

## **Deutsche Bank and Sustainability**

Deutsche Bank regards sustainability as an essential element of all of its activities. In recognition of the pressing challenges related to environmental protection and climate change, the bank developed a climate strategy in 2005 to reinforce awareness of climate change, contribute to environmental and climate protection in its core business as a financial intermediary, and ensure resource efficiency at the bank's locations.

As part of this strategy, Deutsche Bank recently renovated its global headquarters in Frankfurt, Germany into one of the most eco-friendly high-rise buildings in the world. The renovation effort, spanning from 2007 to 2010, has resulted in 50 percent reduction in overall energy consumption, 70 percent decrease in water usage, and 90 percent decrease in CO2 emissions from building operations. The buildings were awarded LEED Platinum and DBNG Gold certifications for their resource and energy efficiency. To learn more about Deutsche Bank's sustainability initiatives, visit [http://www.banking-on-green.com/en/content/acting\\_sustainably.html](http://www.banking-on-green.com/en/content/acting_sustainably.html).

## **RREEF Sustainability Program**

In alignment with Deutsche Bank's firmwide sustainability initiatives, RREEF, the real estate investment business of Deutsche Asset Management, is committed to finding innovative ways to incorporate concepts of sustainability to enhance its investment management practices (acquisitions, dispositions, valuations, capital planning and development) and to be actively engaged in collaborative and solution-oriented dialogue among international colleagues, service partners, tenants, and clients to promote sustainability within the industry group. To learn more about RREEF's commitment to sustainability, including its guiding principles and case studies, visit <http://www.rreef.com/sustainability/overview.jsp>.

Examples of RREEF's sustainability activities include:

### ***General Sustainability Review during the Acquisition Due Diligence Process:***

Prior to acquiring a property, RREEF requires a review of the property's sustainable features and operations through an onsite study of drawings and a site walkthrough. An acquisitions engineering consultant reviews and comments on previous energy studies, retro-commissioning and/or sustainability related projects, air quality studies, and on existing or proposed Sustainability Policies. If the property's energy efficiency has not been benchmarked, the feasibility, timeline and cost to complete the benchmarking process are included in the consultant's report. If the property is not LEED certified (or equivalent), a timeline and cost to complete the prerequisite and credit study is also included in the report. Operations staff is

interviewed regarding sustainability related operating procedures, equipment scheduling and preventative maintenance programs.

***Benchmarking Energy Performance during the Asset Management Process:***

RREEF works in concert with its contract property managers to benchmark energy efficiency and investigate opportunities to increase each property's sustainable and economical use of natural resources. In the US, RREEF utilizes the EPA Energy Star Portfolio Management rating system as a guideline to first benchmark the sustainability level in energy and water consumption for each property within the managed real estate portfolio. An exemplary Energy Star rating is an important prerequisite for LEED certification. RREEF conducts a LEED EB (Existing Building) Prerequisite Feasibility Study for the property deemed opportunistic for certification. This assessment serves to identify and prioritize areas of potential improvements for the property within the framework of specific economic constraints and criteria for a client's portfolio.

***Continuous Improvement in Economically Feasible Environmental Performance:***

The RREEF Sustainability Program recommends implementing a strategic platform for each property to conserve and effectively manage energy, reduce waste and use ecologically friendly materials, regardless of whether LEED certification is economically feasible. In coordination with contract property management, RREEF has developed a set of "Standards of Sustainability" for office buildings, which includes activities such as: benchmarking; completion of "no cost/low cost" efficiency projects; education and training; adoption of green cleaning protocols; tenant communication; and monthly ownership reporting of performance and achievement.

***Alliance with Greenprint Foundation:***

RREEF is one of the founding members of Greenprint Foundation ("Greenprint"), a worldwide alliance of organizations committed to reducing carbon emissions across the global property industry. In 2010, Greenprint launched the Greenprint Foundation Property Carbon Index™ (the "Greenprint Carbon Index") to provide an industry-wide standard that measures, benchmarks and tracks operational energy usage and carbon emission trends. The Greenprint Carbon Index spans 36 countries and represents 176 million square feet (16 million square meters) of office, industrial, retail, multi-family and hotel properties containing 35,000 tenants.

### ***Research on Sustainability in the Real Estate Sector:***

RREEF Research has published the following major white papers focusing on the topic of sustainability in the real estate sector\*:

[“Green Buildings – A Niche Becomes Mainstream”](#) (May 2010) – Jointly prepared by RREEF Research and DB Research, this paper provides an overview of the greening of buildings in the context of European regulation

[“How Green a Recession? – Sustainability Prospects in the US Real Estate Industry”](#) (February 2009)

– Concludes that the recession will only slow, not alter, the greening trends already underway in US property markets.

[“Globalization and Global Trends in Green Real Estate Investment”](#) (September 2008) – Building on the framework of the prior US analysis, this paper takes a more global look. A key conclusion is that developed economies typically will have greater opportunity for renovating existing buildings to be more sustainable, while in emerging economies the prospects are greater for new construction.

[“The Greening of US Investment Real Estate”](#) (November 2007) – Outlines general trends and market dynamics driving sustainability in the United States commercial real estate markets, and finds both opportunities for investors and risks to owners who do not move quickly enough; November 2007.

*\*An overview of the greening of building trends in Asia, with implications for owners and investors is forthcoming.*



[New Deutsche Bank Towers](#)