

Financial Key Performance Indicators

Total assets and results: The fiscal year 2010 saw the WestLB Group influenced by two main factors: a positive trend in earnings and costs at the operating level contrasted with considerable burdens resulting from the structural reorganisation of the Group.

The core bank clearly expanded its business in the client-related segments and generated a pre-tax profit of EUR 446 million in 2010. This strong increase on the previous year's EUR 138 million was achieved in spite of the difficult market environment and is attributable to better customer orientation and the reduction in administrative expenses. At Group level, the transfer of non-strategic assets to Erste Abwicklungsanstalt (EAA) was completed, which resulted in charges of EUR 235 million in the second quarter of 2010. The Group also incurred substantial restructuring expenses in an amount of EUR 238 million due to the conditions imposed by the European Commission – most importantly the short-term divestment of consolidated subsidiaries.

This led to a Group result of EUR –240 million in fiscal 2010 (previous year: EUR –531 million). Total assets were down EUR 50.8 billion or 21 percent on the previous year to EUR 191.5 billion. Equity capital increased by EUR 0.4 billion to EUR 4.1 billion.

Overview of financial key performance indicators of the WestLB Group

in EUR million	2008	2009	2010	Jan 1 – June 30, 2011
Total assets in € bn	288.1	242.3	191.5	160.4
Equity in € bn	3.8	3.7	4.1	4.2
Employees (full-time)	5,663	4,971	4,473	4,376
Net interest income	1,216	1,868	1,457	565
Credit risk provisions	– 479	– 796	– 242	– 55
Net fee and commission income	341	381*	368	120
Net trading result	47	– 188*	– 478*	26
Result from financial investments	– 19	– 10	– 88	9
Administrative expenses	1,341	1,192	1,023	480
thereof personnel expenses	645	598	486	251
Profit before income tax	26	– 503	– 133	50
Income tax	– 8	– 28	– 107	– 14
Group result	18	– 531	– 240	36

* In the consolidated financial statements for the period ended December 31, 2010, the recognition of commission expenses related to held-for-trading transactions was modified and the prior year figures were adjusted accordingly.

Social Key Performance Indicators

Employment: As of December 31, 2010, the WestLB Group employed 4,712 people or 4,473 full-time employees. Compared to the previous year, the headcount declined by approx. 10 percent. This means that the target of a headcount reduction by roughly 1,350 FTEs as compared to December 2007 was reached in full. Out of responsibility for our employees, we continued to implement the change process in a trusting and socially compatible manner.

As in the previous year, the reduction was due to the streamlining of the Group's national and international presence as required by the European Commission. All employees affected by closures in Germany were offered jobs in Düsseldorf; this policy also benefited the employees of the Cologne Branch, which was closed in 2010. On an international level, the locations in Dubai and Paris were closed. Moreover, the subsidiaries WestLB Bank Polska S.A., WestLB International S.A. Luxemburg and Banque d'Orsay were sold.

Job tenure, age structure and employee turnover: As of the end of 2010, the average job tenure at WestLB AG remained unchanged at 11 years, with an average of 13 years in Germany and 8 years abroad. The average age of our employees was 42 years, up by 0.7 years on the previous year. 63 percent of our employees are aged between 36 and 50, while 21 percent are younger than 36 and 16 percent are older than 50. At 11.9 percent, staff turnover in the WestLB Group was down 1.7 percent on the previous year. 5.5 percent of the employees terminated their employment.

Female promotion: In 2010, the percentage of women in qualified specialist positions was up by 0.2 percent on the previous year to 27.6 percent. By contrast, the percentage of women in management positions declined moderately to 21.8 percent. At 45.3 percent, the total percentage of women was down by 0.2 percent on the year 2009.

A good work-life balance is an important element of WestLB's human resources policy. The Bank therefore offers its employees a comprehensive range of services, which includes flexible part-time and working hour schemes, (emergency) child care services as well as child care allowances and advice. In recognition of our family-oriented corporate culture, the "berufundfamilie" audit certificate, which is awarded by the charitable Hertie Foundation and valid for a period of 3 years, was renewed in 2009.

Award-winning HR activities

In 2011, the Corporate Research Foundation (CRF) awarded WestLB the title of "Top Employer" for the seventh consecutive time in recognition of our staff-oriented human resources activities.

Vocational training: At 2.3 percent, the percentage of trainees/apprentices was almost on a par with the previous year in 2010. In spite of the staff reduction, we were able to offer 75 percent (the same as in 2010) of our apprentices a permanent position with WestLB following the completion of their traineeship/apprenticeship programmes.

WestLB attaches great importance to staff qualification, which is an important element in the company's repositioning. In 2010, the Bank continued to invest in further training and increased the average number of further training days per employee to 2.7. The percentage of employees taking advantage of further training measures declined moderately from 84 to 78 percent. Besides individual qualification measures, the further training activities primarily focused on systematic organisational and personnel development.

Working standards: WestLB AG guarantees high social standards such as maternity protection, parental part-time work as well as appropriate weekly working hours and leave arrangements to its employees worldwide (who represent 84 percent of the WestLB Group's total headcount). The standards of the International Labour Organization (ILO) are met for 100 percent of all employees. 93 percent of our employees are covered by a pension scheme, while 97 percent are covered by a state or company health insurance scheme.

Accidents: The number of work accidents increased from 36 in 2009 to 48 in 2010. This includes 30 accidents on the way to work, 17 accidents at work and one company sports accident. Reducing the number of accidents is an important objective for next year.

Visible reinforcement of social commitment in the personal environment

The way in which we fulfil our corporate responsibility depends very much on the personal conviction and commitment of our employees. Many of them support social activities during their free time. We want to make this kind of commitment visible within the company. Since May 2011, we have therefore given our employees the possibility to present their projects and activities on the Intranet, thus providing inspiration to others.

Overview of Social Key Performance Indicators

	2008	2009	2010
Employees			
FTEs Group	5,663	4,971	4,473
FTEs AG total	4,245	3,912	3,767
FTEs AG Germany	3,015	2,797	2,767
FTEs AG Europe excl. Germany	700	646	561
FTEs AG USA	324	297	284
FTEs AG Asia	206	172	155
Trainees/apprentices (AG Germany in %)			
	2.2	2.4	2.3
Women (AG Germany in %)			
in all positions	43.9	45.5	45.3
in management positions	23.4	22.8	21.8
in positions not covered by the collective employment agreement	27.7	27.4	27.6
Working standards (AG total)			
Employees with 25 vacation days and more in %	89	89	89
Employees with 30 vacation days and more in %	73	73	74
Employees with regular working hours < 40 hours/week in %*	97	97	97
Employees with regular working hours < 48 hours/week in %*	100	100	100
Employees benefiting from full freedom of association in %	100	100	100
Employees represented by staff council members in %	73	72	74
Employees covered by company/state pension scheme in %	94	94	93
Employees covered by company/state health insurance in %	97	97	97
Further education (AG Germany)			
Employees eligible for further training in %	100	100	100
Employees using further training opportunities in %	67	84	78
Average number of training days per participant	2.4	2.9	2.7
Average number of training days per employee	1.6	2.4	2.7

* excl. employees not covered by a collective employment agreement

Environmental Key Performance Indicators

Data collection: The environmental key performance indicators relate to the German locations in Düsseldorf, Frankfurt/Main (six buildings), Akademie Schloss Kriekenbeck and 11 international locations (determined in accordance with standards of the Verein für Umweltmanagement und Nachhaltigkeit in Finanzinstituten (VfU). External staff working in WestLB's buildings were included in the calculation, whereas employees who work from home or are on parental leave were not included. The data thus covers 85.2 percent of all employees in Germany and 100 percent of employees at the Group's international locations.

Employees: Full time employees*

Jahr	Germany	International
2008	3,602	1,884
2009	3,769	1,684
2010	3,622	1,292

* according to VfU standard

Energy consumption: Significant savings were achieved throughout the Group in the reporting period. Absolute energy consumption was down 15 percent on the previous year to roughly 76,000 megawatt hours (MWh). Specific electricity consumption per employee was reduced by about 12 percent at both the domestic and the international locations. The moderate increase in heating energy consumption in Germany is attributable to the early and severe onset of winter at the end of 2010.

CO₂ emissions: The reported CO₂ emissions cover energy supply, transport, paper production and drinking water supply for the years 2008 and 2009. Waste has been included in the calculation starting 2010.

Overview of environmental key performance indicators

	Unit	2008	2009	2010
Area used				
Net floor space (AG Germany)	m ²	298,535	306,336	259,375
Specific energy consumption				
Electricity/employee (AG Germany)	MWh	9.2	8.2	7.2
Electricity/employee (AG International)	MWh	14.2	15.2	13.4
Heating energy/employee (AG Germany)	MWh	7.6	6.9	7.5
Heating energy/employee (AG International)	MWh	4.9	4.6	3.8
Total energy consumption (AG Germany)	MWh	16.9	15.2	14.7
Total energy consumption (AG international)	MWh	19.1	19.9	17.2
Business travel				
Business travel per employee (AG Germany)	km/empl.	8,423	8,887	7,851
Means of transport in % (Air/Rail/Car) (AG Germany)	%	44/10/46	24/8/68	42/9/49
Business travel per employee (AG international)	km/empl.	16,034	12,887	17,187
Means of transport in % (Air/Rail/Car) (AG international)	%	92/1/8	95/1/4	96/2/2
Specific CO₂ emissions (CO₂ equivalents)				
CO ₂ emissions/employee (AG Germany)	t	8.1	7.4	6.1
CO ₂ emissions/employee (AG International)	t	12.6	11.9	10.6
CO ₂ emissions/employee (AG total)	t	9.5	8.8	7.3
Specific water consumption				
Water consumption/employee (AG Germany)	l	158	161	156
Water consumption/employee (AG International)	l	106	138	164
Specific paper consumption (excl. advertising materials)				
Paper consumption/employee (AG Germany)	kg	53.5	56.1	45.7
Paper consumption/employee (AG International)	kg	55.4	48.3	41.4
Specific waste volume				
Waste volume/employee (AG Germany)*	kg	595	544	535
Waste volume/employee (AG International)*	kg	276	319	321

* Deviations from the figures in the 2009/2010 Sustainability Reports are attributable to the German Tenancy Act. The energy consumed in the leased offices is charged with a certain delay, so that estimates had to be used in some cases.

CO₂ emissions were down by about 25 percent on 2009 to approx. 36,000 tons (t), although waste-related carbon emissions were covered for the first time. This means that we even improved on the excellent savings achieved in the previous year. Per-capita emissions declined as well, primarily due to the reduction in business travel and reduced energy consumption in Germany.

We want to continue on this way. The first steps have already been taken in the form of increased use of video conferences, CO₂ limits for company cars and various technical measures. Since January 2011, all of WestLB AG German locations have been supplied with electricity from 100 percent hydropower, which will lead to a further reduction in indirect carbon emissions.

Paper consumption: While paper consumption at WestLB AG in Germany had increased moderately in 2009, we were able to reduce it noticeably again from 211.4 t to 166.7 t in 2010. Paper consumption per employee declined from 56.1 kg to 45.7 kg in Germany and from 48.3 kg to 41.4 kg at the international locations. The percentage of recycled paper in Germany climbed from 43.7 percent in the previous year to 52.2 percent – a first step towards the 75 percent target defined in the sustainability programme for 2012. We want to step up our efforts to reach this target. Raising the awareness of our employees and training them will be key elements. In this context, an exhibition on recycled paper was organised in the staff canteen in 2010.

Waste volume: The total volume of waste from German operations stabilised at a high level of 1,938 t in 2010, which means that no improvements were achieved. This is attributable, among other things, to the fact that we vacated several rented buildings in the reporting period, which led to a temporary increase in the amount of waste. Additional efforts are required to achieve even more effective separation of waste types and to translate these improvements into a reduction in the total amount of waste.