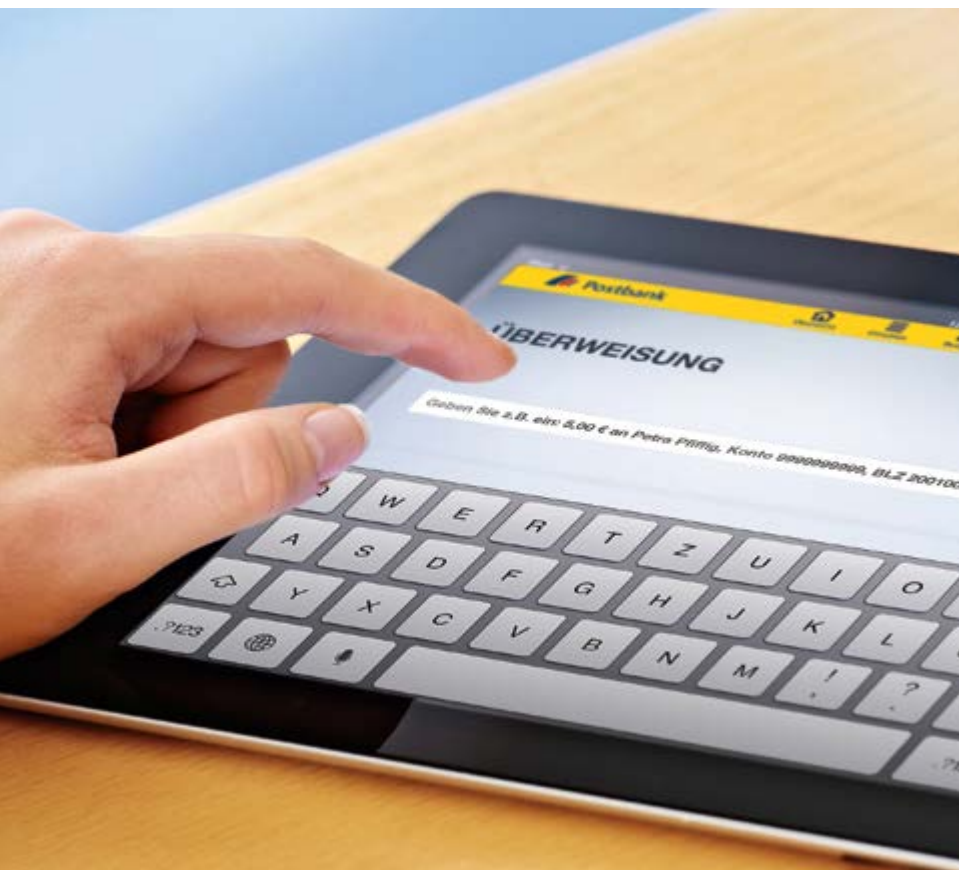
In the financial year 2013, Postbank has continued its strategy of risk reduction that has been in effect since 2010 and has further reduced its risks. For example, it has lowered the existing financial investments once more by EUR 3 billion. It has reduced its balance sheet and improved its core capital quota at a comparable basis.



We must continue also in the future to handle the resources that are made available to us with discipline. This is for the reason that we will only receive these resources if we use them efficiently for purposes by which we can grow.«

Marc Heß, Chief Financial Officer





The free app "Postbank Finanzassistent" ("Postbank Financial Assistant")

- **Stable customer business**

The business of Postbank with private, business and corporate customers is the driver of the sustainably stable company development. Foremost the bank's new business in important segments has increased in 2013.

- **Digitalisation pushed ahead**

The online business is a growth driver for Postbank. The bank is Germany's Number 1 with 6.3 million online customers. Its internet page has the most visitors of all financial service provider sites. Every fifth giro account at Postbank by now is opened online. One third of the new business volume for instalment credits came from the internet in 2013. The bank also plans to continue promoting the digitalisation of its business by means of innovations. Here, it perceives its competitive advantage to be its ability to connect the increasing digitalisation with personal customer contact, owing to its 1,100 branches, its more than 3,000 mobile advisers and numerous other points of contact. Postbank intends to increasingly offer this combination of spatial proximity and the experience of the digital world to its customers.



Postbank: independent legal entity with own identity in the corporate division of Private & Business Clients (PBC) of the Deutsche Bank Group



- **Agenda implementation continued**

In the Postbank Agenda, the bank defined the focus points of its strategic orientation in 2012. It has made significant progress in the implementation in 2013. This applies to the elements of growth and quality, the securing of the result and the impulses for the future – also in the areas of online and mortgage savings amongst others. Mortgage savings products have been offered since 2013 under the standardised BHW brand, also at the branches of Deutsche Bank.

- **Integration pushed ahead**

Postbank has made big progress in 2013 with the integration in Deutsche Bank Group. The joint project of the standardised Magellan IT platform has reached further milestones and generated the expected synergies. In the course of the second Magellan release 2013, the self-service terminals and account statement printers of Postbank were connected to the shared platform.

For more information, see section "Green IT".

The business model – from the foundation to the roof

Like a house with a foundation, a roof and many rooms – Postbank's services, its products and sales channels as well as internal processes form one whole.

Mortgage savings

The mortgage savings specialist BHW serves all sales channels of Postbank: financial advising, retail outlets, DSL Bank and further cooperation partners. In the course of the reorientation, BHW uses its strong brand for the new, common product portfolio of the two mortgage savings banks, BHW Bausparkasse AG and DB Bauspar AG.

Branch

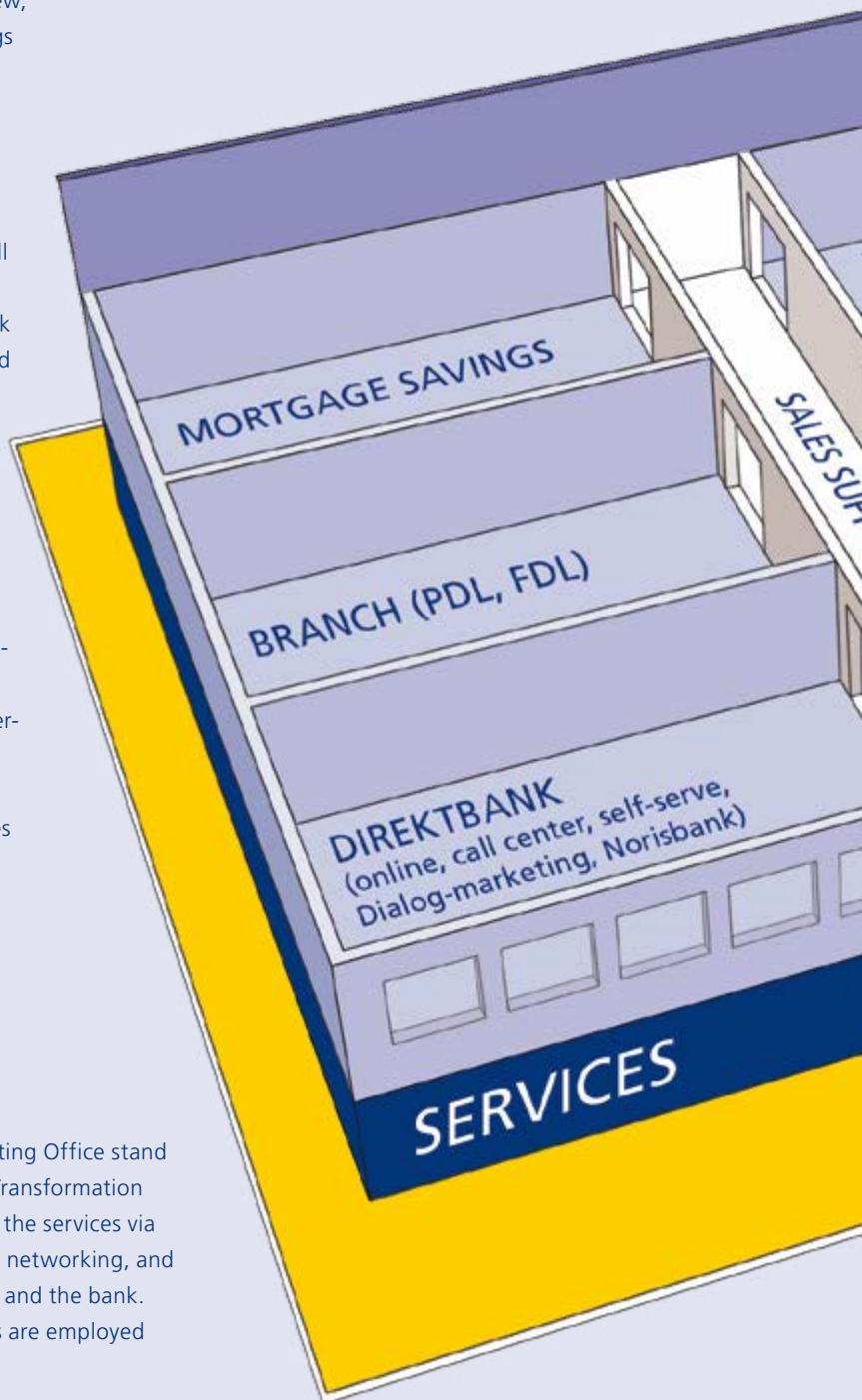
The branch is the central hub and point of service for all sales channels. With around 1,100 branches of its own and 4,600 partner branches of Deutsche Post, Postbank is represented nationwide and can therefore be reached locally by 97 % of the population. The business model of the branch is unique: it combines postal and banking services.

Direktbank

The Direktbank sales channels are available for the customer 24 hours on 7 days of the week. Here, the customer can quickly receive products that are simply easy to understand while experiencing innovative service dimensions, such as the app "Finanzassistent" ("Financial Assistant") with its comprehensive financial services for smartphones and tablets. Or the innovation of the "Digital Signage", a touch-screen on which the customer can interact in a simple way with Postbank and use additional services.

Services

The service units within the domain of the Chief Operating Office stand for performance in processes, IT & services. The Chief Transformation Office Platform department controls the compliance of the services via Service Level Agreements (SLA), ensures the bank-wide networking, and thereby the holistic focus on the customers, employees and the bank. In order to secure the future viability, new technologies are employed and the existing processes are optimised continuously.



Real estate financing

Postbank's real estate financing with more than EUR 70 billion on inventory is Germany's largest real estate financier. Part of it is also the third-party distribution under the brand of the DSL Bank, offering the group products through independent financial service providers.

Business and corporate customers

By virtue of a close partnership, business and corporate customer managers can specifically recognise the customer wishes and utilise sales opportunities. For example, this can be the improvement of the customer's liquidity by means of factoring. It is planned to further expand the cooperation with other sales channels.

Financial advising/Postbank real estate

Postbank financial advising makes the dream of "one's own four walls" come true with customised financing and the Postbank real estate through the professional brokerage of properties with the best quality and ratings. As a novelty, customers can rate their advisers via the WhoFinance platform – one step towards more transparency and quality.

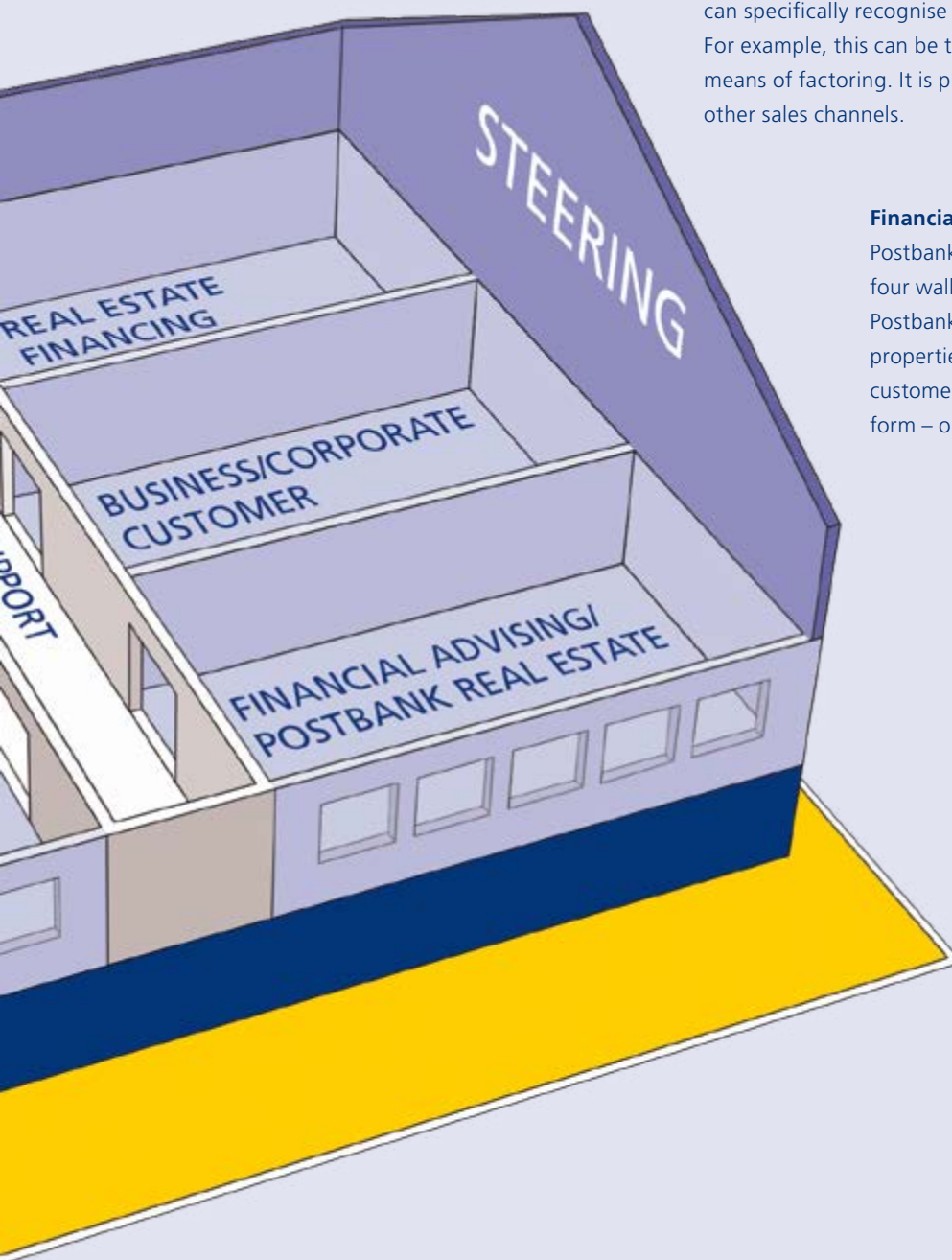
Control

These areas control the bank:

- The division of the Chief Operating Office provides the infrastructure and services for sales and the head office, reduces risks and provides support for earning returns. This way, Postbank can fully focus on its customers and the business.
- The Chief Risk Office ensures the stability and safety of Postbank's business model.
- The Resources department makes an essential contribution to the operating capacity of the bank: it is responsible for the topics of HR, education, employment conditions, some of the regulatory matters (compliance, prevention of money laundering and data protection), law, safety and facility management.
- The Finance department is responsible for the provision of financial information and supports the control and decision processes of Postbank by means of high-quality analyses.
- The Products department develops and offers transparent and fair products through all its channels for private, business and corporate customers.

Sales support

The Sales Support department, as a service provider, supplies the sales units with practical information on technical issues and qualification concepts and ensures an optimised complaints processing. The sales-service line will increasingly expand the support by telephone for sales employees concerning technical questions.



In 2013, Postbank has expressed its principles and values in an independent Mission Statement. It has thereby provided a binding foundation for its value-oriented and long-term sustainable company management for all employees.

Company management

17 December 2013. It is published on Postbank's website.

Corporate governance

Good corporate governance at Postbank is deemed the prerequisite for a responsible, value-oriented management of companies. In this respect, the bodies of Postbank value the most comprehensive implementation possible of the German Corporate Governance Code (GCGC). The Management and Supervisory Board of Postbank have examined the fulfilment of requirements and in particular, the amendments to the GCGC in the version of 13 May.

Following to an in-depth consultation, they issued a joint declaration of compliance on

Vision, mission, values and principles

For the implementation and realisation of the company management practices, Postbank has formulated a vision and mission of the company, as well as its group values in 2013, which are to determine the long-term orientation of the corporate policy as its guiding requirements. Vision and mission provide a normative framework for the strategic and operative company management. Thus, the Mission Statement serves as crucial guidance for the future and offers orientation for all employed at Postbank.

More information here!



or on www.postbank.de

Postbank Leitbild

Wir sind die Postbank!



Postbank Mission Statement

Our vision

Each day and in all areas, we provide the best results to our customers for their financial and postal service needs. In doing so, we are fair, transparent and unique. As a company, we are ambitious, grow, and are successful. **We are Postbank!**

Our mission

We orient our commitment equally on our customers, our employees, our shareholders, and the company:

- To our employees, we are an attractive employer with an appreciative and fair culture. We lead as role models – actively, in a clear and direct manner – and we advance the development of our employees.
- To our shareholders, we create sustainable value through profitable growth in our German home market. We are a well-networked part of the Deutsche Bank Group with an independent and strong identity.
- To our private, business and corporate customers, we are a fair, transparent and quality-conscious partner. We offer a unique combination of proximity and digital world to anyone.
- Within the company, we act responsibly and make a contribution as a bank and by our personal dedication.

Our values and principles



Customer orientation

We are clear, transparent and uncomplicated. We set the needs and wishes of our customers at centre stage and earn the trust of our customers each day anew. We divide the created values fairly.



Integrity

We stand by our commitments and only promise what we can keep. We communicate openly and transparently and face constructive criticism.



Sustainable performance

We strive with great dedication for sustainable success. We are responsible and always keep an eye on the long-term effects of our actions.



Innovation

We are open-minded for changes and actively share our knowledge. Our work is target-oriented on behalf of our customers so that the products and services become even better and the processes even leaner and more transparent.



Partnership

We interact with each other in an appreciative and respectful manner and see eye-to-eye. We value diversity in order to jointly find the best solutions. We work closely together, across specialisations and hierarchies and support each other.



Discipline

We abide by rules. We strive to get things right in the first attempt with everything we do. We focus on what is essential and treat resources with care.

Postbank Award



The Postbank Award is an award for employees and it was presented for the first time in 2013. The prize symbolises the implementation of the values rooted in the Postbank mission statement. In this way, the employees are to be honoured who implement the mission statement in an exemplary manner.

The key to sustainable success is cooperation. For this reason, the Postbank Award is focused on outstanding work that has made a contribution across different areas. The prize is awarded for the following five categories:

- **Innovation:** measures contributing to the bank's future viability through novel conceptions
- **Quality:** extraordinary customer orientation, improvement of products or processes as well as sharpening the awareness of quality
- **Efficiency:** sustainable improvement in the utilisation of resources, e.g. in terms of costs, capital or working time
- **Cooperation:** strengthening cohesion and team spirit through initiatives in the interest of the entire bank and the customers
- **Social commitment:** application of personal strengths and competencies for honorary, charitable or other projects benefitting society

The winners of the Postbank Award
2013 with the Postbank Board



All employees or even entire teams can be nominated by a managing supervisor. A jury consisting of representatives from different departments and members of the Sounding Board, which is an advisory board composed of employees, evaluates the proposals and chooses the winner. For each category, one golden and two silver Postbank Awards are presented.

- Developmental offers for female managerial staff and talents with the aim to “break the glass ceiling” to the top management
- Better balance of career and family, including making the working time flexible
- More gender awareness among managerial staff and employees

The first award ceremony took place in Cologne in autumn 2013. 15 winning teams were honoured for their outstanding performance. Postbank expresses with the award how important sustainable action is in the corporate group.

Examples of concrete measures is the “Women’s Executive Initiative” for female managerial staff, who prospectively might also take on a role in the top management, as well as the all-round “Women’s Empowerment Programme” for management positions.

Diversity

In the staffing of management positions, Postbank is paying attention to diversity at the company. An appropriate consideration of women is in the foreground in this respect. The Management has called to life the “Gender Diversity-Management” to achieve a substantial increase of the quota of women in managerial positions by 2018. With the participation of the Board, the course is set here for a successful group-wide diversity-management and the target values to be achieved in the scope of the project, the measures to be taken as well as potential changes to processes are determined. In late 2013, the project was transferred to the responsibility of the line management.

Postbank as a partner together with other companies, has supported the research project “Frauen in Karriere” (Women with Careers) of the Institut für Sozialforschung München (Munich Institute for Social Research). Through the exchange with the business and research experts, it had the opportunity to discuss, expand and test its gender diversity-measures.

For more information, see section “Staff management”, and “Integration and dialogue”.

In the year 2013, the following fields of action were in the foreground:

- Identifying and supporting new talents
- Objectifying the selection and staffing processes by diagnostic selection procedures, foremost concerning the succession in managerial positions

Powerful women for the company

More than half of Postbank's employees are women and yet, there are relatively few female managerial employees. In contrast, the company would be able to great potential if this were the case. With the "Gender Diversity-Management" project, Postbank intends to change this fact and raise the career opportunities for women.



Women communicate differently than men. It is often helpful to consider this circumstance. Angela Witte (middle) has made good experience.

Career women do not budge! – Angela Witte has since long internalised this motto. She expresses herself clearly and directly, does not have any inhibitions and last but not least gets her point across because of her competence. In her job, she cannot afford anything else: She has coordinated the topic of Postbank's own funds and liquidity in Bonn for more than twelve years. The department checks if Postbank fulfils the requirements of Basel II and III and other legal regulations, and therefore sometimes has to give negative feedback to other departments. "I officially only since a few years held the position as a department director, although I have also fulfilled the same responsibilities many years before then", she explains. "For a long time, the issue has been more important than the title. In retrospect I wonder however why I have not asked for a promotion much earlier: The title of department director opens a lot of doors." Directly in her team, which consists of about equal numbers of men and women, she has noticed no difference due to the promotion. But she has decided to get to the bottom of the female leadership style: Witte signed up for the seminar series "Women's Leadership Programme" (WLP), which is offered by Postbank for women in managerial positions. Besides the examination of common clichés, the topics of communication in the team and in relation to supervisors, self-image and external perception, and not least the personal aims were on the programme in multiple topic blocks.

ned and cognisant in interdepartmental meetings, my entire team benefits from it. After all, I often speak for all of my co-workers", the 46-year-old is convinced. The promotion of women at Postbank is at the very top of the priorities list. Studies show that companies lose a lot of potential if women cannot fully utilise their opportunities. Furthermore, it is a proven fact that mixed teams achieve better results than homogenous groups. The project "Gender Diversity-Management" takes this as its starting point. "We can also report initial achievements", explains Vera Strack who is responsible for the project. Accordingly, the portion of women in managerial positions rose from 14 % to 16 %. The portion of women on the shareholder side in the supervisory committees of Postbank's subsidiaries climbed from zero in the year 2011 to 21 % as at the end of 2013. The aim: In 2018, women are to staff 25 % of the managerial positions.



Better results in mixed teams

"It is not at all about women bending over backwards or how men should act", says Heike Hein, career coach and seminar lecturer from Hamburg. Rather, the participants are to become aware of their modes of behaviour and aims, and learn how to succeed in the working world that has until now been dominated by men. Angela Witte implements this with success: "When for example, I act more determi-



Ideas Management

Postbank specifically supports its employees' innovative ideas. In the scope of the ideas management, employees of all company areas have the possibility to optimise processes and products within the bank by their own ideas and suggestions. For example, by their creativity they can contribute directly to the benefit of customers, colleagues and ultimately the entire bank.

Postbank's ideas management differentiates between ideas that entail a calculable earnings or savings potential and ideas that do not have a calculable benefit. In case of the former, those providing ideas will share in the achieved success in the form of a bonus, while those submitting ideas in the latter case receive tickets for a group-internal raffle. It is ensured in this way that the contribution of innovative ideas stays attractive in the long term for the employees.

The ideas submitted by employees are actively supported by the managers, in that they create room for innovation and advise those submitting ideas on formulating and assessing their ideas.

If an idea permits expectations of a calculable benefit, an objective assessment and an evaluation of the possibilities for implementation will be made by an evaluator with expertise in the relevant operational department. If it is an idea with no calculable benefit, will be passed on immediately to the relevant operational department for rapid implementation.

The ideas management attends to this process in that it ensures the exchange of information between all involved. It furthermore gives advice as ideas provider to the managerial staff and evaluators concerning all questions of ideas management and decides on the awards for ideas in cooperation with a commission composed of Works Council members.

The Postbank ideas management is a model for success. Since 2009, a total savings sum of nearly EUR 18 million could be generated through the innovative employee ideas. For ideas that were submitted and implemented in 2013, the savings will amount to rounded EUR 1.8 million.



Two of the award-winning idea providers 2013

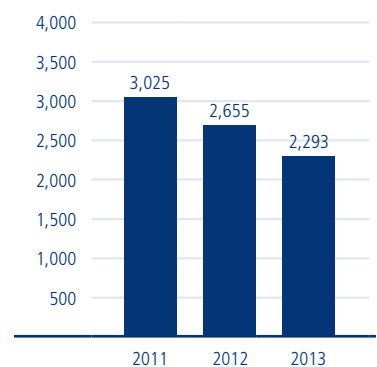
Postbank Dialog

Postbank's Chairman of the Board, Frank Strauß, regularly visits the bank's sites and discusses there with employees of all company divisions what is important to them with regard to their company, location and daily experiences.

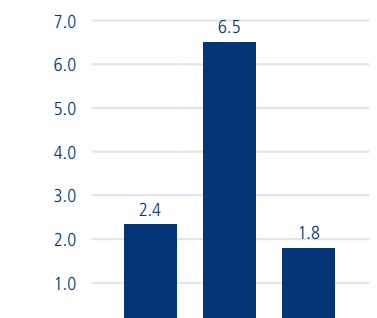
In 2013, Dialog events were held in Hameln, Hannover, Cologne, Bonn, Berlin, Leipzig, Hamburg, Munich, Stuttgart, Saarbrücken, Frankfurt and Dortmund. Overall, 1,036 employees participated. Often concrete measures are derived from the dialogues. Under the motto of "We do this together", the results of the employee dialogues are contributed to improvement measures. Examples of the year 2013 are the partnership with Save the Children, the development of the Postbank Mission Statement, the specification of the Postbank Agenda, the Postbank Award, and a general intranet for the entire Postbank Group, as well as measures to improve the sales support.



Suggestions submitted



Calculable overall savings from Ideas Management (in millions of Euros)



Postbank Dialog
Hannover, February 2013

Products | *In its Mission Statement, Postbank clarifies that it intends to consider the interests of society and wants to create values for everyone – customers, employees and shareholders, also for the greater society beyond the direct stakeholders of Postbank. This is also reflected in the management of its risks, in credit approvals, monetary investments and the design of its products.*

Risk management, credit approvals, investment

Risk management



Risks are a part of banks' business models. Handling risks responsibly means to Postbank that the expected value creation is weighed carefully against possible risks and that the matters of the different interest groups are taken into account at the same time. Therefore, Postbank also examines social and environmental risks besides the common bank risks.

In 2013, an independent Risk Committee was established. Postbank has thereby further strengthened its risk management. The Risk Committee replaces the present Credit Approval Committee. However, it is not only responsible for the decisions of the Credit Approval Committee. Its competence was additionally expanded to all types of risks and to the monitoring and advising concerning the willingness to enter risk, risk profiles and strategy.

The units within the sphere of responsibility of the Chief Risk Officer have further expanded their integrated risk management function. The regular check of all applied control models pursues the objective in particular to continue improving the procedures to quantify the risk types and thus the possibilities to control them.

The risk governance undergoes constant further development in order to establish a unitary risk culture at the Postbank Group. The Chief Risk Office optimises the risk and earnings profile of the bank by an improved capital allocation and operational excellence.

In the continuous adjustment of the risk profile, the actual developments of the regulatory environment are considered. In this process, business risks, operational risks are taken into account and implicitly also reputational risks for which the bank might suffer a confidence loss among business partners or customers due to misconduct of individuals or groups.

“We do not enter any risks that might cause an existential threat to the bank.”

What to do with the billions? What sounds like a luxury problem is a true challenge for banks in times of low interest rates. Chief Risk Officer, Hanns-Peter Storr, explains how Postbank intends to master the split between risk and returns.

Mr Storr, Postbank is to become even safer.

Does that mean you want to avoid all risk?

No, it is rather about entering risks conscientiously and in such a way that they are actively controllable. We do not want to enter any risks that might cause an existential threat to the bank. For this reason, we have since a longer time by now, adjusted our portfolio strategy: the trend leads away from volatile capital markets business, in parts of the large customer business, and away from the so-called credit substitution business.

And where do you want to go?

We are focussing on the more stable credit business with private customers, mid-sized companies and business customers, as well as commercial real estate financing.

... which however offer only low profit margins at the present time. Can the bank earn enough money with this to pay interest on the customers' deposits?

I can only pay the saver what I earn by investing his funds, for example in that I lend the money as a credit. In fact, the credits in the current competitive and interest environment yield only a low margin. Therefore, we constantly have to monitor and steer the balance of deposit and investment, liabilities and assets on balance.

How do you do that?

The centre piece is a consistent business and risk strategy: each year anew, it defines the range within which all business segments develop by means of benchmark values and limits. We measure this development by means of detailed key figures for earnings, capital and risk. If for example, we see that particular deposits, such as savings balances are strongly declining, we steer actively and directly in the other direction.



We do not enter any risks that might cause an existential threat to the bank. «

Hanns-Peter Storr,
Chief Risk Office

Credit approvals

Credits are approved according to the requirements of the business and risk strategy. Operatively, the policies are implemented by the credit analysis department. The credit approval takes place under continuous monitoring of opportunities and risks that arise for society, the environment and employees under the responsibility of Postbank.

To ensure this, the largest credit engagements according to the overall bank and credit risk report are subjected each year to a screening under sustainability aspects by the Sustainability Officer of Postbank. Engagements in “sensitive countries” or “sensitive segments” represent a potential reputational risk for Postbank in this context, and they are reviewed separately. Countries with politically instable structures or rampant corruption are deemed to be sensitive in the same way as industries that involve an ecologically or ethically questionable activity.

By reviewing the 30 largest engagements, the Sustainability Officer determines whether a potential reputational risk is present. The result is given to the people responsible for the business field in order to achieve a heightened awareness of sustainability aspects and to obtain an expanded assessment of the customer relationship. On this basis, discussions if needed will be held between the Sustainability Officer and the people responsible for the business segment, in order to derive possible consequences.

Investment

Postbank has made it its goal to also view the principles of the risk mix and risk estimate under ecological and social/ethical aspects.

In the course of its strategic reorientation, Postbank sold its asset management in the year 2012. The financial markets division was disbanded in 2013 and besides the core unit a “non-core operating unit” was established to control portfolios and activities that were no longer part of the core business according to the bank’s present orientation. The remaining capital markets activities of the bank are now attributed to the responsibilities of the Chief Operating Office.

Following to the strategic reorientation, the capital markets activities of the bank serve specifically for the purpose of securing and overriding the bank’s liquidity requirements, as well as the securing of sales contributions from the customer business.

The investment of funds for customers or Postbank can also become relevant in the perspective of sustainability. In this regard, the same criteria as in the credit approval process apply to sensitive countries and industries.

In the structuring of its product range, Postbank also takes social and ecological responsibility. It thereby satisfies the needs of the different living and income situations of its customers and supports its customers in acting sustainably.

Sustainable products

Social products and services

- **Postbank Giro start *direkt***
free-of-charge account maintenance to everyone under 22 years of age who uses only online and telephone banking. Account holders of full age are also given a VISA card free of charges for a period of one year.
- **Postbank Giro plus**
Salary account for new Giro customers. Free of charge with paper-free management and cashless monthly salary receipt. For students and trainees also independent of the receipt of salary, free of charge with paper-free account management.
- **Postbank Giro Basis**
Account on credit balance basis for EUR 5.90 per month. Includes all important basic services (free cash supply at more than 12,000 teller machines and Postbank branches, phone and online banking, Postbank Card and VISA Card Prepaid) – independent of the personal and financial situation of the customer.
- **Postbank VISA Card Prepaid**
For people who cannot obtain a traditional credit card for various reasons or who do not want to use such. It is paid from the credit balances paid in beforehand. It is a save and universally usable means of payment for young people from the age of 14 years as well as for persons in weaker financial situations.

- **Postbank VISA Card “Save the Children” for employees of Postbank**
Since 2013, they can support the project “Wir für Kinder – Bildung ist Zukunft” (“Our commitment to children – the future lies in education”), in that they decide for the Postbank VISA Card “Save the Children”. For each euro that is transacted with this credit card, Postbank donates one cent to Save the Children for the financing of the educational project.

For employees:

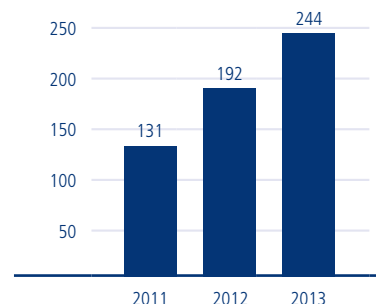
VISA Card “Save the Children”



- **Postbank Gewinn-Sparen**
Saving and a winning bonus and donation to Aktion Mensch. The monthly winning bonus of up to 0.6 % is determined by the last two winning numbers from the “money drawing” of the raffle for the benefit of Aktion Mensch.

For every euro credited to Gewinn-Sparen card holders as a bonus at the year’s end, Postbank transfers 1 cent to Aktion Mensch. In the year 2013, this was EUR 288,000. The cumulative figure achieved for this charitable donation since 2004, the year in which this donation was first made, is now over EUR 1.9 million.

VISA Card Prepaid (in thousands of units)



We are very pleased when we can make a contribution by our donation that living alongside each other becomes living together and being different is becoming simply more normal. «

Susanne Klöß,
General Manager, Products



- **Investment advice with a focus on protection against inflation and diversification**

Comprehensive and fair investment advising for its customers is very important to Postbank. The early recognition of potential risks for investors, e.g. currency devaluation, cost structures in line with the market and adequate diversification play a key role in this context. Postbank decided already some time ago to lower the costs of investment advising for a number of investment funds, against the background of the present low-interest environment. With the adjustment of issue surcharges on a number of pension, mixed and real estate funds, the circumstance is appreciated that the current returns and the fees/costs to be paid by the customer are to be in an appropriate price/benefit relation. The investment advising of Postbank was evaluated as very good by the Deutsche Kundeninstitut (German Customer Institute) in cooperation with the financial newspaper Euro am Sonntag (published in the issue 02/2014). Used for evaluation was for example, the quality of customer consultations and the concrete investment recommendations. This confirms Postbank's high standard regarding the investment advising for its customers focusing on protection against inflation and diversification.

- **Money payment instruction, account payee only**

The many years of cooperation between Postbank and BA (the Federal Employment Agency) guarantee the provision of cash to BA's payees. The payment system with the "payment instruction, account payee only" is a document similar to an open cheque that BA arranges to be sent to the payee if required, instead of a bank transfer. This is a help to recipients who do not have an account of their own.

- **UNICEF Christmas cards**

Postbank and Deutsche Post continued their commitment to children in 2013. From the end of October to the end of December, the voluntary sale of UNICEF greeting cards took place at the branches. EUR 394,000 was received for the benefit of UNICEF.

For more information, see section "Charity".



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Tricia Harrison
courtesy of
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- **Postbank donation accounts**

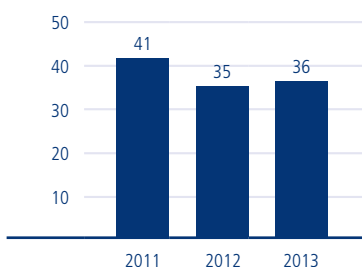
Postbank wants to support charitable organisations in their humanitarian activities wherever possible. Therefore, on its website you will find not only a collection of about 50 supra-regional and internationally operating aid organisations and welfare associations that maintain donation accounts with Postbank. In addition, there is also a list of other associations with the accounts maintained at other banks. Cash deposits on donation accounts are free of charges at the 1,100 Postbank finance centres and the several thousand branches of Deutsche Post. On internet, Postbank calls for donations in campaigns for current reasons. Furthermore, the donator also obtains information on transferring donations and their recognition by the tax offices.

More information here!



or on www.postbank.de

UNICEF Christmas card sets
(in thousands of retail packs)



Ecological products and services

• Property modernisation

The energy oriented renovation of old buildings makes an important contribution so that Germany can reach its climate protection goals. Several factors stimulate the demand for modernisation and alteration construction measures: the buildings that are by now in great need of modernisation, which were built in the post-war decades construction was booming, a growing awareness of the environment, the rising energy costs, state subsidies and age-related necessity, as well as a historically low interest level. Postbank meets this need with financing offers and the arrangement of state subsidies, such as loans from Kreditanstalt für Wiederaufbau (KfW). From 2014 onward, the application for KfW funds will become even more effective and simple, since the new shared online interface "Bankdurchleitung Online 2.0" (BDO 2.0) ("Banking Hub") provides customers an instant binding confirmation from KfW for the subsidy programmes that are in particularly high demand.

• Solar power loans

Postbank's customers are turning into electricity generators by making use of a special loan programme for the purchase of solar power installations. Besides the financial benefits, they are contributing to environmentally-friendly electricity generation. The state also rewards these measures with grants.

• Construction financing and mortgage savings with BHW

BHW Bausparkasse AG with around 2.8 million customers and 3.7 million mortgage savings contracts is one of the largest private mortgage savings banks in Germany. It offers mortgage savings and construction financing primarily in Germany. BHW Bausparkasse AG is a member of the Postbank Group and thereby of the Deutsche Bank Group. It closely cooperates with Deutsche Bank Bauspar AG. The activities of these two companies are bundled under the BHW brand.

As before, the share of financing for an ecologically positive purpose in the total volume has risen continuously over the recent years. This trend was also recognisable in 2013. In addition to the non-measurable number of construction measures without state subsidies for this purpose, 2,785 (2012: 2,362) contracts were concluded by involvement of energy-efficient KfW programmes with a volume of approx. EUR 129 million (2012: EUR 105 million) through BHW Bausparkasse.

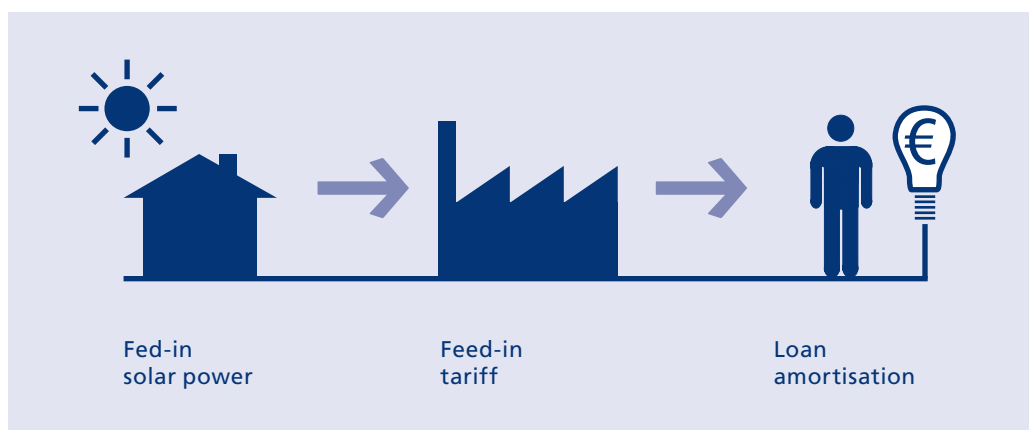
More information here!



or on www.bhw.de

• KfW loans of Postbank Group

Postbank arranges reduced-interest loans of KfW not only under the BHW brand but also in external distribution under the brand of the DSL Bank – partner bank of financial service providers – and starting in 2014, also with an innovative instant confirmation that Postbank offers to its customers as the first provi-





More information here!



or on www.postbank.de

der in the German market. The data shown in the following on the loans set up in the year 2013 include both brands.

- Home-owning programme

This KfW home-owning programme is suitable for anyone who intends to build or buy a house or flat and live in it themselves. Postbank arranged 14,381 low-interest loans for its customers amounting to EUR 680 million.

- Energy-efficient renovation

Loans for the renovation and initial purchase of renovated buildings or owner-occupied homes were arranged overall 2,740 times with a volume of EUR 132 million. The high level of the previous year could thereby nearly be matched.

- Energy-efficient construction

This programme for buying or building energy saving houses increased strongly again. With 5,862 contracts group-wide and a total volume of about EUR 309 million, the figures of the previous year were about doubled.

- Conversion to suit age

Conversions of construction to suit age with the benefit of KfW subsidies climbed again strongly in the past year following to a decline in the year 2012. With a total of 366 loans and a contracted volume of around EUR 11 million, the programme was in higher demand in 2013 than in the two previous years.

• BAFA grants

The Federal Office of Economics and Export Control (BAFA) also offer subsidy measures promoting the stronger use of renewable energies. With conversions from heating systems to renewable energy such as solar heat, biomass plants and heat pumps, Postbank arranges the appropriate subsidies from BAFA, which have become even more profitable since August 2012.

• “Riester-compatible” savings for homes & construction financing

Riester subsidies can be integrated in the financing in different ways for buying, building or servicing the debt for a property used as one's own residence. Postbank supports its customers to this end.

• Ecological services at the Postbank finance centres

- Cooperation with Lichtblick

Since 2003 Postbank has been working with eco-energy supplier Lichtblick. This company founded in Hamburg in 1998 supplies electricity from renewable energy sources such as water, wind and solar power. Besides this eco-electricity, Lichtblick's eco-gas has been available in more than 800 Postbank finance centres since 2009. Unlike conventional gas, eco-gas contains a guaranteed annual proportion of biogas of at least 5 %. The biogas proportion is increased when availability allows and according to Lichtblick, it is intended to completely replace natural gas in the long term.

As in the previous year already, the sales of these products have been declining in 2013 as well. At the branches, around 5,200 eco-electricity and 2,100 eco-gas contracts were concluded. This is equivalent of a decline by nearly 50 % for electricity contracts and a good 60 % for gas contracts. Postbank however does not perceive the cause of the decline to be an abetting environmental consciousness of its customers but rather as a certain market saturation. Overall already more than 165,000 eco-electricity and more than 25,000 eco-gas customers have been brokered by Postbank employees.

- Environmentally-friendly stationery

Since 2004, the range of paper products and stationery items in Postbank's finance centres has been continually replaced by stationery items produced in an environmentally friendly procedure. This process is nearly completed. Most of the paper items, such as postcards and greeting cards, already come from sustainable forestry according to the FSC standard. In addition, the Postbank branches sell more than 60 articles that have been awarded the "Blauer Engel" quality seal by the Federal Environmental Office.

In 2013, the branch sales of PFC/FSC environmentally friendly stationery amounted to 5.3 million retail packs. This is an increase of more than 30 %. The sales of "Blauer Engel" products staid about equal compared to the previous year at 1.3 million retail packs.

Postbank informs its customers in a joint campaign with the "Initiative Pro Recyclingpapier" ("Pro-Recycling Paper Initiative") about envelope inserts and padded bags about the subjects of "Blauer Engel" and climate protection. And the photocopiers in the branches are also marked with the "Blauer Engel."

- Climate-neutral services from Deutsche Post DHL

The company has set itself a measurable climate protection target with the Group-wide GoGreen programme. The CO₂ emissions that are generated when letters and parcels are dispatched can thereby be neutralised. Compensation is achieved via internationally acknowledged climate protection projects. Implementation is monitored and certified by an independent certification company on the basis of the ISO 14064 standard.



By the GoGreen Plusparcel and the GoGreen Plusletter, the company offers its customers in its Postbank finance centres an opportunity to reduce their CO₂ emissions when dispatching post. The materials too are environmentally friendly: the GoGreen Plusparcel is made of recycled cardboard and the GoGreen Plusletter is made of FSC-certified paper.

In 2013, Postbank sold over 505,000 Plusletters and over 292,000 Plusparcels. This is a decline compared to 2012 of rounded 10 %.

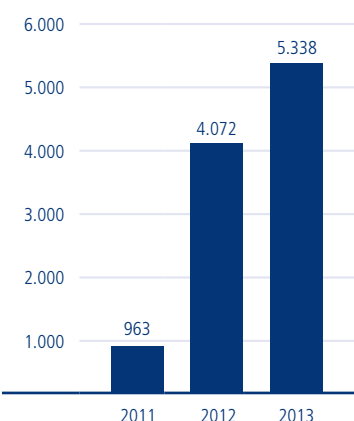
- Postfiliale Direkt

Since 2012, customers have had an opportunity to have their DHL parcels sent directly to a participating Postbank finance centre named by them or to a parcel station. With "Postfiliale Direkt", DHL primarily accommodates customers who are on the road a lot and cannot receive deliveries at home. If the customer states the recipient's name, the post number, and the three-digit branch number that is also part of the address, the parcel is sent to the desired branch and can be collected there. In 2013, already more than 255,000 shipments were delivered in this way.

„Blauer Engel“
(in thousands of retail packs)



Environmentally friendly stationery
PFC/FSC (in thousands of retail packs)



Customers | *To Postbank, the protection of consumer interests is a key part of its business processes. In the advising on securities transactions or borrowing loans, the bank informs its customers of potential risks. Postbank values transparency and comprehensibility in the communication with its customers.*

Consumer protection

Securities business

In accordance with the stricter requirements for advising in the securities business, Postbank has advanced its investment, advising and controlling and improved it with system support.



Customer orientation is a team effort. If everyone at the bank puts their own interests second to that of the customers, then this will almost automatically pay out as better quality and customer orientation. «

Hans-Peter Schmid, Chief Officer Retail Outlets

Sales targets are controlled in such a way that customer interest is not compromised in consequence. Corresponding rules have taken binding effect. With its central controlling function for the securities business, Postbank has installed a regulatory unit that continuously monitors and optimises the processes in the securities business in an appropriate way. Automated plausibility checks in the advising processes are used to reduce errors in the product recommendation.

Customer complaints are recorded systematically by Postbank, analysed and then processed to completion. For this purpose, the employees have access to an electronic complaints database.

As a multi-channel bank, Postbank provides to its securities customers a professional and high-performance processing platform for securities transactions via its internet and telephone banking. In the Postbank finance centres and on the telephone, investors have the opportunity to receive qualified investment advice for the requested investment sum.

More information here!



or on www.postbank.de

Consumer loans

In the granting of loans, Postbank protects its customers from overindebtedness. For each loan application, an obligatory analysis of the customer's personal situation is made by means of modern "scoring procedures". A loan engagement will only be set up if sufficient financial leeway remains preserved after the deduction of interest and repayment amounts. For the protection of underage customers, neither disposition nor instalment credits are granted to people under 18 years of age.

Postbank, as a member of the Banking Industry Association, has undertaken to apply the 10 principles of the Code "Responsible granting of credit to consumers".

Postbank's advising on instalment credits was rated "very good" by the Deutsche Kundeninstitut (German Customer Institute) in cooperation with the financial newspaper Euro am Sonntag (issue 45/2013).

More information here!



or on www.postbank.de

Cash supply

Postbank is a member of the Cash Group. In this association, Postbank, Commerzbank, Deutsche Bank, HypoVereinsbank and its subsidiaries have joined forces to achieve a great measure of comfort, flexibility and cost savings for their customers in the supply with cash. There are more than 9,000 ATMs of the Cash Group banks all over Germany available to customers of the affiliated banks for cash withdrawals free of charge. This number also includes the cash recycling systems at about 1,300 Shell petrol stations. Cash recycling furthermore has a positive effect on the environment: because the cash machines are supplied from the cash taken in at the pumps since the start at the end of 2010, about 800 cash transport runs per month have been dispensed with.

Postbank customers enjoy the additional benefit of being able to obtain cash free of charge directly from about 5,600 Postbank finance centres and partner branches of Deutsche Post at convenient opening hours. You can easily find the locations of the nearest cash machines and branches via smartphone app or on the internet.

Since 2012, Postbank has been testing new cash machines that have a deposit function. Some machines also permit depositing coins. The pilot project was completed successfully in 2013. The bank is planning for now to set up the new machines at its finance centres in Munich, Stuttgart, Frankfurt/Main, Hamburg, Berlin and Cologne.



Withdrawing cash free of charge with a card and PIN. More than 1,300 Shell petrol stations nationwide offer this service. Also customers of the Cash Group have it available free of charge.

More information here!



or on www.postbank.de



In the magazine "Wohnen" ("Living"), BHW Bausparkasse provides tips and information all around the topic of living in one's own home.

Marken-, Produkt- und Brand, product and customer communication

Postbank's brand and product communication is oriented on informing the customers and perspective customers comprehensively and reliably. The means of advertising are chosen and designed in such a way that they provide the consumer reliable guidance in finding a decision. In its customer media, Postbank also actively addresses questions of consumer protection.

In ecological and economic view, Postbank aims for processes in customer communication that are sparing on resources. In line with the standards of the Paper Policy, Postbank avoids chlorine bleaches and uses only paper from certified sustainable sources, equally granted as the most sparing use of materials and transport paths as possible.

Comprehensible customer letters

Postbank started in 2011 to make the correspondence by letter with its customers as simple, comprehensible and customer-friendly as possible. With specially trained employees, around 80 % of the Bank's written communication has been revised

by the end of 2012. The remaining 20 % will see improvements step-by-step in the continuous operation. Since 2013, Postbank has also optimised the quality of its communication by email. A separate training concept conveys the necessary skills for simple and comprehensible writing to employees who regularly write letters or emails to customers.

Vigilant employees

Seven Postbank employees were recognised by the Board and by the Chairman of Postbank's Fraud Committee for their efforts in combating fraud. By means of a successful data evaluation and analyses, they accomplished to prevent online banking fraud and fraud in bank transfers, and have introduced a new early warning system. A robbery could also be prevented. An 85-year old customer was saved by the watchfulness of an employee from losing her savings in the "grandson trick".

Honoured for their dedication to fight fraud. Bonn, July 2013



Good gut feeling prevents fraud

Rita Hochberg of the Postbank finance centre in Geesthacht was honoured by the City for her civil courage. She saved a senior lady from the "grandson trick" fraud scheme and thereby rescued the customer's entire assets.

"I was so nervous. When do you ever get an award from the Mayor? Actually I only did what should be a matter of course", says Rita Hochberg. Her brave intervention is the reason why the employee of the Postbank finance centre in Geesthacht was honoured in the past year – with a certificate, flowers and a perfumery coupon, personally presented by the Chief of Police and the Mayor of the city. If Rita Hochberg had "only" done her job on the day in the late summer of 2013, the elderly customer of Postbank would have been cheated out of her entire savings with the "grandson trick". "We can be proud that there are still people who step in for others", the Mayor emphasised in the presentation of the certificate.

Asking twice

Rita Hochberg had already read about the "grandson trick" previously and heard that criminals primarily target senior citizens. In the daring fraud scheme, the fraudsters say on the phone that they are a close relative who is currently in a financial demise and needs a large sum of money quickly. "The old lady came up to me and wanted to withdraw EUR 50,000 from her savings book. I immediately became suspicious. My gut feeling told me to better ask twice", Rita Hochberg tells. The branch employee has known the 85-year-old customer for many decades already. Since Rita Hochberg has started working at the branch, the customer has come every month to withdraw money. "I asked her indirectly if she wanted to treat herself to something with this much money. Better ask once too many than once too little, even if money matters are a very private affair", the employee explains. The customer told her something about her foster son who urgently needed the money. Because such a large sum is not available at the branch anyway, the customer wanted to come back on another day. Rita Hochberg: "After her visit, I kept thinking about the conversation and also discussed it with my colleagues."

Then the decision was made: better involve the police. The police sat down with the customer, investigated the case, pretended to hand over the money with her in front of the branch and they were thereby able to arrest the perpetrator – unfortunately, he was just the courier and not the one pulling the strings. But what is most important: the entire savings of the elderly lady continued to be kept safely in her savings book.

An eye for people

Rita Hochberg, since her training at Deutsche Post, has always been in close contact with her customers – initially for many years as a mail delivery employee and later on as an employee at the branch. "You observe people, develop a gut feeling and a good sense for people", says the 48-year-old. The interaction with people and paying the necessary attention to them are the best things about the job for her. She would not have thought it possible that she would once be able to help a customer for this reason. "A great feeling that you also get recognition for this from officials", the branch employee emphasises.



Flowers as a thank you to the branch employee Rita Hochberg. Because of her attentiveness, she saw through the "grandson trick".

Quality – driver of growth

Raising quality is the first of five priorities on the Postbank agenda. It is one of the key goals for the coming years. By now, Postbank has initiated numerous changes.



Fabienne Leguet had the Postbank customers surveyed.

Quality management

Quality is indispensable for the growth of a company. If it is missing, the customers will also be kept away or they will quickly change to another provider. The customer's quality expectations are the decisive measurable value here. It is not without a reason that both words form one unit in the Postbank agenda: Increasing growth and quality.

In Fabienne Leguet and Achim Lebeau, the bank appointed two responsible quality managers in the year 2013, who are to advance the topic within the organisation. While Fabienne Leguet as the department director of "Customer, brand and quality" sees things from the customer's perspective, Achim Lebeau as the competent department director within the division of the Chief Operating Office sees to improving the internal processes.

What does the customer want?

In order to assess the priorities from the customer's perspective, around 3,000 private and business customers have been surveyed by the end of the year. "Of course, we have a lot of insight today already as to how customers perceive the quality of Postbank", explains Fabienne Leguet. "Until now however, these have generally referred to particular customer experiences, such as the opening of a giro account. What has been missing was the view of the entire relationship of a customer with Postbank: What defines his satisfaction in the long term with all services of the bank?"

Analogously, the team of Achim Lebeau has drawn up a survey of employees in sales so to be able to include the demands of the sales employees. "We do not want to set up a gigantic improvement programme but are concentrated on the 10 to 20 most relevant topics", says Lebeau.

"Before we start concrete changes, we must firstly define the priorities: What are the factors that decisively influence quality? How do we measure them? And how can we improve them?"

Networking of sales and operations

A second partial project concerns the measurement and increase of the quality of the internal service providers (operations). For this purpose, Postbank defines key indicators by means of which the quality can be measured in the customer's perspective. "These key indicators are already in place in part but require a further development", explains Lebeau. "For example, we already measure today how long customers wait on average for answers to email requests. This however does not permit any conclusions as to how long customers wait during peak times."

To be able to respond quicker to changes and prevent considerable drops of quality, the reporting was improved: 200 key performance indicators (KPI) are measured monthly in the scope of a quality report to monitor the fulfilment of the service levels. Every 14 days, the department directors from production, sales, product and customer management meet to trace by means of the KPIs how the plan and actual values are developing. Because sometimes the sales divisions are so successful in the current campaigns that production can hardly keep up. Ultimately, quality is always about meeting the customers' expectations to the full extent.



For Achim Lebeau, a clear prioritisation of customer concerns is the first step in improving quality.

In the finance industry, the trust of the market participants has the most weight. Financial markets are to a considerable extent based on the confidence of market players. The bank's business success not least depends on a solid, trusting relationship between Postbank, its customers and employees.

Compliance and protection against money laundering

Compliance

The financial markets are based on the trust of market participants. They can only function in the long term if all involved can rely on the other market participants also observing the existing legal regulations.

"Compliance" consequently is the duty to act in accordance with applicable legislation, regulatory provisions and internal rules. Compliance with regulatory provisions is an integral part of Postbank's business organisation. The bank perceives it to be a quintessential prerequisite for its sustainable success.

In the provision of securities services, the bank pursues the aim to equally protect its customers and the capital market. Conflicts of interest should be avoided wherever possible. Confidence and fairness are the yardsticks by which Postbank and its employees align their relationship to their customers and the market.

The Compliance Office at Postbank vouches for the bank permanently fulfilling its compliance obligations. For this purpose, it prepares risk evaluations and works toward organisational principles and procedures, which are to ensure the compliance with the relevant regulatory provisions. In the area of compliance with capital markets law, it supports and trains the operational departments and conducts risk-oriented controlling and monitoring measures. Among its tasks in the context of the company-wide so-called corporate compliance is also the management of the control process for accepting and giving gifts and invitations as well as coordinating the group-wide whistle blower system that provides all employees the opportunity (also anonymously) to point out false trends and violations in internal, procedural or regulatory issues. The compliance function thereby makes an important contribution to safeguard the bank from sanctions, losses or damages in reputation in the long term.

The capital markets law compliance office was audited in 2013 in the scope of the annual audit pursuant to Sec. 36 WpHG (Securities Trading Act) by an auditor.



With a good conscience

Since 2013, the guideline defines precisely which gifts and invitation may be accepted or given by employees of the Postbank Group.



The guideline is to ensure that integrity and transparency governs the actions in all business transactions. It can thereby be avoided that corruption and bribery creates business advantages. It also counteracts any potential reputational losses for the bank.

The rules provide that accepting and giving gifts, and invitations must be reported and they must be approved respectively starting from defined value limits. It applies to all employees that they may not accept any monetary gifts or coupons. A separate, internal email address has been set up for the reporting and approval.

Anti-money laundering



Postbank has implemented an effective anti-money laundering programme that complies with all legal and regulatory requirements. Postbank thereby supports international efforts to combat money laundering, the funding of terrorism and other criminal acts. Regular employee training ensures that the prescribed monitoring and prevention processes are applied correctly.

A special team for the prevention of money laundering has the task to identify critical money transfers. This takes place on the basis of reports from the branches, the functional departments, information from investigative authorities or other institutions. The work is aided by IT systems that recognise suspicious transaction patterns and report them to the teams. The team evaluates the transactions with regard to possible money laundering patterns and checks them for plausibility by means of the probable living situation of the customers. If a suspicion is confirmed, charges will be filed with the investigative authorities.

Watchful eye

Banks are at the centre of public interest. Postbank has taken this into account in its agenda. Quality is one of the most essential priorities. The Reputation Committee set up in 2013 is one of the concrete measures in this regard.

At the latest, the financial crisis caused that banks are being viewed critically in the eye of the public and sometimes they also stand accused. Products are questioned, conditions, and business models are put under scrutiny. Postbank is also aware of the fact that products, regulations and processes may be compliant with the law and internally correct, meanwhile they nonetheless harbour the risk of creating a poor image. By the Postbank agenda, it has set the topics of growth and quality at centre stage as a part of five priorities. It has therefore called a committee to life that investigates in cases of doubt between “what is permitted” and “what is preferred”. “We used to conceptualise our products in detail also in the past and considered whether they are fitting for Postbank”, says Ralf Stemmer, Resources, and Chairman of the Reputation Committee. “In this committee however, we are now focussing on the question as to the effect on reputation and image with all consequences.”



In the monthly meetings, the members discuss current cases – some are already known in the public, others are viewed in precaution. One example: An account opening is unproblematic in legal aspects – employees and the system give the green light. Yet, “for ethical considerations there might be reasons why we should reject the account”, explains Stemmer. This may be the case for example, because Postbank does not want to be brought in connection with a dubious business purpose. When an ethically critical case becomes known within the bank, the Reputation Committee will also decide in so-called ad-hoc meetings about the further procedure or provide information to the Board and functional departments. “It is quite clear to us that we are oriented on growth and business”, Stemmer summarises. “But not at any cost.” It was also important to protect the image and quality of Postbank in the external perception.



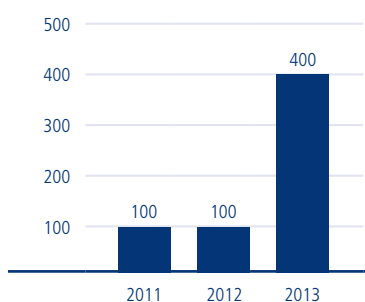
**We are oriented on growth.
But not at any cost.«**

Ralf Stemmer, Resources, and Chairman
of the Reputation Committee

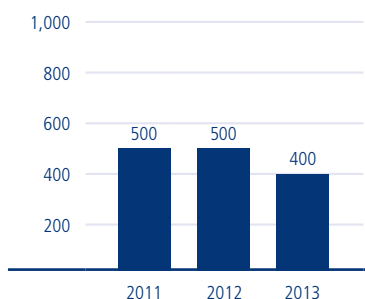
The customers' interest in the handling of sensitive data and the information stored about them continues to become stronger. It has always been important for Postbank that customer data are protected and the bank secret maintained.

Data protection and data security

Requests for information on stored data
(rounded to the nearest hundred)



Customer enquiries
(rounded to the nearest hundred)



Data protection

The careful and reliable handling of data that customers pass on to Postbank in the course of the processing of their banking transactions remains a high priority.

The increasing extent of information provided to the customers through media reports on the topic of data protection, foremost however, the increased transparency of Postbank in terms of the handling of customer data has achieved that the number of customer queries and complaints in the context of data protection law has further declined. In the year 2013, fewer than 400 requests relating to data protection were received.

This is also consistent with the number of submissions from Postbank customers to the data protection supervisory authority having remained at a low level.

As in the previous year, the number remained below 20 processes.

The Federal Data Protection Act grants each customer the right to demand information free of charge as to which data a company has stored about their person. The number of these requests that a customer not only addresses directly to Postbank but also via service portals on the internet or that are contracted to external enterprises, has increased considerably in the year 2013. For example, more than 400 of these information requests were sent by customers in the year ended.

The high level of customer satisfaction with the information given by Postbank is reflected in the fact that nearly no customer has contacted Postbank repeatedly regarding the stored data about them. Only in exceptions, customers have provided information on updating the Postbank data stocks.



Maintaining the bank secret and protecting customer data is observed to the fullest extent possible by Postbank. For this reason, the protection of customer data is integrated in each process step from the point of contact (branch, telephone, internet) to storing and processing information, and the correspondence with the customer and third parties.

Also in the contracting of third parties who provide services in the name of Postbank, the fulfilment of requirements under data protection laws is non-negotiable in the contract structuring and in the implementation.

What applies to customer data is also relevant for employee data. Data protection in the internal communication of Postbank is taken just as seriously as in the external communication.

The careful handling of the data of customers, business partners and employees is a central basis for the confidence placed in Postbank. Therefore, the bank will also in future not neglect ensuring the protection of customer and employee data in all sales and company activities.

Security in online banking

In the year 2013, fraudsters have increasingly attempted to abuse the standardisation of the Single Euro Payments Area (SEPA) as an occasion for phishing: by forged emails and websites, they have attempted to get hold of the access data for bank customers' online banking. The same end was pursued by "social engineering", in which it was attempted to get the access data to online banking come under the control of criminals through personal contacts. Smartphones as well have been increasingly targeted by criminals.

Postbank has a department for fighting fraud (Anti-Fraud Management Unit). It has its seat at Direktbank in the head office in Bonn. Its activities are summarised under fraud prevention and fraud detection.

The Anti-Fraud Management of Direktbank continuously works on the provision of established and new security procedures such as BestSign, ChipTAN and mobileTAN. However, at least as important is education and information to the customers. Postbank has set up a separate "Security" area on its websites. The most common fraud schemes are described there and it is shown how customers can protect themselves effectively against these schemes. Also on social media channels such as facebook and Twitter, Postbank informs about protection against online fraud.

More information here!



or on www.postbank.de



Postbank BestSign: Secure approval of transactions in online banking by means of a small USB device

Securely to the top

Six million customers process their transactions at Postbank online. They do so for a good reason. This was confirmed by Focus Money in a test.



Prize winner: Postbank's online banking



The greatest part of Postbank giro accounts is already managed online and more than 100 million transactions are executed each year by customers via the internet. Figures that prove how important the online sales channel is for Postbank. "Bank transactions must fulfil two essential criteria: they must be easy and quickly to execute for the customer. Furthermore, there is no tolerance when the topic of security is concerned", says Philip Laucks, responsible for the Direktbank division.

Postbank is nationwide one of the leaders in online banking, confirms the finance magazine Focus Money in its 10/2013 issue. The experts tested 38 branch and online banks and elected Postbank the winner in the category "Best Online Banking". The testers equally viewed the customer orientation and security of the internet offer. Postbank received good grades foremost in the category of customer orientation. The tester evaluated the online community "Questions & Answers" as well as the service and availability of customer service to be particularly positive. But also, the provision of various security procedures such as mobileTAN, ChipTAN comfort and BestSign received recognition.

Security in self-service banking

The number of scams at automatic teller machines and self-serve machines was fortunately very low again in 2013. Technical security measures in the processing of payments on cards and the regular control of the self-serve machines, as well as an increasing sensitisation of the customers have contributed to permanently minimise scams all around the card business.

By a technical novelty that was introduced nationwide by Postbank as early as at the end of 2012, hassling particularly of older customers by force at the automatic teller machine has been eradicated nearly entirely: the teller machines have been programmed in such a way that the PIN code of the card can only be entered after the payment amount was chosen and confirmed. This eliminates the possibility of forcefully pushing away customers after they enter the PIN Code to then steal a higher payment amount.

Postbank pays a great deal of attention to the gapless monitoring of its devices to the greatest possible extent as well as to good lighting in the teller machine surroundings. It informs its customers regularly and has set up a telephone hotline and a special email address for affected customers. And customers who are affected will also find experts to contact at all Postbank branches and around the clock in Postbank call centres.



Automatic teller machine with a so-called “frog mouth” to prevent fraud

If required: 0800 1008 906

missbrauch@postbank.de

Annex

13.4 million savings accounts

1,092 branches

3,000
mobile advisors

6.1 million
online banking accounts

1,750
service terminals

14 million customers

18,200 employees

5.2 million private
checking accounts

2.7 million home
loan and savings
accounts

3.7 million home
loan and savings
contracts

4,600
Deutsche Post partner branches

3,590 ATMs

About this report | *The 2013 sustainability report is based on the main parameters set out below*

Scope of the report

The present report covers the period from January to December 2013. It follows up on the 2012 sustainability report. The report was prepared in accordance with the Guidelines of the Global Reporting Initiative (GRI G3). It contains Postbank's progress report on the implementation of the principles of the UN Global Compact. The statements generally relate to the Deutsche Postbank AG Group in Germany. The sites in Luxembourg, Italy and London are not included in this report. If data or statements relate to only a part of the company, this is indicated at the relevant point.

The data of the environmental impact summary respectively refer to the period from October to September; see section "Environmental impact summary" for more information.

You can find a general overview of Postbank's commitment on www.postbank.de/nachhaltigkeit or www.postbank.com/sustainability.

Calculation methodology

Until 2012, Postbank has calculated the real estate related greenhouse gas emissions on the basis of the consumption data of 20 large sites with more than 10,000 qm floor space. Since 2012, Postbank has assessed the consumption data of its overall more than 1,300 buildings including its branches. It was possible thereby that for the first time, 82 % of the greenhouse gas emissions in 2013 were calculated on the basis of consumption data. The present report uses this expanded data stock for the first time.

For more information, see section "Environmental impact summary".



- **Electricity/heating/cooling/drinking water**

The data are assessed from the consumption calculations or meter readings. Where this is not possible, the values are extrapolated by means of comparable buildings.

- **Waste**

The waste weight in tonnes is calculated uniformly across the entire group by means of the size of the used waste containers and the frequency at which they are emptied. Because of the still insecure data stock, the waste data have not been included yet in the data verification according to ISO 14064.

- **Paper**

Calculated on the basis of the volume of copying and printing paper purchased in the country by the Postbank Group.

- **Business travel**

The CO₂ emissions are calculated for company vehicles by means of the kilometrage of the vehicles in the vehicle fleet of the Postbank Group (based on fuel card statements).

The CO₂ emissions of leased vehicles are determined on the basis of the data supplied by the rental car companies.

The kilometres travelled by train are shown for information. The CO₂ emissions of train travel are not calculated, as exclusively CO₂-neutral railway travel is used.

For travel by plane, the CO₂ emission is assessed based on the km travelled, while it is differentiated between short, medium and long distance. The data on travel by plane are provided by the responsible travel agencies.

The most adequate emissions factors are attributed to the respective activity data. These are derived from internationally accepted sources, such as the DEFRA, GHG Protocol, and IEA. All assumptions made and calculation methods used are in accordance with the standard ISO 14064 and respectively the supplementary documentation.

Investments

As at the expiration of 31.12.2012 and effective as of 01.01.2013, Deutsche Postbank sold PB (USA) Holdings, Inc. and its subsidiaries, among which is also the PB Capital Corporation, New York, within the Deutsche Bank Group.

The shares of Postbank Support GmbH were sold on 1 January 2013 to Atos IT Solutions and Services GmbH.

Guidelines | *Postbank has defined sustainable performance as an independent principle in its Mission Statement. Responsible action is not only required of employees and managers, but it is also expected and required of Postbank's suppliers.*

Postbank Mission Statement

The values and principles of Postbank, the business actions of the employees in the entire Postbank Group are to be oriented on are documented in the "Postbank Mission Statement".

The Mission Statement specifies with a vision and mission the strategic orientation of Postbank. Six values and principles set the standards for correct conduct in the handling of customers, in daily internal interaction and in relation to Postbank.

The words and spirit of these values and principles find their matches in the guidelines and rules of Postbank (e. g. organisational manuals and work instructions), which determine the daily work and business life.

For more information on the Mission Statement, see section "Company management".

Code of Conduct and Ethics

In 2012, the Board of Postbank agreed that the "Code of Business Conduct and Ethics for Deutsche Bank Group," the guideline for the Group, is to apply also to Postbank. The Code of Conduct and Ethics sets forth the values and minimum standards for ethically irreproachable conduct with each other and towards customers, competitors, business partners, public authorities and shareholders.

Supplier Code of Conduct

Postbank makes a commitment for sustainable development beyond the limits of the group. Its suppliers, service providers and contractors too must undertake to fulfil fundamental social and ecological minimum standards. To this end, Postbank has developed the "Supplier Code of Conduct" that must be signed, acknowledged and implemented by its suppliers. The main contents of the code are:

- Abstention from the use of child labour
- Ban on forced labour
- Remuneration and working hours in line with national regulations
- Ban on discrimination
- Safety at work
- Plan for continuity of business
- Observation of anti-corruption standards
- Taking into account environmental protection

If the supplier already has its own code of conduct, a reciprocity declaration, among other things, may be agreed.



Brochure of the Mission Statement

Supplier questionnaire

Postbank's supplier questionnaire checks whether a business relationship with traders is possible on the basis of their environmental management system. Accordingly, the questions are for example aimed at specific company environmental activities, guidelines and emission of pollutants by the company.

On the basis of this information, the supplier is assessed as to whether it meets the preconditions of environmental policy for a long-term business partnership with Postbank.

Paper Policy

Paper is among the central resources of financial institutions such as Postbank. For this reason, Postbank ensures that paper products are used in an environmentally responsible way. In 2008, the "Paper Policy" was ratified for the procurement of paper products. It applies to both Postbank and its subsidiaries as well as to all their suppliers.

The guidelines categorically ban the use of paper products that originate from tropical rainforests, virgin forests, protected ancient forests or those worthy of protection or that are produced or extracted from illegal felling.

Based on this and in accordance with the principles of sustainable forestry, only certified paper products from socially, ecologically and commercially sustainable forest management or recycled materials are used. The guideline also calls for the efficient handling of paper products that is sparing with resources.

Awards | Each year, Postbank is awarded prizes for its excellent services from different institutes.

Selection of awards in the year 2013:



Initiatives and memberships | *Postbank communicates openly its taking responsibility in business. It has joined several initiatives that promote the dialogue about sustainable business development. Together with other companies and specialists, it shares its experience and know-how. This way, Postbank can respond efficiently and with sustainable prudence to current developments.*

UN Global Compact

The sustainability model of Postbank is based on the ten principles of the Global Compact of the United Nations. At the World Economic Forum in Davos in 1999, the former UN Secretary General Kofi Annan established a global alliance between the United Nations and private enterprise, the "UN Global Compact". It contains ten principles that have been taken from the Declaration of Human Rights, the core employment standards of the International Labour Organisation (ILO), the Rio Declaration and the UN Convention against Corruption. As of mid-2006, Postbank has been obligated by its former majority shareholder Deutsche Post DHL to observe the UN Global Compact. In 2010, Postbank has undertaken on its own initiative to observe the UN Global Compact and it also produces a progress report on the implementation of the principles.

For more information, see section "Progress report on UN Global Compact compliance".

Carbon Disclosure Project

The CDP (Carbon Disclosure Project) was founded in the year 2000 in London and is the largest community project of institutional investors relating to the economic effects of climate change. By this initiative, 767 investors, including Postbank, with assets of over USD 92 billion demand comprehensive disclosure of the emission of greenhouse gases. US\$, the comprehensive disclosure of greenhouse gas emissions. More than 4,500 of the world's largest companies already report their emissions via the CDP Platform. By Postbank's signing the CDP in the year 2006, we pledge that the aspects of climate protection are to be observed more closely by financial institutions in their investment decisions.

Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V.

Since September 2005 Postbank has been a member of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten e.V. (VfU). VfU is the only European association that deals specifically with environmental management issues for financial service providers. The aim is to support environmental protection and environmental management in credit institutions and insurance companies. To this end, strategies, tools and best practice solutions are developed, the internal exchange of experience between association members promoted and the public informed.



Progress report on UN Global Compact compliance | Postbank has undertaken to observe the UN Global Compact. It hereby presents the fourth progress report.



Progress report on UN Global Compact compliance

Principles

Examples

(Dealt with in articles in the 2013 Sustainability Report)

Human rights

1: Businesses should support and respect the protection of internationally proclaimed human rights.

- Sphere of influence
- Work-life balance and health management
- Integration and dialogue
- Risk management, granting of loans, financial investments
- Guidelines

2: Businesses should make sure that they are not complicit in human rights abuses.

- Sphere of influence
- Work-life balance and health management
- Integration and dialogue
- Risk management, granting of loans, financial investments
- Guidelines

Work standards

3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

- Staff management

4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

- Guidelines

5: Businesses should uphold the effective abolition of child labour.

- Guidelines

6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

- Training and development
- Integration and dialogue
- Company management
- Guidelines

Environmental protection

7: Businesses should support a precautionary approach to environmental challenges.

- Sphere of influence
- Corporate Responsibility Programme
- Environmental guidelines
- Certification to ISO 14001
- Green IT and Green Procurement
- Guidelines

8: Businesses should undertake initiatives to promote greater environmental responsibility.

- Sphere of influence
- Corporate Responsibility Programme
- Training and development
- Work-life balance and health management
- Environmental guidelines
- Certification to ISO 14001
- Environmental targets
- Green IT and Green Procurement
- Sustainable products
- Guidelines

9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

- Sphere of influence
- Environmental guidelines
- Certification to ISO 14001
- Energy subcontracting
- Green IT and Green Procurement
- Guidelines

Corruption

10: Businesses should work against corruption in all its forms, including extortion and bribery.

- Company management
- Risk management, granting of loans, financial investments
- Compliance and protection against money laundering
- Guidelines

GRI-Index

1. Strategy and Analysis

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3. Report Parameters

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3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	p. 63-65, 99-100
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4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	p. 7-8, 72; AR2013: p. 26-35
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	AR2013: p. 26-35
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	Not relevant, since Postbank is a listed public limited company and therefore has a Supervisory Board.

4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	p. 7-8, 12-14, 77; AR2013: p. 26-35
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance)	AR2013: p. 26-35
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	p. 72; AR2013: p. 26-35
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4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	p. 78-80, 91-97
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	p. 40-41, 72, 104-105
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4.15	Basis for identification and selection of stakeholders with whom to engage	p. 12-14
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	p. 12-14, 23, 40-43, 77
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	p. 12-14, 23, 42-43

Economic Performance Indicators

	Management Approach	p. 9, 78-80; AR2013: p. 40-41
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	p. 44-46, 114; AR2013: p. 96-98
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Not reported, since no incidents are known.
EC3	Coverage of the organization's defined benefit plan obligations	p. 21-29, 33
EC4	Significant financial assistance received from government	No communication takes place for reasons of data protection.
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	Not reported.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	p. 61, 101-102 There are no policies concerning locally-based suppliers. However, in the case of equal qualification in terms of costs, environmental and social performance, Germany-based suppliers are given preferential consideration.
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	p. 21-23

EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	p. 12-14, 36-40, 42-48, 81-85
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EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	p. 12-14, 36-40, 44-46, 81-85
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Environmental Performance Indicators

	Management Approach	p. 7-8, 15-19, 53-58, 63-65, 99-100, 105
EN1	Materials used by weight or volume	p. 15-19, 53-57, 63-65
EN2	Percentage of materials used that are recycled input materials	p. 55-57, 63-65, 99-100
EN3	Direct energy consumption by primary energy source	p. 63-65
EN4	Indirect energy consumption by primary source	p. 63-65
EN5	Energy saved due to conservation and efficiency improvements	p. 55-57, 59, 63-65
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	p. 15-19, 53-58, 83-85
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	p. 15-19, 53-62
EN8	Total water withdrawal by source	p. 63-65, 99-100
EN9	Water sources significantly affected by withdrawal of water	Not reported, since no incidents are known.
EN10	Percentage and total volume of water recycled and reused	Not reported, since no incidents are known.
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not reported, since Postbank has no building in protected areas.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Not reported, since no incidents are known.
EN13	Habitats protected or restored	Not reported, since no incidents are known.
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	p. 15-19, 53-57
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Not reported, since no incidents are known.
EN16	Total direct and indirect greenhouse gas emissions by weight	p. 63-65, 99-100
EN17	Other relevant indirect greenhouse gas emissions by weight	p. 63-65, 99-100
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	p. 15-19, 53-59, 83-85
EN19	Emissions of ozone-depleting substances by weight	Not reported, since the data are not collected due to small amounts.
EN20	NOx, SOx, and other significant air emissions by type and weight	Not reported, since the data are not collected due to small amounts.
EN21	Total water discharge by quality and destination	Not reported, since the data are not collected due to small amounts.
EN22	Total weight of waste by type and disposal method	p. 63-65, 99-100
EN23	Total number and volume of significant spills	Not reported, since no incidents are known.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Not reported, since the data are not collected due to small amounts.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	Not reported, since no incidents are known.
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	p. 15-19, 53-59, 83-85
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	Not reported, since the data are not collected due to small amounts.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Not reported, since no incidents are known.
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	Not reported, since no incidents are known.

EN30	Total environmental protection expenditures and investments by type	No communication takes place for reasons of data protection.
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Social: Labor Practices and Decent Work

	Management Approach	p. 21-31; 41, 75-76, 101, 105; AR2013: p. 26-30
LA1	Total workforce by employment type, employment contract, and region	p. 21-23
LA2	Total number and rate of employee turnover by age group, gender, and region	p. 21-23
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	Not reported.
LA4	Percentage of employees covered by collective bargaining agreements	p. 21-23
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	According to Sections 111, 112 of the Works Council Constitution Act, the Works Council has to be notified comprehensively and in due time when operational changes are pending. A concrete notice period does not exist in practice. Usually, however, an extensive phase of informing the competent body comes before any negotiations on a reconciliation of interests. This information phase can extend over several meetings for discussions (i.e. several weeks).
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	p. 28-31
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	p. 28-31
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	p. 28-31
LA9	Health and safety topics covered in formal agreements with trade unions	p. 30-31
LA10	Average hours of training per year per employee by employee category	p. 24-27
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	p. 24-27
LA12	Percentage of employees receiving regular performance and career development reviews	p. 21-23
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	p. 21-27
LA14	Ratio of basic salary of men to women by employee category	The remuneration of Postbank employees is based on the work that is performed in each case. A "differentiation" according to gender does not take place.

Social: Human Rights

	Management Approach	p. 78-80, 41, 91-92, 101-102, 105
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	p. 72-73, 101-102
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	p. 101 In 2013 the Supplier Code of Conduct has been signed by 81 % of suppliers, with whom Postbank has conducted a cost associated procurement.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	p. 24-25, 41
HR4	Total number of incidents of discrimination and actions taken	Not reported, since no incidents are known.
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	p. 21-23, 105
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	p. 101-102, 105

HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	p. 101-102, 105
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	Not reported, since no incidents are known.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	Not reported, since no incidents are known.

Social: Society

	Management Approach	p. 12-14, 72, 92, 101-102, 105; AR2013: p. 28-29, 34-37
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	p. 36-46
SO2	Percentage and total number of business units analyzed for risks related to corruption	p. 80, 88, 91-97, 101-102, 105
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	p. 88, 91-97, 101-102, 105
SO4	Actions taken in response to incidents of corruption	p. 88, 91-97, 101-102, 105
SO5	Public policy positions and participation in public policy development and lobbying	p. 12-14, 104
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	Not reported, since Postbank does not give donations to political parties, institutions or politicians.
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Not reported, since no incidents are known.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	p. 91-97, 101-102, 105

Social: Product Responsibility

	Management Approach	p. 47-48, 72-73, 78-97, 101-102; AR2013: p. 34-35
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	p. 10-11, 54-58, 60-61, 88
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	Not reported, since no incidents are known.
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	p. 81-82, 85-88, 94-97
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	Not reported, since no incidents are known.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	p. 42-43, 90, 94-95
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	p. 86-88 In terms of advertising, measures are regulated by German law (consumer protection laws, etc.). We adhere to these laws, which is reflected in the policies and regulations of Postbank.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	p. 86-88
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	p. 94-95
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No communication takes place for reasons of data protection.

Financial services sector indicators

FS1	Policies with specific environmental and social components applied to business lines	p. 53, 72-73, 101-102, 105
FS2	Procedures for assessing and screening environmental and social risks in business lines	p. 15-19, 53-57, 78-80
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	p. 60-62, 78-80, 101-102
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	p. 6, 15-19, 26-27, 53-57, 72-73
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	p. 10-14, 54, 59, 60-62, 78-80, 101-102
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector	AR2013: p. 51-52
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	p. 81-82
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	p. 83-85
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	p. 28, 54
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	p. 78-80, 91-93, 101-102; AR2013: p. 176-177
FS11	Percentage of assets subject to positive and negative environmental or social screening	p. 78-80
FS12	Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	p. 72, 78-80, 101-102
FS13	Access points in low-populated or economically disadvantaged areas by type	p. 9, 87, 98
FS14	Initiatives to improve access to financial services for disadvantaged people	p. 47-48, 81-82, 87
FS15	Policies for the fair design and sale of financial products and services	p. 72-73, 86-97, 101-102
FS16	Initiatives to enhance financial literacy by type of beneficiary	p. 39-40, 42-43, 47-51

External audit of self-classification



Statement GRI Application Level Check

GRI hereby states that **Deutsche Postbank AG** has presented its report "Sustainability Report 2013" 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, 25 July 2014

A handwritten signature in black ink, appearing to read "Ásthildur Hjaltadóttir".

Ásthildur Hjaltadóttir
Director Services
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 16 July 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

Glossary

A

App

Program for mobile end-devices, e.g. smartphones and tablets (app is short for application).

Audit

An audit is the inspection of a management system and is conducted by trained auditors.

Android

Operating system for tablet computers and smartphones (cf. tablet).

B

BAFA

Das Bundesamt für Wirtschaft und Ausfuhrkontrolle (BAFA, Federal Office of Economics and Export Control) is a federal public authority in the Business department of the Federal Ministry of Economics and Technology (BMWi). In the energy sector, BAFA sets up support measures for, among other things, the increased use of renewable energy.

BestSign

Signature procedure in online banking. Serving as hardware is a USB device to which Postbank sends the data of the transaction. After the data were received on the device, it shows the data on the display and the transaction must then only be approved by pressing a button. The data exchange between the device and Postbank is encrypted.

Blauer Engel

“Blue Angel”, an environmental symbol for environmentally-friendly products and services. It is awarded by an independent jury on the basis of defined criteria.

C

Carbon Disclosure Project

An independent non-profit organisation that gathers information relevant to the climate from companies for analysts and investors.

Cash Recycling System

“Reusing cash” It is made possible by combined cash receipt and payment devices. For example, the ATMs installed by Shell are topped up again with the cash received at petrol stations.

chipTAN comfort

Process to generate a transaction number (TAN) with a so-called TAN generator. This device generates a TAN in interaction with the Postbank Card and the online banking that is valid for only a short time and only for the respective current transaction.

Compliance

This means “Acting in accordance with applicable legislation, regulations and internal rules” according to the context.

Corporate Governance

Management and monitoring of the company in a spirit of management with awareness of one's responsibilities and orientated towards values.

D

DEFRA

The "Department for Environment, Food and Rural Affairs" is a British government ministry.

Demographic change

Development and change in the age structure of a society.

Diversity

Refers to the diversity within the staff with regard to sex, origin, nationality, age, religious group and physical limitations.

E

Environmental guidelines

Postbank's fundamental principles set down in the environmental management system.

F

FAQ

Frequently Asked Questions.

FDL

Financial services (cf. PDL = Postal Services).

FSC

Forest Stewardship Council. Products with the FSC seal verifiably originate from sustainable forestry.

FTE

Full Time Equivalent. The number of employees converted to the equivalent of full-time staff.

G

GHG Protocol

The Greenhouse Gases Protocol is a standard for the recording of greenhouse gas emissions.

Green IT

Implementation of a design for IT systems that is environmentally-friendly and light on resources. This is achieved through hardware efficiency, the improvement of computer centres or in the IT procurement process.

Green Procurement

Environmentally-conscious procurement processes for IT products at Postbank.

GRI

“Global Reporting Initiative”. The GRI is a worldwide network of stakeholders and experts that has produced guidelines on the production of sustainability reports with the aim of making these easier to compare with each other.

I**IEA**

International Energy Agency. Germany is one of the 29 member states.

iPad

Tablet computer of the company Apple (cf. tablet).

ISO 14001

International standard for environmental management systems.

ISO 14064

Standard that deals with issues of determining and recording greenhouse gas emissions for reporting and verification purposes.

K**KfW**

As the bank of the Federation and of the States, the Kreditanstalt für Wiederaufbau (KfW, Reconstruction Credit Institute) is the support bank for the German economy and a development bank for developing and transition economies.

KPI

Key Performance Indicator. An index for measuring performance.

L**Lifecycle Management**

Systemic perspective on technical products over their entire useful lives (from production to disposal).

M**mobileTAN**

Procedure to transmit a transaction number (TAN) by SMS to a mobile phone. In addition to the TAN, this SMS contains the recipient's account number and the transfer amount so that the client can detect criminal falsification of the transaction data immediately and easily. This TAN is only valid for the respective transaction and expires if it is not used by the customer.

P**Paper Policy**

Guidelines on the purchase of paper products. It serves to ensure that no raw materials are processed for Postbank from tropical rainforests, virgin forests or protected ancient forests.

PDL

Postal service (cf. FDL = financial service).

PEFC

Programme for the Endorsement of Forest Certification Schemes. Products with the PEFC seal verifiably originate from sustainable forestry.

Phishing

A type of theft of personal data via the internet. Here an attempt is made to obtain personal data or information via emails or bogus websites.

S

Sensitive sectors

Sectors with little commitment to sustainability.

Sensitive countries

Countries, for example, that do not hold democratic elections or on which customs embargos have been imposed.

Smartphone

Mobile phone with a screen for internet use.

Supplier Code of Conduct

This code demands that the dealings of all companies that have entered into a business relationship with Postbank be based on ethical principles.

T

Tablet

(also tablet PC or tablet computer)

Small computer without keyboard that can be used for example, for reading newspapers and books.

U

UN Global Compact

Pact set up in 2000 by Kofi Annan, the UN Secretary General at that time, with the aim of bringing social responsibility more to the forefront in company activities.

W

Work-life balance

Balance between career and private life.

Postbank Group in figures

Consolidated income statement		01.01.-31.12.2013	01.01.-31.12.2012 ¹
Total income	Million EUR	3,804	3,739
Administrative expenses	Million EUR	-3,177	-2,991
Profit before tax	Million EUR	318	394
Consolidated net profit	Million EUR	330	287
Total cost/income ratio	%	83.5	80.0
Return on equity			
before tax	%	5.4	6.6
after tax	%	5.6	4.8
Earnings per share²	EUR	1.51	1.31
Consolidated balance sheet			
		31.12.2013	31.12.2012
Total assets ¹	Million EUR	161,506	187,962
Customer deposits	Million EUR	103,698	111,508
Customer loans	Million EUR	97,965	106,495
Allowance for losses on loans and advances	Million EUR	1,478	1,745
Equity ¹	Million EUR	6,212	5,980
Tier 1 ratio	%	12.0	12.0
Headcount (FTEs)	thousand.	18.22	18.60
Long-term ratings			
Moody's		A2/outlook negative	A2/outlook stable
Standard & Poor's ³		—/—	A+/outlook negative
Fitch		A+/outlook stable	A+/outlook stable
Information on Postbank shares			
		31.12.2013	31.12.2012
Share price at the balance sheet date	EUR	38.75	31.80
Share price (Jan. 1 – Dec. 31)	High EUR	38.75	32.15
	Low EUR	30.53	23.75
Market capitalization on December 31	Million EUR	8,479	6,958
Number of shares	Million	218.8	218.8
¹) Data adjusted. ²) Based on 218.8 million shares. ³) The S&P rating was discontinued on 31 December 2012.			

Imprint

Publisher

Deutsche Postbank AG
Head Office
Friedrich-Ebert-Allee 114–126
53113 Bonn
www.postbank.de

Responsible

Corporate Communication
Competence Center “Sustainability and
Climate Protection”

Project Manager and Contact

Hartmut Schlegel
Phone: +49 228 920-12103
Fax: +49 228 920-12199
nachhaltigkeit@postbank.de

Concept and graphic design

KrollSchmidWolf Kommunikation GmbH
Zollhof 17, 40221 Düsseldorf

Note

All the contents of this report have been carefully gathered from various sources. The data, information and figures that it contains are true as far as Postbank is aware but Postbank cannot accept any liability regarding their correctness or completeness.

www.postbank.de

Where only the masculine form of specific terms is used, this is done merely for reasons of better readability and this is not intended as gender-specific.

This sustainability report is also available in German. Both versions can be accessed via the internet on www.postbank.de/nachhaltigkeit or www.postbank.com/sustainability.

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More information here:

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Deutsche Postbank AG
Head Office
Corporate Brand and
Marketing Communications
Bonn

678 114 054
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