

Corporate Social Responsibility

Report 2005



Corporate Social Responsibility: Facts & Figures

(selection—for further performance indicators please see back cover page)

| | 2005 | 2004 |
|---|-------------------|-------------|
| Sustainability Management System (see p. 4 et seq) | | |
| Externally re-certified under DIN EN ISO 14001 for 2005–2008 (first certification in 1999) | | |
| In 2005 integration of DWS and offices in New York | | |
| Environmental data (see p. 45 for further data, incl. foreign countries and German affiliates) | | |
| Power consumption (in gigajoules) ¹ | 787,740 | 858,919 |
| Heating energy consumption (in gigajoules) ¹ | 641,365 | 775,798 |
| CO ₂ emissions from power production (in tons) ¹ | 152,612 | 165,391 |
| Listing of Deutsche Bank in Sustainability Stock Indices (see p. 18 et seq) | | |
| Dow Jones Sustainability World Indices | | |
| Dow Jones STOXX Sustainability Indices | | |
| FTSE4GOOD Indices | | |
| Ethical Index Euro & Global | | |
| ASPI Index | | |
| Annual Performance of Sustainable DWS Mutual Funds (see p. 24 et seq) | | |
| DWS Invest Sustainability Leaders | 8.9% | 5.1% |
| GKD-Fonds | 12.9% | 6.2% |
| DWS Bildungsfonds | 13.7% | 6.2% |
| PANDA Renditefonds DWS | 7.2% | 3.7% |
| DVG Stiftungsfonds | 7.7% | 5.0% |
| Staff (see p. 28 et seq) | | |
| Training (expenses per employee ² in EUR) | 1,583 | 1,479 |
| Apprenticeship programs (expenses in EUR million) | 40 | 42 |
| Employee Commitment Index (see p. 34) | 68 | 68 |
| Perception of Deutsche Bank as a responsible corporate citizen ³ | | |
| Germany | 64% | 38% |
| Globally | 66% | 51% |
| Volunteering activities of staff members in Deutsche Bank volunteer programs (in days) ⁴ | 7,155 | |
| Corporate Citizenship Spending (in EUR million; see p. 53) | | |
| Donations | 56.8 ⁵ | 42.8 |
| Sponsorships ⁶ | 26.0 | 24.3 |
| Deutsche Bank Foundation ⁷ | 5.6 | 4.6 |
| Other foundations ⁷ | 1.3 | 1.2 |
| Total | 89.7 | 72.9 |
| Prizes and Rankings 2005 (selection; see p. 101) | | |
| Corporation of London Dragon Award | | |
| Success Factor Family 2005 | | |
| Golden Peacock Global Award for Corporate Social Responsibility | | |
| Total E-Quality-Award | | |

¹ Only Deutsche Bank AG and Deutsche Bank Private and Business Clients AG in Germany

² Number of employees (headcount)

³ Representative online survey among Deutsche Bank staff worldwide

⁴ Data collected for the first time in 2005

⁵ Including extraordinary spending for disaster relief

⁶ Only for culture and society

⁷ Spending by endowed foundations of Deutsche Bank

Commitment Creates Value for All

Ladies and Gentlemen,

Corporate social responsibility starts with taking responsibility *for* and *within* the company. This is accompanied by a company's commitment to the societies in which it does business—and this does not stop with giving financial support. What is at stake is the future viability of the company and of society as a whole. And both commitments are mutually interdependent: A company's long-term success is in the best interest of society, and it is in turn in our company's best interest—i.e. in the interest of our shareholders, staff, and customers—to take action to overcome the various and new social challenges with which we are confronted today.

Sustainable development is becoming ever more important for companies, both in their business activities and in their activities as corporate citizens. Acting sustainably ensures a competitive advantage. Due to the increased importance of this fact, we have moved the corresponding chapter to the beginning of our fourth Corporate Social Responsibility report.

Moreover, the report once again underlines our active approach toward a variety of social issues and our relationship with our clients and employees. Interdisciplinary conferences on the growth of cities; concrete co-operations with schools, universities, or cultural institutions; international initiatives such as the Global Compact; discussions with environmental or human rights organizations; global staff surveys; and the treatment of customer complaints: all these examples show that constructive dialogue is a pillar of our corporate development and our social commitment. Even this report forms part of that dialogue, which means that we hope to not just give you comprehensive information, but to also get feedback from you.

Yours sincerely,



Josef Ackermann
Chairman of the Management Board
and of the Group Executive Committee



Tessen von Heydebreck
Member of the Management Board
and of the Group Executive Committee

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Sustainability Management

A group-wide function at Deutsche Bank



Acting sustainably is a cross-departmental task, which affects all divisions, all levels, and all decisions within Deutsche Bank. In order to meet this challenge, Deutsche Bank has established a comprehensive Sustainability Management System on the basis of the industry norm DIN EN ISO 14001. Internal policies and standards define the responsibilities of the Management Board, the senior management, and the individual employees for economic, ecological, social, and ethical issues. Principles for the actions and decisions of every Bank employee can be derived from the Sustainability Management System. All sustainability-related Corporate Center departments and the PCAM (Private Clients and Asset Management) and CIB (Corporate and Investment Bank) divisions participate in the system.

We intend to further extend the Sustainability Management System to additional international locations and to more Group affiliates.

In 2005 we

- integrated 60 Wall Street, New York, into the Sustainability Management System and had it certified by external auditors for the first time. Starting with operational environmental protection, we plan to gradually include all our business activities in New York into the system;
- integrated our affiliate DWS into the system and included it in the certificate according to DIN EN ISO 14001;
- appointed Sustainability Compliance Officers for all participating departments, who will monitor and ensure the implementation of the system in their departments respectively.

In 2006 the London branch, the Asia/Pacific region, and the affiliate DB Baupar AG are to be integrated into the Sustainability Management System.

To ensure continuous improvement, our internal policies and standards for the Sustainability Management System are regularly updated and adjusted.

In 2005 we

- revised the Deutsche Bank Mission Statement on Sustainability;
- updated the Group Policy on the Sustainability Management System and included social and ethical aspects;
- revised the Group Standard on Operational Environmental Protection and implemented it together with seven sub-standards on waste treatment, facility management, emergency planning, traveling, corporate purchasing, risk prevention in environmental protection, and outsourcing;
- adopted four system-steering standards on aspects of sustainability, the conduct of audits, the management review, and on the setting of goals, measures, and parameters.

External audit of the Sustainability Management System

Since 1999 our Sustainability Management System has been audited and certified annually by Det Norske Veritas in line with DIN EN ISO 14001. These audits assess and measure how well we have achieved the goals set in the Sustainability Program and in internal regulations—with a focus on continuously improving the system. As in the years before, Det Norske Veritas confirmed again in 2005 that our Sustainability Management System meets the requirements of DIN EN ISO 14001.

Monitoring mechanisms: sustainability audit

| Group audit | Sustainability audit |
|---|---|
| External audit <ul style="list-style-type: none"> ■ Focus on financial data and supporting reviews; conducted by KPMG worldwide | External audit <ul style="list-style-type: none"> ■ Certification of the Sustainability Management System by Det Norske Veritas |
| Internal audit <ul style="list-style-type: none"> ■ Regular, risk-oriented, independent review of operational and business functions; reports to Senior and Executive Management, the Management Board, and the Audit Committee | Internal audit <ul style="list-style-type: none"> ■ Annual monitoring of direct and indirect sustainability and environmental impact; reports to Senior and Executive Management as well as to the Committee of Sustainable Development |

Our Sustainability Program 2005–2008

The Sustainability Program is a key tool within the Sustainability Management System. Deutsche Bank's divisions—Private Clients and Asset Management (PCAM), Corporate and Investment Bank (CIB), and the Corporate Center (CC)—have adopted goals and measures for the three years from 2005 in order to continue and strengthen the Bank's sustainability efforts. These goals and measures were then approved and adopted by the Committee of Sustainable Development.

Under the **Sustainability Programs for 2005–2008** the divisions and departments which participate in the Sustainability Management System (see box) oblige themselves to

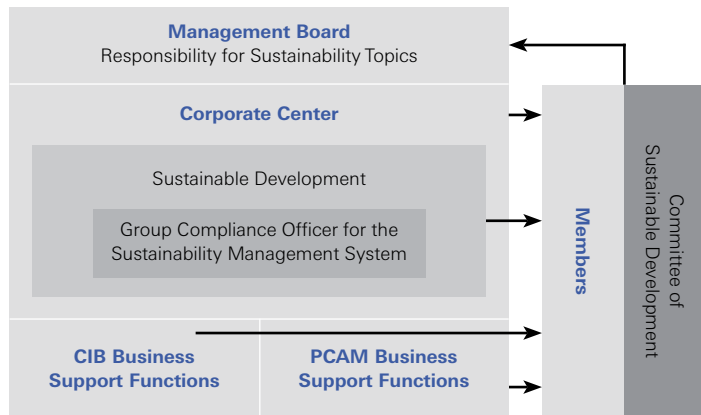
- integrate sustainability-related aspects in their specific procedures and regulations;
- take into account sustainability-related aspects in core business procedures, in particular in developing new products, making investment and loan decisions, and fulfilling consultancy mandates;
- implement sustainability-related aspects in the divisional culture by providing communication and training opportunities to this effect;
- enter into a dialogue with interest groups on sustainability-related aspects.

Business and Corporate Center divisions integrated into the Sustainability Management System:

- Asset Finance & Leasing
- Communications
- Compliance
- Corporate Development
- Corporate Security
- Corporate Real Estate
- Corporate Social Responsibility/ Deutsche Bank Foundation
- DB Research
- DWS
- Global Banking—Specialized Financing
- Global Sourcing
- Global Transaction Banking
- Human Resources
- Investor Relations
- Legal
- New York, 60 Wall Street
- Public Sector
- Private and Business Clients
- Private Wealth Management
- Risk Management
- Structured Trade & Export Finance
- Sustainable Development

The Deutsche Bank Sustainability Management System

Overview of organization and functions



As part of Total Quality Management, all divisions regularly analyze sustainability-relevant aspects of their business activities with the goal of implementing improvements in line with DIN EN ISO 14001. In order to facilitate this procedure, the sustainability management team annually conducts internal audits with the leaders and the Sustainability Compliance Officers of the integrated divisions and departments.

Organization and functions

The implementation and maintenance of the Sustainability Management System is the responsibility of the Management Board and in particular of Tessen von Heydebreck in his role as Chief Administrative Officer.

The responsibility for acting sustainably and in line with the System is passed on to the lower management levels top-down. Hanns Michael Hölz, Group Compliance Officer for the Sustainability Management System, is responsible for the global strategy, coordination, implementation, and development of the System. Mr. Hölz is the head of the Sustainable Development department, which forms part of the Corporate Social Responsibility division. The Committee of Sustainable Development tackles cross-divisional tasks concerning the further development of the system. It meets annually in order to exercise its steering functions and make decisions, and consists of managers from across Deutsche Bank.

Internal communication

Raising awareness, increasing knowledge, and learning from best practice—these are the key goals of our communication efforts concerning the Sustainability Management System.

In 2005 we

- regularly informed staff in Corporate Center and operative divisions on the Bank's commitment to sustainability;
- organized an interactive workshop for the departmental Sustainability Compliance Officers;
- explained the Sustainability Management System to new apprentices in Germany;
- provided an updated version of our brochure "Acting Sustainably" to Deutsche Bank's clients and staff in all branches;
- regularly published sustainability-relevant information on the intranet and in the Bank's internal CSR newsletter;
- included information on the Sustainability Management System in the information package handed out to all new Bank employees.

Acting Sustainably

An obligation and a challenge

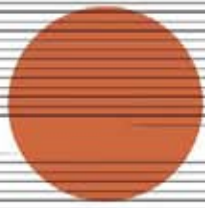
Implementing a group-wide sustainability concept is becoming ever more important in the face of global competition. Acting with sustainability in mind is not just an issue of altruism. Scientific facts and knowledge about the existing natural resources and climate change, a more vocal political debate, and initiatives such as the UN Global Compact make more and more companies realize that they have to play an active part in ensuring that the global economy remains on a sustainable path. They also understand that acting sustainably results in competitive advantages: as production procedures become more efficient and cost-effective, innovative products are developed that may give them access to new markets, and the companies become more attractive for highly qualified new employees.

If an international organization plans to prove itself as a responsible corporate citizen, it will have to take into account the effects its business activities have on the environment and on people. The industrial sector may start with consuming fewer resources for its production activities, but this opportunity is not the same for the finance sector. Nevertheless, taking into account sustainability-related aspects in strategic and operative decisions may give financial institutions an important edge in their core business activities such as lending, investment, and advisory activities. Using funds in line with sustainability criteria helps to promote future-oriented or particularly advantageous projects and ideas, as well as helps to reduce the risk that either the bank or financial investors lose their capital due to ecological or social dangers, or even suffer reputational damage.

Moreover, rating agencies increasingly use sustainability indicators in their capital-market-oriented company assessments. Among other things, criteria such as corporate governance, the treatment of staff, and the availability of sustainability-oriented products play a major role in the evaluations. Credit risks, reputational damage, product innovations, and the results of such ratings directly affect a company's value. That is why acting sustainably is not just a PR issue for Deutsche Bank, but part of its core business—an essential contribution to the company's success and to the sustainable development of the environment and society as a whole.

Deutsche Bank Mission Statement on Sustainability

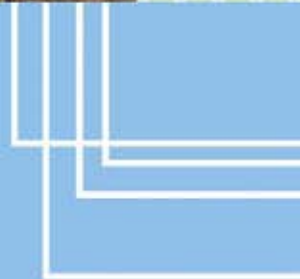
- We believe sustainability means future viability—with the aim of ensuring future generations enjoy a healthy environment as well as stable economic and social conditions. We are committed to this guiding principle.
- Taking sustainability into account serves to secure our long-term corporate value. Sustainability is an integral component of our business decisions. We go beyond legal requirements in taking into account social, ethical, and ecological aspects in our everyday business.
- We review and continually improve our everyday work procedures according to sustainability-related criteria.
- We are committed to ensuring our staff members enjoy a healthy work environment, with legal requirements being an absolute minimum in this respect. As far as possible we use the most eco-friendly technology with the aim of preserving natural resources.
- We regularly monitor our operations and goals.
- We also believe that sustainability implies a clear commitment to developing sustainable concepts. Our proactive cooperation and solution-oriented dialogue with international partners reflects our sense of global responsibility.

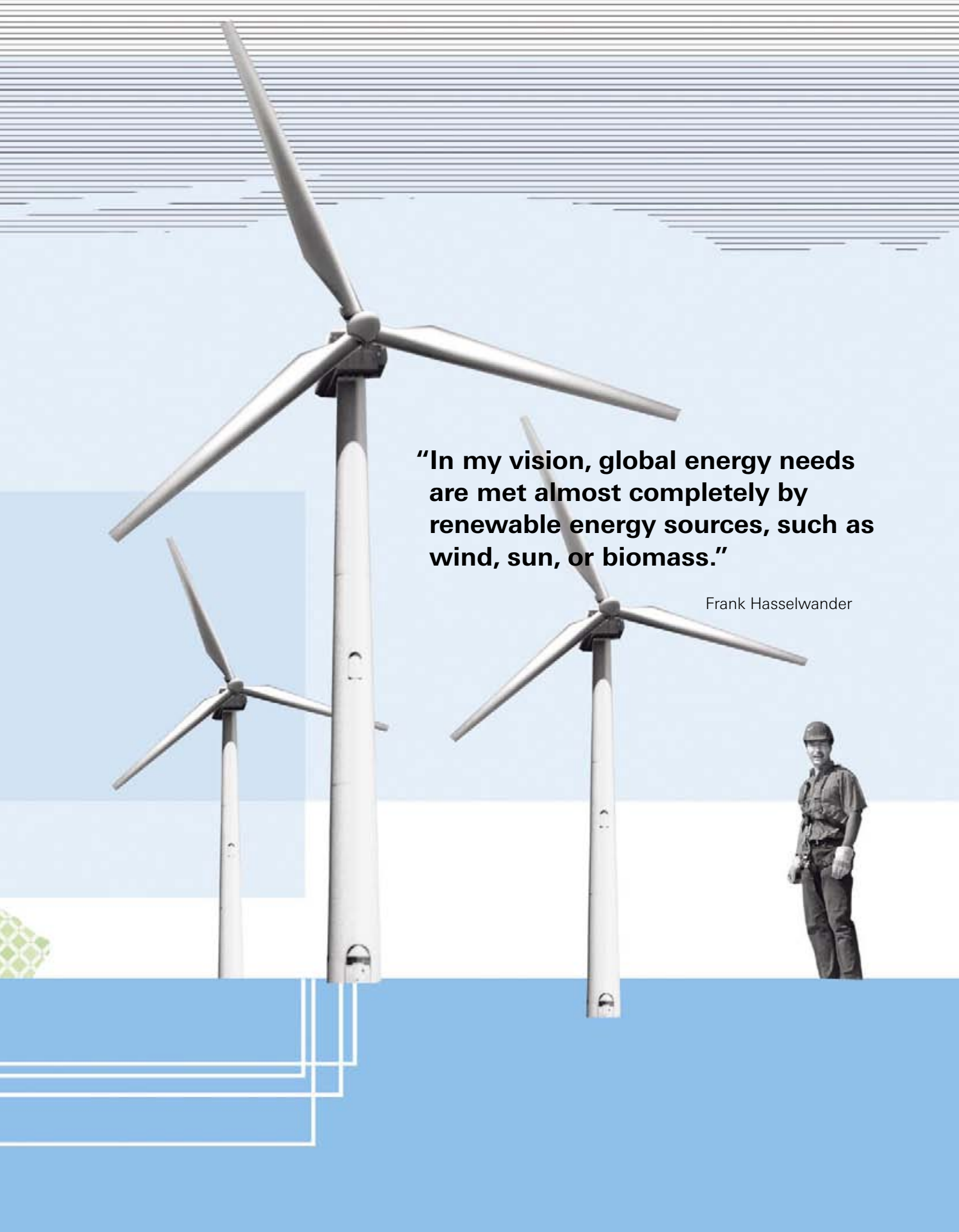


Shareholders

Investment in renewable energies

The fact that non-renewable energy sources, such as oil, coal, or gas, will run out one day has been an important topic for Frank Hasselwander ever since his days as a student. Hasselwander, who works in the Bank's Asset Finance & Leasing department, has many opportunities to support the use of renewable energy. Being a father of three, he is particularly concerned about not leaving a wasteland to future generations. While Hasselwander is very interested in the latest technologies and is keen about saving energy in his own private home in Düsseldorf, he would not classify himself as an "eco-nerd." Economic efficiency remains a central argument for the qualified economist.





"In my vision, global energy needs are met almost completely by renewable energy sources, such as wind, sun, or biomass."

Frank Hasselwander

Investment in Renewable Energies

Combining sustainability and shareholder value

Olive oil—there is hardly another natural product which evokes such a range of positive associations. Olive oil is healthy and immediately calls to mind an idyllic Mediterranean landscape. In a number of regions, it is the main source of income, and it just might even be the next bio-fuel of the future. Olive cake, i.e. the residue which remains after pressing, can be a source of electrical, heating, or cooling power. This means that the olive-oil-producing countries would be able to resolve several problems at once. The waste generated by the pressing procedure pollutes ground water and is a black spot on the picture of scenic olive groves. Burning the energy-rich olive cake helps to avoid heaps of pomace, and reduces the consumption of expensive fuels such as oil or natural gas. Putting this technical possibility into practice—that is what Frank Hasselwanger, head of the Renewable Energy team of Deutsche Bank's Asset Finance & Leasing (AFL) department, is currently working on.

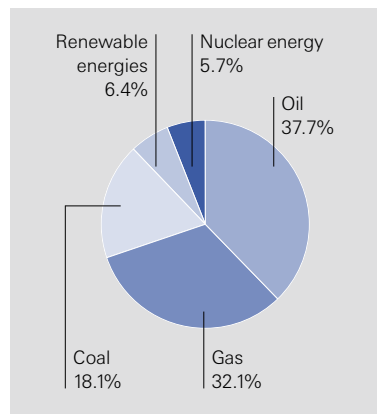


The fuel of the future: The EU supports a biomass plant for olive waste in Greece

A pilot project, which is supported by the European Union, was kicked off in Greece at the end of 2005. The aim is to develop a biomass plant for olive waste by the end of 2007. The project is to set standards in the areas of waste disposal and exhaust gas treatment, thus serving as a blueprint for projects in other EU countries. In fact, 80% of the global olive oil output (more than two million tons) are produced within the EU. Deutsche Bank's role is to give financial support to the project until the construction permit is granted and, once this is the case, to find investors to finance the plant.

Energy consumption: Germany 2005

Renewable energies ahead of nuclear energy for the first time



Total energy consumption in Germany: 2,936 TWh
Source: Bundesverband Erneuerbare Energien e. V.
(German Renewable Energy Federation)

Drawing on its expertise in the financing of big-ticket transactions—from aircraft to motorways, from real estate to film projects—the Bank's Asset Finance & Leasing department has extended its activities to the area of renewable energies and has established its reputation as a problem solver over the past ten years. It will find innovative financing solutions, supervise a project commercially, get a construction permit, monitor energy bills, or take decisions on investments for repairs. "We are interested in getting the projects implemented, not just in financing them," says Angela Hasenfuss, Managing Director with Asset Finance & Leasing, and thus expresses the underlying philosophy of her department in a nutshell.

Deutsche Bank's commitment to the issue of renewable energies started with a wind power fund, which was directed at sustainability-oriented investors. Today, wind energy is an important topic for the Bank's experts; so far, 27 such projects have been realized. A recent example is the construction of an offshore wind power park in the Baltic Sea, which will generate about 300 megawatts per year. Deutsche Bank has supported this project in a joint venture since 2002. By 2008 at the latest, the wind turbines installed north of the German island of Rügen are to generate as much

power as a small nuclear power plant. With a total investment of more than EUR 500 million, “Ventotec-Ost” is a very ambitious project. The experts of our Asset Finance & Leasing department hope to gain globally useful know-how from this participation in one of the very first offshore projects in Germany. After all, wind energy is currently the renewable energy source with the strongest global growth rates.

AFL has observed a similar boom in growth rates in the area of solar energy. Financing solar power projects has therefore become a promising area of business for Deutsche Bank. One example is a big-ticket project in Spain, where, together with a German project developer, Deutsche Bank is realizing a solar power plant with a capacity of 20 megawatts—an impressive volume for a photovoltaic plant.

From wind energy to solar power, energy generation from biomass or biogas: Due to the significant price increases for crude oil and natural gas, and thanks to a number of government incentives, it now makes economic sense to invest in projects which were once too costly or not efficient enough. That is good news not only for the environment, but also for shareholders, who expect that Deutsche Bank’s activities yield market-oriented returns. Renewable energies are just another example supporting the fact that sustainability and shareholder value are not at odds with each other, but simply two sides of the same coin.

Renewable energy: Energy sources which are continuously renewed by natural processes ■ **Asset Finance & Leasing:** Deutsche Bank’s global team for advisory, arrangement, and financing services for big-ticket durable goods ■ **Deutsche Bank memberships and mandates in this context:** Arbeitsgruppe “Emissionshandel zur Bekämpfung des Treibhauseffektes” (AGE; working group on emissions trading), dena—Deutsche Energie-Agentur (German Energy Agency), Forum für Zukunftsenergien e. V., Hessische Klima-Partner ■ **Forsa survey, April 2005:** 87% of those polled said that the current support for renewable energies should be maintained or even increased. The main arguments were environmental protection (44%) and the desire to become independent from exhaustible energy sources (29%) ■ **Information:** www.db.com/afli; www.dil.de; www.deutsche-bank.de/sustainability



Deutsche Bank has financed 27 wind power projects so far: Angela Hasenfuss (left) visits a plant



The renewable energy team: F. Hasselwander (right) and colleagues



Construction of a plant in Trinwillershagen, Mecklenburg-West Pomerania

Long-Term Brand Value

Social responsibility and brand attitude

The pillars of our brand



Deutsche Bank is a European global powerhouse dedicated to excellence, constantly challenging the status quo to deliver superior solutions to its demanding clients. “A Passion to Perform”—this is the way Deutsche Bank does business and it has become the benchmark for everything that is done on Deutsche Bank’s behalf.

Founded in 1870 to support the internationalization of trade, Deutsche Bank has a long-standing tradition and has developed into a leading global investment bank, with a strong and profitable private clients franchise. As an institution, Deutsche Bank is in the focus of public limelight and is faced with the challenge to authentically and reliably deliver according to the high expectations of shareholders, clients, staff, and the public at large.

But beyond results and shareholder value, Deutsche Bank has always been at the forefront of developing ground-breaking social and cultural initiatives. These are not only an integral part of our corporate culture, but also convincing testimonials of our underlying attitude. Our numerous Corporate Social Responsibility

initiatives offer “inspiration and perspective” and thus support our business. They help people to identify with the Bank and have made Deutsche Bank more tangible and approachable. Last but not least, they have added a new meaning to the claim “A Passion to Perform.” It is our brand and its four pillars that serve as a first point of reference for single initiatives (see chart).

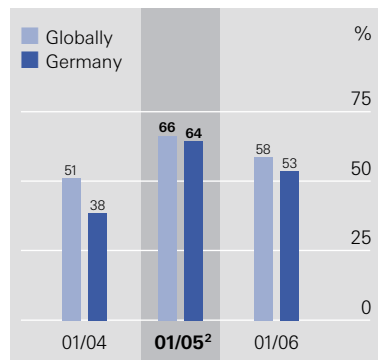
Pursuing Excellence

Dedication to excellence is what Deutsche Bank is all about. Being able to attract top talent, to make staff members competent sparring partners for modern, demanding clients, to support employees in becoming convincing leaders in their communities, and to ensure their loyalty in the long run—these are the prerequisites for our continued business success. In our Corporate Social Responsibility programs, we aim to contribute “more than money.” Whether our employees do voluntary work as mentors, pass on their professional know-how as teachers in schools, are “hands-on” helpers in community centers, or participate in other volunteering projects (see pp. 58 and 84 et seq.), they always demonstrate that “A Passion to Perform” is in fact our leitmotiv—not just in our interaction with our clients, but also in dealings with other stakeholders.

Leveraging Unique Insights

As a European player founded to facilitate trade relations with international markets, Deutsche Bank has always believed in valuing differences and in leveraging the insights and expertise a diverse workforce is able to generate. Impressive evidence of our global diversity is our pres-

Perception of Deutsche Bank as a responsible corporate citizen (internal data)¹



¹Source: Representative online survey among Deutsche Bank staff

²Peak directly after a Deutsche Bank donation for the tsunami victims was announced

ence in 73 countries, our staff from 130 nations, our multinational top management, various employee networks and minority initiatives (see p. 36), as well as our social commitments aimed at helping people to realize their own potentials and at promoting international understanding. Highlights of specific initiatives include the ongoing socio-political discussions initiated by the Alfred Herrhausen Society for International Dialogue (see p. 80 et seq.), the opening of new cultural experiences to children and teenagers within the initiative KINDER ZUM OLYMP! (see p. 66) or the “I Have a Dream” global internship program targeted at minority students (see p. 36).

Delivering Innovative Solutions

Innovation—the third pillar—is another core dimension of the Deutsche Bank brand promise. It is by challenging the status quo and by leveraging the intellectual capital of our global staff members to deliver superior client solutions that we have become the undisputed leader in our home market and an internationally recognized pioneer in the area of product innovation. Numerous awards are testimonials of our success, among them the IFR “Bank of the Year” Award, which we received for the second time in just three years. A few examples for our ground-breaking innovations are the financing of renewable energies (see p. 8), the underwriting of the microfinance consortium, a new fund for the creation of market-based solutions to combat poverty (see p. 38) or the db StudentenKredit, which is our private client business’ response to new socio-political developments in the German home market (see p. 20).

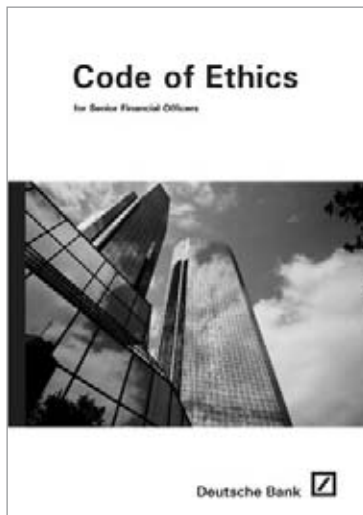
Building Long-Term Relationships

Reliability and eye-level dialogue define the fourth pillar of Deutsche Bank’s brand platform. For shareholders, our stock is a value investment; our employees are justly proud of working for a top global player; and to our clients, Deutsche Bank is a trusted, long-term business partner. With our corporate social responsibility programs, we go the extra mile to sustainably strengthen the communities in which we operate: regionally, by supporting a number of community development projects, and globally by our commitment to the UN Global Compact and the United Nations Environmental Program (see p. 48 et seq.).

Deutsche Bank’s potential to create sustainable added value highly depends on the competence, the innovativeness, and the passion of our employees, who bring the brand to life on a daily basis. Fostering the talent and the potential of the individual is also at the heart of our corporate social responsibility initiatives. The pillars of our brand thus build a consistent frame of reference and set out the cornerstones not only of our business initiatives, but also of our corporate social responsibility program.



Further Topics



Corporate Governance: Efficient corporate governance is a part of Deutsche Bank's identity. The fundamental basis is provided by the German Stock Corporation Act and the German Corporate Governance Code, which was extended to include recommendations to strengthen the independence of the Supervisory Board in June 2005. As our share is also listed on the New York Stock Exchange, we are also subject to relevant U.S. capital market laws as well as the rules of the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE). Clemens Börsig, responsible for corporate governance on the Management Board until taking over as chairman of the Supervisory Board in May 2006, supervised the implementation of and compliance with the corporate governance standards, and reported to the Supervisory Board on these issues on March 18, 2005.

Our corporate governance ensures the responsible and value-driven management and control of Deutsche Bank. Four elements are essential to our approach: good relations with shareholders; effective cooperation between the Management Board and the Supervisory Board; a system of performance-related compensation for managers and employees; and transparent and early reporting.

On October 27, 2005, the Management Board and the Supervisory Board of the Bank made the annual declaration of conformity as foreseen by Sec. 161 of the German Stock Corporation Act. This declaration says that the rec-

ommendations of the Corporate Governance Code were and are observed, with the only exception that there has been a directors' and officers' liability insurance policy without deductible for the members of the Management Board and the Supervisory Board. This is a blanket insurance, which covers numerous employees in Germany and abroad. A deductible is unusual abroad, and moreover, it does not seem to make sense to differentiate between the members of the Bank's decision-making bodies and its employees in this respect. Moreover, we also comply with most of the codex's suggestions.

The high standard of our corporate governance has been assessed by independent national and international institutions, and we have always been ranked at the top. We will continue to regularly examine and, if necessary, adjust our corporate governance with respect to our own experiences, legal requirements, and newly developed national and international standards.

For our detailed Corporate Governance Report for 2005, please see the separate Financial Report (pp. 172 et seq.). Moreover, this report and other documents on corporate governance, such as the terms of reference for the Management Board, the Supervisory Board and its Committees, the Code of Conduct for staff, and the Code of Ethics for Senior Financial Officers, are available on the Internet:

www.deutsche-bank.com/ir.

Sustainable risk management:

Considering our broad range of business activities, it is necessary to effectively identify, measure, aggregate, and monitor risks; and it is also necessary to ensure adequate capital coverage. In doing so, we distinguish between numerous types of risks, such as credit, market, liquidity, business, and operational risks. These risks may affect the reputation and, in turn, the success of the Bank.

In our business we consider and weigh all relevant criteria in the framework of our risk management in order to make sure that we take responsible decisions from both business and sustainability-oriented vantage points. We have therefore created a framework of risk principles and guidelines, organizational structures, and procedures to measure, monitor, and steer risks. The system is adapted to the activities of the individual Bank departments. Obviously the Bank complies with all legal provisions; in addition, we observe the World Bank Standards, the OECD guidelines for multinational companies, and embargoes. We also abide by the ten principles of the UN Global Compact and the UNEP principles (see p. 49). Our internal, global "New Client Adoption Procedure" ("Know your customer") and other global guidelines such as the "Group Reputational Risk Management Program Policy" underline the importance of assessing sensitive deals, activities, and transactions. Our global group policies for lending (for example the so-called "Credit Directives") include social, ethical, and ecologi-

cal factors. For example, the "Credit Directive No. 4" states that Deutsche Bank will not participate in any financing activities that we believe will entail significant dangers for the environment or for society.

The Group Credit Policy Committee, which is the most important sub-committee of the Group Risk Committee and is chaired by the Chief Risk Officer, is informed bi-annually about policy decisions, which were taken in addition to the lending decision and may—depending on the sensitivity of the transaction—foresee the involvement of the Group Reputational Risk Committee or the Management Board. The "Credit Directives" are reviewed annually and, if necessary, revised and adopted by the Group Credit Policy Committee.

Our approval procedures, which have been established for years, require detailed analyses of transactions and activities, not least from a sustainability-related vantage point. These analyses may result in restrictions or even a rejection of a loan which would be acceptable with respect to other criteria. We take each decision individually and consider the social environment and the reputation of the business partners involved. Going beyond each individual case, Deutsche Bank's credit portfolio is broken down into industry sub-portfolios. Our expert teams regularly prepare reports on these industries, which include comprehensive analyses of the opportunities and risks involved in

the relevant industries and credit portfolios. These reports are provided to the risk committees for approval.

The reports will also include social, ethical, and ecological topics for the industries, which—depending on the assessment and expertise of the experts—will be weighed individually and taken into account in the decision-making process.

For more information on the principles, organization, categories, and tools of our risk management, please see the detailed Risk Report in our Annual Review 2005 (available as download at www.deutsche-bank.com/05).

Export financing: We consider environmental issues when financing export orders, for example. A detailed customer and project analysis precedes any lending decision. In addition to the usual credit risk examination, which includes, among other things, an assessment of the customer's creditworthiness, we require that the effects of large-scale projects (for example on the environment) are assessed.

Compliance

Deutsche Bank's Compliance and Anti-Money Laundering Program

As an international financial services company, Deutsche Bank faces a global regulatory environment of ever increasing complexity—both in the volume of applicable laws, regulations, and standards, as well as in the frequency of regulatory change at both the national and international levels. The Bank complies, among other things, with the OECD directives for multinational companies including the recommendations of the Financial Action Task Force on Money Laundering (FATF); the recommendations and standards of the Basel Committee on Banking Supervision; the new provisions of the third EU Anti-Money Laundering Directive; and the Wolfsberg Anti-Money Laundering Principles, which were adopted by twelve international banks.

The Bank's Compliance and Anti-Money Laundering ("AML") Program assists the Bank in managing its compliance risk, i.e. the risk of legal and regulatory sanctions; financial and reputational losses which the Bank may experience as a result of failing to comply with applicable laws, regulations and standards. In addition, the Bank's AML Program protects the Bank against money laundering, terrorism and other financial crimes.

Core Responsibilities of the Compliance Department

The Compliance Department has certain core responsibilities. These responsibilities include the following:

- providing advice to the Bank's business units on applicable laws, rules, and regulations as well as supporting the business units in the implementation of these rules;
- codifying and communicating global and local compliance principles, standards, and procedures;
- conducting surveillance and monitoring of compliance standards, such as monitoring dealings by the Bank, its employees, and clients;
- supporting the Bank's information barriers, i.e., Chinese Walls; and
- providing employees with regular training and education on applicable rules and regulations.

To ensure that Compliance can effectively carry out its responsibilities, the Department and its management are independent of all business units within the Bank. There are more than 600 Compliance staff worldwide. 120 employees alone—headed by two AML officers—support the AML Program, which costs the Bank more than EUR 30 million annually. Highly sophisticated filter and monitoring systems help to scrutinize new clients, existing accounts, and current transactions. Every day the Bank opens about 8,000 new accounts. It manages more than 20 million accounts worldwide and transfers about EUR 1 trillion in more than 250,000 transactions daily.

In order to further its core responsibilities, including increasing awareness of compliance-related issues and helping promote ethical business conduct, the Department has developed a number of training and communication measures. For example, "Tone at the Top" training describes the supervisory responsibilities of senior managers. Almost 3,000 senior managers took part in the training sessions in 2005. Moreover, a series of modules on fundamental Compliance principles was developed for all Bank employees.

In addition, Compliance coordinates the implementation of a global program for the management of reputational risk. This program, launched in 2005, includes consistent standards for the identification, escalation and resolution of reputational risk issues which arise from transactions with the Bank's clients.



Sustainability ratings: In 2005, we saw an increase in the number of queries by rating agencies with a focus on sustainability issues. These rating agencies assess the success of a company mainly on the grounds of corporate governance and the role that ecological, social, and ethical factors play in internal procedures and decision-making processes. The results are

part of our “business case” for sustainability. They serve as a point of orientation for us and our stakeholders: shareholders, clients, employees, and society as a whole. Last year, for example, Deutsche Bank improved its standing in the very important “sam” rating (the assessment basis for the Dow Jones Sustainability Indices) from 64 to 69 percent. In all three categories—

economy, ecology, and social issues—we are considerably above the industry average and rank among the best ten percent. Rating degradations, such as the downgrading by oekom research (from B- to C+), are a signal to start a dialogue with the responsible departments and examine our sustainability management for potential improvements.

| Rating agency | Deutsche Bank score | Average result for the industry/sector | Deutsche Bank ranking |
|---|---|--|---|
| sam (2005)  | 69 (out of 100) Breakdown: Economic dimension: 81 Ecological dimension: 57 Social dimension: 67 | The average result for 96 surveyed banks was 48 out of 100. | Deutsche Bank among the leading 10 percent. |
| Vigeo (2005)  | Breakdown (out of 100): Human Resources: 36 Environment: 46 Customers and suppliers: 50 Corporate governance: 52 Community involvement: 78 Human rights: 59 | | 40 banks were surveyed; Vigeo does not provide a ranking. |
| SiRi Corporate Sustainability Rating (scoris) (2005)  | 65.6 (out of 100) Breakdown: Business ethics: 73 Community involvement: 64 Corporate governance: 75 Customers: 65 Human Resources: 57 Environment: 68 Suppliers: 71 | The average result for 49 surveyed financial services providers was 48.2 out of 100. | SiRi does not provide a ranking. |
| scoris DAX-30 Sustainability Rating (2004)  | 64.5 (out of 100) | The average result for 30 surveyed companies was 56.9 out of 100. | Rank 13 among the 30 DAX companies. |
| oekom research AG (2005)  | C+ (on a scale from A+ to D-) | The average result for 60 surveyed financial services providers was C. | Rank 10 out of 60 financial services providers. |
| Stock at Stake (2004)  | Breakdown (out of 6): Internal social policy: 4 Environmental policy: 3.4 External business policy: 2.9 Ethical/economic policy: 2.5 | | 21 European banks were surveyed; Stock at Stake does not provide a ranking. |

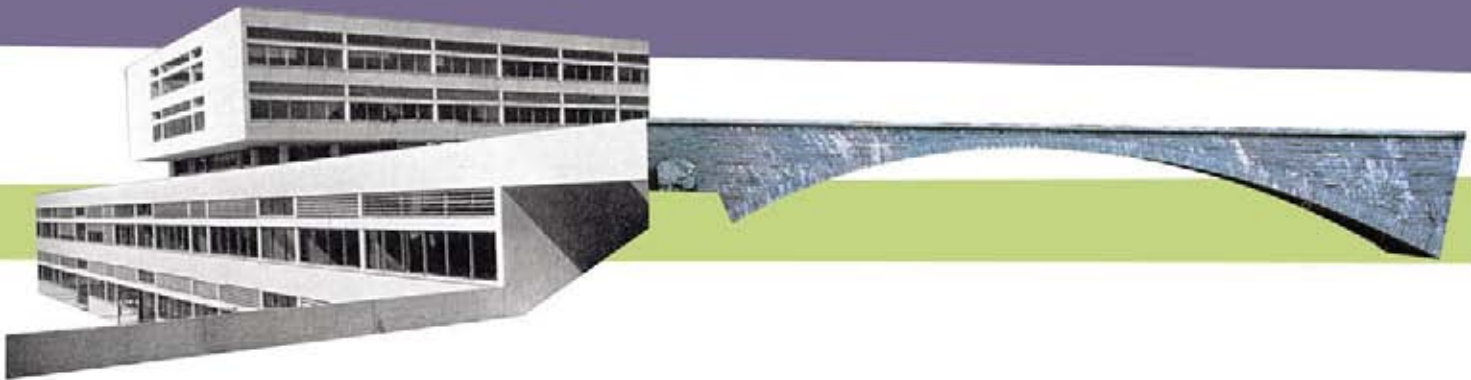
In addition, Deutsche Bank obtained ratings by Ethical Investment Research Service (EIRIS)/imug investment research and Core Ratings in 2005. As Stock at Stake merged with VIGEO in 2005, a Stock at Stake rating was not produced.

Sustainability indices: Sustainability is a business case for Deutsche Bank. Our internal procedures and business decisions are based not only on economic, but also on ecological, social, and ethical

factors. Acting sustainably thus makes an additional contribution to the Bank's economic success. It is therefore of high importance that our stock is listed in indices which include only ecologically

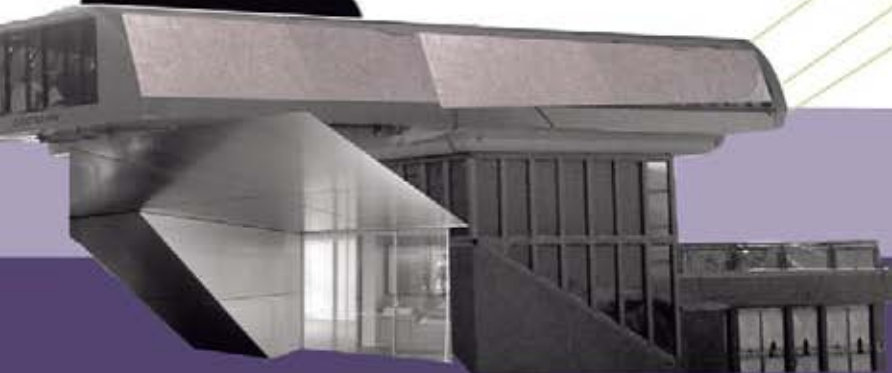
and socially responsible companies. In 2005, our stock continued to be included in the sustainability indices that are important to us.

| Listing of Deutsche Bank in the following indices | Overview | Deutsche Bank listed since |
|--|---|--|
| <p>Dow Jones Sustainability World Indices (DJSI World) DJSI World DJSI World ex. Alcohol, Tobacco, Gambling, Armaments, and Firearms</p>  | <ul style="list-style-type: none"> ■ Index family established in 1999 ■ "Best in class" approach: the 300 leading companies in terms of sustainability in each sector which are listed in the Dow Jones Global Index ■ Based on a sustainability-oriented corporate rating by SAM Group on the grounds of economic, ecological, and social criteria | <p>1999 (since establishment of the index)</p> |
| <p>Dow Jones STOXX Sustainability Indices DJSI STOXX DJSI STOXX ex. Alcohol, Tobacco, Gambling, Armaments, and Firearms DJSI EURO STOXX DJSI EURO STOXX ex. Alcohol, Tobacco, Gambling, Armaments, and Firearms</p> | <ul style="list-style-type: none"> ■ Established in 2001 ■ Listing of European Sustainability Leaders: the leading 20 percent in terms of sustainability criteria from the Dow Jones STOXXSM 600 Index ■ Also possible for the Sustainability Leaders in the Eurozone (DJSI EURO STOXX) | <p>2001 (since establishment of the index)</p> |
| <p>FTSE4GOOD Indices FTSE4GOOD Europe Index (EUR) FTSE4GOOD Global Index (USD)</p>  | <ul style="list-style-type: none"> ■ Index family established by the FTSE in London in 2001 on the basis of a rating by EIRIS/imug ■ Lists companies which focus on corporate social responsibility ■ Criteria: good stakeholder relationships, realization of sustainability principles, observation and support of human rights ■ Disqualification criteria are e.g. production of tobacco or weapons, ownership or running of nuclear power plants | <p>2001 (since establishment of the index)</p> |
| <p>Ethical Index Euro Ethical Index Global</p>  | <ul style="list-style-type: none"> ■ Offered as benchmark for socially responsible investments by E. Capital Partners S.P.A. ■ Include 150 European or 300 global companies which meet exemplary standards in terms of social and ecological responsibility | <p>2002</p> |
| <p>ASPI Index (Advanced Sustainable Performance Indices)</p>  | <ul style="list-style-type: none"> ■ Established in 2001 by VIGEO ■ Consists of the 120 leading companies listed in the DJ EURO STOXX ■ Five inclusion criteria: social commitment; corporate governance; client and supplier relationships; health, safety, and environmental performance; staff and international labor law | <p>2001 (since establishment of the index)</p> |



“I wish that first-rate education could be available to everybody— independent of the financial resources of each at hand.”

Eylem Sahan



Clients

db StudentenKredit

Her dream job: It should have something to do with people and money, and ideally be with a bank. Eylem Sahan knew early on what she wanted. Today, the 22-year-old senior customer advisor works at the Hamburg branch of Deutsche Bank and is responsible for the customer segment “students.” This includes granting student loans. She says she has “great respect” for young people who are willing to go into debt in order to qualify for their dream jobs. Eylem Sahan enrolled in a bank academy program (a vocational training institution) and had to work hard for her own education. That is why she puts her heart into helping students attain the means to achieve their goals.



On the Path to Graduation

Advice and financing opportunities for students



Student meets bankers: Workshop at the Ruhr University Bochum

Compared to other countries, the number of university graduates in Germany is considerably below the OECD average. Disproportionately few people from the lower social strata go to college. Government spending on education—the traditional source of financing for the sector—is declining. Students study longer because they have to work to pay their expenses. Additional financing opportunities for students are necessary in order to turn these trends around and make an academic education available to more people.

Deutsche Bank responded to this challenge in 2005. We were the first German retail bank to offer students from all financial backgrounds a loan that covers tuition fees and living

costs. In contrast to other traditional loans, the Bank does not demand any financial collateral. “If the credit check is OK, all students have the opportunity to study without having to worry about their daily allowances—regardless of the subject they want to pursue and the financial situation of their families,” says Hamburg-based customer advisor Eylem Sahan. The Bank relies on the students’ own hard work and determination to ensure that the loan is repaid after graduation.

Deutsche Bank and the students therefore agree on individual “study plans” and periodic checks to ensure that the plan is adhered to. The financing needs for the university courses are individually calculated. Therefore, it is important to find a balance between current needs and later debt—after all, excessive financial burdens are of no use to either the students or the Bank.

“Only two years ago loans to students were not in demand,” says Dr. Evelyn Damiani, who is responsible for student banking with Deutsche Bank. This attitude has changed considerably over the past few months, as a representative “forsa survey” commissioned by the F.A.Z. Institute and Deutsche Bank showed in July 2005. According to the survey, long-term financial dependence on parents is now regarded as a larger burden than being in debt after graduation due to a student loan.

Even though Deutsche Bank already had more than 300,000 student customers (a market share of about 15 percent in this customer segment in Germany), it created new initiatives to approach the target group in 2005.

db Studentenkredit (db student loan)

Deutsche Bank’s db Studentenkredit (“db student loan”) helps to cover tuition fees and living expenses. It can be broken down into three phases: During the first phase up to EUR 800 are paid out monthly for a maximum of five years. The maximum loan including interest—the initial effective annual rate as at March 2006 is 5.9 percent—is limited to EUR 30,000. After graduation the second phase starts. No repayments are due for up to 12 months after the students receive their diplomas. At the beginning of the third and last phase, the Bank and the graduate sign a repayment agreement with a lifetime of up to 12 years and very favorable conditions. Any interest payments are deferred until the beginning of the repayment phase. Exceptional repayments can be made at any time during the first two phases or with a notification period of three months during the third phase.

In a workshop with students at the Ruhr University Bochum in summer 2005, 73 young Deutsche Bank professionals learned about the demands and needs of the potential customers. "Many Bank employees had unrealistic ideas about student life and about the things that are important to students," says psychology professor Dr. Heinrich Wottawa, who chaired the workshop. "The main issue was to get to know students' ideas and to recognize and correctly interpret their signals." The workshop quickly showed that both students and bank professionals were able to learn a lot from each other.

Deutsche Bank's new range of products for students' financial needs has been on offer since September 2005, which corresponds to the beginning of the winter term 2005/06. It includes everything from the db Studienstart-Paket ("db university package"), credit cards, and the db StudentenKredit ("db student loan"), to putting up the security deposit for rental units. Specially trained advisors are now available to students and young professionals in 73 selected branches in university cities.



Student advisors in 73 branches: Eylem Sahan (second from right) and colleagues



"Students want to be taken seriously as customers," says Lars Grabowski, advisor in Bochum

db Studium & Finanzen: The comprehensive financial and consulting package for students and graduates includes, among other things, the db StudienstartPaket, the db StudentenKredit, and the db BerufseinsteigerPaket ■ **Information:** www.deutsche-bank.de/studenten

Further Topics

Discretionary portfolio management with sustainable investments: Since May 2005, Private Wealth Management (PWM) Germany has offered discretionary portfolio management on the basis of sustainable investment opportunities. "Our investors can choose to have their assets managed on the grounds of ecological, social, and long-term economic criteria," explains Johannes Baratta, head of PWM Germany. A specialized team of PWM portfolio managers relies on the leading Dow Jones Sustainability Indices,* which are based on the research of the Swiss SAM Group (Sustainable Asset Management). This type of discretionary portfolio manage-

clesiastical institutions, foundations, pension funds, and philanthropically oriented private investors.

According to a recent study of the Zentrum für europäische Wirtschaftsforschung (ZEW, Centre for European Economic Research), the risk-weighted yields of sustainability indices do not deviate from those of traditional benchmark indices. This is confirmed by a comparison between the performance of the Dow Jones Sustainability World Index and the MSCI World Index (see chart). In the medium to long run, companies that handle resources responsibly should do even better than others. PWM Germany has established itself as

Bank Group, offers products that cater to different investors' rising interest in sustainability issues. In particular, the DWS Sustainability Invest Leaders Fund allows investors to shape their investment decisions in line with their personal stance on sustainability, thus giving companies an incentive to step up their sustainability activities. At the end of 2005, DWS managed EUR 109.8 billion in assets in Germany alone. Sustainability-driven investment in the funds described in the following totaled EUR 501.6 million at that time.

GKD-Fonds: Depending on the market situation and outlook, the investment focus of this mixed fund may shift between fixed-income securities and stocks. Investors can donate dividend payments or shares to the Hermann-Gmeiner-Fonds ("SOS Children's Village," see p. 64). The fund was first issued in 1976 and received four stars from Standard & Poor's Ranking (S&P) on the grounds of its excellent performance.

DWS Bildungsfonds: This fund invests in both bonds and stocks, with the focus shifting between bonds and selected stocks from Germany or other Eurozone countries depending on the fund management's projections. Investors can donate the dividend payments of the fund, which was issued in 1993, to any private sector education and training centers they want to support.

Panda Renditefonds DWS: This fund supports the World Wide Fund for Nature (WWF), which

Performance comparison

| | Yield 1 year/2005 | Yield 3 years/2003–05 | Yield 5 years/2001–05 |
|------------|------------------------------|----------------------------------|----------------------------------|
| DJSI World | 25.75% | 14.31% p. a. | -2.24% p. a. |
| MSCI World | 26.17% | 14.13% p. a. | -2.30% p. a. |

Source: SAM Group, December 31, 2005

ment allows customers to include their own individual restrictions in the investment guidelines, depending on their personal values.

Ethical investment has a longer tradition in the U.S. — the situation in Germany is different. While investment in sustainable retail funds has roughly tripled since 2002, the market share remains at only about one percent in Germany. There is therefore considerable potential for improvement, in particular among ec-

a major player in the German market for sustainable investment, and plans to improve its position further during 2006. Advisors have been briefed on the issue, and the range of products will be broadened to include sustainability-oriented third-party mutual funds. The sustainability issue will also play a larger role in the communication with the public, both in press and customer relationships.

Sustainability-oriented funds issued by DWS: In addition to numerous measures and initiatives in which Deutsche Bank puts the sustainability concept into practice, DWS, an affiliate of Deutsche

*The copyright for the Dow Jones Sustainability World Indices and Dow Jones STOXX® Sustainability Indices rests with SAM Indexes GmbH, Dow Jones & Company, Inc. and/or STOXX Limited. Their use is subject to a license fee. The license holders do not support the financial products based on these indices in any way and do not accept any liability in this respect.

DJ Sustainability World Index vs. DJ World Index
(in EUR)



Source: Datastream, as of February 2006

receives part of the front-end fee from DWS. The fund assets are invested in a broad spectrum of fixed income securities. Selected stocks can be added up to a limit of 25 percent. The fund was first issued in 1997 and has been awarded four stars by Standard & Poor’s.

DVG Stiftungsfonds: The fund was issued in 2002 and is eligible as a reserve fund. It combines steady returns from bonds and the increased growth potential of stocks. It pursues a flexible investment strategy and aims at long-term price gains and stable returns. The percentage of stocks (30 percent at most) is adjusted flexibly depending on the market outlook. Securities are selected on the basis of sustainability criteria. Despite its comparatively conservative investment policy the fund has been awarded three stars by Standard & Poor’s.

DWS Invest Sustainability Leaders: This global stock fund focuses on companies that concentrate on a sustainable business model and efficient use of resources, thus creating the preconditions for long-term success.

Product responsibility and consumer protection: The Bank’s range of products and services is differentiated and tailored according to the demands and life situations of the different customer groups. The protection of minors is of particular importance: neither credit nor overdraft facilities are advanced to clients under the age of 18. In 2005, we developed a special product package for students (see p. 20 et seq.). For older customers we offer a range of products that aim to help this clientele to consolidate their wealth and pass it on to the next generation. There are no restrictions to lending to senior citizens aged above 60. We support business clients in financing their business ventures; for example, start-up entrepreneurs, small entrepreneurs, and freelance professionals can get small loans or start-up capital. Our “basic products”—checking accounts, savings products, loans—comply with the legal provisions on consumer protection. It is important to us that all agreements made with clients are easy to understand. Up-to-date scoring procedures ensure that only those clients are granted loans who will,

in all probability, be able to repay them. We rely on an “early warning system,” which allows us to protect clients from taking out excessive loans. Our investment products are covered by securities trading law. Consumer protection focuses mainly on product distribution, product transparency, and the cost structure. In order to ensure high product quality, new solutions—for example in the area of old-age or social security provision—have to pass a new product approval procedure, during which legal and tax issues are examined in particular.

Electronic banking: We offer a number of services to our clients to enable them to smoothly and quickly complete their banking transactions. Electronic banking does not only enable retail banking clients to make transactions anywhere in the world at any time, it has also become standard in business transactions. Data protection is obviously a top priority in this respect. The Bank’s systems are rigorously protected against unauthorized outside access. A multi-level encryption and identification system ensures that no unauthorized persons can access, read, or change protected data. Telephone banking is another way to conduct transactions at any time. This service is particularly attractive to clients who find it difficult to get to their local branches or cannot use electronic banking due to visual handicaps. In December 2005, we installed new ATMs in a number of airports and Investment & Finanz-Centers, which can be used more easily by blind or visually handicapped people thanks to additional Braille inscriptions. Moreover, clients can use headphones in order to get audio instructions and information.

Data protection: Data protection aims to guard people's privacy with the help of provisions concerning the collection, storing, use, and distribution of personal data. The fundamental principle is that everybody should have the freedom to decide who may know what about them at any given time. While the data protection requirements are harmonized within the

been implemented in these 35 countries along with others important to the Bank's data processing activities, in order to discuss and create solutions worldwide. This network consists of regional working groups and a global committee, which cooperates with the Legal, Compliance, and Information Risk Control departments at Deutsche Bank. Its main achieve-

individual errors. 100 percent of the incidents were resolved with the help of our monitoring and control systems.

dbCERT: All activities to combat cybercrime are coordinated by the Deutsche Bank Computer Emergency Response Team (dbCERT). They are responsible for coordinating all measures to prevent,



Q110 – The Deutsche Bank branch of the future in Berlin-Mitte ...



... banking has changed since September 2005 (for information please see www.q110.de)

EU, they vary considerably around the world. The Group Data Protection department coordinates all necessary activities to comply with the heterogeneous rules worldwide. For example, it takes action when services are shifted among Deutsche Bank Group divisions or outsourced to third parties; when application platforms for several Group companies and several jurisdictions are created; or to fulfill documentation and reporting requirements. Deutsche Bank does business in 73 countries, and in 35 of which, general data protection laws are in force—and the trend is rising. Moreover, a number of sector-specific provisions have to be complied with. A network has

ment in 2005 was the preparation of a framework agreement on commissioned data processing by service providers and related data transfers. Our employees sign a confidentiality agreement at the time of hiring and participate in training and informational events on data protection regularly to ensure proper handling of client data. In Germany, about 100 queries and complaints about data protection are received annually. Many of them are from people who do not want to receive advertisement materials from the Bank. About ten percent of the total are complaints, which are examined in detail. In 2005, all justified complaints were due to extraordinary,

analyze, and mitigate security-relevant events, and for conducting forensic IT analyses in the case of security-relevant events. Examples of security-relevant events are viruses, Trojan horse and worm attacks, denial-out-of-service attacks, and phishing attacks. Phishing is a form of fraud via the Internet which has been increasingly attempted over the past year. The term "phishing" is a combination of "fishing" and "password harvesting." By proactively and comprehensively informing our clients along with other protection measures, we have been able to successfully combat this type of fraud.

Satisfaction of our private and business clients:

Our customers' satisfaction and trust are our main goals. Guidelines and policies serve as anchors for our employees' behavior toward our clients. We take customer demands seriously throughout the Bank and take all necessary steps to resolve any problems or inconveniences affecting our clients.

Management of complaints:

Most customer complaints are resolved to the customer's satisfaction in a personal meeting. All written customer complaints are processed quickly in cooperation with the relevant sales unit and answered in writing. If more time is needed for research, customers will receive a brief written confirmation of the receipt of their complaints. Our quality standards and quality improvement systems (such as support by supervisors, probes, surveys concerning customer satisfaction in general, and satisfaction after complaints) were certified by DQS according to DIN EN ISO 9001 in December 2005. Any improvement measures derived from these systems will directly affect customer satisfaction and customer retention. A flexible monitoring system for complaints helps us to identify any issues or categories that make up a particularly large number of complaints in our Private and Business Clients division (PBC). The well-established information and escalation procedure ensures that particularly sensitive complaints are given preferential treatment. If particular difficulties arise, an improvement procedure will be started within PBC. The issues are collected and prioritized, and suggestions for solutions are presented and implemented so that all procedures are continuously improved.

Islamic Banking

In 2001, Deutsche Bank was approached by Saudi Arabia's largest retail bank, National Commercial Bank, to create a Shari'a-compliant international equity portfolio product. Deutsche Bank's successful investment products platform x-Markets, was the quantitative inspiration for the development of an Islamic outperformance strategy, issued in note form, public in Saudi Arabia, and traded on the Frankfurt Stock Exchange.

This equity note has strongly outperformed both Islamic and conventional indices across four geographic regions and has helped to establish Deutsche Bank's foothold in the increasingly competitive Islamic finance market.

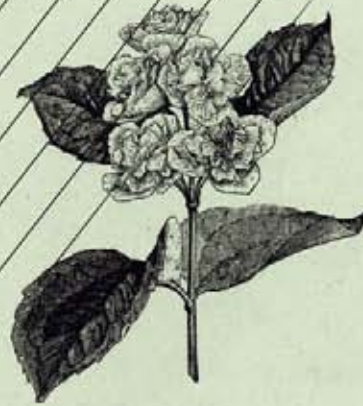
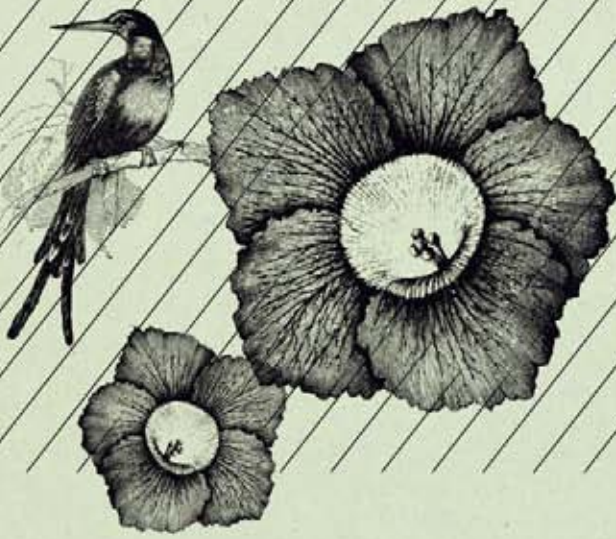
Today, our mission is to be the world's leading provider of professional Islamic services and products that have the same quality, yield prospects, liquidity, and cost efficiency as our conventional services and products. This ensures that clients can invest with confidence and without compromising their beliefs.

We pride ourselves in progressing the field of Islamic finance in a direction neither our international competitors, nor regional Islamic players, have yet taken. We have taken a lead on investing in the necessary infrastructure and resources to make the most complex Islamic transactions happen. For example, Dar Al Istithmar (DI), our joint venture partnership with the Oxford Centre for Islamic Studies and Russell Wood Limited, is a highly positioned think tank and research center.

Islamic finance is often simplistically misunderstood to mean that no interest-bearing transactions may take place between lender and borrower. In fact, the principles of Islamic finance revolve around the need to ensure commercial parties enter into fair and transparent transactions, with the activities underpinning those transactions resulting in actual trade with economic and social benefit. In other words, money itself is merely a means of exchange for tangible assets, and not a commodity in itself.

Rather than replicating the limited range of products offered by Islamic financiers over the last thirty years, our approach has been to push the boundaries of what is possible within the framework of Shari'a (Islamic law). We apply our global resources, across product lines and industry teams, to create opportunities for Muslim and other ethical investors to invest in complex structured financial instruments across asset classes, with virtually unlimited pay-off profiles.

Our unique approach has earned Deutsche Bank Euromoney's "Most Innovative Islamic Finance House 2006," "Most Improved Bank in Islamic Finance 2006," "Best Islamic Capital Protected Fund 2005" (Failaka Awards), and "Deal of the Year – Bahrain 2005" (The Banker).



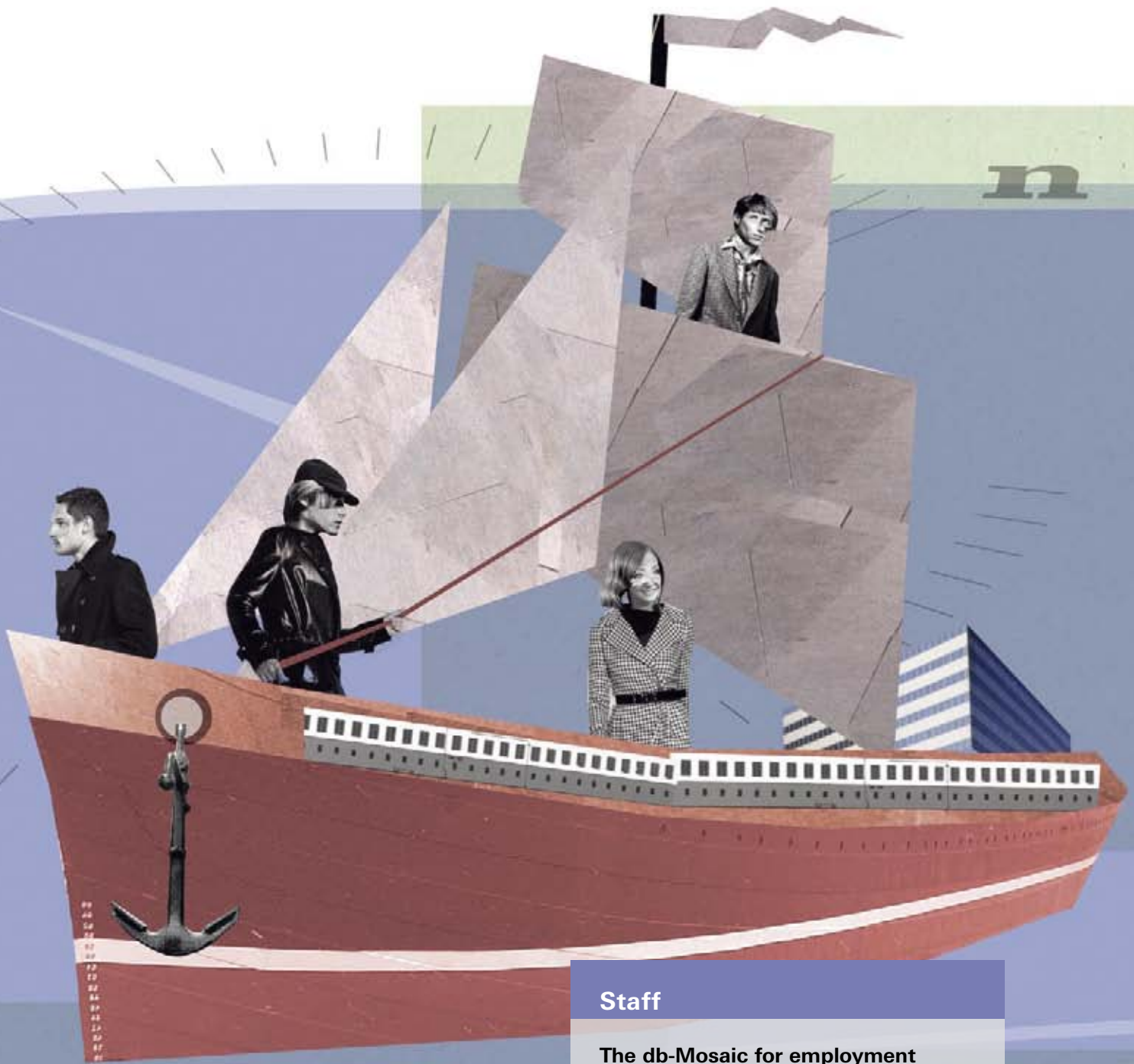
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“My dream is that we take on all challenges of life as it is today with courage, with openness and with dedication.”

Henriette Mark





Staff

The db-Mosaic for employment

Change opens up new opportunities. That is what Henriette Mark has learned in her years with Deutsche Bank, during which she has worked in a number of very different jobs. "We have to do everything in our power to ensure that people do not regard themselves as victims of change, but are self-confident enough to forge ahead." This principle guides Henriette Mark's work — not only as member of the workers' council at Deutsche Bank, but also during her spare time, in which she volunteers to help exiled Tibetans in India.



Taking Their Careers in Their Own Hands

Coaching and training models to actively promote individual careers

When Deutsche Bank announced its intention to shed several thousand jobs worldwide in February 2005, the media and the public response was split. Economists were in favor of the step, which should improve the Bank's competitiveness and, in turn, strengthen Germany's position as a financial hub in the long run. However, there was considerable criticism from politicians and the mass media.



Ralf Brümmer and his team develop innovative concepts to secure employment

Deutsche Bank takes its responsibility towards its employees very seriously, and has introduced a number of programs developed by the department "HR Employment Models" since the late 1990s in order to systematically support staff who are directly or indirectly affected by job cuts in Germany. When cutting the amount of positions is necessary, we aim to find a solution on the grounds of the employee's qualifications and his or her track record at Deutsche Bank. For this purpose, the Bank created a new advisory department, the DB JobCenter, which has a range of tools at its disposal to help employees find a job—within or even outside the Bank. "Many colleagues are not aware of their own strengths, qualifications, and expertise," explains Ralf Brümmer, head of HR Employment Models. "Moreover, most of them have not even thought about preparing for job interviews in the last few years. They get to know themselves better with our help and then make informed decisions about how to deal with the demands of the internal and external job markets."

The first step of the DB JobCenter is to get employees to analyze their current situations, their strengths and weaknesses, and their professional goals. This is followed up by individual coaching. This phase does not only include writing applications and practicing job interviews, but also includes learning active self-promotion. Moreover, the employees and the DB JobCenter counselors discuss any qualification or training measures which may be necessary to reach the professional goals set. HR Employment Models also researches job offers both inside and outside the Bank, and also coordinates transitional jobs. This service is available to all Bank employees in Germany, independent of any immediate need of support. An agreement to this effect was concluded with the staff council in autumn 2005. The Bank offers every employee a "professional fitness package," valued at several hundred euros. "The goal is to give employees the necessary tools to stay 'professionally fit,' thus consistently remaining attractive for employers," explains Brümmer. Change in the banking sector and the labor market as a whole comes in ever shorter cycles, and lifetime jobs are becoming increasingly scarcer. "People should become willing and ready to change jobs," says Henriette Mark, chairperson of the staff council in Munich.

DB JobCenter: Participants since 2002

Successful job placements: More than 90% of the participants placed within 3–9 months

| | |
|--|-------|
| Users of the counseling services | 5,300 |
| 135 workshops "JobCoaching" | 1,150 |
| 195 workshops "OrientierungsCoaching" | 2,150 |
| Users of the telephone counseling service | 1,800 |
| Workshop "Well prepared for returning to work" | 270 |
| Telephone counseling for apprentices who complete their apprenticeship | 70 |



Çetin Saltan, a Deutsche Bank employee, was one of the first to use the new competence analysis

Çetin Saltan was one of the first colleagues to use the services of the DB JobCenter. For many years he worked successfully with corporate clients in Aachen, Germany. There had never been a concrete reason to change jobs. He enjoyed the “very good team spirit and interesting and demanding work.” It was a shame that he could not use his knowledge of Turkish culture in his job. “When I heard about the DB JobCenter I knew that this was my chance,” says Saltan. Following an analysis of his skills, he decided that he wanted to go for a new job. He answered an internal job ad as head of sales financing. Since January 2006, Çetin Saltan has been working as advisor for Turkish retailers and specialty retailers in Germany with the Private and Business Clients Consumer Finance department.

Deutsche Bank’s employability offensive is based on the principle of “sharing the burden”: the Bank organizes and finances these offers, and the employers can take advantage of them in their spare time. From Henriette Mark’s vantage point it is important that the Bank clearly separates between employability offers and training offers for concrete jobs. “The Bank does much more than what it is obliged to do,” enthuses the staff representative. Professor Dr. Jutta Rump from the Institut für Beschäftigung und Employability (“Institute for employment and employability”)



Professor Dr. Jutta Rump, Head of the Institut für Beschäftigung und Employability of the Ludwigshafen University of Applied Sciences



Henriette Mark, Chairperson of the staff council of Deutsche Bank in Munich

of the Ludwigshafen University of Applied Sciences says that Deutsche Bank’s activities to support its employees’ employability “set a standard, and not just in Germany.” Scientific research has shown that permanent willingness to change and to accept change is necessary, and that employees have to become entrepreneurs in their own right in order to ensure that they remain “fit.”

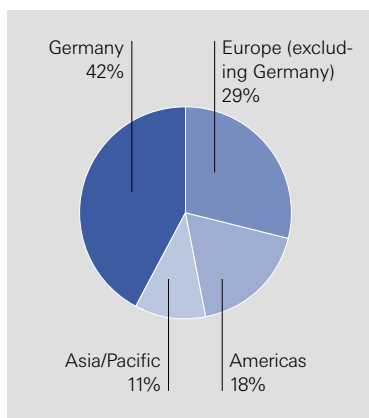
db-Mosaic for employment: An initiative established in 1998 and aimed at developing innovative concepts for securing employability for staff members ■ **db-intrajob:** A Web-based, bank-wide, global job market ■ **Promotional activities and networks:** Initiative “in eigener Sache,” Initiative für Beschäftigung! (“initiative for work”), Job-Allianz: Berufswelt transparent; Initiativgruppe Wege zur Selbst GmbH ■ **Information:** www.career.deutsche-bank.com; www.in-eigener-sache.de; www.initiative-fuer-beschaeftigung.de; www.selbst-gmbh.de

Further Human Resources Initiatives

As a global financial services provider, we develop innovative financial solutions for demanding clients in 73 countries. Highly qualified employees from 130 countries are responsible for our success. Winning a broad range of talent for the Bank along with promoting and developing our employees' abilities are therefore top priorities.

Regional deployment of our staff

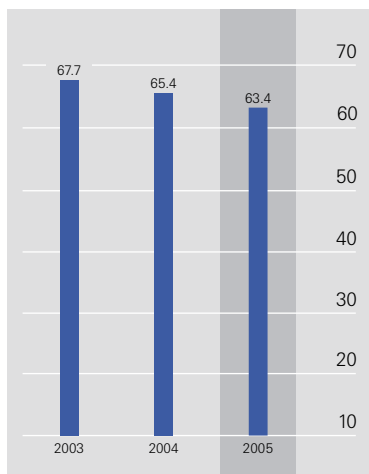
Total of 63,427 at year's end 2005*



*Full-time job equivalent

Number of employees

In thousands at year's end*



*Full-time job equivalent

Education and training

As our business becomes ever more complex, the demands on our employees' qualifications are rising. This is reflected in the average level of education of our staff. The share of employees with a university degree has risen to more than 55 percent in the last few years.

Cooperation with universities:

It is with this in mind that we very much support the introduction of internationally recognized degrees like Bachelor and Master programs at German universities. We expect that a reform of university education will result in a more practice-oriented curriculum, help to reduce the total time needed to graduate from university, and make it easier to compare the quality of education. We therefore cooperate closely with universities and support them, for example, in accreditation issues. Our recruiting procedures, trainee programs, and employee training measures are

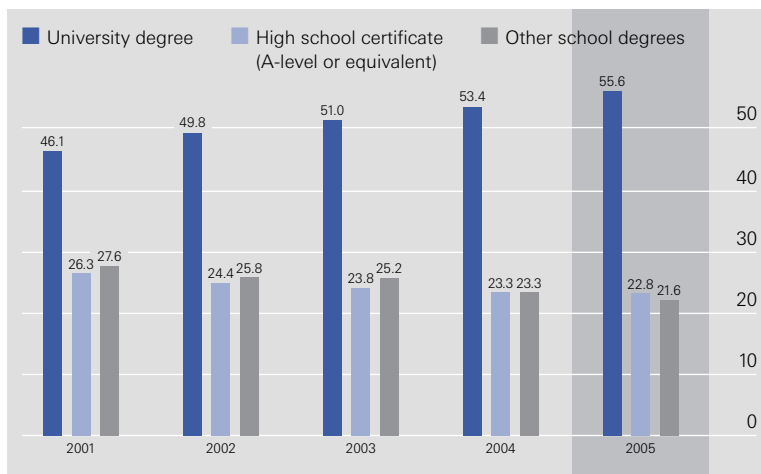
regularly adapted to graduates' changing qualifications.

International grants: We run five grant programs for talented students of ethnic minority in order to support them during their university studies. Moreover, we offer two grant programs for women at the Chicago Graduate School of Business and London Business School with the goal of getting more women interested in a senior management career with the Bank. In addition, we gave out three grants for the European School of Management and Technology MBA program in 2005. However, our activities exceed financial commitment. All grant holders are actively accompanied by a mentor and supported by individual development programs.

Investing in the training of our staff

We offer numerous opportunities for our employees to further devel-

Qualification of our employees (in %)*



*Share of employees (headcount)



Teambuilding and community commitment: In 2005, 692 trainees participated in the teamwork challenges

op their professional and personal skills. All training tools can be found via our Learning Management System “db Learn,” which offers a uniform electronic platform for all Bank employees. It enables staff to plan their individual trainings directly. About 2,300 seminars and other courses can be booked via “db Learn.”

Additional qualification for apprentices: Since 2005 our apprentices have been able to take part in an additional sales qualification course, for which they are rewarded a certificate upon successful completion. This training opportunity accompanies the regular apprenticeship, and is currently unique in Germany; it was certified in June 2005 by the Deut-

sches Institut für Normung (German Institute for Standardization). The program helps the apprentices to improve customer and sales orientation, teamworking, and communication skills. In addition, they receive detailed professional and product information. More than 90 percent of our apprentices took part in the scheme in 2005.

International trainee programs for university graduates: In 2005, we took on 692 graduates in our trainee programs worldwide. The programs are tailor-made for the needs of each department and are offered in 16 countries and regions. The trainees not only gain professional skills, but also take part in a volunteering project for their local communities. In 2005, all

trainees participated in the three-day “Teamwork Challenge,” an initiative which supports schools and community centers, above all in disadvantaged areas.

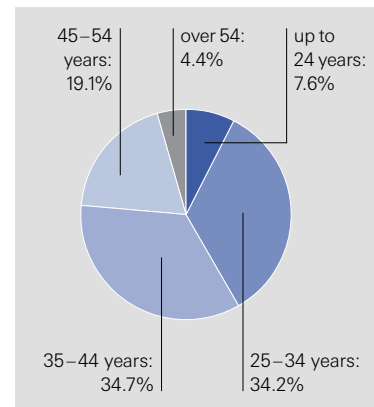
Knowledge sharing with the public sector: In 2004, the first staff exchange between Bank employees and German civil servants took place, and the program was continued and extended in 2005. This concept calls for senior civil servants and managers of the Bank to swap jobs for several months. In 2005, four of our employees worked in four federal ministries, and in return three civil servants spent several months with the Bank. Continuing in 2006, six other people will take part in the exchange program, and some of them have already started their exchange. In addition, we have extended the program to state authorities by including a stay with the Hessian government.

Training for older employees: Demographic development is only one of the reasons why we have started to focus on qualification and training measures for older employees. We support the active@work project (www.activeatwork.net)—an EU initia-

Number of training days in 2005 by categories

| | Participants | Training days |
|---|----------------|----------------|
| Business management, finance | 77,633 | 66,052 |
| Leadership and management | 10,698 | 17,067 |
| Personal and team development | 22,981 | 26,146 |
| Corporate culture and orientation | 9,272 | 5,443 |
| Communication and information technology | 7,137 | 7,449 |
| Professional qualifications | 736 | 6,494 |
| Legal framework conditions and compliance | 60,371 | 9,575 |
| Other | 699 | 2,187 |
| Total | 189,527 | 140,413 |

Age structure of our staff, 2005*



*Number of employees (headcount)



Only one of many diversity-related initiatives (see p. 36): the Deutsche Bank team participated in the "Walk for Life" and collected donations for out-patient AIDS treatment

tive aiming to develop innovative strategies and alternative employment arrangements to motivate older employees to continue working and offer them adequate training.

Leadership and support for our employees

Clear demands on our senior management: In 2004 we adopted the so-called Leadership Standards, which spell out what Deutsche Bank means by 'leadership' and what we expect from our managers worldwide. In addition to financial and business success and operational excellence, we expect our senior managers to consider factors such as the active promotion and support of employees. In order to implement the Leadership Standards successfully and create a uniform leadership culture, we have integrated them into core human resources procedures such as

recruiting and development, objectives setting and performance assessments. Moreover, we introduced the Leadership Curriculum in 2005. This is a series of practice-oriented training programs, which help our managers to systematically improve their leadership skills and thus comply with the demands set down in the Leadership Standards. In 2005, more than 1,850 managers participated in the programs, which are offered in 18 countries and in five languages.

Promotion of talented employees and junior managers: We offer specialized programs for promising young employees. The measures are tailored to the current situation of the employee and may, for example, take the form of a coaching or mentoring relationship. In 2005, 1,400 employees participated in these programs.

Creating a work-life balance

A future-oriented human resources policy includes taking into account social changes that define the working environment. These include higher labor-market flexibility and increased demands on the employees' (and their families') willingness to accept change and regional mobility. That is why we offer our employees ways to improve the work-life balance. Among them are flexible working-time models such as part-time work or teleworking, i.e. the option of working in the Bank offices or at home. In Germany employees can also shape their working lives by taking part in db zeitinvest, the Deutsche Bank model to reconcile free time, learning, and work. Employees can deposit parts of their regular salary, their bonuses or special payments, compensation for overtime worked, or residual vacation in a personal service account. They can then use the "deposit" to take time off from work later on—for example in the form of a paid sabbatical or earlier retirement without any cuts in pension payments.

Reconciling professional and family life: An important part of the work-life balance is the successful reintegration of employees after maternity or paternity leave. This means offering flexible working conditions for parents. Our Human Resources professionals and team leaders keep in close contact with the parents

We have been conducting global employee surveys since 1999. This helps us to calculate, among other things, the Employee Commitment Index, which gives insight into employees' commitment to, and identification with, the Bank.

| Key figures | 2005 | 2004 | 2003 |
|---|-------|-------|-------|
| Employee Commitment Index | 68 | 68 | 67 |
| Training (expenses per employee* in EUR) | 1,583 | 1,479 | 1,298 |
| Apprenticeship programs (expenses in EUR million) | 40 | 42 | 50 |

*Number of employees (headcount)

during their maternity or paternity leaves, and we offer workshops to facilitate restarting work. In exceptional situations, staff may take unpaid leave of up to six months even if the legal timeframe for maternity or paternity leave has expired. In addition, the Bank offers daycare facilities in Frankfurt, Eschborn, and Leipzig, and supports its employees by a Germany-wide cooperation with the organization "Familienservice" (see p. 37).

Promoting and maintaining employability: Global competition has accelerated change and raised the bar for our employees' commitment and willingness to embrace change. Preplanned and fixed career plans are an increasing rarity. That is why we encourage our staff to take an active and forward-looking approach to their careers. If it becomes necessary to look for a new job, we support our employees actively with the "db-Mosaic for employment." In 2005, the Bank was a main driving force behind the German training initiative "In eigener Sache – Fit in die berufliche Zukunft."

Compensation and benefits for our employees

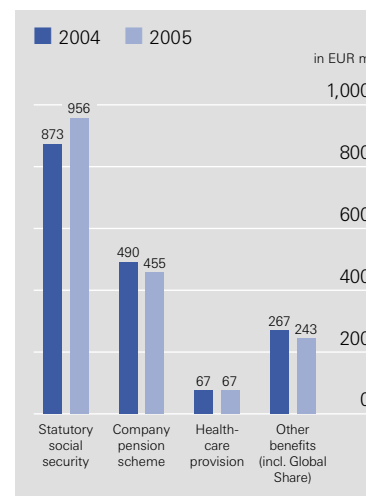
In addition to a broad range of corporate benefits, Deutsche Bank offers its employees a remuneration package with fixed and variable components. In general, the variable components reflect an employee's personal contribution to the Bank's overall success. They depend on the employee's individual performance, the financial and non-financial results of the Bank or the division, and his or her position. Managers may receive part of their variable compensation in shares. Under the "Global Share" program, which allows entitled employees to receive bonus shares, our employees have the opportunity to directly participate in the Bank's success.

Pension plans: Over the last years we have continuously improved our pension plans in order to open this attractive benefit to as many employees as possible. Moreover, with the increasing importance of performance-related compensation, our employees have the opportunity to swap cash components into pension plans.

Compensation plans for staff council members

We have responded to the current discussions about the remuneration for employees on the staff council. In order to ensure a transparent compensation scheme for full-time staff council members, we have reviewed our existing principles and established new spending control mechanisms so that any irregularities are prevented right from the start. For example, the spending of all staff council cost centers is monitored and analyzed in monthly reports, and any incongruities are examined. Moreover, full-time staff council members are subject to maximum spending limits as well as limits on what kinds of transactions they can authorize. A separate agreement on bonus payments was concluded in the framework of the changeover to a discretionary bonus system. It states that any bonuses for full-time staff council members are calculated on the basis of a uniform, cross-divisional factor, which reflects the development of the bonus pool in Germany in comparison with the preceding year. These measures help the Bank as an employer to fulfill the legal accounting provisions and ensure the integrity of the workers' representatives.

Compensation and benefits for our employees



Global Diversity: For Deutsche Bank, diversity management means promoting and supporting diversity within the Bank. The Diversity team backs initiatives that help to achieve this goal.

Networks and Conferences

Women on Wall Street™ network and conference, WOWS™ (U.S.): A well-established network, which has organized the annual Women on Wall Street™ conference for female managers in the finance sector for more than ten years now. Numerous training opportunities and events.

Women in European Business®, WEB (Frankfurt, London): A network of women at Deutsche Bank and alumnae who created a forum where female managers can share their experiences and expertise. The networks organize annual women's conferences in Frankfurt and London, which have become one of the most successful women's events in Europe with regular attendance of around 1,000 women.

Regional Women's Networks (Germany): Eight regional networks in Germany that have developed their own activities in order to improve women's networks and contribute to positive change in corporate culture.

Network for female Managing Directors (Germany): In 2005 a network for female managing directors was launched in order to improve the sharing of experiences and expertise between female senior managers.

Deutsche Bank Women, DBW (London): A network launched in London at the beginning of 2005 in order to promote the professional and personal development for DB women.

Rainbow Group (Germany, UK, U.S.): The Rainbow Groups are networks focused on gay, lesbian, bisexual, and transgender employees' professional and personal development. The first Rainbow Group was founded in 2000.

Deutsche Bank's Diversified Network, DBDN (U.S.): DBDN is a network for young professionals from under-represented ethnic groups. It was launched in 2002 for employees in New York, and aims to provide essential tools that foster professional and personal development.

Multicultural Partnership (U.S., UK): Launched in 2003 in New York and early 2005 in London, these networks are an active voice of Deutsche Bank's minority officers with a focus on the sharing of experiences and the professional and personal development.

Family Network (UK): Founded in 2005, the Family Network aims to provide working families, caregivers and parents-to-be with solutions to help balance home and work and to provide a platform to raise awareness of the needs of working parents across the Bank.

Roundtable for Working Parents (Germany): In 2005 a round table was founded that offers a discussion forum for working families, caregivers, and parents-to-be, and helps them to find solutions to balancing home and work.

Mentoring and Internship Programs

Cross-Company mentoring for women (Germany): The cross-company mentoring program for high-potential women is characterized by the fact that the mentee and the mentor come from different companies. In addition to personal development, the focus here is on the cross-company exchange and the networking between all participants.

Cross-divisional mentoring for women (Germany): The cross-divisional mentoring program is designed to promote high-performing women across the divisions. Up to 60 mentees and mentors participate each year and work together as "cross-divisional" tandems.

Next Steps Mentoring (UK): Deutsche Bank employees are matched with ethnic minority undergraduates from selected British universities and help them with their first steps in the business world.

Deutsche Bank "I Have a Dream" (Germany, UK, U.S., Poland): A successful global internship program established five years ago that targets students who might not otherwise be interested in a finance career due to their backgrounds.

Sponsors for Educational Opportunity, SEO (UK, U.S.): This charitable organization supports high-caliber students and undergraduates of ethnic minority at the beginning of their professional lives. Participants can do internships with the partner companies.

Internship program for students: Coordinated from the head office in Frankfurt, internships are offered to undergraduate students enrolled in German universities at over 20 Deutsche Bank branches worldwide.

Awards and Sponsorships

Working Mother Award 2005 (U.S.): Deutsche Bank was named one of the 100 Best Companies for Working Mothers in the annual survey by "Working Mother" magazine for the fourth consecutive year.

SIA Diversity Leadership Award for Sustained Leadership 2005: Deutsche Bank received the 2005 Securities Industry Association's Diversity Leadership Award for "Sustained Leadership" for its Women on Wall Street™ conference and related women's initiatives.

Courageous Corporate Champion Award 2005 (U.S.): In 2005, Deutsche Bank was named the Courageous Corporate Champion by the New York City Gay and Lesbian Anti-Violence Project (AVP). The Rainbow Group employee network members have long played key parts in AVP's programs including participating in major fundraising events.

Fortune Magazine Top 50 Employers for Women 2005 (U.S.): In 2005, Deutsche Bank was named a Top 50 Employer of Women by Fortune Magazine in a survey targeting the most influential corporations in the US today.

Total E-Quality Award 2005 (Germany): Deutsche Bank received the "Total E-Quality" award for the third time in a row for its diversity initiatives and family-friendly work environment.

“Success Factor Family 2005” Award (Germany): As a member of the Business Forum for Women, Deutsche Bank won the “Success Factor Family 2005” Award sponsored by the Federal Ministry for Family Affairs, Senior Citizens, Women, and Youth.

Opportunity Now (UK): In 2005 Deutsche Bank received a Gold Standard for “exceptional work in the field of gender equality” in the annual Opportunity Now benchmarking exercise by Opportunity Now.

Stonewall Corporate Equality Index (UK): The Stonewall Equality Index, which was first released in 2005, ranks employers on key indicators which range from equal policies and benefit provision through to diverse recruitment. Deutsche Bank ranked 66th in the top 100 employers in the UK.

2005 “Lauf für mehr Zeit” AIDS Walk Frankfurt (Germany): The Deutsche Bank team took part in the race and raised donations for the outpatient AIDS assistance of the city of Frankfurt. Participation was organized by the Rainbow Group Germany, which also represented Deutsche Bank with a corporate booth.

2005 AIDS Walk New York, AWNY (U.S.): The Deutsche Bank team, organized by the Rainbow Group Americas employee network, raised more than USD 81,000 for AIDS Walk NY and ranked among the top ten fund-raising teams. The Deutsche Bank team also achieved Gold Team status for the third year in a row.

Human Rights Campaign – 2005 Corporate Equality Index: In 2005, Deutsche Bank received a perfect score rating of 100 on the Human Rights Campaign’s 2005 Corporate Equality Index (CEI), which rates major corporations on their records toward lesbian, gay, bisexual, and transgender employees, consumers, and investors. 2005 was the third consecutive year that Deutsche Bank achieved a 100% score.

Policies and Regulations

To ensure the highest level of integrity and consistency in all our actions, Deutsche Bank has installed a variety of global policies that encourage employees to collaborate with respect and fairness toward each other, for example the “Code of Conduct” at the global level or the company agreements “Fairness at Work” and “Job and Family” in Germany.

Back-up childcare and emergency care (Germany, UK, U.S.): Employees in the U.S., UK, and Germany can rely upon temporary back-up emergency care for children. In Germany our employees can use the childcare arrangement services of “pme Familienservice” for free. Company kindergartens are available in Frankfurt and Eschborn. Kindergarten places are also offered in Leipzig.

All-Faith Room (UK, U.S.): Worship and meditation rooms for employees of all religious beliefs are available in the U.S. and UK.

Commitment to the Physically and Mentally Challenged in Cooperation with:

Interest Group of Representatives (for severely physically challenged persons) of large companies, IBW

Working Group for the Physically Challenged, BAG (Germany): A working group of banks, Sparkassen (savings banks), insurance companies, and municipalities in North Rhine-Westphalia for physically challenged people.

GDW (Association of Sheltered Workshops): Association of sheltered workshops that perform services work suited to physically challenged persons.

Vocational training centers for physically challenged persons (Germany): Internships and partnerships within the scope of the “db-Mosaic for Employment.”

“Dialogue in the Dark”: An integration project for blind or visually challenged people in Frankfurt.

Sheltered workshops for physically challenged persons – “Initiative Contribute – Help – Gain”: Group-wide publication of the range of services offered by sheltered workshops and the process of order placement by Deutsche Bank.

Diversity Benchmarking Memberships/Participation in Research

Global Diversity Network: A benchmarking network of several global corporations which are leading in the area of Diversity and Inclusion. The network is coordinated by a consultancy firm in London.

Catalyst (U.S.): Catalyst is a leading research organization focused on the advancement of women in business. Deutsche Bank participates in the Catalyst study of women in the financial services industry.

EU Compendium “Good Practice at the Workplace”: Deutsche Bank was selected among 500 applicants across Europe for its good implementation of diversity principles.

Securities Industry Association Diversity Survey, SIA (U.S.): As a member of SIA, Deutsche Bank participates in the bi-annual Diversity Survey.

EU Project “active@work”: Deutsche Bank participates actively in the project active@work on age diversity, which is supported by the EU Commission.

Race for Opportunity (UK): Race for Opportunity is an organization which focuses on global equal opportunities initiatives for members of ethnic minorities.

Opportunity Now (UK): Opportunity Now is an organization which focuses on gender equality and diversity in the workplace.



“In my vision of a better world, cities such as Mumbai, Nairobi, and Lima would be as well developed as Frankfurt, Tokyo, and New York. We have the very real possibility of making abject poverty history if we work collaboratively.”

Asad Mahmood



Society

Microfinance Consortium

Asad Mahmood, General Manager of the Deutsche Bank Microfinance Funds, is optimistic about the future of humanity. “Only two hundred years ago, even in Europe, very few people were well off. Today, India, Brazil, and China possess a middle class whose consumer needs have created whole new markets totaling trillion of dollars.” Asad Mahmood uses his financial and social investment know-how to combat poverty. Pioneering collaborative finance structures can in future help to finance large-scale social projects in developing countries.

Innovation with Leverage

New USD 75 million fund to combat poverty



The Consortium provided a credit to "ACODEP" in Nicaragua, which in turn granted Maria A. Juarro a credit of USD 295 to enlarge her plantation

The Global Commercial Microfinance Consortium (the "Consortium") is a USD 75 million fund that serves as a platform to combine high-risk catalytic development agency resources with the scale and execution efficiency of the private sector. Deutsche Bank created the Consortium in recognition of the pivotal roles that the private sector can play in the development arena in partnership with development agencies. Gary Hattem, Managing Director of the Community Development Finance Group, noted that, "The crux of the project is to create a meaningfully scaled investment vehicle for investors with both profit and social motives to realize the core objective of poverty reduction through a business approach."

When asked what is so special about the Consortium, the New-York-based banker answers with the single word: "Partnership."

The Consortium includes diverse and differently motivated investors: including three leading development agencies (from the United States, France, and the United Kingdom) and 14 institutional investors (including Merrill Lynch, State Street Bank, Hewlett Packard, AXA, Munich Re, and Standard Life). They all profit from the Consortium in different ways, although all of the participants enjoy one particular benefit equally: "Development has a great influence on the economic, political, and social stability of the world," according to Asad Mahmood, General Manager of the Deutsche Bank Microfinance Funds.



Cándida R. M. Gutiérrez obtained her first microcredit 12 years ago to establish a food stand

Microfinance has proven to be a highly effective tool in combating poverty. Providing access to capital for micro-entrepreneurs can lift entire families out of poverty, break cycles of dependency, and transform local communities. People in developing countries often require credit as low as USD 50 in order to become economically active and break out of the vicious circle of poverty. Microfinance users include small farmers, fishermen, street vendors, tradespeople, and service providers such as drivers, cobblers, recyclers, etc. In a relatively short period of 25 years, microfinance has mushroomed as an industry and several hundred million people around the world have been given an opportunity to start a new life with microfinance.



Svetlana Fedotov (Moldova) could go into business with her own tailor's shop

Deutsche Bank's involvement with microfinance started in 1997 with the Deutsche Bank Microcredit Development Fund ("DBMDF"). The fund's goal is to establish relationships between microfinance institutions and local banks, creating indigenously based financial systems that serve the

poor. The DBMDF has relationships with 40 microfinance institutions in 24 countries around the world. The Bank's activities in this field underline our commitment to the UN's Global Compact (see p. 49). The Consortium was able to build upon the success of the DBMDF. The Consortium's capitalization is USD 75 million, with USD 15 million in equity and USD 60 million in five-year debt. USAID provided a USD 15 million debt guarantee, which, with the equity, provides debt holders with a 40 percent first loss cushion. Nevertheless, investors have a significant amount of their capital at risk and are thus forced to understand the fundamentals of investing in microfinance. Investors receive a market-based return on their investment. The Consortium is a true partnership of equals, going beyond monetary investment by commingling the know-how of its investors and their relationships to further microfinance as an emerging new asset class with a good risk-return profile. The spirit of partnership is enhanced by giving even debt holders a voice in the governance of the Consortium as voting board members. Deutsche Bank served as lead arranger and manager of the deal. "Investors value the kind of investment banking expertise that has been brought to the fund by Deutsche Bank as the manager of the Consortium," observes Hanns Michael Hölz, Global Head of Sustainable Development at Deutsche Bank.

The Consortium's collaborative model of bringing differently motivated monies under a single umbrella to create synergies which cannot be achieved by acting separately is replicable in most areas of development where there is a stream of income that can be financed. The idea of monetizing future flows of revenue and providing capital at scale can be applied to healthcare, education, affordable housing, alternative energy delivery, and also to providing financial services to the poor. Deutsche Bank is increasingly convinced of the role it can play in financial intermediations of social capital, and is therefore actively examining ways to use these principles: for example, the creation of the "Eye Fund" in partnership with the International Association for the Prevention of Blindness and Ashoka to finance eye hospitals in the developing world.

The Consortium is comprised of:

Agence Française de Développement, AXA Group, Calvert Social Investment Foundation, CNP Assurances, Deutsche Bank, Geisse Foundation, General Board of Pension and Health Benefits of the United Methodist Church, Gray Ghost Fund, HP, Kaminer Foundation, Left Hand Foundation, Merrill Lynch, MMA, Munich Re, Rauenhorst Foundation, Standard Life, State Street Corporation, Storebrand, The Church Pension Fund, The Co-operative Bank plc, UK Department for International Development, US Agency for International Development, David Fitzherbert, Elizabeth and Steve Funk, Deepak Kamra, and Janet A. McKinley



Josef Ackermann, Seth Waugh, CEO Deutsche Bank Americas, and Bill Clinton at the launch of the Consortium

Microfinance Consortium: Groundbreaking USD 75 million fund that provides capital to microfinance institutions around the world. Private and institutional investors apply their business know-how, capital, and development initiatives to create market-based solutions to combat poverty. Deutsche Bank functioned as lead arranger and managed the sale of the fund ■ **Deutsche Bank Microcredit Development Fund:** Since 1997, the fund has provided credits of over USD 4 million to 40 MFIs in 24 countries, by means of which a total volume of nearly USD 55 million has been distributed in the form of microcredits ■ **Information:** www.community.db.com; www.unglobalcompact.org; www.undp.org

Further Topics

Operational environmental protection:

Historically, operational environmental protection and activities to support small and medium-sized companies have been at the roots of our Sustainability Management System. Today, sustainability at Deutsche Bank is not limited to operational environmental protection. Nevertheless, it is very important for our credibility as a sustainability-oriented company that we ensure the responsible use of resources within the Bank itself before we call upon suppliers, customers, or business partners to follow our example.

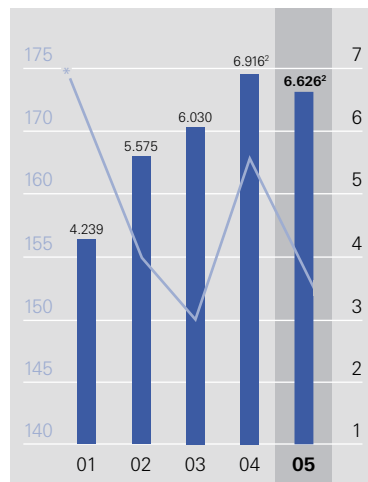


The "Energy fit" campaign on efficient energy consumption

Energy consumption: There are both ecological and economic arguments for a drastic reduction in energy consumption. In order to increase the energy efficiency of our facilities, we rely on advancements in technology. All Deutsche Bank partners for technical facility management have signed agreements in which they promise to identify and implement potential energy-saving measures. Since energy consumption is always influenced by employees' behavior at the workplace, Deutsche Bank, the Deutsche Energie-Agentur (dena; German Energy Agency), and the Energieagentur NRW launched the campaign "Energy fit" in Germany

CO₂ from energy generation¹ per employee (in tons)

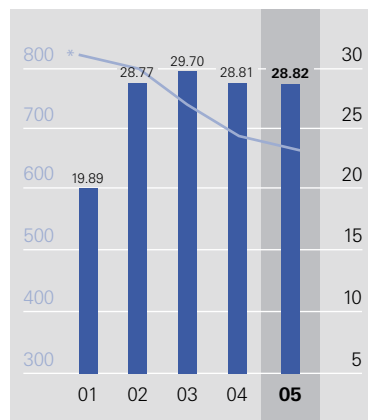
Total consumption (in t tons)*



in 2005. Furthermore, DB Bauspar participated in the EU initiative "Energy Trophy," which helped to reduce our affiliate's energy consumption by seven percent. Between 2001 and 2005, Deutsche Bank's total energy consumption in Germany was reduced by 10.3 percent. CO₂ emissions stemming from energy generation fell by 13.1

Water consumption per employee (in m³)¹

Total consumption (in t meter³)*



percent thanks to the decline in energy consumption. As of January 2006, 20 percent of Deutsche Bank's total electricity consumption in Germany comes from regenerative energy sources.

Water consumption:

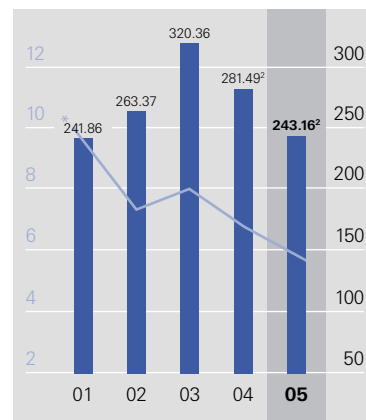
As in the case of energy consumption, improvements in building technology, an obligation on facility managers to identify and implement potential improvements, and regular staff training will help to reduce water consumption. Deutsche Bank's total water consumption fell by 19 percent over the past five years.

Waste management:

As a general principle, Deutsche Bank aims to avoid waste whenever possible. Certain waste is recycled, and the rest is disposed of in an orderly way by certified waste disposal companies. Between 2001 and 2005, the volume of residual waste was reduced by 46.9 percent. In 2005, 62.4 percent of the waste generated last year was recycled.

Residual waste per employee (in kg)¹

Total residual waste (in t tons)*



¹ Figures for Deutsche Bank AG and DB PBC AG; compared to preceding years, figures refer to full-time equivalents
² Change in conversion factor against last year's report

Paper: One out of five felled trees worldwide is used for paper production, with much of the necessary pulp coming from countries outside Europe. It is in all of our best interests to significantly reduce paper consumption. Between 2001 and 2005, paper consumption at Deutsche Bank declined by 9.2 percent. As the production of recycled paper does not require fresh pulp, consumes less energy and water, and generates fewer emissions, the Bank aims to increase the proportion of recycled paper we use. Over the past five years, the proportion of recycled paper used for photocopies was increased by 27.2 percent. Moreover, as of September 2005, only paper certified by the Forest Stewardship Council (FSC) is used for Deutsche Bank printers, photocopiers, and fax machines. The FSC certificate guarantees that the wood for the paper was grown in forests which are managed sustainably and in line with social and environmental criteria.

Hazardous substances: While a bank uses relatively few hazardous substances compared to other industries, it is nevertheless a priority for us to use them as sparingly as possible and handle them responsibly. We have drafted a specific policy that provides detailed regulations on the use and substitution of hazardous substances, protective and preventive measures, and proper storage and disposal. This policy also applies to the use of hazardous substances by any third-party suppliers.

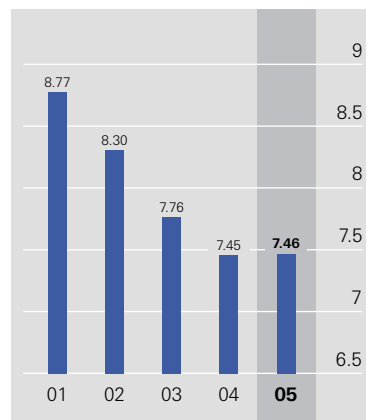
Traveling: While managing an international company such as Deutsche Bank does indeed result in a certain volume of traveling, we strive to keep travel-related greenhouse emissions as low as possible. All employees are obliged to communicate via conference calls or video conferences whenever possible. In order to reduce the number of short flights, all employees who regularly travel in Germany receive a BahnCard (train card) for this purpose. Since August 2005, all BahnCards bought by the Bank are "Umwelt-BahnCards." Under this program one percent of gross sales generated with the BahnCard is donated to the nature protection association, Naturschutzbund Deutschland (NABU). Overall, our cooperation partner for business travel provided 1,484 BahnCards last year. Deutsche Bank has "job ticket" agreements at a number of locations, which encourages employees to use public transportation. The average petrol consumption of company cars was reduced considerably, by 14.9 percent, over

the past five years as employees have to pay for part of their car's fuel consumption. Under the new business fleet regulations, which went into effect on January 1, 2006, the share of the cost which is to be borne by the employee depends to an even higher degree on the fuel consumption of the vehicle. Moreover, a soot particle filter is mandatory for diesel cars. Overall, business travel was reduced by 20.9 percent between 2001 and 2005.



In 2005, Deutsche Bank placed orders worth about EUR 3.7 million with GDW

Fuel consumption (company cars)³
liters per 100 km



³Figures for Germany

Integrating philanthropic aspects into environmental protection: Acting sustainably covers not only ecological and economic, but also social aspects. In Germany, Deutsche Bank has outsourced the disposal of confidential documentation, data carriers, and electronic waste to the Genossenschaft der Werkstätten für Behinderte (GDW), a sheltered workshop organization. This step ensures that the waste is disposed of properly and makes an active contribution to the integration of physically and mentally challenged people. Moreover, fair trade coffee was introduced in sev-

eral of our cafeterias last year. Fair trade offers better trading conditions and helps to ensure social rights for disadvantaged producers, particularly in the southern hemisphere. It thus makes an active contribution to sustainable development. The range of fair trade products offered at the Bank is to be successively increased.

Environmental data: Deutsche Bank has a comprehensive environmental data system. It monitors the monthly consumption data of the 33 largest locations in Germany. This regular procedure helps to easily identify blips, potential disruptions in operational procedures, and potential improvements. The New York branch was included in this system in 2004, and the London branch, DWS, and DB Bauspar were integrated in 2005. Our system for data generation and consolidation was certified by Gerling Risiko Consulting, also in 2005. The figures given in this year's report (see p. 45) were examined by Gerling as well. Deutsche Bank's target values (see p. 103) refer to the consumption of resources per employee. Due to the restructur-



Information campaign on the introduction of fair trade coffee in our cafeterias

ing efforts, however, the number of Deutsche Bank's employees has declined more rapidly than the office space. Since not all vacant office space could be disposed of immediately, the consumption of energy and water per employee has increased over the last few years. In absolute terms, however, consumption was reduced.

Sustainability in corporate purchasing: In the spirit of sustainability, a company should work with suppliers to ensure certain standards are upheld. For Deutsche Bank, sustainability includes making sure that ecological, social, and ethical issues are respected along the supply chain. Since the inception of the Sustainability Management System at Deutsche Bank, the corporate purchasing and sustainability management departments have been working closely to establish targets and subsequent measures to do just this. Deutsche Bank has a global corporate purchasing system so that numerous products can be procured worldwide and purchasing volumes can be bundled. In addition to an electronic purchasing system, an internal e-sourcing platform is used for tenders or auctions. Before any purchase is finally carried out, the corporate purchasing department and the department wishing to place an order jointly analyze the department's needs, determine whether the purchase is absolutely necessary, and set the product criteria in line with the strategic sourcing procedure defined by the Bank. Depending on the product, the Sustainability team may define new

Verification statement

Gerling Consulting Gruppe GmbH was commissioned by Deutsche Bank AG on February 28, 2006 to examine the data generation and aggregation systems for the operational environmental data in the 2005 Deutsche Bank report "Social responsibility".

The key operational environmental indicators in this Deutsche Bank report comply with industry best practice in terms of their structure, scope and appropriateness.

This statement is based on the results and recommendations in the "Report on verification of operational environmental data at Deutsche Bank AG 2005" of April 12, 2006.


Ina Stubenrauch Norbert Eigen


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CONSULTING GRUPPE

criteria at this stage of the procedure. For example, the regulations for purchasing flooring are different from those for buying servers or office materials. As a result, several criteria catalogues (for example for EDP products, servers, office furniture, or floorings) have been created, which require suppliers to give detailed information on ecological and social aspects. Decisions for or against a supplier are based not only on technical and economic aspects, but also on the answers given in this questionnaire. While cost effectiveness is a priority for Deutsche Bank, the sustainability criteria set for the product must be fulfilled. The global policies on sustainability are used to collect and evaluate comprehensive information on the use of hazardous substances, on waste disposal, and on the preference for environmentally friendly products and suppliers with certified environmental management systems. Moreover, all suppliers and third-party vendors must agree

Comparison of environmental data 2001–2005: Germany, New York, and London

| | | 2001 | 2002 | 2003 | 2004 | 2005 ² |
|--|---------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|--------------------------------------|
| Number of staff (full-time) | Germany¹ | 41,191 | 27,767 | 24,906 | 23,915 | 23,033 (23,852) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 5,912 | 4,277 |
| | London | n/a | n/a | n/a | n/a | 7,111 |
| Office space (m ²) | Germany¹ | 1,526,206 | 1,477,171 | 1,439,000 | 1,185,052 | 1,125,699 (1,155,685) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 151,007 | 151,012 |
| | London | n/a | n/a | n/a | n/a | 108,728 |
| Power consumption (gigajoule) | Germany¹ | 914,459³ | 830,674³ | 785,863³ | 858,919³ | 787,740 (806,326) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 205,897 | 210,642 |
| | London | n/a | n/a | n/a | n/a | 365,103 |
| Heating energy consumption (gigajoule) | Germany¹ | 678,481³ | 669,718³ | 591,499³ | 775,798³ | 641,365 (654,451) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 75,759 ³ | 87,894 |
| | London | n/a | n/a | n/a | n/a | 170,193 |
| CO ₂ emissions from power production (tons) | Germany¹ | 174,624⁴ | 154,804⁴ | 150,194⁴ | 165,391⁴ | 152,612 (156,022) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 97,174 ⁵ | 108,931 |
| | London | n/a | n/a | n/a | n/a | 57,738 |
| Water consumption (m ³) | Germany¹ | 819,490³ | 798,964³ | 739,683³ | 688,919³ | 663,925 (667,275)⁶ |
| | New York, 60 Wall Street | n/a | n/a | n/a | 198,864 | 250,248 |
| | London | n/a | n/a | n/a | n/a | 94,000 |
| Residual waste (tons) | Germany¹ | 9,962⁷ | 7,313⁷ | 7,979⁷ | 6,732 | 5,601 (6,657) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 624 ³ | 439 |
| | London | n/a | n/a | n/a | n/a | 22 |
| Recycled waste (tons) | Germany¹ | n/a | n/a | n/a | 12,288 | 9,492 (9,813) |
| | New York, 60 Wall Street | n/a | n/a | n/a | 899 ³ | 1,373 |
| | London | n/a | n/a | n/a | n/a | 658 |
| Hazardous waste (tons) | Germany¹ | n/a | n/a | n/a | 126 | 129 (131) |
| | New York, 60 Wall Street | n/a | n/a | n/a | n/a | n/a |
| | London | n/a | n/a | n/a | n/a | 1 |
| Traveling Deutsche Bank Group (million km) | Germany | 129.50 | 104.18 | 87.08 | 95.90 | 102.44 |
| | By plane | 86.40 | 72.64 | 62.99 | 72.29 | 76.36 |
| | < 500 km | n/a | n/a | n/a | 14.46 | 16.09 |
| | > 500 km | n/a | n/a | n/a | 57.83 | 60.26 |
| | By train | 34.70 | 23.23 | 16.82 | 18.71 | 21.36 |
| | By rental car | 8.40 | 8.31 | 7.27 | 4.90 | 4.72 |
| | USA | n/a | n/a | n/a | n/a | 226.66 |
| | By plane | n/a | n/a | n/a | n/a | 226.04 |
| | < 5 hours | n/a | n/a | n/a | n/a | 77.94 |
| | > 5 hours | n/a | n/a | n/a | n/a | 148.10 |
| | By train | n/a | n/a | n/a | n/a | 0.62 |
| | Great Britain | n/a | n/a | n/a | n/a | 159.89 |
| | By plane | n/a | n/a | n/a | n/a | 159.89 |
| | < 5 hours | n/a | n/a | n/a | n/a | 102.30 |
| | > 5 hours | n/a | n/a | n/a | n/a | 57.59 |
| CO ₂ emissions from business trips (tons) | Germany | 14,014⁸ | 11,713⁸ | 10,009⁸ | 11,293 | 11,976 |
| | USA | n/a | n/a | n/a | n/a | 26,185 |
| | Great Britain | n/a | n/a | n/a | n/a | 19,224 |
| Paper consumption (tons) | Germany | 5,936 | 5,860 | 5,314 | 5,401 | 5,393 (5,443) |
| | Photocopy paper | 2,191 | 2,123 | 1,942 | 2,082 | 1,821 (1,871) |
| | of which recycled paper | 99 | 136 | 135 | 108 | 60 |
| | Printed documents | 3,745 | 3,737 | 3,372 | 3,319 | 3,559 |
| | New York, 60 Wall Street | n/a | n/a | n/a | n/a | n/a |
| | London | n/a | n/a | n/a | n/a | 984 |
| | Photocopy paper | n/a | n/a | n/a | n/a | 444 |
| | Printed documents | n/a | n/a | n/a | n/a | 540 |

¹ Germany: figures for Deutsche Bank AG and Deutsche Bank Private and Business Clients AG² Figures in parentheses for Deutsche Bank AG, Deutsche Bank Private and Business Clients AG, DWS, and DB Bauspar³ Values recalculated⁴ Change in conversion rate for CO₂ emissions from electricity and recalculated values⁵ Change in conversion rate for CO₂ emissions⁶ Not including DWS⁷ Change in density⁸ No change in impact due to long or short distance flights



Cooperation between the sustainability and corporate purchasing departments:
Hanns Michael Hölz (left) and Rainer Blank

to our sustainability clause. Corporate purchasing has defined sustainability issues in its “Global Outsourcing Policy” (released in 2005) and its “Global Sourcing Policy” (reviewed in 2005). For example, the “Vendor Code of Conduct” requires suppliers to:

- use natural resources responsibly and reduce negative effects on the environment as far as possible;
- create a healthy and safe work environment;
- comply with wage agreements;
- refrain from using forced or child labor.

Moreover, the updated Global Sourcing Policy includes detailed rules on the prevention of nepotism and corruption. A standard system for evaluating all suppliers is being planned. Concrete examples of the successful integration of corporate purchasing into the Sustainability Management System in 2005 are: 20 percent of the power consumed in Germany now comes from renewable sources; the “Umwelt-BahnCard” was in-

troduced to the benefit of Naturschutzbund Deutschland (nature protection association in Germany); new product-specific sustainability criteria catalogues were drafted; the proportion of recycled paper we use increased; FSC-certified paper is now procured; and the average fuel consumption of company cars continues to decline.

Deutsche Bank’s contribution to fighting climate change:

Combating climate change is one of the greatest challenges of our time. International experts forecast an increase in the global surface temperature and the global sea level, a shift in climatic zones, and a higher number of extreme weather events such as tropical storms, floods, and droughts. Natural disasters in particular have not only ecological and social, but also huge economic consequences, which affect our customers, suppliers, and other stakeholders. Against this background, it is also in Deutsche Bank’s best interest to contribute to a drastic reduction in greenhouse gas emissions.

Our strategy for combating the greenhouse effect

1. Avoiding greenhouse gas emissions

- Increasing energy efficiency by steadily improving Deutsche Bank's building and equipment technology
- Reducing energy consumption by changing employee behavior: Energy-saving campaign "Energy fit" in the 20 largest offices in Germany in cooperation with Deutsche Energieagentur (dena; German Energy Agency) and Energieagentur NRW
- Obligation to use video conferences and conference calls in order to steadily reduce traveling
- Promotion of public transport by financing job tickets at many Deutsche Bank locations
- Reduction of the number of short flights by granting BahnCards to employees who travel often on business
- Reduction in the average fuel consumption of company cars by obliging employees with company cars to pay for part of their fuel consumption
- Allowing purchase of diesel cars only if they have a soot particle filter

2. Promotion of renewable energies

- Consumption of power from renewable energy sources: As of January 2006, 20 percent of the electrical power consumed in Germany is generated from renewable energy sources
- Financing of projects to promote renewable energies (see p. 8 et seq)

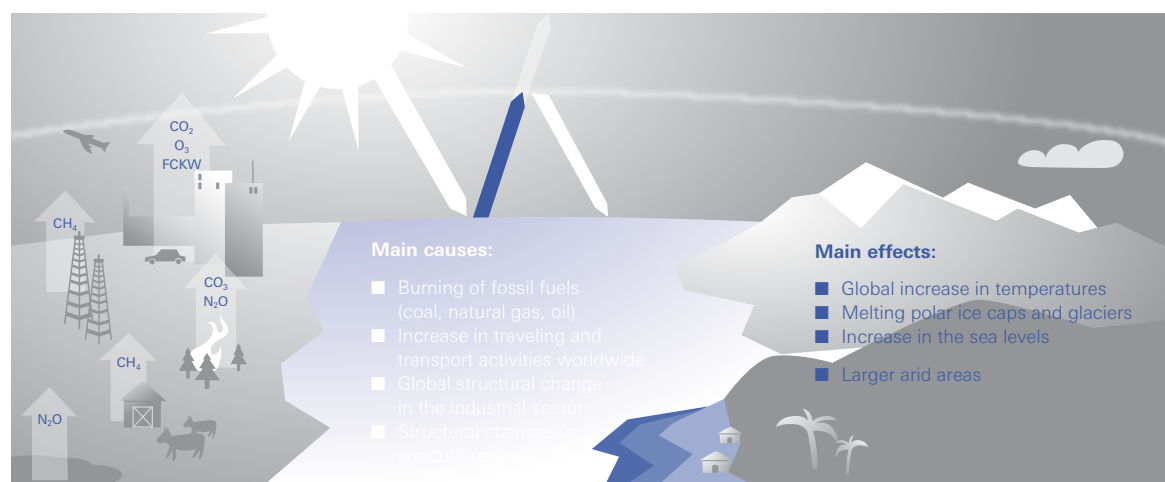
3. Raising public awareness of climate change

- Studies by DB Research on the issues of renewable energies, emissions trading, and energy policy (see p. 50)
- Active participation in the "Arbeitsgruppe Emissionshandel zur Bekämpfung des Treibhauseffektes" (AGE; working group on emissions trading), an initiative of the Federal Ministry for the Environment, in Forum für Zukunftsenergien (forum for resource-saving energy) and in the bodies of Deutsche Energieagentur (dena; German Energy Agency) (see p. 48)
- Participation in the Carbon Disclosure Project (an initiative to disclose corporate climate policy strategies in order to have financial analysts take this issue into account in their assessments and evaluations of companies)

4. Neutralizing unavoidable greenhouse gas emissions















- Participation in the Prototype Carbon Fund (PCF) of the World Bank by contributing USD 5 million in 2000. The fund has a total volume of USD 180 million and supports projects to reduce greenhouse gas emissions in Asia, eastern Europe, Latin America, and Africa
- Participation in the project "Hessische Klimapartner" since February 2006, which aims to neutralize greenhouse gas emissions. The principle is that unavoidable greenhouse gas emissions, for example from business traveling or energy consumption in buildings, are offset ("neutralized") by the implementation of additional climate-protection projects. So far, two Deutsche Bank conferences have been "neutralized." All greenhouse gas emissions in connection with the production of this report will be offset by a climate-protection project in India (see p. 106).

The anthropogenic greenhouse effect



N₂O = nitrous oxide, CH₄ = methane, CO₂ = carbon dioxide, O₃ = ozone

Memberships in organizations that promote sustainability

| Active membership | Overview | Since | Committee |
|--|---|-------|---|
|  UNEP Finance Initiative | <ul style="list-style-type: none"> Specialized working groups on asset management, climate change, environmental management, and reporting Regional task forces: Americas, Far East, Eastern and Central Europe, Africa | 1992 | Chair: 2000–2005; member of the Steering Committee since 1998 |
|  UN Global Compact | <ul style="list-style-type: none"> Code of conduct for companies concerning human rights, labor, the environment, and the fight against corruption 1,950 participants from 74 countries | 2000 | Member of the Advisory Council: 2000–2004 |
|  World Business Council for Sustainable Development | <ul style="list-style-type: none"> A group of about 175 international firms committed to sustainable development | 2000 | Member of the project group “Sustainability in the Finance Sector” since 2001 |
|  Global Reporting Initiative | <ul style="list-style-type: none"> A multi-stakeholder initiative established in 1997 Promotion of reporting the economic, ecologic, and social performance of an organization | 2002 | Board member since establishment of the initiative |
|  Bellagio Forum for Sustainable Development | <ul style="list-style-type: none"> An association of international organizations, foundations, NGOs, media institutions, and companies, established in 1993 and aiming at promoting sustainability-oriented projects | 1998 | Chair since 2001 |
|  econ sense – Forum Nachhaltige Entwicklung | <ul style="list-style-type: none"> Initiative of leading German companies and organizations that pursue a sustainability-oriented corporate strategy | 2000 | Board member since 2003 |
|  Verein für Umweltmanagement in Banken, Sparkassen und Versicherungen e.V. (VfU) | <ul style="list-style-type: none"> Forum in which specialists share opinions and experience in ecologic and sustainability issues | 2004 | |
|  Forum für Zukunftsenergien e.V. | <ul style="list-style-type: none"> Promotion of safe, cost-effective, resource-saving, and environmentally friendly energy supply | 2000 | |
|  Bundesdeutscher Arbeitskreis für umweltbewusstes Management B.A.U.M. | <ul style="list-style-type: none"> Environmental initiative by the business sector, in particular small and medium-sized enterprises Presented with the B.A.U.M. environment award in 2003 | 1995 | |
|  Deutscher Industrie- und Handelstag/Industrie- und Handelskammern | <ul style="list-style-type: none"> Lobbyists for the German business sector with decision makers in local, state, and federal policy, and in European institutions | 1997 | Permanent member of the environment committee |
|  dena – Deutsche Energie-Agentur | <ul style="list-style-type: none"> Promotion of environmentally friendly, renewable energies | 2001 | Supervisory board member since establishment of the initiative |
|  Naturschutzbund Deutschland e.V. | <ul style="list-style-type: none"> Important association for the promotion of environmental protection | 2001 | Member of the board of trustees since 2001 |
|  Arbeitsgruppe “Emissionshandel zur Bekämpfung des Treibhauseffektes” (AGE) | <ul style="list-style-type: none"> Initiative by the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety to define emissions trading in Germany | 2003 | |
|  Hessische Klima-Partner | <ul style="list-style-type: none"> Development and implementation of climate-neutral products and services | 2006 | |

In addition to these memberships, Deutsche Bank was also involved in over 50 national and international events to explain the concept of sustainability as a business case in both social and political contexts



Global Compact – communication on progress

The Global Compact calls on companies to recognize, support, and implement—within their spheres of influence—a catalogue of fundamental values consisting of ten

principles on human rights, working conditions, environmental protection, and the fight against corruption. These ten principles are derived from the central goals of the UN. Deutsche Bank was one of the first companies to sign the Global Compact and is deeply com-

mitted to these principles. Not only have we integrated them in many internal guidelines for our business divisions and Corporate Center, but we have also made wide-ranging contributions to spreading the principles of the Global Compact in 2005.

Communication on progress in 2005:

- Active participation in more than ten national and international conferences
- Release of more than 20 printed publications on the topic of sustainability
- Regular presentations on sustainability in front of national and international audiences
- Inclusion of sustainability aspects in customer and supplier contacts

For a detailed list see our website www.sustainability.deutsche-bank.de/en.

Implementation of the ten UN Global Compact principles*

| Principles | Examples of their implementation |
|---|----------------------------------|
| Human Rights | |
| Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and | p. 44, 46, 48 |
| Principle 2: make sure that they are not complicit in human rights abuses. | p. 44, 46, 48 |
| Labor Standards | |
| Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; | p. 44, 46, 48 |
| Principle 4: the elimination of all forms of forced and compulsory labor; | p. 44, 46, 48 |
| Principle 5: the effective abolition of child labor; and | p. 44, 46, 48 |
| Principle 6: the elimination of discrimination in respect of employment and occupation. | p. 36, 37 |
| Environment | |
| Principle 7: Businesses should support a precautionary approach to environmental challenges; | p. 4-7, 15, 42-49, 103 |
| Principle 8: undertake initiatives to promote greater environmental responsibility; and | p. 4-7, 15, 42-49, 103 |
| Principle 9: encourage the development and diffusion of environmentally friendly technologies. | p. 8-11, 47 |
| Anti-Corruption | |
| Principle 10: Businesses should work against all forms of corruption, including extortion and bribery. | p. 16-17, 46, 50 |

* Further information: www.unglobalcompact.org



The Deutsche Bank Research team

Political dialogue

The financial markets and financial services play a central role in the economy. Their efficiency—and, in turn, the prosperity they help to generate for society as a whole—depends to a large extent on the legal and regulatory framework in place. In this context and as a major global player, Deutsche Bank engages in political dialogue, and is active in the enhancement of legal foundations and in the improvement of regulatory frameworks. The Bank promotes an exchange of ideas at all levels of the political decision-making process and supports national, European, and international initiatives that aim to improve the conditions for the capital markets. We strive to keep in contact with all participants in the legislative process. Moreover, we back the work of expert committees in professional associations, legislative institutions, and of regulators by providing expertise and human resources. The Bank focuses its political efforts in Ber-

lin, Brussels, London, and Washington, D.C. The main aims are to strengthen Germany as a financial capital, to foster the integration of the European financial markets, and to strengthen transatlantic economic ties.

Deutsche Bank's representative office to the EU in Brussels: A large part of national legislation is derived from EU legislation, which is adopted in Brussels. That is why Deutsche Bank established a representative office to the EU in this city more than 15 years ago. This office serves to maintain the contact between the Bank and the EU institutions. The EU Commission, the European Parliament, and the governments of the member states are in dialogue with various industry representatives. For example, Deutsche Bank can contribute its market expertise to legal procedures that will affect the banking sector. The exchange of information is usually in the form of consultations by the EU institutions, in which numerous representatives

of the financial services sector and other areas (such as consumer associations) participate. Our representative office to the EU monitors current and planned legislation and other political initiatives of the EU institutions, informs the Bank's departments about relevant developments, and provides input to the EU institutions. Following the preparations for the introduction of the euro, the focus has been on accompanying the numerous measures of the Financial Services Action Plan of the EU Commission during the past few years, which will be continued in the framework of the "White Paper Financial Services Policy 2005–2010."

Deutsche Bank Research

Deutsche Bank Research, Deutsche Bank's think tank, regularly publishes studies on current sustainability issues. Its network helps to underline the importance of sustainability and to maintain and improve contacts with organizations working in this area. One goal is to

raise political and economic decision makers' awareness of sustainability issues. Deutsche Bank Research considers ecological, economic, and social aspects of sustainability in its studies. Greenhouse gas emissions trading, the outlook for renewable energies, and the ecological problems stemming from China's rapid growth are only a few of the issues on the agenda. Other topics are the effects of the demographic development on old-age provision, or the importance of education for a country's wealth. Deutsche Bank Research combines a descriptive with a normative approach. The department's studies and public presentations can be viewed on the Internet—free of charge. For more information please visit www.dbresearch.de



Brochure can be downloaded at www.dbresearch.de

Business Continuity Management

Deutsche Bank has made a priority of building strong relationships with auditors, regulators, and government bodies around the globe

to help drive its Business Continuity Management activities and maintain open and timely communications in crisis events. Deutsche Bank has utilized its partnerships with the UK's Financial Services Authority, the Bank of England, and the HM Treasury to develop its crisis exercises, whilst providing them with insight into the financial industry's continuity management through participation in working groups and conferences. Deutsche Bank has also collaborated with the Metropolitan Police Special Branch on its simulations to the extent that they used our London crisis simulation script for their own annual exercise in July.

Deutsche Bank is represented in key industry groups such as the US's Securities Industry Association, the UK's Securities Industry Business Continuity Management Group, and the Association of Banks in Singapore, which help promote knowledge sharing and best practice across the financial industry.

Deutsche Bank has helped raise awareness of potential threats, such as avian influenza or cyber terrorism, through a variety of events. The Bank, along with the Center for Biosecurity, a Baltimore-based crisis think tank, and the US's Contingency Planning Exchange, organized a pandemic conference in New York in September 2005. The event gave over 200 people from across the financial industry the opportunity to hear from world-renowned experts and policy makers from the White House, the World Health Organization, the US Department of Treasury, and the New York City Health Department. The Bank has also presented at industry conferences in Barcelona, Frankfurt, and Tokyo.

Sharing and promoting tax know-how

Our Group Tax staff contributed to the public debate on tax policy again in 2005. For example, they helped to further develop the concepts of a modernized company tax law under the patronage of the German Stiftung Marktwirtschaft und Politik. Deutsche Bank Group Tax has also had a say in the tax policy proposals of the "Initiative Finanzplatz Deutschland" (IFD). Moreover, Deutsche Bank staff in the United Kingdom, the United States, Hong Kong, Japan, and Australia contribute to debates about tax issues by formulating the vantage point and the interests of foreign banks doing business in those countries. They support the Organization for Economic Cooperation and Development (OECD) in the field of business entity taxation and work with the Centre for European Policies Studies on behalf of the European Commission to harmonize taxation rules within the EU. Moreover, our staff participate in the International Fiscal Association (IFA), in which all important fiscal administrations of the industrialized countries discuss and later publish key taxation issues annually. For detailed information concerning the provision for income taxes and tax yield, please see the Financial Report 2005, p. 5, 11, 132 et seq.

Commitment to Society

Our Principles and Areas of Activity

On the preceding pages we have detailed how Deutsche Bank actively puts corporate responsibility into practice for its shareholders and customers, its staff members, and society as a whole, through the manner in which we do business. Yet the Bank is also engaged in a multitude of community activities that reach far beyond the world of business—through donations and sponsorships, through projects initiated by the Bank, and not least through the volunteer work of staff members. Both these spheres of social responsibility are closely connected not only materially but also in spirit. Our commitment as corporate citizens is only the outwardly most visible aspect of our corporate culture, which itself is anchored at all levels within the company in the form of codes of conduct, guidelines, and leadership standards.

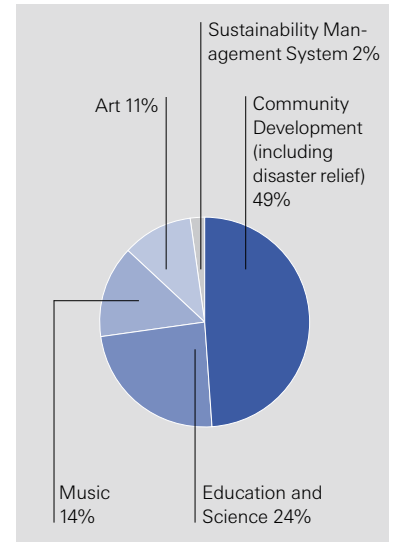
With total commitments of nearly EUR 90 million, the Bank’s foundations and non-profit institutions once again made it one of the world’s leading corporations in this field in 2005. Our social commitment focuses on the four areas of **education, community development, music, and art**, whereby all of our projects and sponsorships adhere to the four principles of **sustainability, diversity, investing in people, and giving more than money**.

Sustainability is a key feature of our support for the arts, which typically focuses on the audiences of tomorrow (see p. 70), and also underlines our commitment to poverty alleviation through microcredits (see p. 38 et seq.). As an international financial services provider with employees from 130 nations, we also know the value of cultural **diversity**. Preserving this diversity and promoting exchange between cultures based on mutual respect is thus a central concern.

In addition, all of our activities are aimed at **enabling people from all walks of life to reach their full potential and achieve their goals**. This means, for example, not only supporting the younger generation in the fields of art and music, and not only “helping people to help themselves”: It also involves placing education at the center of all our projects and undertakings—highlighting its status as society’s most precious commodity. And especially as a leading financial services provider, we also strive whenever possible to provide **“more than money”**—to underscore the effectiveness of our financial contributions through personal commitment (see p. 84 et seq.).

Spending on the arts and society worldwide in 2005

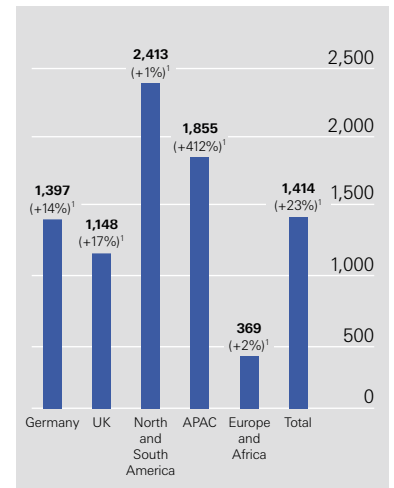
Total: EUR 89.7 million¹—by topic



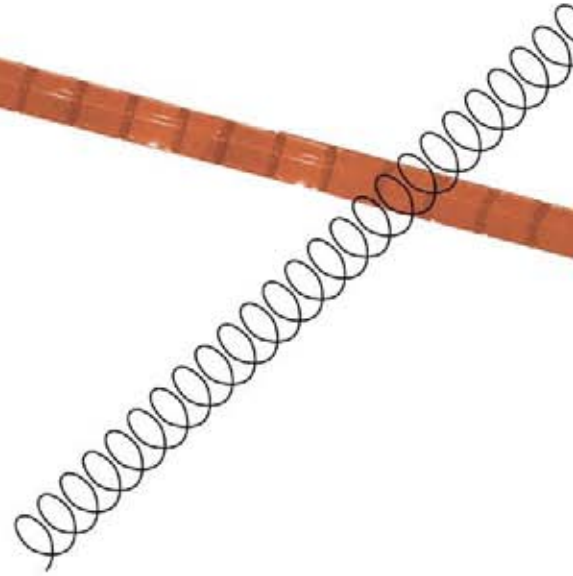
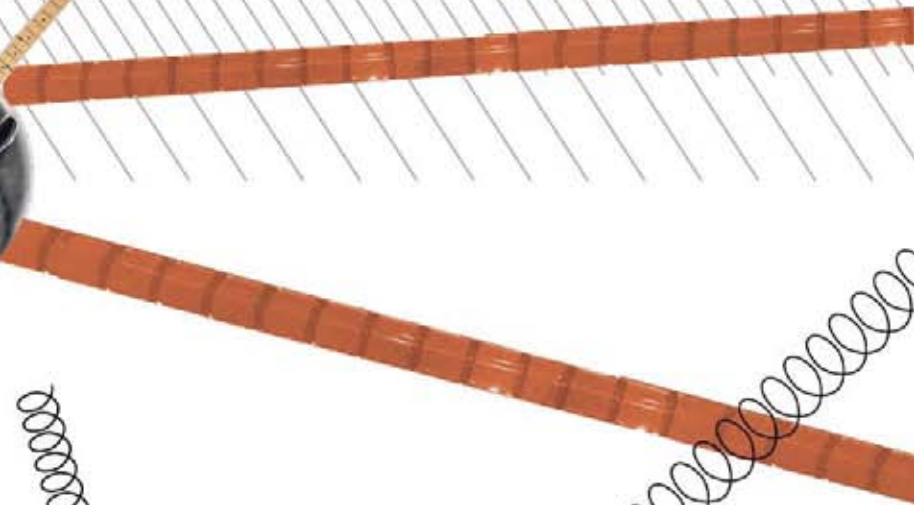
¹Includes sponsorships for the arts and society

Spending on the arts and society worldwide in 2005

In EUR per employee by region



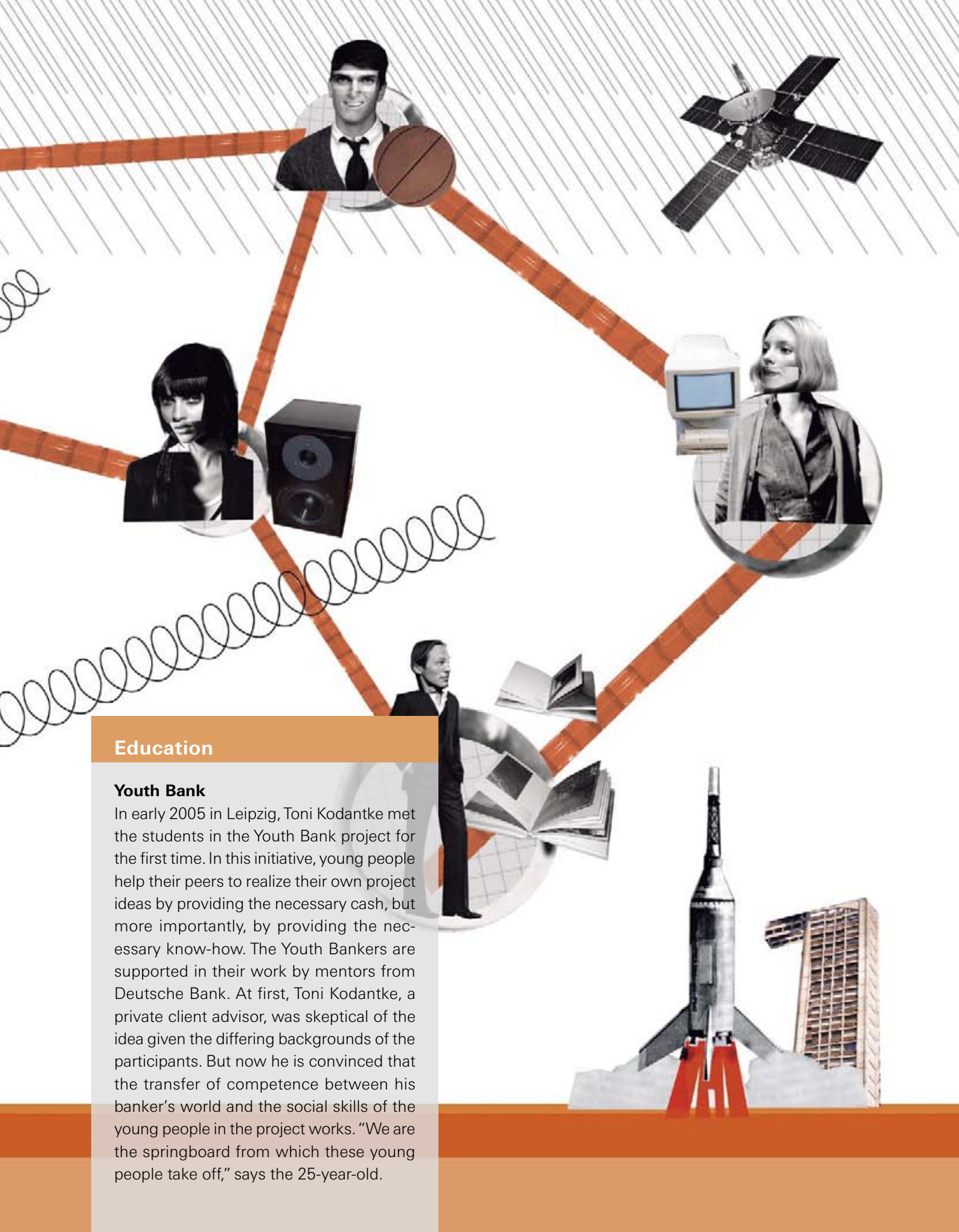
¹Growth rate is calculated based on total spending for the previous year and assuming a constant number of employees



“My dream is to see people from different generations and walks of life working together.”

Toni Kodantke





Education

Youth Bank

In early 2005 in Leipzig, Toni Kodantke met the students in the Youth Bank project for the first time. In this initiative, young people help their peers to realize their own project ideas by providing the necessary cash, but more importantly, by providing the necessary know-how. The Youth Bankers are supported in their work by mentors from Deutsche Bank. At first, Toni Kodantke, a private client advisor, was skeptical of the idea given the differing backgrounds of the participants. But now he is convinced that the transfer of competence between his banker's world and the social skills of the young people in the project works. "We are the springboard from which these young people take off," says the 25-year-old.

Pinstripes Optional

Youth Bank—seed money from a different kind of sower



Since the autumn of 2005, life in an eastern Berlin suburb has been enriched by a new publication, “Petze”—in English “squeal”—sponsored by the local Youth Bank. The newspaper keeps young people informed about youth club activities and other events in their part of the city. The seed money of EUR 140 needed to start the newspaper was a good investment: the project now supports itself through local sponsors who advertise in the paper.

“Petze” is one of 105 micro-projects supported by Youth Banks last year. Since mid-2004, the German Children and Youth Foundation and the Deutsche Bank Foundation have been supporting young people who need money to turn their ideas into reality. Each Youth Bank has three to ten young volunteers who help their

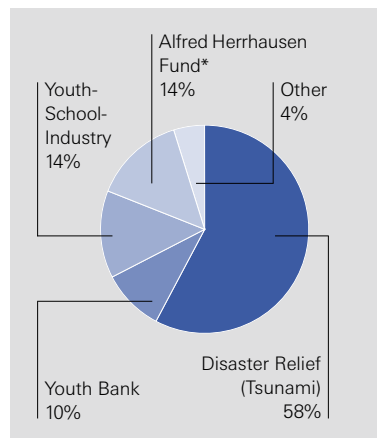
peers implement their project ideas. Which projects receive support is decided by the Youth Bankers themselves after careful consideration of the initiators’ plans. If the bankers give the project the OK, the initiators receive between EUR 50 and EUR 400 from the Youth Bank’s funds. If the young entrepreneurs succeed in winning other sponsors for their idea, the sum is increased by matching funds from the Youth Bank; and the money does not have to be paid back. In 2005, the fifteen Youth Banks in Germany between Flensburg and Regensburg gave nearly EUR 46,000 to grassroots projects and in matching funds. In addition, the initiators of the supported projects managed to raise nearly EUR 36,000 from other sources. But money is not everything. Often the main point is to provide contacts and professional support.

According to a 2004 Infratest study for the Federal Ministry of Family Affairs, 35 percent of all 14- to 25-year-olds do voluntary work of some kind. “Youth Banks offer an opportunity to really get something going and provide a boost to extra-curricular education,” says Christian J. Stronk, Chairman of the Deutsche Bank Foundation. “For us, this exchange of ideas with young people is very important. Both sides can learn from each other. We learn to understand better how our society functions, and we discover new ways to fulfill our social mandate as a foundation.” The foundation supports the Youth Banks with an annual grant. In addition, Deutsche Bank staff members volunteer their services as mentors to the young bankers.

Deutsche Bank Foundation

Education and community development support in 2005

Total: EUR 3.5 million



*Principally for support projects for young people

Since the beginning of 2005, private client advisor Toni Kodantke and his colleague Andreas Kirchberger have been mentoring the Youth Bank in Leipzig. “After we had overcome our initial inhibitions and both sides recognized that they had something to gain, we quickly became a team,” recalls Kodantke. “Absolutely,” confirms Bianka Pergande, Program Coordinator for the German Children and Youth Foundation. “The contacts with Deutsche Bank staff members quickly proved to be a massive advantage,” she says. The Bank is an important partner, opening doors, providing office space, and facilitating contacts with local companies. In addition, according to Bianka Pergande, the mentors give the Youth Bankers “an enormous sense of self-esteem.”

With such support, even the most ambitious projects manage to get off the ground. For instance, the Youth Bank in Leipzig has helped to realize a project in which young people research into their social environment and incorporate their findings into a city-wide analysis of social space. “The goal of the project is to improve the situation of young people in their local city districts,” explains Franziska Riedel, a 21-year-old student. Anybody—individuals, groups, clubs, and schools—may participate. The



Team discussion at the Youth Bank in Berlin Mahrzahn



Christian J. Stronk (left) at the opening of the Youth Bank initiative



Exchange of ideas between banker—Toni Kodantke (left)—and Youth Bankers

results of the project will also be presented in Deutsche Bank’s offices in Leipzig during the course of 2006. For Toni Kodantke, this project has a very special value. “Deutsche Bank’s financial transactions are recorded in its balance sheet—out of sight and out of mind for most people. Through my work with the Youth Bank, I have been able to make the Bank visible to a much wider public.”

Youth Bank: Advised by Bank employees, “Youth Bankers” help their peers to realize their projects ■ **Project Partners:** German Children and Youth Foundation, Servicestelle Jugendbeteiligung and the Deutsche Bank Foundation ■ **Support in 2005:** 105 micro-projects with a total commitment of around EUR 46,000 ■ **Participation:** 70 young people regularly volunteer their time for one of the 15 Youth Banks, 24 Deutsche Bank staff members support them as mentors ■ **Information:** www.youthbank.de; www.dkjs.de; www.servicestelle-jugendbeteiligung.de; www.deutsche-bank-stiftung.de

Other Education Projects – A Selection



Besides Enriching Curriculum Learning, the Bank supports cultural education projects such as KINDER ZUM OLYMP! and Zukunft@BPhil (see p. 66 et seq.)

Deutsche Bank's commitment to education can be broken down into four main areas of support. This includes on the one hand education projects that mix learning with economics or with the arts, as well as initiatives that prepare young people for entering the working world. On the other hand, the Bank also sponsors outstanding academic achievement in higher education and research. The main goal of the Bank's commitments in these fields is to enable people to discover their talents and to transform their potential into reality.

Education projects in economics

General Education in Finance: Together with the "Handelsblatt" newspaper, in 2005 the Bank started an initiative to promote financial literacy. The two partners published free teaching material for eco-

nomics classes in schools, which was requested by some 10,000 teachers in Germany. Forming an umbrella initiative to coordinate this education program, 60 customer advisors in the Bank's retail business will take an active part in the project in 2006. In the pilot phase they help teachers prepare lessons on finance, and they also give schoolchildren an insight into the everyday world of finance.



Schoolchildren from Slovenia: First prize for a project on older consumers

Youth-School-Industry: Since 1998, over 13,000 children from 700 schools have taken part in this economics competition, supported by 800 of their teachers. To promote dialogue between partner schools in countries such as Germany, Poland, Hungary, and Slovenia, starting in 2005/06 the Deutsche Bank Foundation expanded the project under the title "Y-S-I: Dialogue in Europe" with the goal of encouraging schoolchildren from different countries to work together on internationally relevant topics.

Summer Business Camp: In 2000 the Deutsche Bank Americas Foundation established a partnership with "Creating an Environment of Success" (CES) to support the organization's Youth About Business Summer Business Camp program. Using a case study approach, the program exposes students to financial concepts, models, strategies, and terminology. Marketing experts, lawyers, and investment advisors teach the courses, bringing a wealth of practical experience to their classes. Columbia University hosted last year's New York camp, which



Since 1999, one thousand students have been able to learn about business directly from the experts

was attended by some 140 students. In 2006 it is planned to extend the program to Philadelphia and Chicago and to establish the camps on a national level.

Cultural education projects

Enriching Curriculum Learning:

One mainstay of this program, through which Deutsche Bank CSR UK promotes partnerships between schools and cultural institutions, is "Interact." This is an initiative in which, in partnership with the National Theatre in London, playwrights are commissioned to write new plays on current issues that are then to be performed in schools. It is estimated that each year more than 60 percent of the schoolchildren who see these plays are experiencing live theater for the first time. In 2005 alone, approximately 58,000 kids attended the plays.

Getting started in a career

START: START is a scholarship program organized by the Hertie Foundation, the Senate Administration for Education, Youth, and Sports of the State of Berlin, and the Deutsche Bank Foundation. The goal is to facilitate the transition to higher education for talented and migrant children in need. Since the program was initiated, 33 of the Bank's staff have counseled scholarship holders, giving them coaching and tips for their professional futures. START, which had 36 scholarship holders in Berlin in 2005, will be extended to North Rhine-Westphalia and the Stiftung Handelsbank in Lübeck in 2006.

Young Enterprise London: This non-profit organization offers young people an opportunity to gain experience of the working world.



A taste of theater: 58,000 schoolchildren participated in "Interact" in 2005



On the path to higher education: Cooperation with START since 2004

Over a one-year period, young people set up companies with the help of mentors, giving them insights into the realities of business. With the support of Deutsche Bank CSR UK, the YEL network aims to reach 50,000 young people annually.

Hamburg. In 2005, the fund provided grants to the extent of EUR 4.9 million (see pp. 83 and 100).

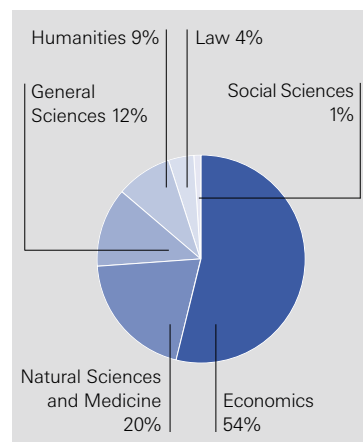
Promoting science

Deutsche Bank Donation Fund in the Donors' Association for German Science:

Through this fund established in 1970, the Bank supports research and teaching in the field of science on both a national and international level, with an emphasis on university-level scholarship in fields relevant to finance. Supported institutions include the European University Viadrina in Frankfurt/Oder and the private Bucerius Law School in

Deutsche Bank Donation Fund

Grants allocated on the initiative of Deutsche Bank in 2005 (by subject area)
Total: EUR 4.9 million



Deutsche Bank Donation Fund

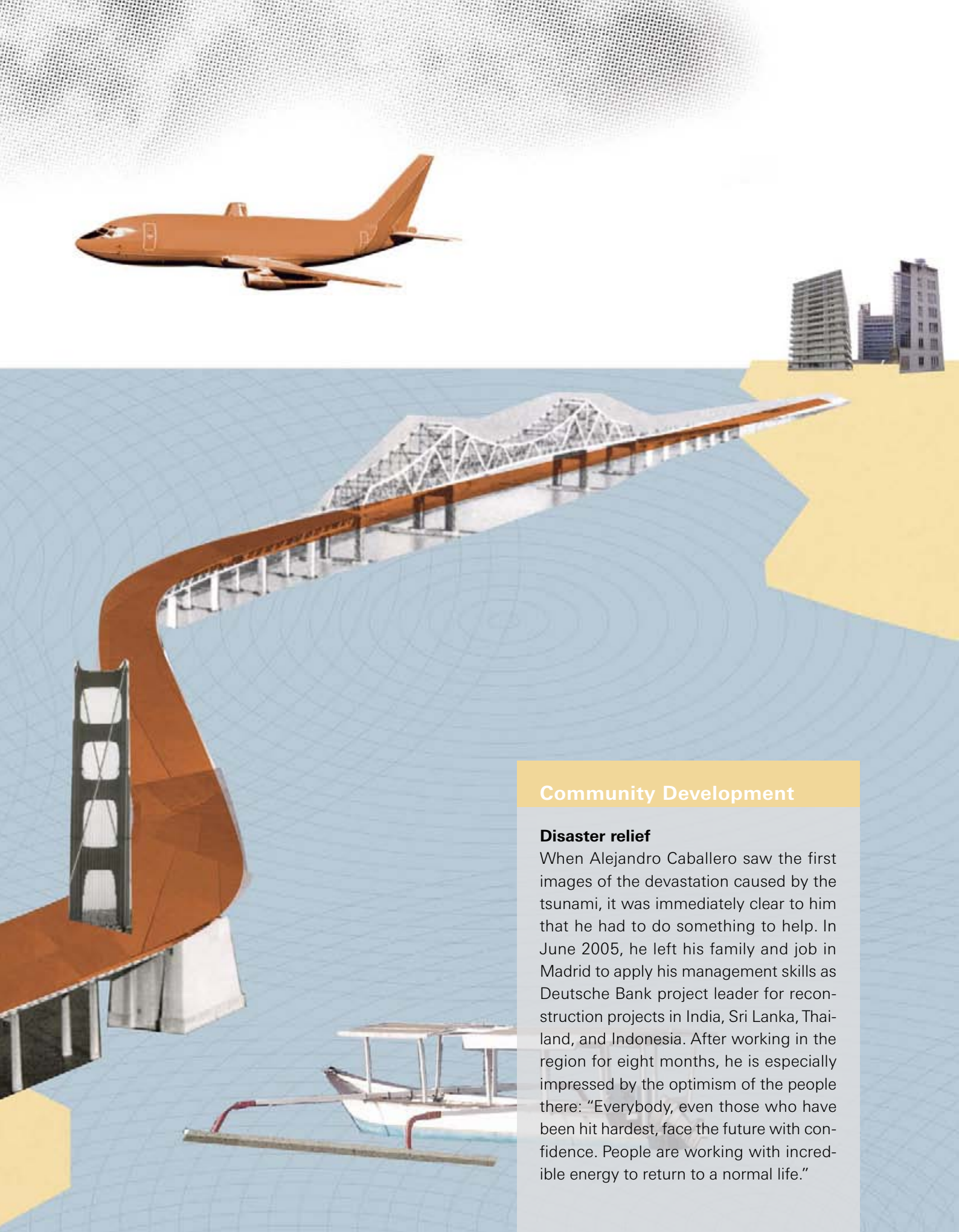
Grants awarded on the initiative of Deutsche Bank in 2005 (selection)

| |
|--|
| Bucerius Law School GmbH, Hamburg: Support for the Institute for Foundation Law and the Law of Non-Profit Organizations |
| European University Viadrina, Frankfurt/Oder, Chair for General Management Studies: Graduate seminar "Capital Markets and Public Finance in a Larger Europe" |
| Frankfurt Institute, Foundation for Market Economy and Politics, Berlin: Support for research into economic and organizational policy |
| Society for Capital Market Research e.V. at the University of Frankfurt am Main: Expansion and conversion into the Centre for Financial Studies |
| Johann Wolfgang Goethe University, Frankfurt am Main: Deutsche Bank Prize in Financial Economics, executive training program with focus on E-MBA, Frankfurt Institute for Advanced Studies, and other sponsorships (see p. 83) |
| Ilmenau Technical University, Institute for Media and Communications Technology: Endowed professorship in Multimedia Applications |
| University of St. Gallen, Switzerland: Expansion of the university campus |

“In my ideal world, every human being is equally important.”

Alejandro Caballero





Community Development

Disaster relief

When Alejandro Caballero saw the first images of the devastation caused by the tsunami, it was immediately clear to him that he had to do something to help. In June 2005, he left his family and job in Madrid to apply his management skills as Deutsche Bank project leader for reconstruction projects in India, Sri Lanka, Thailand, and Indonesia. After working in the region for eight months, he is especially impressed by the optimism of the people there: "Everybody, even those who have been hit hardest, face the future with confidence. People are working with incredible energy to return to a normal life."

Deutsche Bank's Disaster Relief Program

Alejandro Caballero on how Deutsche Bank has been helping victims of natural disasters



Alejandro Caballero manages the Bank's relief efforts, here in Tamil Nadu

Together with its clients and staff, Deutsche Bank has donated a total of EUR 14.5 million to help the Asian tsunami victims. In 2005, the Bank appointed its own project leader for the region in order to ensure that donations are applied appropriately and accountably to sustainable relief programs. In the following conversation, Alejandro Caballero goes on to explain how he selects projects and partners for reconstruction work in the region.

Why would a successful management consultant leave his job in Madrid to become project leader at Deutsche Bank in countries devastated by a tsunami?

As soon as I saw the first pictures on TV, I realized that this extraordinary event demanded an equally extraordinary personal response—from me. Then I read the Bank's job posting; it corresponded exactly to my notions of what needed to be done and to my experience in humanitarian projects.

When you took up your new responsibilities in June 2005, for many people the catastrophe had lost its urgency. Why was it so important to start work in the region at that point in time?

Many of the aid organizations had terminated their work after six months. Other NGOs—some international but for the most part regional and local—took over the task of organizing long-term reconstruction work. It was a good moment to seek out partners who could start up sustainable long-term projects with the money the Bank had collected.

Many organizations would like to receive financial support, and many projects seem sensible at first sight. Yet you have to make a choice. How?

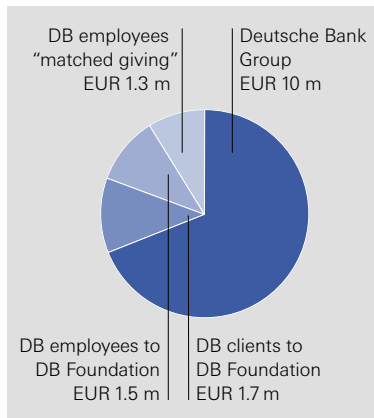
We have developed a number of criteria that we apply to all organizations and projects under consideration. The main factors are trustworthiness, organizational transparency, and prospects for a long-term partnership. Projects in which Bank staff members can work as volunteers also stand a good chance of being supported. But what is most important is that the people concerned benefit from the help.

What kinds of projects provide the most sustainable ways of improving people's situations?

In our experience, different needs arise at different times. Beside immediate material help, the most urgent initial need was psychological care for traumatized children and adults. As soon as people have regained their emotional equilibrium, projects that help them to make a new start in life—with a new job or even a new business—stand a much better chance of succeeding. We particularly emphasize education and training. This includes pre-school programs, setting up training centers, and running teacher training programs. In the Indonesian province of Aceh, for instance, 1,500 teachers were killed by the tsunami, so the demand for new teachers was immense.

Tsunami relief

Origin of donations
Total: EUR 14.5 million





Six nursery schools were built in the Hambanota district (Sri Lanka) and opened in the first half of 2005



Alejandro Caballero consults a microfinance institution

Amid all this suffering, isn't there a danger that you will lose sight of individual needs?

For me, every individual is important. Take for instance the case of Tissera, a tailor in Sri Lanka. The tsunami destroyed his house and the workshop which he used to share with his brother. Neither of them had the money to build a new one. Tissera left his home town and moved with his family to the capital Colombo. There he got a job as security guard with Deutsche Bank. When my colleagues heard of his fate, they got together to help him. Deutsche Bank in Colombo donated EUR 4,000 to rebuild his house and equip two workshops—one for Tissera and one for his brother. Soon he will once again be able to run his own business in his home town and support his family.

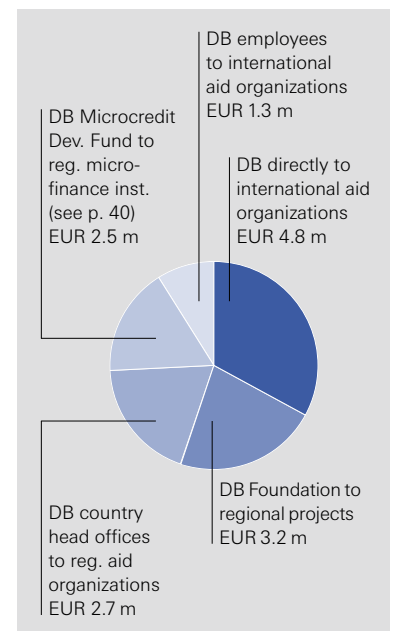
In 2005, there were a number of other major catastrophes, such as Hurricane Katrina and the earthquake in Pakistan. How was the Bank able to help out in these cases?

One of the Bank's great strengths is the personal commitment of its staff members. After Hurricane Katrina, colleagues in the USA started a number of fundraising initiatives, collected food for homeless people, and helped to rebuild houses (see p. 89). After the earthquake in Pakistan, Syed-A. Hussaini, a member of the Bank's staff, organized tents and medical supplies and mobilized a team of volunteers. He set out with them for a mountainous region that had not yet been reached by relief workers, and there he set up a medical aid post.

Disaster relief 2005: Deutsche Bank donated EUR 1 million to earthquake victims in Kashmir, of which EUR 600,000 has already been distributed. Of this, EUR 500,000 was shared equally between the Maltese Relief Service and St. John Ambulance; EUR 100,000 was shared equally between the Red Cross and "matched giving" programs in the USA and Great Britain ■ The Bank's North American Equity Division donated all commissions earned on September 7, 2005, to the victims of Hurricane Katrina. Together with donations made by individual staff members, this amounted to USD 1.8 million ■ **Information:** www.tsunamirelief.db.com

Tsunami relief

Appropriation of donated funds
Total: EUR 14.5 million



Other Community Development Projects – A Selection


Alfred Herrhausen Fund “Helping People to Help Themselves”:

Support from the fund enables disadvantaged or handicapped young people to gain job qualifications and take charge of their own lives. In 2005, for example, the fund supported the “be-wasch” project in Singen, Germany, which involves a commercial laundry service where 18 handicapped young people are employed. Last year the fund provided a total of over EUR 500,000 to support 32 various projects.

One Economy: To help young people get prepared for the job market, the Deutsche Bank Americas Foundation supports One Economy, an organization that enables low-income earners to gain access to new technologies. In 2005, the foundation committed USD 5 million to help build a housing project with high-speed Internet access.


Deutsche Bank Spotlight Awards:

In cooperation with Common Purpose, Deutsche Bank CSR UK presents awards to young people who tackle problems in their communities through campaigns they create themselves. Over 6,500 young people have participated in this scheme to date, and tens of thousands more access its case stud-



340 young people were nominated for the Spotlight Award in 2005

ies and learning modules on the Internet. In 2005, the program was shortlisted as Business in the Community’s national example of excellence for investing in education.

Skills for Work: Together with the Peabody Trust, for the past two years the Bank has been supporting the Digivan Links initiative in the London Borough of Tower Hamlets. The Digivan, a mobile computer lab, provides IT training and counseling to the socially disadvantaged and the long-term unemployed.

Program for New Business Founders:

The Deutsche Bank Business Development Loan Fund, totaling GBP 250,000, was set up 18 years ago to provide capital for newly-founded small businesses through the East London Small Business Centre (ELSBC). In addition, the ELSBC administers the

Deutsche Bank Short-term Clothing Loan Fund and also provides business counseling programs.

Initiative Against Homelessness:

In 2004, Deutsche Bank CSR UK initiated a joint venture with charity organizations to provide support to the homeless, aiming at reintegrating them into the working



Bank employees in the Whitechapel Mission kitchen for the homeless

community. In 2005 alone, Deutsche Bank donated in excess of GBP 200,000 for the initiative. In addition, 85 staff members volunteer for tasks such as helping homeless people to find work.

SJF Ventures: This venture capital fund finances rapidly growing small companies whose competitive advantage lies in their use of innovative sustainability aspects combined with effective management. As an investor in this fund, Deutsche Bank Americas supports the implementation of environmentally friendly processes in companies.

A Future for Children!: Deutsche Bank has been in partnership with SOS Children’s Villages since 2003. The original seed capital for this venture of EUR 200,000, which was donated by DB Bauspar AG in the form of a building society contract,

grew by the end of 2005 to over EUR 1 million, thanks to contributions by staff members and customers of the Bank. In addition, Bank employees have also been active in initiatives like arranging holiday activities for SOS children.

NOAH—Nurturing Orphans of AIDS for Humanity: Since 2002 the Deutsche Bank Africa Foundation (see p. 97) has been supporting the integration of AIDS orphans into South African society, and education plays a key role. The children



15 Bank employees refurbish the courtyard of a partner school in South Africa

are looked after by volunteers in small family groups and also receive schooling. Currently 16,127 children are being cared for in 66 communities by the initiative.

Educational Program for AIDS Orphans: The Deutsche Bank Asia Foundation supports educational programs for orphans in Thailand, Vietnam, Cambodia, and India. In cooperation with the Education Development Centre, the programs have to date provided schooling and childcare for 1,480 children. Deutsche Bank also supported AIDS prevention programs for young people in these countries.

Primary School in Pakistan: In cooperation with local charity The Citizens Foundation (TCF), Deutsche Bank Pakistan is funding the construction of a school in Mirpur Sakro. The building will cater to 180 students and will house an admin-



Besides the program for AIDS orphans, the Asia Foundation supports other education projects and coordinates tsunami relief efforts (see p. 97)

istration block, classrooms, a library, an art room, toilets, and a play area. Construction began in July 2005. Sourcing of furniture and school supplies is underway, as is the hiring of teachers and other faculty staff. TCF is on track to have the school operational by August 2006.

Institute for Poverty Research: For the next five years, the Deutsche Bank Asia Foundation will be providing support to the Peking University Institute on Poverty Research. The institute's research focuses on poverty alleviation and the social impact of environment, trade policies, and education initiatives on this issue.

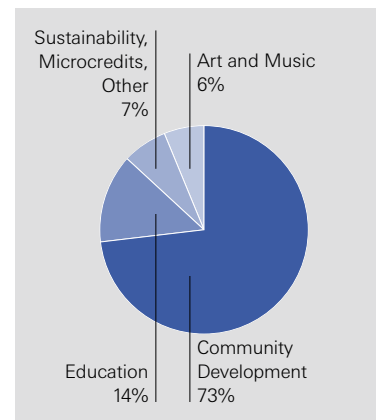
Fundación Deporte y Desafío: The Bank provides support to this Spanish foundation, which organizes sporting events for handicapped people. For the past three years, for instance, it has been running golf courses for young people, for which Bank employees have been volunteering their services.

National Anti-Doping Agency (NADA): As a founding member of NADA, Deutsche Bank is committed to supporting fair play in athletics. This foundation is an initiative made up of members from the fields of sports, politics, and business that is committed to combating and preventing dop-

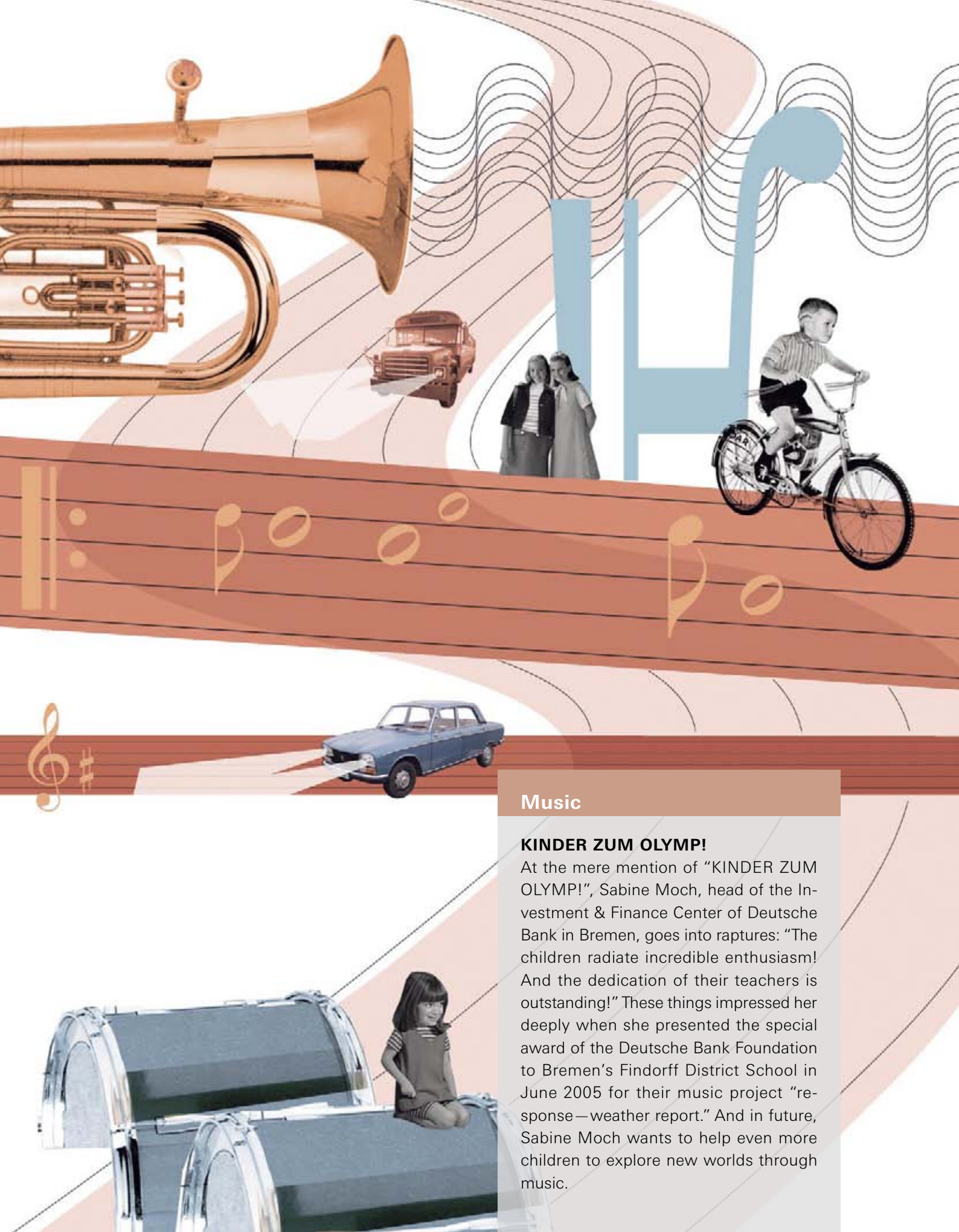
ing. In 2005, Hanns Michael Hölz, head of Sport Sponsoring at the Bank, became the first representative from the business world to be elected Chairman of NADA's Board of Trustees.

On the Path to Olympic Glory: This project supports top-flight athletes working in medium-sized companies in their professional careers by helping the German Sport Aid Foundation to financially compensate for the athletes' absences from work resulting from training and competitions. Thanks to the support of Deutsche Bank, more than 180 companies have participated and some 250 athletes have profited from the scheme since its inception four years ago.

Deutsche Bank Americas Foundation*
Support in 2005 by topic
Total: EUR 15.0 million



*For further information, see p. 96



Music

KINDER ZUM OLYMP!

At the mere mention of "KINDER ZUM OLYMP!", Sabine Moch, head of the Investment & Finance Center of Deutsche Bank in Bremen, goes into raptures: "The children radiate incredible enthusiasm! And the dedication of their teachers is outstanding!" These things impressed her deeply when she presented the special award of the Deutsche Bank Foundation to Bremen's Findorff District School in June 2005 for their music project "response—weather report." And in future, Sabine Moch wants to help even more children to explore new worlds through music.



"I'd like to see all children be given the opportunity to experience culture first-hand and even create it themselves."

Sabine Moch

Wishes Are Born of New Experiences

KINDER ZUM OLYMP! – A competition to foster cultural education

What do “Summer Piano,” “Speech Song,” “Helsinki,” “African Rhythm,” and “Little Elevens” have in common? They are all sections of a “musical weather report” that fifth grade students at Findorff District School in Bremen composed in March 2005. To help them with their project, the class had the support of composer Babette Koblenz, violinist Mathias Cordes, and two teachers from their school. The ten- and eleven-year-olds set five self-composed “weather poems” to music. Each poem consists of eleven words—hence “Little Elevens.”

The goal of this particular one-week music workshop was for the children to compose musical scores for their texts with the help of professional musicians, to rehearse the compositions with an orchestra and choir, and to perform the result in front of a public audience. “Only a few of the kids had any experience at all with musical composition, let alone with modern music,” says music teacher Almut Schülke. By interpreting the texts and experimenting with tones, melodies, and rhythms, the students’ untapped creative energy was released.



Music is everywhere. It only needs to be discovered—as here by the children of the Brandis Grammar School in their project “Music is cancelled,” also one of the top prizewinners in the competition in 2005

The project was a great success for all involved. The jury of “KINDER ZUM OLYMP!” thought so, too: it was one of the main winners. With the launch of “KINDER ZUM OLYMP!” in autumn 2004, the Cultural Foundation of the German Länder invited all German schools to develop creative projects with cultural institutions or individual artists and submit them for judging the following summer. “The quantity and quality of the projects submitted have far exceeded our expectations,” says Margarete Schweizer, proj-



The “Class(y)room” of the Montessori School in Hofheim: Dance theatre under the choreographic direction of A. Simon

ect director at the Cultural Foundation of the German Länder. Nearly 800 schools entered the competition, which was supported by the Deutsche Bank Foundation; and 269 projects from the fields of music, art, art history, theater, dance, literature, film, and new media were selected for the finals. In Potsdam in 2005, 32 schools and their project partners were awarded prizes. "response—weather report" from Bremen received a special award from the Deutsche Bank Foundation.

"To secure the place of art and culture in our children's lives, we have to come up with creative strategies. All too often, children lose interest in such things at an early age—or do not develop any interest at all," says Margarete Schweizer of the competition. She sees the proposed increase in the number of day schools in Germany as both a challenge and an opportunity for cultural education, as the traditional afternoon music and art clubs in German schools are having to give way to the all-day curriculum. For their part, the schools are increasingly reliant on outside help. And according to Margarete Schweizer, "'KINDER ZUM OLYMP!' represents an innovative form of cooperation between the worlds of culture and education." The support provided by the Deutsche Bank Foundation guarantees that this unique competition will continue until at least 2009. Initiatives such as this one, as well as Zukunft@BPhil (see p. 70) and Enriching Curriculum Learning (see p. 59), which help increase children's curiosity to learn and open up new realms of cultural experience for them, are one of the main focuses of Deutsche Bank's support and that of its foundations. For culture is not just an educational side-dish, as proved again and again by current research into education, it is an essential catalyst for developing logical and creative skills.

Sabine Moch, head of Deutsche Bank's Investment & Finance Center in Bremen, was so profoundly moved by the unique music project "response—weather report" that she resolved to do something herself to foster cultural education in Bremen. With financial help from Deutsche Bank, since the beginning of 2006 she has been supporting a new city project in which the Bremen Philharmonic invite school classes to 50 of its rehearsals. After each rehearsal, the schoolchildren are allowed to try out all of the orchestra's musical instruments under the direction of professional musicians. "Wishes are born of new experiences," says Sabine Moch in describing what motivated her to initiate this project. "By supporting this project, I would like to inspire children and young people to become interested in music and gain the self-confidence to try new things."

KINDER ZUM OLYMP! (Children to Olympus!): a competition to foster cultural education, in which German schools develop projects with cultural institutions or individual artists
■ Partner organizations: Cultural Foundation of the German Länder and the Deutsche Bank Foundation
■ Participation in 2004/05: 269 competition entries
■ Information: www.kinder-zum-olymp.de; www.deutsche-bank-stiftung.de; www.kulturstiftung.de



Prizewinning weather report:
Almut Schülke and her students



But first the children had to practice and practice ...



... with violinist Mathias Cordes

KINDER ZUM OLYMP!

Competition statistics for 2004/05

| Competition entries by genre | |
|------------------------------|-----------|
| Art and Art History | 73 |
| Cross-genre | 71 |
| Music | 49 |
| Theater and Dance | 40 |
| Film and New Media | 22 |
| Literature | 14 |
| Total | 269 |
| Prizewinners | 32 |

| Participation by age group | |
|----------------------------------|----|
| Classes 5–9 (ages 10–15) | 86 |
| Classes 1–4 (ages 6–9) | 75 |
| Classes 10–13 (ages 16–19) | 68 |
| Entries embracing all age groups | 55 |

Other Music Projects – A Selection

Berliner Philharmoniker and Zukunft@BPhil: In 2005, Deutsche Bank extended its more than ten-year partnership with the Berliner Philharmoniker for a further five years. The partnership's educational programs include Zukunft@BPhil, which encourages young people to explore the world of classical music and to discover the creative

supporting this program through the Deutsche Bank Free Tickets scheme. The tickets are distributed to schools across the UK.

Academy Opera Today: For the fifth year running, in the autumn of 2005 a new intake of young directors, producers, conductors, and theater managers was accepted

of this program is to help them be not only successful artists but also successful entrepreneurs.

Supporting opera in southeastern Europe: Together with the Austrian Ministry of Culture and the Vienna State Opera, in 2001 the Deutsche Bank Foundation created the CEE Opera Association to support opera houses in southeastern Europe. Through scholarships to young artists, opera ensembles in this part of Europe are able to survive. In addition, the opera houses receive support enabling them to participate in important coproductions. In 2005, the project was awarded the Maecenas Prize for pioneering culture sponsorship.



Since 2002, over 4,000 young people have participated in Zukunft@BPhil



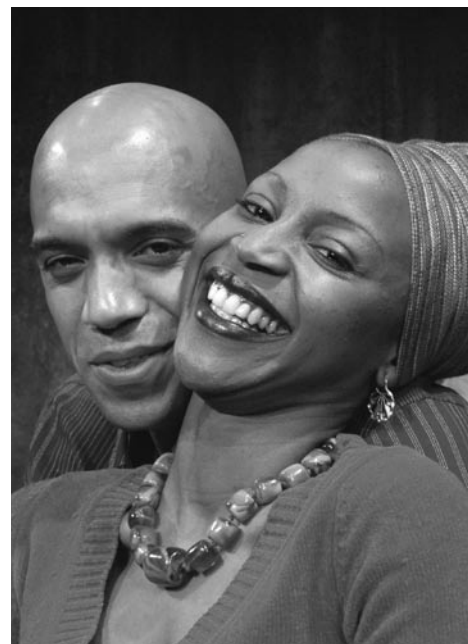
"MATRIX OPERA/three miniatures" performed by members of the Academy Opera Today

potential within themselves. Since 2002, more than 4,000 young people from 114 Berlin area schools have participated in the program, which to date has realized 31 projects. The Deutsche Bank Foundation complements this commitment to young musicians through its support of the Berliner Philharmoniker Orchestra Academy, in which young musicians are coached for membership in the world's best orchestras.

London Philharmonic Orchestra (LPO): Each year the LPO performs six concerts for some 18,000 schoolchildren. Students participate in workshops as well as attend interactive concerts. For many of the students this is their first experience of an orchestra playing live classical music. For the past four years, the Bank has been

into this academy founded by Deutsche Bank. The annual ceremony for new students is arranged entirely by scholarship holders that "graduate" that year. A new feature of the 2005 event was the performance of three contemporary operas at the Künstlerhaus Mousonturm in Frankfurt. The interdisciplinary two-year scholarship program allows aspiring young leaders in the field of opera to exchange ideas on the future of this art form, as well as to develop projects and visit performances together (see p. 99).

The Mix: Deutsche Bank and the Lyric Hammersmith Theatre in London started "theMix" in 2005, a program that teaches young theater groups key entrepreneurial skills and helps them to establish important business contacts. The goal



What is love? This is the question pursued in "Sweet Yam Kisses," performed at the Lyric Hammersmith Theatre

Cultural Year of the Ten: Peter Konwitschny's production of "Don Giovanni" has been a part of the Komische Oper Berlin's repertoire since 2003. For one single evening, the opera's ensemble was replaced by young singers from the ten new EU countries. The production, sponsored by the Deutsche Bank Foundation, was a contribution to the Cultural Year of the Ten, which presents a program of cultural events in Berlin by performers from the ten new EU member countries.



"A Maiden from Afar": The premiere of an opera based on two poems by Friedrich Schiller

by Ensemble Modern. For the first time, in 2005 the foundation supported the Bamberg Summer Opera, a European project for the promotion of young orchestra and opera talent.

Deutsche Bank Violin Concerts of Excellence: This is the title of a concert series supported for the past four years by Deutsche Bank in Switzerland. The project is based on a partnership with the Kayaleh Violin Academy, one of the world's leading violin schools. Each year the academy accepts 15 to 20 talented students from all over the world to receive training as concert soloists.

International Schiller Festival Mannheim: In 2005, the 200th anniversary of Schiller's death, the Deutsche Bank Foundation was a main sponsor of the 13th International Schiller Festival Mannheim. The Mannheim National Theatre, which organized the festival, encouraged young people to explore the work of Germany's famous playwright through such projects as "Schoolchildren Act Schiller." In addition, the Foundation supported opera projects at the Schiller Festival, including the premiere of "Das Mädchen aus der Fremde" ("A Maiden from Afar").



Commitment to new, avant-garde musical forms: Ensemble Modern

Regional music sponsorships: The Deutsche Bank Foundation has been supporting ambitious contemporary music projects and regional music festivals for many years. Events sponsored include the Young Elite chamber music series of the Mecklenburg-West Pomeranian Festival, the European Festival in Passau, and concerts

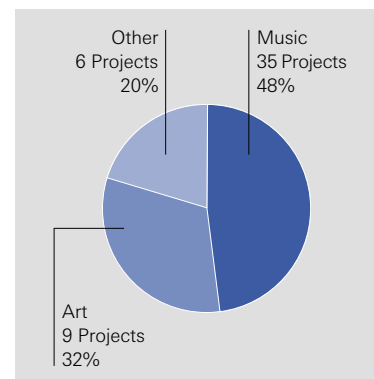
Deutsche Bank Foundation

Support for regional music festivals 2005 (selection)

| |
|---|
| Society of the Friends of Bayreuth |
| Händel Festival Göttingen |
| Frankfurt Bach Concerts |
| Music of the Centuries: World New Music Festival, Stuttgart |
| Rheingau Music Festival |
| Ensemblia Mönchengladbach |
| International Bach Academy Stuttgart |
| Gustav Mahler Youth Orchestra, Vienna |
| Bremen Music Festival |

Deutsche Bank Foundation*

Cultural projects in 2005 by topic
Total: 50 projects, EUR 2.1 million



*For further information see p. 98



“My dream is for everyone at Deutsche Bank to view art as an enrichment in our daily lives.”

Nelius De Groot





Art

25 Years of the Deutsche Bank Collection

Nelius De Groot, investment banker at Deutsche Bank in London, works in an environment in which people constantly come into contact with art throughout the day: from the foyer to the offices on the upper floors, the Winchester House offers a variety of personal confrontations with a wide range of artistic styles and movements. The 38-year-old banker considers this daily interaction with the art of the Deutsche Bank Collection to be “challenging and stimulating.” As a member of the UK Art Committee, Nelius De Groot is committed to providing staff with greater access to art through tours, exhibitions, and events: “We can use art as a bridge between the job and culture—perhaps even providing an impetus for staff to get involved in social issues in a positive and creative way.”

“Art Has Become Part and Parcel of Our Daily Lives”

25 Years of the Deutsche Bank Collection



The Deutsche Bank Collection celebrated its 25th birthday with an exhibition at the Deutsche Guggenheim in Berlin: From classical modernism to contemporary art, selected from 25 patrons

When, at the end of 1979, Deutsche Bank began to collect works of art and exhibit them in its branches and offices throughout the world under the motto “Art at Work,” this was considered a revolutionary development. Today, the Deutsche Bank Collection comprises more than 50,000 works and has established itself as the world’s biggest corporate collection. Max Hollein, director of the Städel Museum and of the Schirn Art Hall in Frankfurt, and investment banker Nelius De Groot talk about their experiences with the Deutsche Bank Collection.



Mr. Hollein, when you see Max Bill’s sculpture “Continuity” standing in front of the Deutsche Bank headquarters in Frankfurt, what associations immediately spring to mind?

I am very familiar with the works of Max Bill, and this work is most certainly one of his greatest achievements. It awakens in me associations with eternity. It also stands in my opinion for Deutsche Bank’s close association with art—and for what the Bank gives back to society.

You are both an art historian and a graduate in business management. What is your opinion of the Deutsche Bank Collection, as one who is an expert in both these fields?

As an art historian, I respect the collection as an outstanding achievement. It is most certainly the leading corporate collection in the world as far as works on paper are concerned. From a business management point of view, the collection is interesting in a number of ways. Because the Bank bought a large number of works before they became well known—for instance some outstanding pictures by Neo Rauch—it includes art whose market prices today would be considerably higher than they were back then. Yet the collection’s strategy is most certainly not primarily one of monetary appreciation. Such a collection is created through expertise—through a deep knowledge of and commitment to art. And through its purchases Deutsche Bank has also advanced many an artist’s career.

Mr. De Groot, as investment banker in the Winchester House in London, you are surrounded by imposingly visionary works of art, such as James Rosenquist’s monumental painting “The Swimmer in the Economist” in the foyer, which thematizes the tremendous acceleration of economic change. What are your experiences with “Art at Work”?



Max Hollein, director of the Schirn Kunsthalle, the Städel and the Liebieghaus—Museum alter Plastik in Frankfurt am Main



The art in the Winchester House most certainly has both a provocative and an inspiring effect on the staff members who work there. Because art is an integral constituent of our work environment, it has become part and parcel of our daily lives: people in the building are becoming increasingly interested in art. Overall, "Art at Work" has strengthened staff members' personal allegiance to the Bank. And it has also had a very invigorating effect on relations with our customers. When for instance they are taken into our conference rooms (each of which is dedicated to a different European artist) there is so to speak a ready-made topic of conversation at hand that can considerably facilitate communication. Our dialogue with customers is further strengthened by guided art tours through the Winchester House and by special art events that we organize for customers.

Mr. De Groot, you are active in the Bank's UK Art Committee, whose work you enrich with your ideas. What is especially important to you in this work?

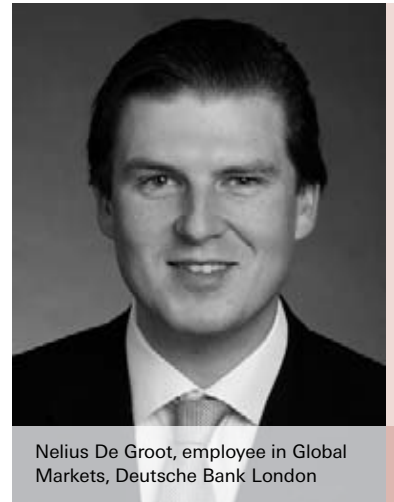
From my perspective, the most important aspect of the Bank's commitment to art is the way it increases our profile across multiple domains. One example of this is the Frieze Art Fair, which took place for the third time in October 2005 in London's Regent Park. Deutsche Bank was the main sponsor of this event which sent a strong message about our support of such an important forum for international contemporary art. Simultaneously, the event generated a lot of positive publicity that served to enhance Deutsche Bank's image with staff, clients, and the public. Fostering interest in modern art through these types of events is a critical function of the Art Committee structure globally, and it is clear that they deliver both commercial and social benefits.

Mr. Hollein, the anniversary exhibition "25 Years of the Deutsche Bank Collection" in the Deutsche Guggenheim in Berlin was a most unusual event of its kind. What for you was particularly special about this exhibition? Visitors were able to see a lot of works that they would normally not get to see in the original. I was extremely impressed by how the collection, despite its immense variety, has been systematically developed and by how the Bank through its collection remains in tune with the times.

"25 Years of the Deutsche Bank Collection"—Exhibitions: Deutsche Guggenheim, Berlin; "Tokyo Blossoms. Deutsche Bank Collection meets Zaha Hadid," Hara Museum of Contemporary Art, Tokyo; Curator: Ariane Grigoteit ■ **Catalogues:** "25—Visuell," "Tokyo Blossoms. Deutsche Bank Collection meets Zaha Hadid," "More Than Meets the Eye. Foto-art from the Deutsche Bank Collection" (on tour through Latin America, 2006–08; Curator: Friedhelm Hütte), ed. Deutsche Bank Art, Frankfurt/Main 2005 and 2006 ■ **Information:** www.db-artmag.com; www.deutsche-bank-art.com; www.deutsche-guggenheim.com



The visionary exhibition architecture designed by the world-famous London architect Zaha Hadid



Nelius De Groot, employee in Global Markets, Deutsche Bank London

Other Art Projects – A Selection

Deutsche Bank Collection: The corporation's collection comprises over 50,000 works of art, most on paper. Aside from classical modernism, contemporary international art is a principal focus of this collection, which celebrated its 25th anniversary in 2005.

Art at Work: Art may be seen "at work" in the Bank's branches and offices all over the world. Deutsche Bank commissioned works from seven artists for the new ibc, located opposite the Frankfurt Trade Fair grounds. These may be seen in the "Art in the ibc" catalogue, orders at www.db-artshop.com.

Deutsche Guggenheim: In 1997, the Bank extended its commitment to art through the establishment of the Deutsche Guggenheim, a joint venture with the Solomon R. Guggenheim Foundation. The Berlin exhibition hall presents four annual exhibitions,



William Kentridge in his studio working on his "Black Box/Chambre Noire"

as well as works commissioned especially for the exhibition space, such as William Kentridge's multimedia installation, which had over 30,000 visitors. In 2004/05 the commissioned works included an exhibition of new large format pictures by John Baldessari. In 2006, Hanne Darboven's "Hommage à Picasso" will be exhibited.

Polish Art Prize: In 2005, the Deutsche Bank Foundation, together

with the Zachęta Gallery in Warsaw and Deutsche Bank Polska S. A., invited young Polish artists to submit entries for this competition for the second time. The finalists were chosen by a jury of artists, curators, and gallery owners, and they presented their works in an exhibition in the fall of 2005. The first prize of EUR 10,000 went to Maciej Kurak. Artist Ania Orlikowska received a six-month working scholarship to study in Berlin.

Art Sponsorship in 2005 (selection)

| Title of exhibition or art fair | Location |
|---|--|
| Art Cologne | Cologne |
| Art of Tomorrow. Hilla von Rebay and Solomon R. Guggenheim | Guggenheim Museum, New York |
| Arcadia of Modernism. 100 Years of the Villa Romana in Florence | Neues Museum Weimar, Weimar |
| Günther Uecker | Neuer Berliner Kunstverein, Martin Gropius Bau, Neue Nationalgalerie, Berlin |
| Robert Mapplethorpe and the Classical Tradition | The State Hermitage Museum, St. Petersburg; House of Photography, Moscow |
| Tefaf Art Fair, Maastricht | Exhibition & Congress Centre, Maastricht |
| The California Biennial | Orange County Museum of Art, Newport Beach |
| Trisha Donnelly | Kunsthalle Zurich |
| Rosemarie Trockel. Post-Menopause | Museum Ludwig, Cologne |
| Deutsche Bank Award for Young Sculptors | Deutsche Bank, Düsseldorf |
| Views 2005 | Zachęta Gallery, Warsaw |



Maciej Kurak, Prize for Young Polish Artists 2005

A Century of the Villa Romana:

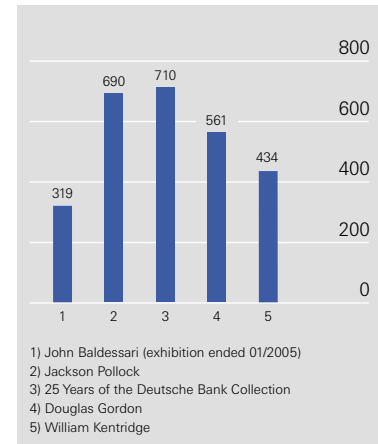
Max Beckmann, Käthe Kollwitz, and Georg Baselitz have all been recipients of scholarships for the Villa Romana in Florence, for the most part in their early years as artists. To this day, up to four young artists are chosen every year to live and work for ten months in the Villa. The institution, founded by members of the German Artists' Association, celebrated its centenary in 2005. The event was marked by an anniversary exhibition in the Neues Museum Weimar. Deutsche Bank has been supporting the Villa Romana since the 1920s.

Island USA, have each received USD 75,000 annually for two years.

The Gates: In February 2005, the world's attention was focused on Christo's and Jeanne-Claude's installation in Central Park: "The Gates." As a founding member of "The Gates Alliance for Central Park," Deutsche Bank helped support Nurture New York's Nature (NNYN) through proceeds from the project. NNYN is a nonprofit organization dedicated to promoting sustainable development through environmental initiatives in New York City.

Deutsche Guggenheim

Average number of visitors per day



Exhibitions of the Deutsche Bank Collection in 2005

| Exhibition title | Location |
|--|--|
| 25 Years of the Deutsche Bank Collection – An Anniversary Exhibition | Deutsche Guggenheim, Berlin |
| From a German Perspective – Masterpieces from the Deutsche Bank Collection | State Pushkin Museum of the Fine Arts, Moscow |
| Dialogue Sculpture – Deutsche Bank Collection | Kunstforum Seligenstadt, Seligenstadt |
| Miwa Yanagi – Deutsche Bank Collection | Mannheimer Kunstverein; NRW Forum, Düsseldorf; Museum Moderne Kunst, Stiftung Wörlen, Passau |

which took place in October 2005 in London's Regent's Park. Through a VIP lounge and a stand designed by artists Ursula Döbereiner and Kirstine Roepstorff, the Bank presented its commitment to contemporary international art. A total of 47,000 people visited the art fair, including 1,000 staff members, clients, and guests. Deutsche Bank has already pledged its support of the 2006 and 2007 Frieze Art Fairs. In 2005, the Bank was also active at the Tefaf in Maastricht and at Art Cologne.

Deutsche Bank Pyramid Awards:

The awards provide financial support, guidance, and practical training to young graduates from London's leading art schools. In the 13 years of their existence, the awards have helped make possible nearly 100 innovative business ventures ranging from design and art studios to theater groups. A key factor in the program's success is the practical support the artists receive from Deutsche Bank staff members.

Frieze Art Fair:

For the third year running, Deutsche Bank was the main sponsor of the Frieze Art Fair,

Arts and Enterprise:

Deutsche Bank has committed USD 900,000 to this art and economic development initiative in the USA, whose aim is to use art to revitalize disadvantaged neighborhoods. To date, six organizations, including Coney



Frieze: 160 gallery owners present 1,000 artists



“I’d like to see more innovative concepts for urban living—that is why this kind of networking between companies, city authorities, and public and social institutions is so very important.”

Michael Lerner





New Networks

Common Purpose

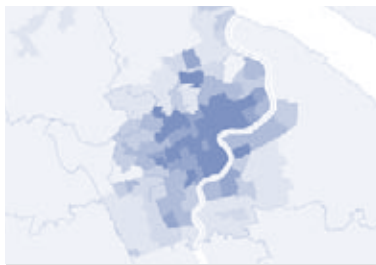
In 2005, Michael Lerner, press officer at Deutsche Bank, participated in a training program for managers as part of the initiative "Common Purpose." During the eleven days spent in this program, together with other representatives from a wide range of corporations and city authorities, he gained new insights into the challenges faced by city health, education, employment, cultural, transportation, and environmental bureaus (see p. 83). His conclusion from this experience: "We all have to broaden our perspectives if we are to overcome the great social and ecological challenges that face us in today's metropolises."

Urban Age – An Investigation into the Future of Cities

Building networks of competence for sustainable urban development



Population density in Shanghai



Roughly half the population of Shanghai lives in a space corresponding to less than ten percent of the total urban area. In some city districts, the population density is more than 700 inhabitants per hectare.

Shanghai: probably the most rapidly growing city in the world. And Shanghai's growth is accompanied by all the problems one would consequently expect, such as mass migration from the countryside, crowded living conditions in the city center with a population of 20 million people, and exponential growth in vehicular traffic that threatens to engulf the city's streets. But the megalopolis in the Yangtze delta is not the only city in the world facing such challenges. According to a report published by the United Nations, by the middle of this century more than half the world's population will be living in cities. The growth of urban centers such as Shanghai, Mexico City, and Cairo is unprecedented in human history, and is bringing with it enormous challenges. "The growth of cities must be planned," according to Wolfgang Nowak, Director of the Alfred Herrhausen Society (AHS). "Only then can we ensure that cities meet human needs with regard to the environment, security, living conditions, and transportation." In order to help people make the right decisions in achieving the necessary structural changes, the AHS has initiated a project entitled "Urban Age – An Investigation into the Future of Cities."

Together with the London School of Economics and Political Science (LSE), the society is organizing a series of urban conferences over two years, at which experts and policy makers have the opportunity to discuss the problems of the city where each conference is taking place.

The New York conference in 2005, for example, focused mainly on the problems of commuting and of affordable living space for families. In Shanghai, topics included the migration of rural workers into the city, and in London urban development projects were discussed, including plans for the 2012 Olympic Village. The conference in Mexico City in February 2006 focused on security in the urban environment; in this megalopolis of 18 million people, rival clans now dominate urban spaces. Families are restricted to going to guarded shopping malls for leisure activities. Urban security will also be a focus of the conference in Johannesburg in July 2006. Beside these local problems, four general topics are included in the agenda of each Urban Age conference: living space, work, public space, as well as mobility and public transport.

The participants at the conferences come from very different backgrounds. Beside international experts and local politicians, urban planners, administrators, and infrastructure managers, Deutsche Bank also invites its business partners to the discussions, thus offering them the opportunity to actively participate in the development of their respective cities. At the core of the Urban Age program is a committee of renowned experts who accompany the project throughout its lifespan. Richard Sennett, Professor of Sociology at the LSE, is a member of this committee, as is the Dutch architect Rem Kohlhaas and Sophie Body-Gendrot, Professor of Political Science at the Sorbonne. This international network will continue to exist even after the project has come to an end. At the concluding conference in Berlin in November 2006, a list of best practices assembled throughout the project will be published. The Urban Age project will thus be able to reach a much wider audience than the 100 to 150 participants at each of the individual conferences.

A number of contributions to the project have already paved the way for concrete improvements, such as the “Delivering a Safer City Through Better Governance” initiative presented by the Mayor of Edinburgh at the European Mayors’ Conference— itself a constituent part of the Urban Age program. Through a purposefully conceived traffic training program, speed controls, and information events, the Scottish capital has succeeded in lowering the number of accident victims on the city’s streets by 70 percent.

Because of the very positive reception of the Urban Age project, the AHS has decided to organize an additional event to complement the original program. In May 2006, a conference in Halle, Germany, will examine another extreme: the problem of declining urban populations. “When cities lose their equilibrium, so do people,” says Wolfgang Nowak. For Urban Age is concerned not only with growing cities, but also with those that are shrinking in size.



Rem Kolhaas (left) with Enrique Peñalosa, former Mayor of Bogotá



Richard Sennett, Professor of Sociology at the LSE



Sophie Body-Gendrot, Director of the Center for Urban Studies, Sorbonne

Alfred Herrhausen Society (AHS): The international forum of Deutsche Bank, founded in 1992 to actively promote socio-political debate on current affairs ■ **Board of Trustees:** Josef Ackermann (Chairman), Jean-Christophe Ammann, Sybille Ebert-Schifferer, Wolfgang Frühwald, Detlev Ganten, Anthony Giddens, Peter Gomez, Heather Grabbe, Tessen von Heydebreck, Wolfgang Ischinger, Jürgen Jeske, Sergej Karaganow, Hans Werner Kilz, Charles A. Kupchan, Joachim-Felix Leonhard, Eckard Minx, Jürgen Mlynek, Andrej Plesu, Bruce M. Ramer, Lynn Forester de Rothschild, Stephan Sattler, Christoph Schwöbel, Haig Simonian, America Vera-Zavala, George Weidenfeld ■ **Topic of the Year 2005/06:** “Urban Age – An Investigation into the Future of Cities” ■ **Partner:** Cities Program of the London School of Economics and Political Science (LSE) ■ **Conference locations:** New York, Shanghai, London, Mexico City, Johannesburg, Berlin ■ **Information:** www.alfred-herrhausen-gesellschaft.org; www.urban-age.net



Wolfgang Nowak, Director of the AHS

Further Initiatives – A Selection

“fore/sight” Conference: Germany is going through a period of radical change. In these times of social uncertainty, the Alfred Herrhausen Society (AHS) helps provide guidance for the future: “fore/sight—Strategies for Tomorrow’s Society” is the title of a new AHS conference series, whose goal is to define the main challenges that will face society in the future and to develop innovative strategies to meet them. The target group of the “fore/sight” conferences is above all the generation currently in their 40s, which is in the process of taking over positions of responsibility in business, politics, and the media. How does their vision of Germany differ from that of the generation in their 60s? Will a generational change lead to a shift in perspectives of the fu-

ture? The first panel of experts at the two-day conference in Weimar was made up of young German politicians, who demonstrated a unity that transcended party boundaries and claimed a new political identity for their generation: “Self-presentation is not our thing,” they declared, adding that in order to push through necessary but unpopular reforms, one should be willing to risk defeat at the polls. This conference on Germany’s future also addressed the question of whether paying high dividends or creating jobs should be the chief goal of today’s global company, and how communal values can be upheld in a society which glorifies individualism. “What we need is confidence and courage to commit ourselves to the future,” stated Josef Ackermann in his address in Weimar. However, only through dialogue between the most influential groups in society can the deadlock that currently grips the country be resolved, he said, adding that the kind of dialogue between the worlds of business, politics, sci-



Josef Ackermann in the accompanying exhibition at the Bauhaus University: “Atelier of the Future”

ence, culture, and the media that was taking place at this conference was setting an example for others to follow.

ence, culture, and the media that was taking place at this conference was setting an example for others to follow.

Joint Debates: In order to react rapidly to socio-political developments, the AHS has complemented



The film director and producer Taylor Hackford spoke on the flood of images in this day and age

its “Topic of the Year” and “fore/sight” conference series with a program of “Joint Debates.” These discussion events are being held in cooperation with the “Economist” magazine and the German Institute for Economic Research (DIW Berlin).

Joint Forum: The “New Partnership between Politics and Economics—Corporate Responsibility and Sustainable Development” conference in October 2005 in Shanghai made a significant contribution to the current debate in China on the importance of responsible business practices. The conference was organized in cooperation with DaimlerChrysler and the China Europe International Business School (CEIBS), China’s largest business college. The conference was attended by 150 experts from the worlds of business and science, representing NGOs, government, and the media. They included George Kell, head of the UN’s Global Compact; Benjamin Cashore, Professor of Sustainable Forest Policy at the Yale School of Forestry and Environmental Studies; and Colin Grassie, CEO of Deutsche Bank Asia Pacific.

Common Purpose: In this leadership development program initiated 17 years ago in Great Britain, leaders from a wide range of local government offices, local business, and corporations discuss the challenges they face in their local communities. For 11 days, they examine diverse topics such as education, labor, health, the environment, art, and culture. Through this coming together of such heterogeneous spheres of experience, new forms of cooperation arise and innovative solutions to communal problems are often developed. Ur-



Over 17,000 people have volunteered in Common Purpose in Great Britain

ban authorities thus benefit from the interdisciplinary experience of the participants, and businesses benefit from improved networking and better qualified city authorities in the cities where they are located. The participants themselves broaden their horizons and thus improve their leadership qualifications. In Germany, Deutsche Bank sends administrative leaders to the matrix programs in Frankfurt and Hanover. In the next few years the Bank will be supporting the development of the program in nine other cities in Germany by providing start-up financing. Information: www.commonpurpose.org

Conference "What we can do now: New collaboration between business and education": Education is a decisive factor in the future viability of modern societies. And here, too, business, bearing a special responsibility, is participating in a wide range of individual initiatives. The goal of this conference—organized by the Deutsche Bank Foundation in April 2005 and attended by more than 200 representatives of corporations, private foundations, and educational institutions—was to determine what practical contributions business can make to improve education in Germany. The Federal Minister of Education and Research, Annette Schavan, emphasized that education is the prime factor in creating economic prosperity. Rainer Neske, member of the Group Executive Committee of Deutsche Bank, called on government and business to unite to promote education.

Information on the conference program and the speakers is available at www.deutsche-bank-stiftung.de



Tessen von Heydebreck emphasized the growing significance of the work of foundations for education



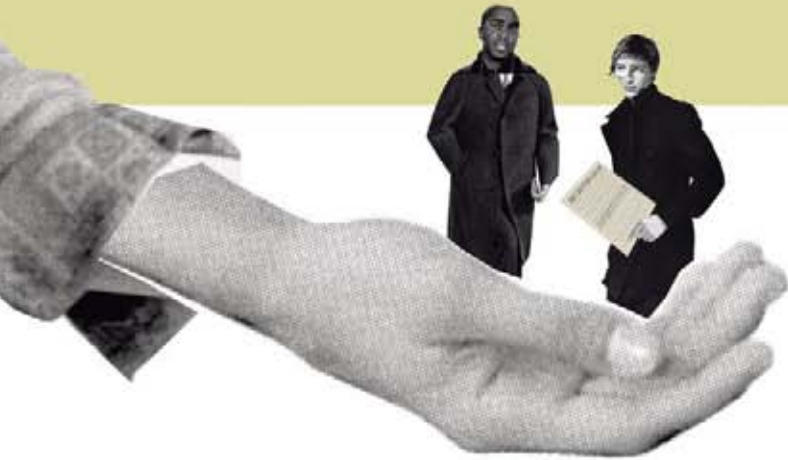
J. Ackermann and J. P. Krahen, Director of the Center for Financial Studies, with E. Fama (center)

Deutsche Bank Prize in Financial Economics: In 2005, Eugene F. Fama, Professor of Finance at the University of Chicago, received the first Deutsche Bank Prize in Financial Economics, awarded by the Center for Financial Studies at the Johann Wolfgang Goethe University in Frankfurt. Fama was honored for his theory of market efficiency, which today is the basis of all decisions made in the world's capital markets. The prize, which is awarded every two years, is for outstanding research that has had a significant effect on financial practices and economic policy. It is intended to promote the transfer of knowledge between the worlds of theory and practice.

Intellectual potential is an important precondition for successful business. For this reason, Deutsche Bank supports finance research and teaching at Frankfurt University, providing for this purpose EUR 5 million from the Deutsche Bank Donation Fund (see p. 59). This commitment includes the creation of a program of postgraduate studies for young managers (the Executive Master of Business) and the establishment of a House of Finance at the University.

Information:

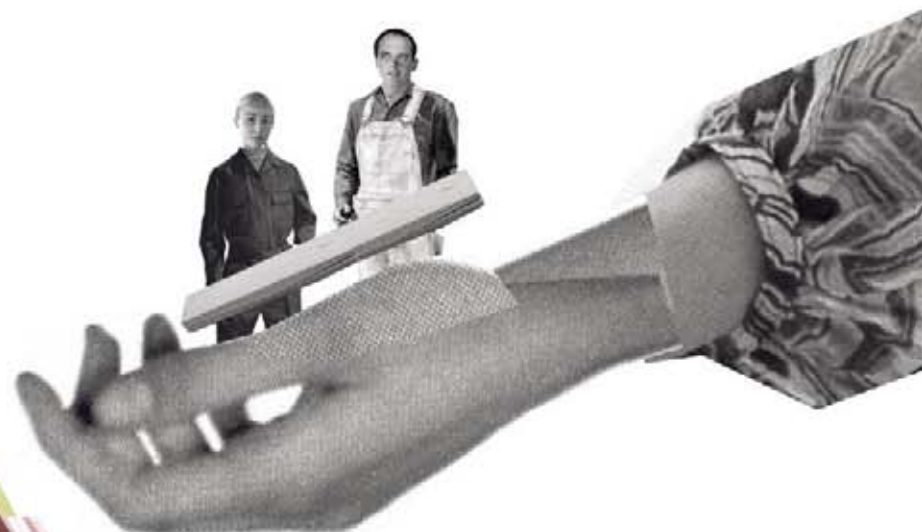
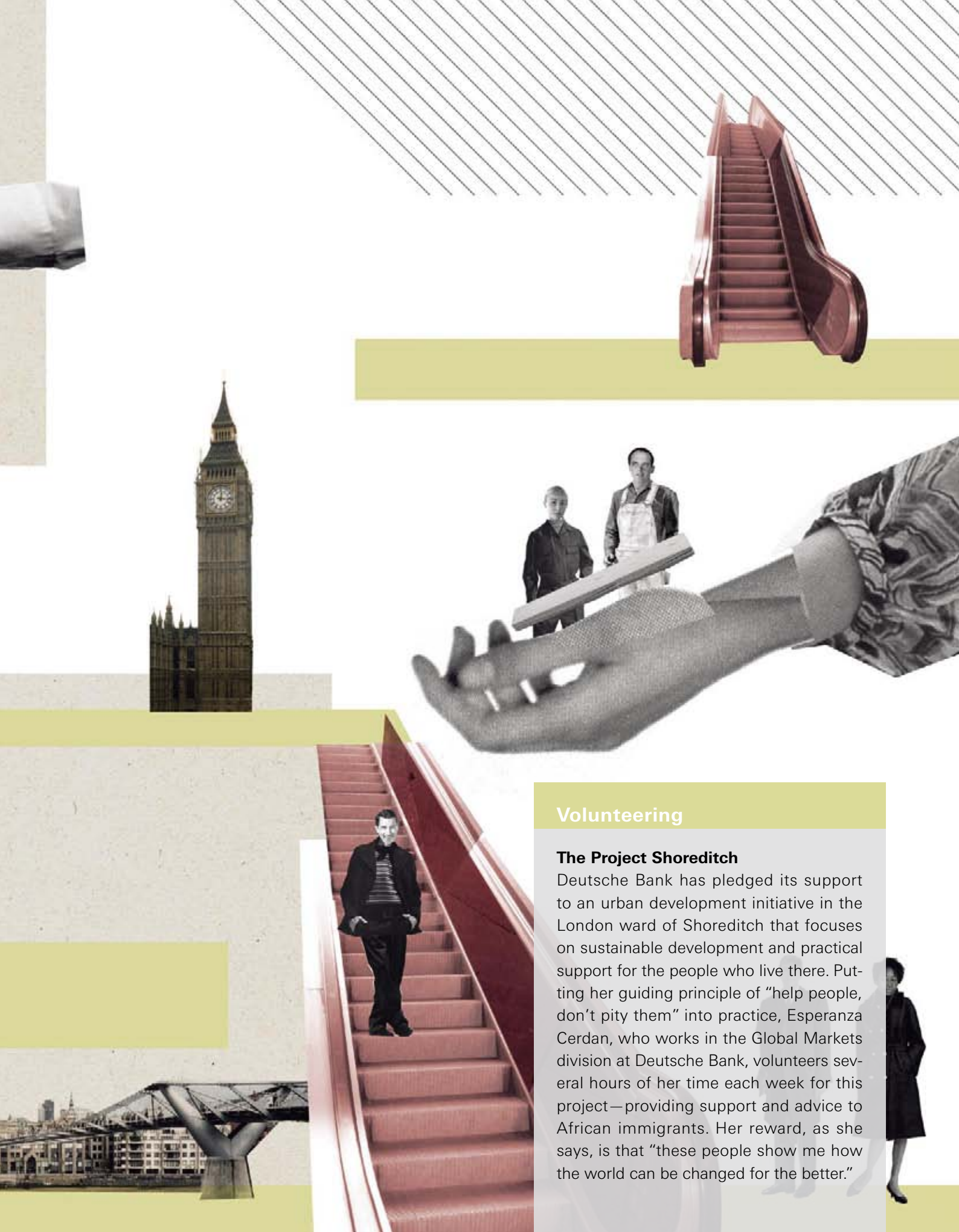
www.db-prize-financialeconomics.org



"I wish that people with differing talents could actively complement each other so that in the end, all can enjoy equal opportunities."

Esperanza Cerdan





Volunteering

The Project Shoreditch

Deutsche Bank has pledged its support to an urban development initiative in the London ward of Shoreditch that focuses on sustainable development and practical support for the people who live there. Putting her guiding principle of “help people, don’t pity them” into practice, Esperanza Cerdan, who works in the Global Markets division at Deutsche Bank, volunteers several hours of her time each week for this project—providing support and advice to African immigrants. Her reward, as she says, is that “these people show me how the world can be changed for the better.”



Opening a Window onto New Experiences

Bank staff members improve the quality of life and education in the London ward of Shoreditch



Over 100 employees volunteer with young people:
Raising their self-confidence ...

Nowhere else in Great Britain do social conditions provide such stark contrasts as in the heart of London. While the City of London continues to assert its position as the richest urban area in the kingdom, the neighboring district of Shoreditch is one of the most neglected parts of the country. A traditional immigrant quarter, Shoreditch suffers from the problems typically associated with such a neighborhood.

Household incomes are only half of the average for the country as a whole. Every third household in Shoreditch has to receive subsidies of some kind to survive. At 16 percent, unemployment is twice the London average and is even higher among ethnic minorities. Of particular concern are the limited opportunities for children and young people. A recent survey of schoolchildren in the Metropolitan Borough of Hackney, in which Shoreditch lies, revealed that 80 percent of the children are of non-British nationality, and that 88 languages are spoken in the schools besides English—which many of the children have scarcely mastered.

Despite massive commitment, government institutions have not yet succeeded in exhausting all possibilities for sustainable growth in Shoreditch, and volunteer organizations usually lack personnel and management skills. Deutsche Bank CSR UK has recognized the urgent need

to help the people of Shoreditch and has for several years been active in the East London Business Alliance (ELBA). This umbrella organization includes a number of institutions and corporations who are working together on a range of programs to improve the quality of life and provide educational opportunities for people living in London's East End. Together with the law firm Linklaters, the Swiss bank UBS, the Shoreditch Trust, and ELBA, Deutsche Bank staff members have been volunteering their time and talents in the service of the people and institutions of Shoreditch since May 2005.



... or playing chess

One of these volunteers is Esperanza Cerdan, who works for the Deutsche Bank's Global Markets sector, and who in her free time supports the "Senegambian Community" in Shoreditch in its efforts to achieve, among other things, official recognition as a charity. Her management skills are in demand for a wide range of tasks, from filling out forms to creating business plans. And as a positive side effect, "I have learnt a great deal about



Esperanza Cerdan (left) with employees from the Sene Teranga Foundation

the culture of the Senegalese and Gambians—and about the regulations that govern charitable organizations,” says Esperanza Cerdan, who comes from Spain.

The volunteers’ skills are in demand in a number of areas, for instance in helping people to apply for jobs or to create a business plan. Other tasks include giving legal advice or providing assistance in compiling publicity material. Long-term volunteer tasks may include helping children to learn to read and write, working on boards of trustees, or advising representatives of local organizations.

Although the initiative has not been in existence for very long, more than 500 staff members from the three participating firms have already volunteered their services to assist 24 different organizations in their work. Not only do the people of Shoreditch profit from this commitment, so do the volunteers themselves. For Esperanza Cerdan, the experience has “opened up a window to new cultures, new ideas, and new ways of thinking.”

Deutsche Bank’s social commitment is highly esteemed in London. At the end of 2005, for the third time the Bank was awarded the coveted “Corporation of London Dragon Award,” this time in the “Economic Regeneration” category. In addition, the Bank received the “Community Links Trustees Award” for its long-term program in support of underprivileged young people in the London district of Newham (see p. 96).

Days volunteered by staff, by region in 2005

| Region | Days volunteered | | | Total |
|--------------------------------------|------------------|----------------------|--|--------------|
| | Paid work time | Own time/ spare time | Initiative plus and Community Awards/ Financially supported projects in own time | |
| North and South America ¹ | 0 | 883 | 1,072 | 1,955 |
| United Kingdom ² | 2,017 | 307 | 1,315 | 3,639 |
| Germany ¹ | 169 | 166 | 695 | 1,030 |
| Asia ¹ | 0 | 0 | 505 | 505 |
| Africa ¹ | 0 | 26 | 0 | 26 |
| Total | 2,186 | 1,382 | 3,587 | 7,155 |

¹ There is no policy for volunteering during work time

² Two days paid leave granted for volunteering



Jobs for the long-term unemployed—the Hoxton Apprentice Restaurant (www.hoxtonapprentice.com)



Dragon Award winner 2005: Kate Cavelle, Director, Corporate Social Responsibility UK, together with the Lord Mayor Michael Savory (first row, 1st and 2nd from left)

The Shoreditch Project: Urban development initiative in the London ward of Shoreditch, supported since May 2005 by Deutsche Bank CSR UK, in which staff members volunteer their time and skills ■ **Partners:** Linklaters, UBS, Shoreditch Trust, ELBA ■ **Participation:** More than 500 staff members from the three participating firms ■ **Banking on Shadwell:** In addition, in cooperation with Cityside Regeneration and ELBA, Deutsche Bank has committed its support to the district of Shadwell in London’s East End. Since 2001, 970 staff members have volunteered; 150,000 people living in Shadwell have benefited from the project ■ **Information:** www.communityuk.db.com; www.elba-1.org.uk; www.shoreditchtrust.org.uk

Other Volunteering Initiatives – A Selection



What should I wear for a job interview?
Counseling day for secondary school
students from Offenbach



Business on the Curriculum:
More than 80 Bank employees teach
PC skills in schools

Mentor plus: In Germany in 2005, Bank staff members acted as mentors for a total of 60 young people making the transition from school to work. In this program, there are two models: one with highly motivated and talented children of immigrants who have been selected by the Hertie Foundation; and the other is for secondary school students from socially disadvantaged areas nominated by the Offenbach Sponsorship Model. The proportion of students who have entered a profession from participating secondary schools in Offenbach has increased since the beginning of the mentoring program from three percent in 2004 to over ten percent in 2005.

StreetWise Partners: In the USA, our staff volunteer for the non-profit organization StreetWise Partners. They work as mentors, advising unemployed or underemployed people who wish to improve their employment chances. The mentors teach computer skills, help complete job applications, and provide career planning tips.

Business on the Curriculum: Together with a group of non-profit

organizations, Deutsche Bank CSR UK supports business on the curriculum preparing young people to enter the world of work. In workshops as well as in mentoring and practical training programs, 75,000 schoolchildren were able to gain valuable practical experience in 2005. Some 30 Bank employees volunteered their services to the project, giving presentations in schools, passing on their experi-

ence, and providing the schoolchildren with insights into working life.

Initiative plus: In a Bank-wide program, employees that volunteer in their own time can apply for an "Initiative plus" grant of up to EUR 500 per person (USD 500/GBP 300), or EUR 2,000 per team. The money is donated to the organization at which the employee volunteers. The Initiative plus scheme was founded in 2001, and 6,546 employees have participated in the program to date.

Initiative plus

Number of participating staff members and total grants in 2005

| | | |
|---------------|-----|-------------|
| Germany | 530 | EUR 235,000 |
| Great Britain | 650 | GBP 97,550 |
| USA | 482 | USD 83,000 |
| Latin America | 268 | USD 134,000 |
| Asia | 266 | USD 79,800 |



Curious about the sea: Through Initiative plus, Ute Meyer-Stähling enabled a kindergarten in Essen to visit an aquarium

Community Awards: Through the Community Awards, the Bank supports the volunteering activities of its staff members in Great Britain and recognizes particularly outstanding achievements in this field. Staff members who work as volunteers in a non-profit organization can nominate the latter for an award up to the value of GBP 1,000. In 2005, the Bank gave 54 such awards, as well as four special awards, totaling GBP 64,000. This adds up to 9,254 volunteer hours that benefited over 10,000 people.

vides housing for those with low income. Bank staff joined in a project organized by Habitat for Humanity to build housing for victims of Hurricane Katrina. Together with the project's sponsors, NBC and the Warner Music Group, they joined hundreds of other volunteers in putting together 46 prefabricated houses for transportation to the devastated region.

Disaster Relief (see p. 60 et seq.): Through donations and relief efforts initiated by staff, Deutsche Bank Americas has actively pro-



Tsunami aid in Sri Lanka: Staff established their own relief committee

Social Days: On such days, entire departments at the Bank volunteer together in their local community. For instance, in London in the summer of 2005, 150 trainees cleaned up a city park in the



Tessen von Heydebreck at the CSR department's "Social Day"



Team building and social commitment: A kindergarten class tests its five senses with Bank trainees

Charity of the Year: Deutsche Bank UK and its staff members donated and collected GBP 410,000 for their Charity of the Year 2004/05, Great Ormond Street Hospital Children's Charity. In 2005/06 the British Red Cross is the benefactor of their fundraising efforts and it is hoped that the money they raise will support four mother and child clinics in Somalia over the next four years, providing health care for over 230,000 people. Later in 2006, SPARKS (the children's medical research charity) will become the new Charity of the Year.

Habitat for Humanity: Deutsche Bank Americas is a partner of this non-profit organization, which pro-

vided support to the victims of Hurricane Katrina and of the earthquake in Pakistan. For instance, 620 schoolchildren from the New Orleans city district of Houston's Spring Branch each received a USD 100 voucher for school supplies. In New York, staff members of the Equity Division donated a whole day's commissions and thus raised USD 1.8 million for reconstruction work. In addition, employees sent financial support to families who had fled the disaster area. The proceeds of a charity sale went to the Citizens Foundation for the victims of the earthquake in Kashmir and to Habitat for Humanity for reconstruction projects on the Gulf Coast.

Trees for Cities project. In Frankfurt, trainees renovated two kindergartens. And some 100 staff members in Singapore helped children in need and collected money for a school.

Special Olympics: For 31 employees in Japan, the Special Olympics World Winter Games 2005 in Nagano were a very memorable occasion. As volunteers, they assisted in making the Olympics a success for 2,600 mentally challenged sportsmen and -women from 84 different countries. They organized transportation for the athletes, assisted at sporting events, and provided support for country delegations, for example.

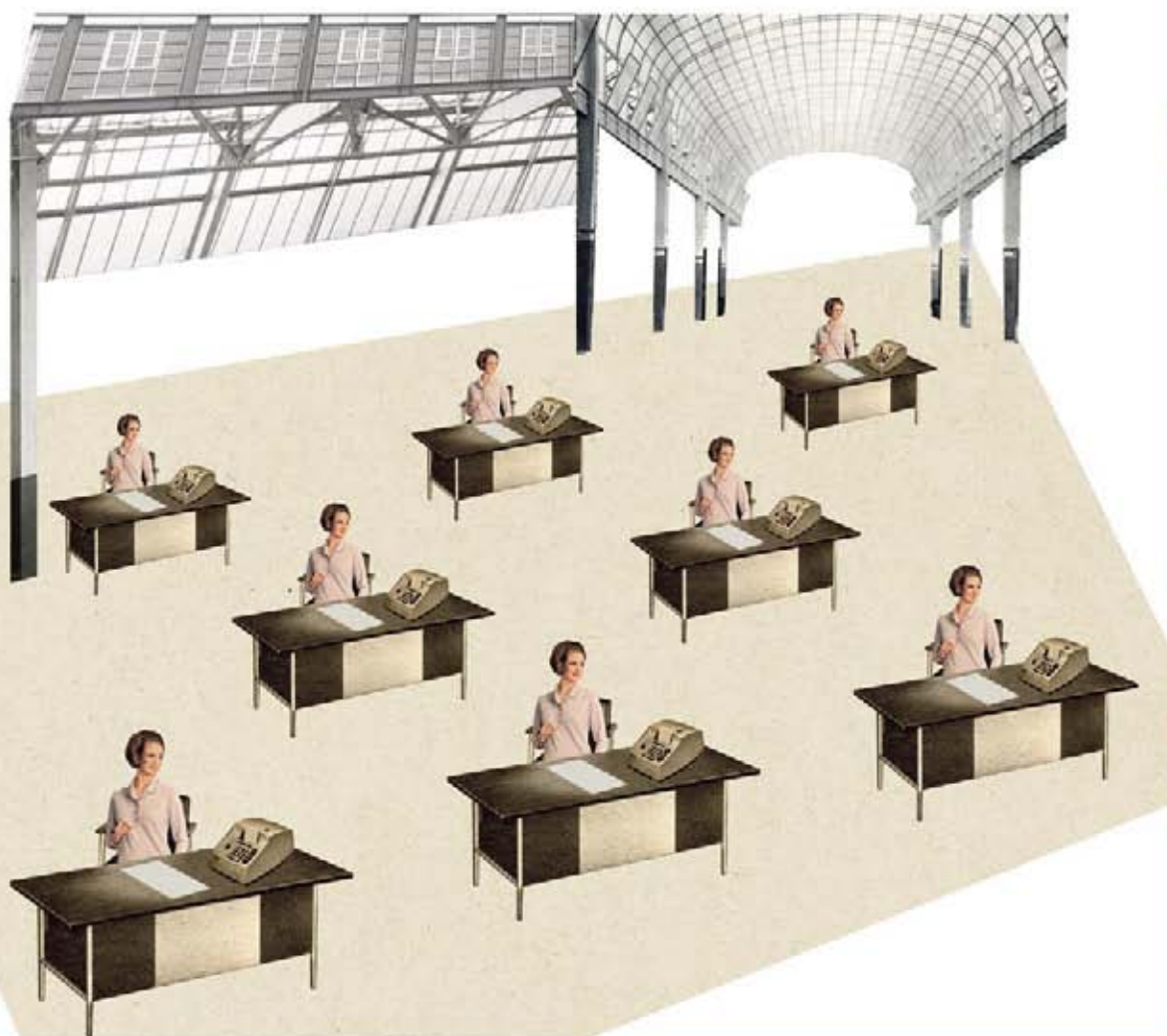
2030



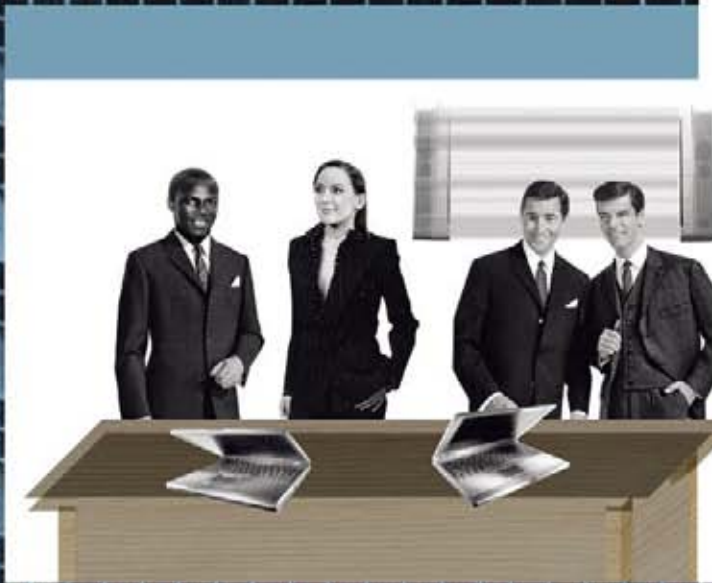
1970



1950



1920



Corporate History

Women at Deutsche Bank

"Challenge them and support them," is the maxim Wilhelm von Haller follows in dealing with his staff members. For the Managing Director of Deutsche Bank and member of the Management Board for the German market region Southwest, it makes no difference whether he works with male or female colleagues. In his experience, every staff member has individual strengths and weaknesses—whether male or female. "And it is precisely the differences in origin, gender, religion, age, and family status that enriches our daily work together and challenges each one of us," says Wilhelm von Haller.

**"I'd like to see
companies living diversity
on a daily basis."**

Wilhelm von Haller



Women in Leading Positions

From the switchboard to the boardroom: the long journey through the decades

A male colleague once referred to Ellen Ruth Schneider-Lenné as “the best man on the board.” Other colleagues remember her as “capable, compassionate, likeable, and very assertive,” according to Angelika Raab-Rebentisch, head of Deutsche Bank’s Historical Institute. What is indisputable is that this business graduate was the first woman to be appointed to the managing board of a large German bank. For eight years—from 1988 to her death in 1996—this native of Berlin carried out her executive responsibilities with great élan.



Transfer payments department, Hamburg, 1929

How times change: In 1914 a Bank employee in Berlin said disparagingly of his female colleagues, “The feminist attitude of some of the major banks is deplorable.” Today Wilhelm von Haller, Managing Director of Deutsche Bank in Stuttgart, regrets that relatively few female candidates apply for top positions in the Bank—an unbelievable notion when Deutsche Bank was founded in 1870. At the end of the 19th century, women were still finding it difficult to get any kind of work in a bank. Right up into the middle of the 1920s banking was still very much a man’s world. “The prevailing opinion was that ‘women should be planning their future as wives

and mothers and not as careerists in a hectic and joyless profession,’” according to historian Lothar Gall in a lecture on women at Deutsche Bank.¹



Transfer payments department, Hamburg, c. 1920

Only during the First World War and the subsequent period of inflation, which created a greater demand for office personnel, did women begin to enter banking in comparatively large numbers. For the most part, they worked as secretaries and operators. Then the Great Depression and the rise of National Socialism radically reduced career opportunities for women. At first the National Socialists appealed to popular resentment against women in the workforce and propagated the ideology of the woman’s place being in the home, caring for her husband and children. But after 1936 there was a shortfall in labor power, which was increasingly made up by employing women. In Deutsche Bank, too, the number of female staff members began to rise significantly from this year onwards.



Employees in Hamburg, 1920s

In the wake of the women’s liberation movement of the 1960s, a further significant shift in attitudes towards women at work took place. “As a reaction to social change,” according to Angelika Raab-Rebentisch, in 1973/74

¹Lothar Gall: Women in the Bank—A Historical Retrospective, Frankfurt, 2004 (accessible at www.banking-history.com)

the Bank started a campaign to promote “Women in Leading Positions,” with the result that, in 1974, a third of the Bank’s trainees—its future “High Potentials”—were women.

As of June 2005, 44.8 percent of the Bank’s employees were women. Globally, 14.8 percent of top management positions in Deutsche Bank are occupied by women, making the Bank a comparative leader in this field: According to statistics published by the German Federal Government, in companies with more than 500 employees, four percent of top management positions and 12 percent of those in second-level management are occupied by women. Nevertheless, Deutsche Bank is by no means resting on its laurels. Aletta Gräfin von Hardenberg, Director of Human Resources/Global Diversity, sees increasing women’s opportunities of promotion to top management positions as one of her chief priorities. To this end, Deutsche Bank has initiated a range of projects and initiatives. Networks such as Women in European Business, for instance, help women to make contacts and increase their profile as managers. “I am always seeing women being too task-oriented and forgetting how important it is to make themselves known,” observes Aletta Gräfin von Hardenberg. Mentoring initiatives represent another opportunity for women to gain experience in promoting their careers: Women who have just assumed or are about to assume their first management positions are accompanied for a certain span of their careers by more experienced professionals—sometimes even from other companies. Since 1998, the Bank has been participating in a mentoring program that embraces a number of companies including DaimlerChrysler, Lufthansa, and Deutsche Telekom. Ultimately, the Bank aims to help women become successful leaders by following the examples of those who have gone before them. And Ellen Ruth Schneider-Lenné, with her purposeful manner, is most certainly an outstanding example for women shaping a career in today’s world to follow.



Booking department, Berlin, 1957



Women in Leading Positions campaign, 1973/74

Historical Institute of Deutsche Bank: Founded in 1996 to conduct research into the history of Deutsche Bank and to preserve its historically important collection of documents. Successor to the Deutsche Bank Historical Archive that had existed since 1961 and consists of some 5,000 meters of shelves of historical records; all archives from 1848 to 1945 inclusive are open to the public for research purposes ■ **Current focuses of research:** History of Deutsche Bank in the Far East and North America and its role in the period of National Socialism ■ **Historical Association of Deutsche Bank e. V.:** Founded in 1991 to communicate the history of German and international finance to the general public ■ **Further information:** www.deutsche-bank.com/history; www.banking-history.com

95 The “Corporate Social Responsibility” Department

Deutsche Bank Foundations and Charitable Institutions

96 Deutsche Bank Americas Foundation
96 Deutsche Bank Corporate Social Responsibility UK
97 Deutsche Bank Africa Foundation
97 Deutsche Bank Asia Foundation
98 Deutsche Bank Foundation
99 Alfred Herrhausen Society
99 Academy Opera Today
100 Deutsche Bank Donation Fund in the Donors’ Association
for German Science
100 Historical Institute of Deutsche Bank

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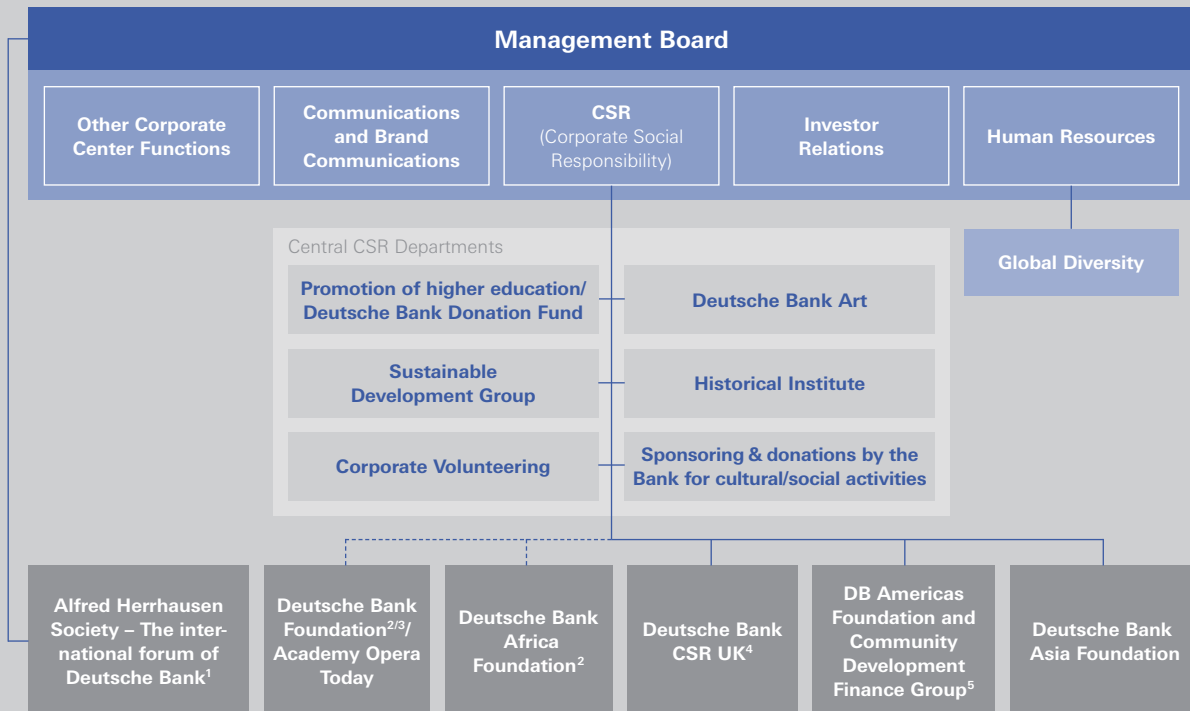
The "Corporate Social Responsibility" Department

Corporate Social Responsibility (CSR) is a corporate center function, reporting directly to the Management Board of Deutsche Bank. Its tasks are to champion responsible business practices and to raise awareness of the Bank's commitment to society, as well as to define guidelines for the implementation of these goals and to support such activities in the Bank's business units and regions. Five foundations represent CSR across the globe, and help to implement the Bank's global strategy as a corporate citizen: the Deutsche Bank Foundation, Corporate Social Responsibility UK, the Deutsche Bank Americas Foundation, the Deutsche Bank Africa Foundation, and the Deutsche Bank Asia Foundation. The Alfred Herrhausen Society is Deutsche Bank's international forum, and it organizes meetings and discussions among experts from politics, business, and science on current social and political issues. In addition, the CSR department includes several globally active groups: the Sustainable Development Group, which, among other things, is responsible for the Bank's Sustainability Management System; Deutsche Bank Art, which among other things looks after the corporate art collection; and the Historical Institute of Deutsche Bank. In addition, CSR is responsible for activities supporting higher education and research as well as for Corporate Volunteering, which is the global coordination of the Bank's volunteering programs. Deutsche Bank also has a group-wide policy on donations, memberships, and sponsorships, which is coordinated within CSR.

Frank Trümper
(Global Head of CSR)
Hanns Michael Hölz
Michael Münch
(Co-Heads of CSR)

www.deutsche-bank.de/csr

CSR Organizational Chart



¹Non-profit LLC

²Foundations that are an independent legal entity under German civil law

³On January 1, 2005, the Deutsche Bank Foundation Alfred Herrhausen Helping People to Help Themselves (founded 1987) and the Cultural Foundation of Deutsche Bank (founded 1995) were merged to form the Deutsche Bank Foundation

⁴Deutsche Bank Citizenship UK was renamed Deutsche Bank Corporate Social Responsibility UK

⁵Incl. Deutsche Bank Microcredit Development Fund (DBMDF)

Deutsche Bank Americas Foundation

Chairman:

Seth H. Waugh

President:

Gary S. Hattem

Board Members:

Jacques Brand
Jorge Calderon
Hanns Michael Hölz
Edward Jones
Carlos Padula
Richard Walker

Deutsche Bank Americas Foundation

| | |
|-------------------|---|
| Founded: | 1999; successor to the Bankers Trust Foundation after Bankers Trust was acquired by Deutsche Bank |
| Commitments 2005: | EUR 15.0 million, financed by donations from Deutsche Bank |

Program:

The Foundation's work focuses on community development projects, education programs, and initiatives for fostering intercultural understanding. Moreover, the Foundation includes the center of competence for Deutsche Bank's global microfinance programs. Unlike the Deutsche Bank Foundation, the activities of the Americas Foundation are not financed by profits from foundation capital, but solely from Bank donations. The Foundation's work is complemented by the Community Development Finance Group (CDFG), which supports economically disadvantaged communities with loans and investments. Furthermore, the CDFG develops financing strategies and coordinates overall financing for collaborative projects, such as modernization of buildings and schools. The Foundation's efforts far exceed the minimum that is legally required in the USA and was again assessed as "outstanding" by the U.S. government in 2005.

www.community.db.com

Corporate Social Responsibility UK*

Deutsche Bank in London (DBiL) Board

Chairman:

Charles Aldington

Board:

Elaine Bartleet
Kate Cavelle
Claude Cochin-De-Billy
Ivor Dunbar
Hanns Michael Hölz
Joanna Meager
Mark Preston
Elizabeth Warren
(until Jan. 31, 2006)
Peter Wyllie

Management CSR UK:

Kate Cavelle

Corporate Social Responsibility UK

| | |
|-------------------|---|
| Founded: | 1989; successor to the charity program of Morgan Grenfell, Ltd, which was acquired by Deutsche Bank in 1989 |
| Commitments 2005: | EUR 4.5 million |

Program:

Corporate Social Responsibility UK is a business unit of Deutsche Bank UK, which pursues charitable goals just like an independent foundation would. It primarily supports projects in disadvantaged areas of London through its numerous volunteer programs and by working closely with non-profit partner organizations. In 2005, CSR UK received a "Big Tick" Award from the organization "Business in the Community" for its investment in education through the "Deutsche Bank Spotlight Awards." For the third time, Deutsche Bank received the "Corporation of London Dragon Award" for its outstanding social initiatives in the UK in 2005, this time for our economic revitalization programs in East London.

www.communityuk.db.com

*Deutsche Bank Citizenship UK has been renamed Deutsche Bank Corporate Social Responsibility UK

Deutsche Bank Africa Foundation

| Deutsche Bank Africa Foundation | |
|---------------------------------|------------------|
| Founded: | 2001 |
| Foundation capital: | EUR 16.4 million |
| Commitments 2005: | EUR 0.6 million |

Program:

The Deutsche Bank Africa Foundation focuses on education programs. The Foundation supports NOAH, an education project for AIDS orphans, and the Educational Development Program (EDP) in South Africa. This holistic initiative supports schools in economically underdeveloped communities to help them enlarge their educational programs. In this context, the Africa Foundation intensified its partnerships with two schools in Tembisa in 2005: the Masisebenze Comprehensive School and the Zitikeni Secondary School.

www.db.com/csr/en

Board of Trustees:

Martin Kingston
(Chairman)
Colin Brown
Niall Carroll
Lindi Gadd
Sivi Gounden
Hanns Michael Hölz
Tamzin Ractliffe
Niall Smith
Stephen van Coller
Murray Winckler

Management:

Colin Brown

Deutsche Bank Asia Foundation

| Deutsche Bank Asia Foundation | |
|-------------------------------|-----------------|
| Founded: | 2003 |
| Budget 2003–2007: | EUR 5.0 million |
| Commitments 2005: | EUR 1.0 million |

Program:

Deutsche Bank established the Deutsche Bank Asia Foundation in December 2003 in order to create an independent anchor for its long-term commitment in Asia. Its main aim is to contribute to stable social and economic conditions necessary to guarantee a healthy environment for future generations. Like the Africa Foundation, the Asia Foundation focuses on regional education programs for orphans who have lost their parents to AIDS. It also supports local education projects, involvement in "Initiative plus" (Deutsche Bank's global employee volunteering program), and disaster relief initiatives. In cooperation with the Deutsche Bank Foundation, the Deutsche Bank Asia Foundation coordinates part of the assistance to the victims of the tsunami in Asia (see p. 60 et seq).

www.db.com/csr/en

Management:

Michael West

Deutsche Bank Foundation

Board:

Tessen von Heydebreck
(Chairman)
Frank Trümper
(Deputy Chairman)
Michael Münch
Peter Spitze
Christian J. Stronk

Deutsche Bank Foundation

| | |
|------------------------------|---|
| Founded: | 2005, through the fusion of the Deutsche Bank Foundation Alfred Herrhausen Helping People to Help Themselves (founded 1987) and the Cultural Foundation of Deutsche Bank (founded 1995) |
| Foundation capital: | EUR 120.0 million |
| Commitments 2005: | EUR 5.6 million |
| Total commitments 1987–2005: | EUR 98.8 million |

Program:

The Foundation focuses on the fields of education, community development, music, and art. In particular, the Foundation supports education projects that connect economics and the arts. These kinds of “cultural education” programs aim to make learning fun and to help young people recognize and reach their potential. In addition, support for universities as well as regional art and music programs play an important role. Through the Alfred Herrhausen Fund “Helping People to Help Themselves,” the Bank’s traditional commitment to helping people in need and to supporting disadvantaged youths has a firm place in the work of the Deutsche Bank Foundation. The Foundation also provides rapid, unbureaucratic assistance in cases of emergency.

On the occasion of the fusion between the Deutsche Bank Foundation Alfred Herrhausen Helping People to Help Themselves and the Cultural Foundation of Deutsche Bank, the Foundation organized a conference entitled “Was jetzt schon geht: Neue Kooperationen von Wirtschaft und Bildung” (“What we can do now: New collaboration between business and education”) in Berlin on April 14, 2005. Around 200 representatives from the business community and from the educational sector attended to discuss how businesses can play an active role in improving the education situation in Germany. Four forums investigated successful examples of cooperation in the areas of integration, qualification, community commitment, schooling, and business (see p. 83).

www.deutsche-bank-stiftung.de

Alfred Herrhausen Society

| Alfred Herrhausen Society | |
|----------------------------|---|
| Founded: | 1992 |
| Budget 2005: | EUR 2.2 million Financed by donations from Deutsche Bank |
| Topic of the Year 2005/06: | "Urban Age – An Investigation into the Future of Cities" |

Program:

The Alfred Herrhausen Society (AHS) is the international forum of Deutsche Bank. It seeks traces of the future in the present and brings together experts from politics, business, science, and culture who are committed to the future of civil society. The AHS's work is dedicated to continuing the work of the former Spokesman of the Management Board of Deutsche Bank, Alfred Herrhausen, who was assassinated by terrorists in 1989. Over the course of his life, he was an advocate of the responsibilities that business has toward society. Numerous conferences, discussions, and publications on topics such as education, tolerance, Europe, and governance have marked the AHS's active participation in socio-political debates over the past few years (see p. 80 et seq.).

www.alfred-herrhausen-society.org

Executive Board:

Wolfgang Nowak
Norbert Walter

(Board of Trustees,
see p. 81)

Academy Opera Today

| Academy Opera Today | |
|---------------------------|------------------------------------|
| Founded: | 2001 |
| Budget 2005: | EUR 0.2 million |
| Total activities to date: | Support for 76 scholarship holders |

Program:

Each year, the Academy Opera Today grants 15 scholarships to promising new conductors, directors, theater managers, and producers in opera. Discussions, insights into praxis, exchange of experience, and networking are the focus of the biennial support program which grew out of a university initiative. Throughout their studies and professional careers, the scholarship holders—in an interdisciplinary framework—visit productions and international festivals, organize discussions with experts, and participate in workshops. The Academy's objective is to enhance the opera as a contemporary art form beyond the limits of individual opera houses.

www.musiktheater-heute.org/english

Managing Directors:

Michael Münch
Frank Trümper

Program coordination:

Sonja Ecker
Catherine Sondermann

(Board of Trustees,
see website)

Deutsche Bank Donation Fund in the Donors' Association for German Science

Board:

Josef Ackermann
Andreas Schlüter

Representatives:

Michael Münch
Heinz-Rudi Spiegel

Deutsche Bank Donation Fund

| | |
|---------------------|------------------|
| Founded: | 1970 |
| Foundation capital: | EUR 10.7 million |
| Commitments 2005: | EUR 4.9 million |

Program:

The Deutsche Bank Donation Fund is a fiduciary foundation operating in the Donors' Association for German Science. The Fund provides financial resources to promote and support national and international research and teaching. The funds come from an annual donation by the Bank as well as from interest and dividends from the foundation's capital. Deutsche Bank allocates 50 percent of the funds, while 50 percent is assigned to projects and tasks by the Donors' Association (see p. 59).

www.stifterverband.de

Historical Institute of Deutsche Bank

Management:

Angelika
Raab-Rebentisch

Historical Institute of Deutsche Bank

| | |
|--|---|
| Founded: | 1961 (as the Deutsche Bank Historical Archive) |
| Historical Association of Deutsche Bank: | founded in 1991 as a non-profit organization dedicated to familiarizing the public with the history of banking in general |

Program:

The Historical Institute takes a critical look at Deutsche Bank's history, through its own research as well as through research undertaken by independent scholars. Since 1961, the Bank has maintained its own historical archive, and all archival material from the period up to 1945 is available to the public. In 1997, an independent commission was set up to explore the role of Deutsche Bank during the Third Reich, and a summary of its findings was published in 2003. Additional research topics include the relationship between banking and politics, the development of Deutsche Bank's corporate culture, as well as the history of Deutsche Bank in East Asia and North America.

www.deutsche-bank.com/history
www.banking-history.com

Prizes, Awards, and Rankings 2005

Big Tick Award

Award from the organization Business in the Community for the "Deutsche Bank Spotlight Awards" (see p. 64) in the category "Investing in Education."

Bridges to Understanding Award

Awarded by the Jewish Museum in New York in recognition of Deutsche Bank's commitment to New York, the arts, and cross-cultural understanding.

Corporation of London Dragon Award

In the category "Economic Regeneration" for Deutsche Bank's efforts in the UK: The Bank supports sustainable businesses in a number of programs, helps young entrepreneurs from disadvantaged social backgrounds, and creates new jobs. This was the third time that the Bank received the well-known Dragon Award by London's Lord Mayor.

Community Links Trustees Award

Presented for Deutsche Bank's long-term support program for disadvantaged youth in Newham, East London.

Courageous Corporate Champion Award

The New York City Gay and Lesbian Anti-Violence Project (AVP) named Deutsche Bank a "Courageous Corporate Champion" in 2005. The members of the "Rainbow Group," an employee network, have supported important AVP projects for a considerable time, among them large-scale donation projects (see p. 36).

Success Factor Family 2005

As a member of the "Forum Frauen in der Wirtschaft" (Women in Business Forum), Deutsche Bank won the prize for a family-friendly human resources strategy, presented by the Ministry for Family Affairs, Senior Citizens, Women, and Youth.

Erwin Piscator Honorary Award 2006

Awarded by Elysium – Between Two Continents, Inc. for the exemplary philanthropic activities and community development initiatives for disadvantaged communities by the Deutsche Bank Americas Foundation.

Fortune Magazine Top 50 Employers for Women

As part of a review of the most important companies in U.S. Fortune Magazine, Deutsche Bank was named one of the top 50 employers for women.

Human Rights Campaign – 2005 Corporate Equality Index

Perfect score rating of 100 on the Human Rights Campaign Corporate Equality Index (CEI), which rates major corporations on their track records toward lesbian, gay, bisexual, and transgender employees, consumers, and investors.

Golden Peacock Global Award for Corporate Social Responsibility

Awarded by the World Council of Corporate Governance: The award, which was established in 1999, is presented for companies' long-term commitment to ethical behavior, economic performance, social responsibility, and responsible use of resources.

Internationaler Sponsoring Award

Awarded in the category "Sport Sponsoring," presented by the Sponsoring Association for Germany and Switzerland (FASPO) and the Communication Association for Deutsche Bank's long-term commitment to golf.

Maecenas Prize for Arts Sponsorships

Award in the category "Concept" for the Deutsche Bank Foundation's support to the project "Central and Eastern European Musictheater" (see p. 70). The independent Austrian Business Committee for the Arts in cooperation with the ORF has been awarding this prize to exemplary and future-oriented cultural sponsoring for 16 years.

On Stage at The Met

At the occasion of the 20th anniversary of On Stage at the Met, Josef Ackermann was honored for his engagement for the Metropolitan Opera in New York and for Deutsche Bank's overall commitment to the arts.

Opportunity Now

Gold Standard for "exceptional work in the field of gender equality" within the scope of the Opportunity Now Benchmarking survey.

"Outstanding" Rating

In the framework of the review of the Community Reinvestment Act by U.S. regulatory authorities, Deutsche Bank's efforts on behalf of economically disadvantaged communities were again named "outstanding." Since the first review in 1992, the Bank has steadily received high recognition, as its efforts far exceed the legally required minimum (the Community Reinvestment Act obliges financial services providers in the U.S. to support economically disadvantaged communities by donations, investment and loans).

Mayor's Award for Arts and Culture

Award for the Deutsche Bank Americas Foundation's support for the arts in New York.

Partnership Award

Award by the Department of Education of the Philippines for Deutsche Bank's efforts to steadily improve the quality of education in the Philippines.

SIA Diversity Leadership Award for Sustained Leadership

Securities Industry Association's Diversity Leadership Award for the Women on Wall Street™ conference and for Deutsche Bank's related initiatives for women.

Stonewall Corporate Equality Index

The Stonewall Equality Index ranks companies according to factors such as equal opportunities regulations, equality regarding benefits, and recruiting from a broad pool of supporters. Deutsche Bank was ranked 66 of the top 100 employers in the UK.

Total E-Quality Award

For the third time in a row, Deutsche Bank won the Total E-Quality Award for its diversity initiatives and its family-friendly work environment.

Working Mother Award 2005

For the fourth time in a row, Deutsche Bank was named one of the 100 best companies for working mothers by "Working Mother Magazine."

Corporate Goals and Measures

We have set goals for 2006 and beyond in order to further develop sustainability-related issues. This table gives an overview of several of these goals. For information on other goals and measures as well as milestones we have already reached, please see the Sustainability Management section of this report (on pages 4 et seq.).

| Goal | Measures | Status |
|---|--|------------------------------------|
| Shareholders | | |
| Dialogue with sustainability-oriented rating agencies | Improvement of the regular and irregular reporting and presentations for the agencies, not least in order to improve Deutsche Bank's ranking in the indices | Ongoing |
| Communication with the capital markets | Investor Relations team: Keeping investors, analysts, and rating agencies consistently and quickly informed about business events, strategic measures, and important corporate governance issues | Ongoing |
| | Chairman of the Board and CFO: Participation in investor communication through road shows and conferences | Ongoing |
| Inform SRI investors | Continued communication of targeted information for investors who are interested in CSR and sustainability issues Answering specific questions which SRI investors or portfolio managers of sustainability-oriented funds might have in one-on-one meetings | Since 2004 |
| Clients | | |
| Extending the number of sustainable investment opportunities in the area of Private Wealth Management | In addition to individual asset management with sustainable investments, a number of sustainability-oriented third-party funds and certificates on sustainability indices are to be offered | 2006 |
| Winning new customers and retaining customers | Targeted offers for new target groups—for example students—and new products (db StudentenBanking; see p. 20 et seq) | Since 2005, ongoing |
| Expansion of our geographical presence | Targeted extension of our sales network, for example doubling of the number of branches in Poland Hiring of additional IFC sales staff, strengthening mobile sales opportunities | Ongoing |
| Staff | | |
| Investment in knowledge, training, and skills of our staff | High and continual investment in training and human resources, increase of the proportion of employees who hold a university degree (see p. 32 et seq) | Ongoing |
| Increase of the number of women in leading positions | Projects and initiatives (see p. 36) which support women in networking and in their careers at the Bank | Ongoing |
| Supporting our staff's employability and strengthening their abilities to accept and embrace change | Internally: new program "Fit in die berufliche Zukunft" (fit for your professional future) | Introduction in Germany by 12/2006 |
| | externally: active support of the "Initiative für Beschäftigung" (employment initiative) (see p. 28 et seq) | Ongoing |
| Supporting the work-life balance | Motivate staff to use existing offers to reconcile their professional with their private lives (see p. 34 et seq) | Ongoing |

| Goal | Measures | Status |
|---|---|--|
| Society | | |
| Group-wide implementation of the Sustainability Management System (see p. 4 et seq) | Roll-out of the system to London, Singapore, and DB Bauspar AG in order to strengthen the local business activities and support the Corporate Center departments already integrated | Ongoing |
| Support for all departments in the implementation of their sustainability targets | Development of new, or review of existing, sustainability criteria | Ongoing |
| Operational environmental protection: – cutdown on the use of resources: | Stabilizing power, heating energy and water consumption, and the volume of waste to again reach the per employee levels of 2004 by improving technology in facility management Reducing CO ₂ emissions resulting from energy consumption per employee by 5–10%, back to the level of 2004 Remind staff to use resources responsibly (see p. 42 et seq) Inform staff about sustainability-related issues such as climate change Increase the use of environmentally friendly materials for publications | By 2008 |
| – support usage of renewable energies | Increasing the share of renewable energies in the mix of power consumed by DB to 20% in Germany | Since January 2006 |
| – ensuring climate neutrality of individual departments or events organized by the Bank | Participation in the initiative Hessische Klima-Partner | Since January 2006 |
| Evaluation of projects by the CSR department and Deutsche Bank Foundation | A sustainability screening for projects is being developed and projects will be evaluated once every year | Planned for 2006 |
| Social commitment | | |
| Intensifying our employees' volunteering efforts in all departments and regions | Organization of mentoring programs for children of immigrants and for students of secondary schools ("Hauptschulen") in disadvantaged communities Free advisory services for non-profit organizations in the areas of marketing, finance, and organization Integration of volunteering modules in HR training programs (UK) | Extension from 20 mentors (2004) to 60 2006 2006 |
| Extension of financial and social investment know-how to combat poverty | Deploy approximately USD 45 m of the recently close Commercial Microfinance Consortium (see p. 40) to microfinance intermediaries in developing countries | Ongoing |
| Improving the financial literacy among young people | Bank staff advise young people as part of the programs "Youth Bank" and "Financial Literacy" (FAB: Increase from 60 to 250 schools by the end of 2006; see p. 54) | FAB: To be offered Germany-wide in the long run |
| Development of innovative solutions to the challenges within our local communities | Increase number of cities in Germany that support Common Purpose; increase in participating Bank managers in the matrix programs (see p. 83) Community Development Finance: Introduction of integrated financial solutions to help the revitalization of disadvantaged communities (UK) Originate at least USD 100 m in new Community Development Finance Group commitments in support of low-cost housing and economic development within urban neighborhoods in North America | Ongoing In planning Ongoing |
| Closer/more systematic dialogue with universities and professionals in applied science | Developing a concept | By December 2006 |
| Expanding our activities in the field of education | Integration of educational aspects into "classic" sponsorships | Ongoing |

About This Report

List of the performance indicators under the Global Reporting Initiative

In this report we have used the guidelines of the “Global Reporting Initiative” (GRI) including the “Social Performance Indicators” (SPI) and the “Environmental Performance Indicators” (GRI and UNEP Finance Initiative), and we have complied with the comprehensive catalogue of “in accordance” criteria by GRI. These widely recognized indicators help to standardize sustainability reporting, thus making it comparable (see www.globalreporting.org). If this report repeats information already given in the annual report or financial statements, the information may be more detailed or reported differently in line with the GRI guidelines.

For further information on Deutsche Bank—in particular concerning the “Economic Indicators,” the “Organization Profile,” and “Management Systems”—please see the publications listed on p. 106.

| Vision and Strategy | |
|------------------------|--|
| 1.1 | p. 1, 4-7, 12, 18 et seq, 40 et seq, 48 et seq, 53, 95-100, 102 et seq |
| 1.2 | p. 1 |
| Organizational Profile | |
| 2.1 | cover page |
| 2.2 | p. 10 et seq, 22-27, 40 et seq, AR: p. 8 et seq |
| 2.3 | AR: p. 8 et seq |
| 2.4 | AR: p. 8 et seq |
| 2.5 | back cover page, p. 27, 32, AR: p. 11 |
| 2.6 | back cover page, AR: p. 16 |
| 2.7 | p. 24 et seq, AR: p. 8-10, 17 |
| 2.8 | back cover page, p. 32, AR: p. 8 et seq, 16-18, 21 |
| 2.9 | p. 32-35, 36 et seq, 39, 44 et seq, 48, 50, 53, AR: p. 15 |
| 2.10, 2.22 | p. 105, 106 |
| 2.11 | p. 1, cover pages |
| 2.12* | May 2005 |
| 2.13* | p. 44 et seq |
| 2.14 | inner and back cover pages, p. 32 |
| 2.15* | AR: p. 3 et seq |
| 2.16* | none |
| 2.17 | p. 104 et seq |
| 2.18 | inner cover page, p. 15, 42-47 |
| 2.19* | p. 45 |
| 2.20 | p. 4-7, 12 et seq, 44 |
| 2.21* | p. 44 |

| Management Systems | |
|--------------------|--|
| 3.1 | p. 5 et seq, 14-17, 16 et seq, 95 |
| 3.2* | AR: p. 12; FR: p. 172 et seq |
| 3.3* | p. 6, 12-15, 16 et seq, 34 |
| 3.4 | p. 5 et seq, 14 et seq, 16 et seq, 34 et seq; FR: p. 44 et seq |
| 3.5 | AR: p. 12 et seq; FR: p. 177 et seq |
| 3.6 | p. 5 et seq, 14-17, 16 et seq, 95-100 |
| 3.7 | p. 4-7, 12-15, 16 et seq, 34, 36 et seq, 46-49, 53, 86-89; AR: p. 2 |
| 3.8* | AR: p. 12 et seq |
| 3.9 | p. 50, AR: p. 15 |
| 3.10 | p. 5, 12 et seq, 27, 50 et seq, 80-83 |
| 3.11* | p. 18 et seq, 27, 34, 48, 50, 80-83 |
| 3.12 | p. 18 et seq, 27, 49 |
| 3.13 | p. 4-7, 12-15, 16 et seq, 20-27, 30-37, 40-49 |
| 3.14 | p. 14-17, 36 et seq, 44, 48 et seq |
| 3.15 | p. 48-50 |
| 3.16 | p. 4-7, 12-14, 24-27, 44, 46, 49 |
| 3.17 | p. 4-7, 12 et seq, 15, 16 et seq, 40-49, 53, 86-89, 95-100 |
| 3.18* | FR: p. 146 et seq |
| 3.19 | p. 4-7, 12-19, 30-48, 53, 58 et seq, 62-65, 80-83, 86-89, 95-100, 102 et seq |
| 3.20 | p. 4, 27, 44 |
| 4.1 | p. 104 et seq |

| Economic Indicators | |
|---------------------|--|
| Core Indicators | |
| EC1 | back cover page |
| EC2* | not relevant as no single product has a 25% market share |
| EC3* | FR: p. 76 |
| EC4* | data is not collected |
| EC5 | p. 35, FR: p. 162 |
| EC6,7 | back cover page |
| EC8 | FR: p. 132 et seq |
| EC9* | not reported to ensure protection of proprietary information |
| EC10 | inner cover p., p. 33, 53, 56-65, 71, 76 et seq, 87-89, 95-100 |

| Ecological Indicators | | | |
|---------------------------------|---|-----------------------|---------------------|
| Core Indicators | | Additional Indicators | |
| EN1, 2*, 3, 4, 5, 8, 11, 13, 14 | p. 42-45 | | |
| EN6*, 12* | not available | EN17, 19, 30, 34 | p. 10 et seq, 42-47 |
| EN7 | support of the Peace Parks Foundation ¹ | EN27 | p. 25, 47 |
| EN9*, 15 | not relevant | | |
| EN10* | not reported due to the disproportionate amount of expenses required to do so | | |
| EN16* | none | | |

¹ see www.sustainability.deutsche-bank.de/en

| Social Indicators | | | |
|--|---|-----------------------|---------------------------------|
| Core Indicators | | Additional Indicators | |
| LA1 | 32, AR: p.18, 44 | | |
| LA2 | p.32 etseq, AR: p.18, 43 etseq | | |
| LA3* | Form 20-F (2005): p.96 | | |
| LA4 | p.30 etseq | | |
| LA5, 6, 7* | data not available as this report was printed; information available upon request | | |
| LA8 | p.36 etseq, 65, 99 | LA12 | p.33, 35 |
| LA9 | p.33 | LA16 | p.30-35 |
| LA10 | p.36 etseq, 92 etseq | LA17 | p.30-37 |
| LA11 | p.92 etseq; FR: p.172 etseq | | |
| HR1, 2, 3 | p.44, 46, 49 | | |
| HR4 | p.36 etseq, 46, 49 | | |
| HR5*, 6*, 7* | p.46, 49 | HR12 | p.36 etseq |
| SO1 | p.50, 56-65, 71, 80-83, 86-89 | SO4 | p.18, 27, 36 etseq, 58, 64, 101 |
| SO2 | p.16 etseq, 46 | SO7 | p.16 etseq, 46, 49 |
| SO3 | p.50 | PR6 | p.18 etseq, 27, 101 |
| PR1 | p.25 etseq | PR8 | p.27 |
| PR2, 3 | p.25-27 | PR11* | p.26 etseq |
| Social Performance Indicators (SPIs) | | | |
| CSR1 | p.4-7, 30-35, 48-49, 53, 95-100 | SUP1 | p.46 |
| CSR2 | p.4-7, 95-100 | SUP2* | n.r. |
| CSR3 | p.5, 18 etseq | RB1 | p.15, 22-27 |
| CSR4 | p.14-17, 16 etseq, 26 etseq, 30 etseq, 46 | RB2* | n.r. |
| CSR5* | n.r. | RB3* | p.22 etseq, 40 etseq |
| CSR6 | p.34, 48, 80-83, 95-100 | IB1* | p.15, 16 etseq, 24, 27, 49 |
| INT1 | p.30-37, 92 etseq | IB2* | n.r. |
| INT2 | p.32, FR: p.146 etseq; AR: p.43 etseq | IB3* | p.24, 40 etseq |
| INT3 | p.12, 34, 36 etseq | AM1* | p.18 etseq, 24, 27 |
| INT4 | FR: p.163, 177 etseq | AM2* | p.40 etseq |
| INT5 | n.r. | AM3* | n.r. |
| INT6* | n.r. | INS1* | n.r. |
| INT7 | n.r. | INS2* | n.r. |
| SOC1 | inner cover page, p.33, 36 etseq, 53, 56-65, 70 etseq, 77, 87, 89, 95-100 | INS3* | p.26 etseq |
| SOC2* | n.r. | INS4* | n.r. |
| Environmental Performance Indicators* ² | | | |
| F1* | p.4-7, 15, 16 etseq | F8* | n.r. |
| F2* | p.4-7, 15, 16 etseq | F9* | n.r. |
| F3* | n.r. | F10* | n.r. |
| F4* | p.46 | F11* | n.r. |
| F5* | p.6 | F12* | p.10 etseq, 24 |
| F6* | p.6, 15, 16 etseq, 18 | F13* | n.r. |
| F7* | p.10, 15, 24 etseq, 46-48 | | |

² For further information, please see the risk report (pp. 44-75) in the financial reports for 2005

n.r. = not reported. This may be due to legal reasons or bank-specific regulatory limitations, in some cases also to internal guidelines, to the unavailability of data, or to the irrelevance of the element in question

FR = see Financial Report 2005

AR = see Annual Review 2005

Note: * denotes indices which are included in this report, but were not in the 2004 CSR Report

The Design of This Report

Deutsche Bank's activities are based on people. It is the Bank's employees that combine their dedication to society with their work for the Bank—and their motivation is their own dreams of a better future.

Therefore, the two pages at the start of each chapter are dedicated to all those who work on behalf of Deutsche Bank to make the world a better place. We have selected colleagues from all regions and levels within the Bank who work for a charitable project or put particular effort into a socially-oriented banking project. Lutz Widmaier was commissioned to put the employees' visions onto paper—in the form of collages.



Widmaier was born in 1967 and was taught by Heinz Edelmann at the State Academy of Art and Design in Stuttgart. His illustrations have been published in the New York Times, Handelsblatt, and Süddeutsche Zeitung, to name just a few. Widmaier currently works as a designer and illustrator, and has received the Award of Excellence (Society of News Design), the Lead Award, and an award by the Art Directors Club. Today he lives and works in Munich.

This report has been prepared in accordance with the 2002 GRI Guidelines. It represents a balanced and reasonable presentation of our organisation's economic, environmental, and social performance.

Tessen von Heydebreck
Member of the Management Board
and of the Group Executive Committee

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 Nachhaltigkeit

Editorial Remark:
 All the information in this report has been compiled in good faith and with the greatest care and circumspection. To this end we have relied on many sources. To the best of our knowledge, the information, figures, and data contained in this report correspond to the truth. Nevertheless, we can assume no liability for the correctness or completeness of the information provided herein.

We would like to thank all our colleagues and everyone outside the bank for their friendly support in making this report possible.

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We will be happy to send you the following publications relating to the financial statements:

Annual Review 2005
 Financial Report 2005
 Form 20-F
 Annual Financial Statements and Management Report of Deutsche Bank AG 2005
 List of mandates 2005
 List of shareholdings 2005
 List of Advisory Council Members 2005 (German)

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Paper:
 Arctic Volume

This report "Corporate Social Responsibility 2005" is climate neutral. This means that the amount of greenhouse gas emissions caused by production and distribution of this publication (60 t CO₂e) have been offset by investing in a high-quality climate protection project: the Bagepalli CDM Biogas Program in India.

climate neutral

Deutsche Bank

The Group at a Glance

| | 2005 | 2004 |
|--|--------------------------|--------------------------|
| Share price at period end | € 81.90 | € 65.32 |
| Share price high | € 85.00 | € 77.77 |
| Share price low | € 60.90 | € 52.37 |
| Dividend per share (proposed for 2005) | € 2.50 | € 1.70 |
| Basic earnings per share | € 7.62 | € 5.02 |
| Diluted earnings per share ¹ | € 6.95 | € 4.53 |
| Average shares outstanding, in m., basic | 463 | 493 |
| Average shares outstanding, in m., diluted | 509 | 532 |
| Return on average total shareholders' equity (post-tax) | 12.5% | 9.1% |
| Adjusted return on average active equity (post-tax) ^{2,3} | 16.2% | 10.5% |
| Pre-tax return on average total shareholders' equity | 21.7% | 14.8% |
| Pre-tax return on average active equity ³ | 24.3% | 16.3% |
| Pre-tax return on average active equity (per target definition) ^{3,4} | 24.7% | – |
| Cost/income ratio ⁵ | 74.7% | 79.9% |
| | in € m. | in € m. |
| Total revenues | 25,640 | 21,918 |
| Provision for loan losses | 374 | 372 |
| Total noninterest expenses | 19,154 | 17,517 |
| Income before income tax expense and cumulative effect of accounting changes | 6,112 | 4,029 |
| Net income | 3,529 | 2,472 |
| | Dec 31, 2005 in € bn. | Dec 31, 2004 in € bn. |
| Total assets | 992 | 840 |
| Loans, net | 151 | 136 |
| Shareholders' equity | 29.9 | 25.9 |
| BIS core capital ratio (Tier I) | 8.7% | 8.6% |
| | Number | Number |
| Branches | 1,588 | 1,559 |
| thereof in Germany | 836 | 831 |
| Employees (full-time equivalent) | 63,427 | 65,417 |
| thereof in Germany | 26,336 | 27,093 |
| Long-term rating | | |
| Moody's Investors Service, New York | Aa3 | Aa3 |
| Standard & Poor's, New York | AA– | AA– |
| Fitch Ratings, New York | AA– | AA– |

¹ Including effect of dilutive derivatives, net of tax.

² Net income of € 3,529 million for 2005 and € 2,472 million for 2004 is adjusted for the reversal of 1999/2000 credits for tax rate changes of € 544 million for 2005 and € 120 million for 2004.

³ We calculate this adjusted measure of our return on average total shareholders' equity to make it easier to compare us to our competitors. We refer to this adjusted measure as our "return on average active equity." However, this is not a measure of performance under U.S. GAAP and you should not compare our ratio to other companies' ratios without considering the differences in calculation of the ratios. The items for which we adjust the average shareholders' equity of € 28,201 million for 2005 and € 27,194 million for 2004 are the average unrealized net gains on securities available for sale, net of applicable tax effects of € 2,023 million for 2005 and € 1,601 million for 2004 and the average dividends of € 1,048 million for 2005 and € 815 million for 2004. The dividend is paid once a year following its approval by the general shareholders' meeting.

⁴ Our pre-tax Return on Equity target is defined as pre-tax income on a reported U.S. GAAP basis (2005: € 6,112 million) adjusted for restructuring charges (2005: € 767 million) and substantial gains from industrial holdings (2005: € 666 million) divided by average active equity (2005: € 25,130 million).

⁵ Noninterest expenses as a percentage of net interest revenues before provision for loan losses plus noninterest revenues.

