



Corporate Social Responsibility: Facts & Figures

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

	2004	2005	2006
Sustainability Management System (see p. 7 et seqq.)			
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, in 2006 integration of offices in London and DB Bauspar			
Environmental data (see p. 57 for further data, incl. foreign countries and German affiliates)			
Power consumption (in gigajoules) ¹	858,919	749,614 ²	679,195
Heating energy consumption (in gigajoules) ¹	775,798	647,662 ²	661,736
CO ₂ emissions from power production (in tons) ^{1/3}	140,992	126,149	98,282
Listing of Deutsche Bank in Sustainability Stock Indices (see p. 18 et seq.)			
ASPI Index			
Dow Jones STOXX Sustainability Indices			
Dow Jones Sustainability World Indices			
Ethical Index Euro & Global			
FTSE4GOOD Indices			
Annual Performance of Sustainable DWS Mutual Funds (see p. 26)			
DWS Invest Sustainability Leaders	5.1%	8.9%	8.3%
GKD-Fonds	6.2%	12.9%	7.6%
DWS Bildungsfonds	6.2%	13.7%	8.9%
PANDA Renditefonds DWS	3.7%	7.2%	-5.3%
DVG Stiftungsfonds	5.0%	7.7%	4.5%
Staff (see p. 32 et seqq.)			
Training (expenses per employee ⁴ in EUR)	1,479	1,583	1,757
Apprenticeship programs (expenses in EUR million)	42	40	40
Employee Commitment Index (see p. 44)	68	68	68
Perception of Deutsche Bank as a responsible corporate citizen ⁵			
Germany	38%	64%	53%
Globally	51%	66%	58%
Volunteering activities of staff members in Deutsche Bank volunteer programs (in days) ⁶		7,155	9,843
Corporate Citizenship Spending (in EUR million; see p. 5 et seq.)			
Donations	42.8	56.8 ⁷	53.6
Sponsoring ⁸	24.3	26.0	24.0
Foundations of Deutsche Bank	5.8	6.9	7.6
Total	72.9	89.7	85.2
Prizes and Rankings 2006 (selection; see p. 107)			
City of London Dragon Award			
Golden Peacock Global Award for Corporate Social Responsibility			
German Prize for the Support of Culture			
Operational Risk & Compliance Achievement Award			

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

² Values recalculated

³ Change in conversion rate for CO₂ emissions

⁴ Number of employees (headcount)

⁵ Representative online survey among Deutsche Bank staff worldwide

⁶ Data collected for the first time in 2005

⁷ Including extraordinary spending for disaster relief

⁸ Only for culture and society

Ladies and Gentlemen,



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



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

Implementing concepts for sustainable corporate development is becoming ever more important in the face of global competition. Acting with sustainability in mind is not just an issue of altruism. Research has shown that resources are being depleted and that the climate is changing. These results have triggered widespread political discussions and caused responsible companies to intensify their efforts to find an adequate response to the ever more threatening situation. Many managers realize increasingly that acting sustainably can or even does bring competitive advantages. Sustainability-oriented governance often leads to more efficient and cost-effective production procedures, innovative products which ensure entry to other markets, and higher attractiveness for highly qualified staff.

Acting sustainably is not just a PR issue for Deutsche Bank, either. In fact, sustainability steadily influences our everyday business and our decision-making processes.

In 2006 we again took an active part in coping with numerous and new social challenges. Dealing with climate change is one of the biggest tasks we have to face. The rise in the number of natural disasters in particular does not have only ecological and social, but also huge economic consequences, which affect our customers, suppliers, staff, investors and other stakeholders. Fighting against climate change is therefore not only a social responsibility issue, but also in our best economic interest. Our climate strategy aims to prevent greenhouse gas emissions, to promote the use of renewable energies, to inform the public about the problems of the climate change and to increase the use of market-oriented mechanisms such as EU emissions trading.

In addition to our activities in the emissions products market, we have broadened our portfolio of sustainability-oriented financial services and products. Innovations such as the "DWS Klimawandel" fund or "Stiftung Select" program (a program for the establishment of small foundations) meet the demands of our customers, who want to integrate social and economic aspects into their asset management decisions.

One particular partnership continues our long tradition of promoting innovation: Since the end of 2006 we have been supporting the development of the "Solar Impulse" airplane—the first airplane which is to fly around the world without any fossil fuels. This project aims to promote the use and development of renewable energies and to sharpen people's awareness of how resources can be used efficiently.

Demographic developments create more and more new challenges for us as well. According to estimates by the Institut für Arbeitsmarkt- und Berufsforschung (IAB), a research institution backed by the Federal Employment Service, the workforce will decline considerably over the coming decades due to the reversed age pyramid. It is therefore imperative for us to promote and develop our staff's abilities and potential.

We have put numerous programs in place to make it easier for our employees to combine their professional and family lives, and our diversity strategy aims to create cross-generational teams of employees.

Demographic change is another reason for us to continually expand our commitment to education. For example, we spent more than EUR 20 million on education initiatives and research last year. Our staff are committed to this goal, too: They use their professional knowledge to mentor young people, teach students about financial issues or advise nonprofit organizations. Corporate social responsibility is only successful if it is supported by a company's employees. A survey in June 2006 found that 70 percent of our staff are proud that Deutsche Bank takes social responsibility. What makes us even happier is that our employees did considerably more volunteer work in the past year. In fact, they offered up a total of 9,843 days for volunteering programs—an increase of over 2,000 days compared to 2005. We would like to give them our special thanks.

We are dedicated to transparency in corporate governance and communication. That is why we report on our contributions to sustainable development and to social progress in this Corporate Social Responsibility publication. Beyond that, the report is an invitation to engage in an open and constructive dialogue. We are looking forward to receiving new impulses from your opinions, which will help us to evaluate our activities and ensure their success in the future.

Yours sincerely,



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



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

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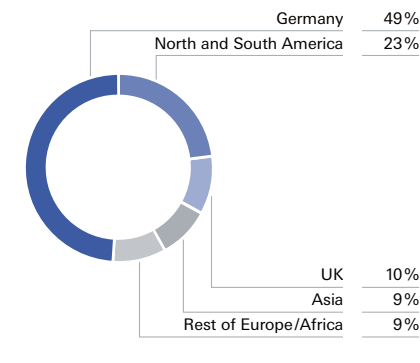
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Corporate Social Responsibility Areas of Activity and Principles

Global spending on the arts and society by regions, 2006

Total: EUR 85.2 m.¹



¹Includes sponsorships for the arts and society

For us, Corporate Social Responsibility (CSR) means acting responsibly towards shareholders and customers as well as towards our employees and society as a whole. Such a holistic approach is the only way to ensure that Deutsche Bank as a company is successful in the long run.

As a company, our first and main direct responsibility is towards our employees. This responsibility covers, for example, all benefits that go beyond what is foreseen in collectively bargained wage agreements, spending on the development of working-time regulations to enable our employees to better combine their professional and family lives, or our range of training opportunities (see p. 32 et seqq.).

The effects which our business activities have on the environment and on society is the second main focus of our CSR. One of our responsibilities is creating apprenticeships and jobs (see p. 36/37). In addition, we go beyond legal requirements when it comes to our responsibility towards our customers; for example by undertaking an extended product and prospectus liability (see p. 30), or by examining the ecological consequences of certain large-scale financing or lending projects (see p. 16). Our Sustainability Management System is the framework for our systematic approach to sustainability challenges across all hierarchical levels and across all business divisions and activities (see p. 7 et seqq.).

Finally, 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 we initiate, and not least through the volunteer work of staff members (see p. 60 et seqq.). With a total spending volume of EUR 85.2 million, the Bank together with its foundations and nonprofit organizations was again one of the most active corporations worldwide in 2006.

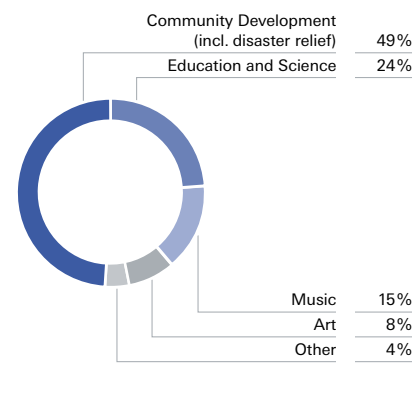
Our support is based on strictly defined principles (see p. 20) and focuses on the areas of education, community development, art and music. It is only by a steady and target-oriented commitment to selected areas that we are able to develop competence and to build long-term partnerships which create credibility and promise success for all stakeholders of Deutsche Bank.

IN ORDER TO OPTIMIZE THE ADDED VALUE OF OUR COMMUNITY COMMITMENT WE BASE OUR CORPORATE CITIZENSHIP ACTIVITIES ON EIGHT SUCCESS FACTORS:

- 1. Relevance:** Corporate citizenship activities must be of real value or relevance for the target group.
- 2. Focus:** When we plan to support a project in one of our four focus areas, we have to ask ourselves if it is appropriate for Deutsche Bank. We have therefore formulated four principles which serve as a guideline and which are anchored in our brand's identity: "Sustainability," "Diversity," "Investing in People" and "More than Money" (see p. 20).
- 3. Continuity:** A steady commitment to selected areas is the only way to develop the necessary competence to select promising projects. Sustainable success is only possible in the framework of long-term programs and partnerships.
- 4. Competence:** We are convinced that specialist knowledge, procedural know-how and innovation are more effective than donations or sponsoring alone. Projects that integrate our staff and their professional know-how and abilities create more internal and external credibility and, in particular, increase effectiveness of our activities (see p. 46–49 and 90 et seq.).
- 5. Association with our brand/Brand fit:** CSR activities should be related to the sector and the company—and this should be apparent. Our success as a bank is based on the quality of each staff member. Therefore we support projects that foster the talent and potential of the individual.
- 6. Communication:** CSR must be supported by all stakeholders, and must be regularly evaluated. That is why transparency in internal and external communications is important to us—not only communicating on programs supported and funds donated, but also on their effects and the results achieved.
- 7. Differentiation:** Our CSR activities are unique. By sticking to our principles, remaining true to our brand, and getting staff personally involved, we ensure high quality and created our own specific profile.
- 8. Stakeholder participation:** We highly value the constructive dialogue with clients, social and political organizations as well as non-governmental organizations (NGOs). This and the focus on the personal involvement of our staff play an important role in our citizenship programs, and our own corporate development. The exchange with our stakeholders gives us new insights, which may be of strategic importance for both our CSR and our business as a financial services provider.

Global spending on the arts and society by topic, 2006

Total: EUR 85.2 m¹



¹Includes sponsorships for the arts and society



Sustainability Management System

For Deutsche Bank, sustainability means viability. The aim is to make sure that future generations enjoy both stable economic and social conditions and a healthy environment. Translated to our business, this means that we will always take into account the ecological, social and ethical aspect of our actions when we pursue our economic goals.

Based on a clear commitment of our Management Board, we have therefore established a comprehensive Sustainability Management System under ISO 14001, which has been examined every year since 1999 by an independent auditor for compliance with the norms and regular improvements. This system is the framework for a uniform and systematic approach to sustainability challenges in our company across all hierarchical levels, business divisions and business activities. Our efforts center on avoiding damage to our reputation from so-called ESG risks (environmental, social and governance risks) and simultaneously realizing opportunities from sustainable development which may make a positive contribution to Deutsche Bank's value.

Department-specific and cross-divisional guidelines have already helped us to anchor sustainability aspects in our infrastructure functions and central areas of our divisions worldwide. This is the basis on which we want to ensure a uniform understanding and way of proceeding when addressing potential ecological, social and ethical effects of our activities in all regions.

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 ecofriendly 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 reflect our sense of global responsibility.

Important challenges and activities for our sustainability management are:

- A steady improvement of our Sustainability Management System and its extension to the whole group
- The integration of sustainability criteria in product development
- The consideration of sustainability aspects in the framework of financing, transactions and advisory mandates
- Coping with climate protection requirements

In 2006 we implemented the following measures:

- Integration of our affiliate DB Bauspar and the London branch in our Sustainability Management System
- Adoption of our Group Standard “Supplementary Documents to our Sustainability Management System,” which brings our internal guidelines in line with the relevant external standards and commitments of Deutsche Bank
- Regular communication with staff in the Corporate Center and the individual business divisions about our sustainability efforts
- Closer dialogue with investors and representatives of non-governmental organizations
- Review of the regular improvement procedure of our Sustainability Management System in the framework of a periodical audit by the independent auditor Det Norske Veritas
- Further development of our climate protection strategy (see p. 14)

In 2007 we want to achieve the following goals:

- Extension of our Sustainability Management System to business activities in New York and further affiliates
- Progress with the integration of the region Asia/Pacific into the Sustainability Management System
- Development of tools that help recognize and manage ESG risks in the framework of financing projects, transactions and advisory mandates early on
- Development of an additional, computer-based training tool for staff on sustainability issues

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
- DB Bauspar
- DB Research
- Deutsche Bank Foundation
- DWS
- Global Banking—Specialized Financing
- Global Sourcing
- Global Transaction Banking
- Human Resources
- Investor Relations
- Legal
- London
- New York, 60 Wall Street
- Public Sector
- Private and Business Clients
- Private Wealth Management
- Risk Management
- Structured Trade & Export Finance
- Sustainable Development

Deutsche Bank’s Sustainability Management System according to ISO 14001

Organizational basis

- Group-wide cross-divisional task
- External certification according to DIN EN ISO 14001 since 1999, recertified until 2008

Responsibility

- Management Board, in particular Chief Administrative Officer (Tessen von Heydebreck)
- Delegated to the lower managerial level, in particular to the Group Compliance Officer for the Sustainability Management System (Hanns Michael Hölz)

Application

- Strategic and operational decisions
- Direct and indirect effects of our banking business and our business activities

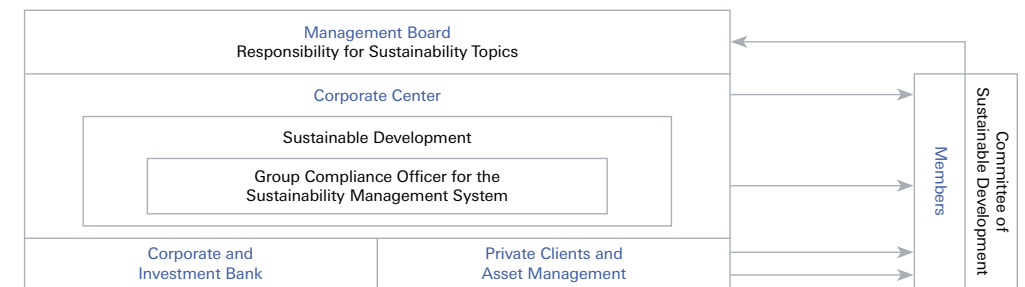
Integrated areas and functions

- All sustainability-relevant Corporate Center functions
- Business divisions Private Clients and Asset Management and Corporate Investment Bank (corporate clients and institutions)
- Affiliates DWS, DB Bauspar
- International locations 60 Wall Street, New York; London

Review mechanisms

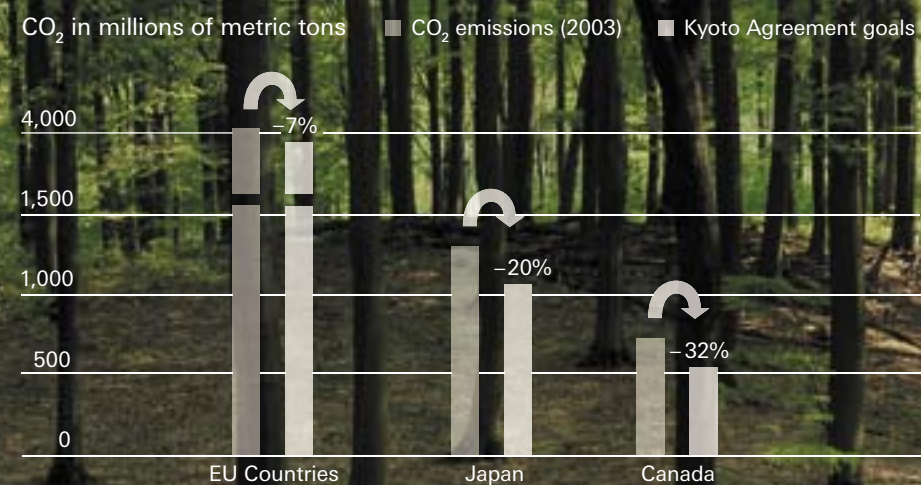
- Annual internal audits in all integrated departments and business divisions
- Annual external review of compliance with the regulations and the regular improvement procedure by an external auditor
- Comprehensive recertification every three years, last in 2005
- Annual meeting of the Committee of Sustainable Development, an internal steering, monitoring and decision-making body

The Deutsche Bank Sustainability Management System



Shareholders

Reduction of CO₂ Emissions in Accordance With the Goals of the Kyoto Agreement (by Country)



Global problems can only be solved through wide-ranging alliances and multinational regulations. Economic productivity, social responsibility and environmental protection are all inseparably linked to one another. The Kyoto Agreement, which went into effect in 2005, establishes binding target levels for the emission of greenhouse gases, the primary cause of global warming. Based on the CO₂ emission levels of 2003, EU nations must cut emissions by another 7 percent, Japan by 20 percent, and Canada by 32 percent in order to fulfill the stipulations of the climate protection agreement. The Kyoto Agreement offers numerous flexible instruments with which the nations that signed it can reach these goals. Clean Development Mechanisms (CDM) or emissions trading are two of these possibilities. Through its financial know-how, Deutsche Bank supports both instruments in order to fight climate change and, at the same time, benefit its clients and shareholders.

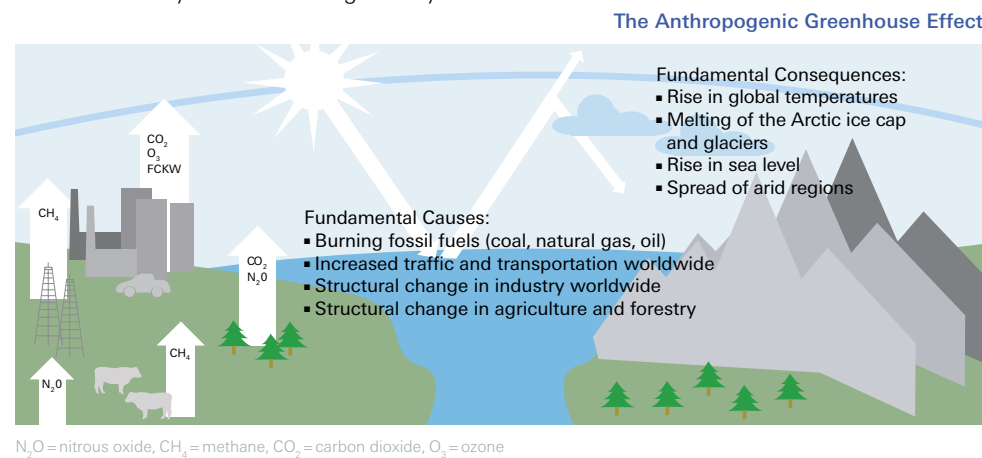
How Deutsche Bank is Combating Climate Change Using Financial Instruments Geared to Market Needs

The subject of climate change is more topical than ever: Since the beginning of 2006, former US Vice President Al Gore has been attracting millions of cinemagoers with his film "An Inconvenient Truth." This past fall, Nicholas Stern, adviser to the British government and former chief economist at the World Bank, for the first time described in detail the negative economic consequences of climate change. In February and April 2007, the United Nations climate report, produced by the Intergovernmental Panel on Climate Change (IPCC), painted an alarming scenario for the future: Depending on the exact amount of greenhouse gases emitted into the atmosphere, average temperatures are predicted to rise by about 4° centigrade by 2100.

The consequences of climate change are already being felt, and they can be limited only by a concerted global effort. To this end the Kyoto Agreement was signed in 1997 (see box). To ensure compliance with the agreement's pledge to reduce environmental pollution, in 2005 the EU introduced emissions trading which, according to a study by Deutsche Bank Research (see p. 52) "has the potential of becoming the most important instrument we possess in the global struggle against climate change."

Back in 2000, Deutsche Bank became one of two banks participating in the World Bank's "Prototype Carbon Fund." This fund initially financed projects in Asia, Eastern Europe, Latin America, and Africa that led to a reduction in the emission of harmful greenhouse gases. The reductions in emissions were converted into so-called emissions certificates that could be bought and sold. The scheme allowed the realization of projects that would otherwise have not been possible without the money raised by the sale of these certificates—for instance projects to increase energy efficiency in technical plants, or to reduce emissions of methane gas, or to build solar energy plants and wind parks in developing countries.

Through its Global Commodities Group in London, Deutsche Bank is active in the Carbon Emissions market in a number of ways. It develops financial products based on the emissions certificates, geared to market needs, for both companies and governments, and it trades in emissions rights and the related financial instruments both on behalf of its clients and on its own account. The market for emissions certificates is rapidly growing, especially in the field of "Clean Development Mechanism" projects (CDM). The certificates are officially known as Certified Emissions Reductions (CER) which are generated by projects approved by the United Nations' Clean Development Mechanism framework which encourages green development in developing and threshold nations.

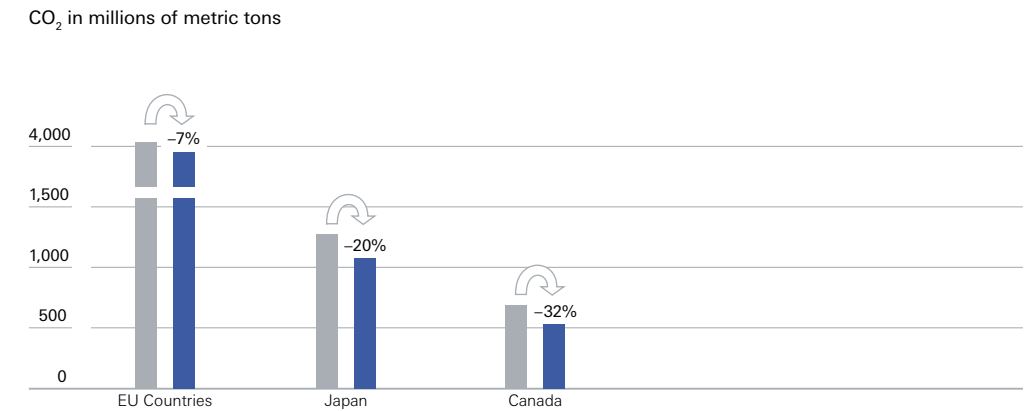


Based on the CO₂ emission levels of 2003, EU nations must cut emissions by another 7%, Japan by 20%, and Canada by 32% in order to meet the goals of the Kyoto Agreement.

Source: Deutsche Bank Equity Research, 2006

■ CO₂ emissions (2003)
■ Kyoto Agreement goals

Reduction of CO₂ Emissions in Accordance With the Goals of the Kyoto Agreement (by Country)



Background

The Kyoto Agreement commits the EU to reducing the emission of greenhouse gases by an average of 8 percent, compared with 1990 figures, between 2008 and 2012. As it makes no difference to the climate where in the world greenhouse gases are reduced, the Kyoto Agreement allows emission reductions from projects in other countries to be counted into the equation. The EU emissions trading system thus permits limited trading in Certified Emissions Reductions (CER) from recognized reduction projects approved by the UN's Clean Development Mechanism (CDM) in developing nations.

¹The reduction goals of the Kyoto Agreement name five other greenhouse gases besides CO₂. These are all measured according to a scale which converts the other five gases to CO₂ equivalents.

²The equivalent of 10 metric tons of CO₂ per inhabitant is emitted into the air over Germany every year.

The Bank also helps in the realization of these climate protection projects through its financial know-how. "Greenhouse gas reduction projects in developing countries are subject many varied risks," explains Ayesha Choudhury, a Commodities Structuring expert. "But we manage a diverse portfolio of these products in such a way that the risks for our clients are minimized." Deutsche Bank's delivery guarantee allows its clients to fulfill the obligations imposed on them both by the European emissions market and by the commitment to reduce pollution in the Kyoto Agreement.

With involvement in more than 50 CDM projects, Deutsche Bank is a market leader in this sector, contributing to a reduction of more than 189 million tons CO₂ equivalent¹ annually—roughly the amount emitted by the German state of North Rhine-Westphalia². Two of the greenhouse gas reduction projects in which Deutsche Bank is participating are the biggest of their kind worldwide. One of these is the World Bank's Umbrella Carbon Fund (UCF), in which Deutsche Bank has more than a EUR 50 million share. The UCF, the largest public deal in the market thus far, has signed a contract with two Chinese chemical companies to purchase emission reductions worth USD 1 billion (EUR 0.8 billion). In return, the companies will reduce their greenhouse gas emissions by 19 million tons CO₂ equivalent every year. Besides its financial participation, Deutsche Bank's emissions trading will in the next few years take over a portion of the certificates thus generated. In a similar project, Deutsche Bank invested in and facilitated the largest emissions reduction project in China ever financed by the private sector. Over the next few years, this project will reduce greenhouse gas emissions by 29.5 million tons CO₂ equivalent by using a new technology to prevent the formation of HFC-23, a particularly dangerous greenhouse gas.

Deutsche Bank is also beginning to optimize its own business processes with a view to climate protection. Its strategy in this respect includes a wide range of activities (see p. 14) from increasing energy efficiency to making this CSR report climate neutral. "It is in all of our interests to drastically reduce the emission of greenhouse gases or to prevent their formation," says Hanns Michael Hölz, Global Head of Sustainable Development, in explaining this strategy. For all stakeholders in the Bank are affected by the consequences of climate change, be they clients, shareholders, staff members, or society on the whole—and not least the Bank itself, which is represented in 78 countries around the world.

Deutsche Bank's Corporate Climate Strategy

The Fourth Report of the Intergovernmental Panel on Climate Change (IPCC), which was released in February 2007, leaves no doubt about the fact that the global warming during the past 50 years is largely due to anthropogenic greenhouse gas emissions (mainly carbon dioxide). International climate experts forecast further warming, glacier melting, a rise in the average global sea level and an increase in the number of extreme weather events. The rise in the number of natural disasters in particular does not have only ecological and social, but also huge economic consequences, which affect our customers, suppliers, staff, investors and other stakeholders.

It is therefore not only a social, but also a business responsibility of Deutsche Bank to fight against climate change. After all, from an economic vantage point it is much cheaper to take measures against the greenhouse effect now than to shoulder the financial consequences of global warming down the road.

Our climate strategy

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 as well as implementing campaigns and events on energy saving
- Consideration of energy efficiency criteria in purchasing, above all in office equipment purchasing (see p. 58)
- Obligation to use video conferences and conference calls in order to steadily reduce traveling
- Promotion of public transport by financing job tickets at many locations of Deutsche Bank
- Reduction of the number of short flights by granting BahnCards (train cards) 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

- Power from renewable energy sources makes up for 20% of Deutsche Bank's total power consumption in Germany
- Project financing in the area of renewable energy sources (e.g. solar systems, wind farms, biogas plants; see p. 27)
- Corporate financing for companies which work in the area of renewable energies (e.g. solar industry, wind farmers; see p. 27)
- Issuance of the DWS Klimawandel fund (see p. 26)

3. Raising public awareness of the climate change issue

- Participation in the Carbon Disclosure Project (CDP): 285 institutional investors with a total of more than USD 41 trillion in assets under management demand that companies disclose their climate strategies and greenhouse gas emissions
- Release of numerous studies by DB Research and Equity Research on the issues of renewable energies, emissions trading and energy policy (see p. 52)
- Active membership in initiatives and associations to promote energy efficiency, climate protection and emissions trading (see p. 51)

4. Promotion of the flexible mechanisms of the Kyoto Protocol and neutralization of unavoidable greenhouse gas emissions

- Participation in climate funds of the World Bank: Prototype Carbon Fund (PCF) and Umbrella Carbon Fund (UCF; see p. 12 et seq.)
- Investment in other Clean Development Mechanism (CDM) and Joint Implementation (JI) projects (see p. 12 et seq.)
- Active participation in emissions trading on our own behalf and for customers
- Implementation of climate-neutral activities in the framework of the initiative "Klima-Partner 2007"
 - Neutralization of emissions generated in the framework of a number of Deutsche Bank events
 - Neutralization of emissions generated in the process of preparing individual publications of the Bank (see p. 110)
 - Use of a CDM compensation project which meets the criteria of the WWF Gold Standard
 - Continuation and extension of the climate-neutral activities in 2007

Corporate Governance

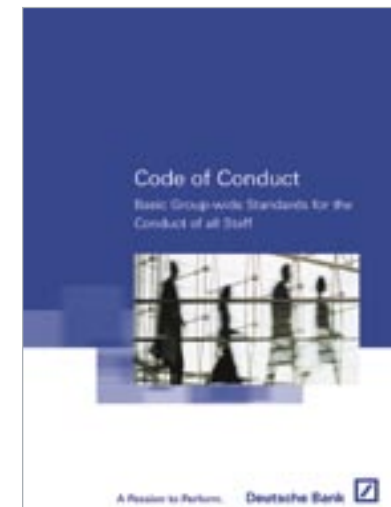
Efficient corporate governance is a part of Deutsche Bank's identity. It ensures the responsible and value-driven management and control of Deutsche Bank. Our corporate governance approach can be characterized by four features:

- Good relations with shareholders
- Effective cooperation between the Management Board and the Supervisory Board
- A performance-related compensation system for managers and employees
- Transparent and early reporting

The fundamental basis for our corporate governance concept is provided by the German Stock Corporation Act and the German Corporate Governance Code. We observe the recommendations of the Corporate Governance Code in all respects except one: There is a D&O 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. We also comply with most of the Code's suggestions. As our share is listed on the New York Stock Exchange, we are also subject to relevant US capital-market laws, in particular the Sarbanes-Oxley Act, as well as the rules of the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE).

In addition, Deutsche Bank promotes transparent and ethical behavior in all business activities. Our Group-wide Code of Conduct for all employees includes basic rules for our employees' behavior in order to ensure that all our activities are conducted in a spirit of integrity and reliability. In addition, our Code of Ethics requires our senior financial officers to comply with the fundamental principles of integrity, accountability, responsibility, fairness and consideration of others in their work for Deutsche Bank.



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 2006, please see the separate Financial Report (p. 194 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.

Sustainable Risk Management

Recognizing and avoiding ecological, social and governance (ESG) risks is a central issue in our sustainability efforts. Deutsche Bank's risk management plays an important role in fulfilling this task.

When doing 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. Our decision-making process is supported by a framework of risk principles and guidelines, organizational structures and procedures to measure, monitor and steer risks. This framework is adapted to the activities of the individual Bank departments.

Compliance with all legal provisions is a given; in addition, we observe internationally recognized standards, rules and commitments in our business, such as the World Bank Standards, the OECD guidelines for multinational companies, any embargoes, the principles of the UN Global Compact and the United Nations Environment Programme (UNEP).

Our internal guidelines, procedures and bodies take ecological and social aspects into account, too. This includes in particular:

Guideline/Procedure/Body	Content/Function
Credit Directives	<ul style="list-style-type: none"> Global group lending policies of Deutsche Bank Include sustainability aspects such as ecological, social and ethical factors, embargoes and other restrictions, betting and gambling, defense goods and pornography
Group Reputational Risk Program Policy	<ul style="list-style-type: none"> Group Standard which aims to create uniform standards for identifying, escalating and resolving reputational risks which may result from transactions with customers
Industry reports	<ul style="list-style-type: none"> Comprehensive analyses of the opportunities and risks associated with individual industries and lending portfolios Depending on their relevance for the individual industry, ecological, social and ethical aspects are taken into account
Group Credit Policy Committee	<ul style="list-style-type: none"> Most important subcommittee of the Risk Executive Committee, which is chaired by the Chief Risk Officer Biannual information on so-called policy decisions, which are taken in addition to material lending decisions Review of relevant guidelines and orders at least once every year
Group Reputational Risk Committee	<ul style="list-style-type: none"> Cross-divisional body which monitors and takes the final decision on reputational risks which are escalated by the management or regional management or due to other Group policies and procedures
New Client Adoption Process (Know your customer)	<ul style="list-style-type: none"> Essential component of effective "Know your customer" measures used during the establishment of new customer relationships Protection against misuse in terms of money laundering, terrorism financing or other fraud and protection of the Bank's reputation against misuse of its products and services

For more information on the principles, organization, categories and tools of our risk management, please see the detailed Risk Report in our Annual Report 2006: www.deutsche-bank.com/06

Deutsche Bank's Compliance and Anti-Money Laundering Program

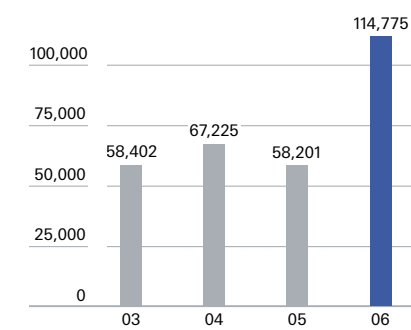
As an international financial services company, Deutsche Bank faces a global regulatory environment of ever increasing complexity—both in the volume of applicable laws, regulations, and standards, as well as in the frequency of regulatory change at both the national and international levels. The Bank 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

- 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
- Providing employees with regular training and education on applicable rules and regulations

Compliance:
Number of training courses 2003–2006



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 700 Compliance staff worldwide. More than 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 2006 the Compliance Department globally developed and offered more than 800 training courses, addressing both employee and bank obligations to comply with policy and regulations. There were more than 110,000 completions of these courses, which was nearly double the training completions in 2005. This high level of training helps to create and sustain a culture of ethically appropriate behavior within the Bank and promotes a sense of individual responsibility for that culture.

Sustainability Ratings

Transparency is one of the central requirements for business-oriented sustainability management. That is why we have our activities regularly analyzed by specialized rating agencies. They assess in particular how we address corporate governance aspects and how we take into account ecological, social and ethical challenges in our banking business and in business and operational decisions.


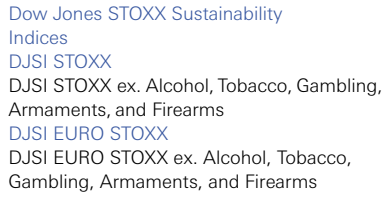



The evaluations are an important component of the analysis of our strengths and our potential improvements in our sustainability efforts. Sustainability-oriented product development, the presentation of our risk management procedures and ecological efficiency issues are the main areas where we should promote further the "business case" of sustainability in our company.

Rating agency	Deutsche Bank score	Average result for the industry/sector	Deutsche Bank ranking
	Qualitative and quantitative results are reflected by the EIRIS Ethical Portfolio Manager in line with individual criteria		Depending on the individual assessment scale and the selected criteria
	C+ (on a scale from A+ to D-) Breakdown: Environmental Rating: C Social Cultural Rating: B-	The average result for 60 surveyed financial services providers was C.	Rank 10 out of 60 financial services providers
	67 (out of 100) Breakdown: Economic dimension: 77 Ecological dimension: 53 Social dimension: 68	The average result for 95 surveyed banks was 48 (out of 100).	Deutsche Bank among the leading 10%
	65 (out of 100)	The average result for 30 surveyed financial services providers was 58.6 (out of 100).	Rank 10 among the 30 DAX companies
	65 (out of 100) Breakdown: Business ethics: 73 Community involvement: 64 Corporate governance: 75 Customers: 63 Human Resources: 56 Environment: 68 Suppliers: 71	The average result for 51 surveyed financial services providers was 47.2 (out of 100).	SiRi does not provide a ranking.

In addition, Deutsche Bank obtained ratings by Core Ratings, vigeo (2005) and Innovest Strategic Value Advisors (2006).

Sustainability Indices

In 2006 the Deutsche Bank stock continued to be listed in well-known sustainability indices. For us, this is not only a confirmation of our commitment, but also an additional contribution to Deutsche Bank's value development. After all, a growing number of investors take investment decisions not only on the basis of traditional economic figures, but also on the basis of the ecological, social and ethical performance of a company. Sustainability indices are an important basis for this decision, as they include only companies which are regarded to show an above-average performance.

Listing of Deutsche Bank in the following indices	Overview	Deutsche Bank listed since
 <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/environment; and staff and international labor law 	2001 (since establishment of the index)
 <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% in terms of sustainability criteria from the Dow Jones STOXXSM 600 Index Also possible for the Sustainability Leaders in the Eurozone (DJSI EURO STOXX) 	2001 (since establishment of the index)
 <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 250 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 	1999 (since establishment of the index)
 <p>Ethical Index Euro Ethical Index Global E.Capital Partners</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 	2002
 <p>FTSE4GOOD Indices FTSE4GOOD Europe Index (EURO) 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 	2001 (since establishment of the index)

Adding Value

Social Responsibility as an Expression of Brand Identity

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 against the expectations of its shareholders, demanding clients, staff members and the public at large.

A PASSION TO PERFORM. THIS IS THE WAY WE DO BUSINESS.

“A Passion to Perform” is the yardstick for everything done on behalf of Deutsche Bank. As the Bank’s potential to create sustainable value highly depends on its employees’ competence, innovativeness and passion to outperform expectations, the Corporate Social Responsibility (CSR) initiatives aim to empower individuals to realize their potential. They offer inspiration, open new perspectives and thus make a sustainable, long-term contribution to the success of the Bank and its stakeholders. Deutsche Bank actively takes on its responsibility as a Corporate Citizen by enabling talent, promoting cultural initiatives, shaping an environment that facilitates socially responsible actions and by contributing to stabilizing the conditions in the world’s growth regions.

The Corporate Social Responsibility (CSR) initiatives of Deutsche Bank have received numerous awards (see p. 107) and are based on four principles which are anchored in our brand identity:

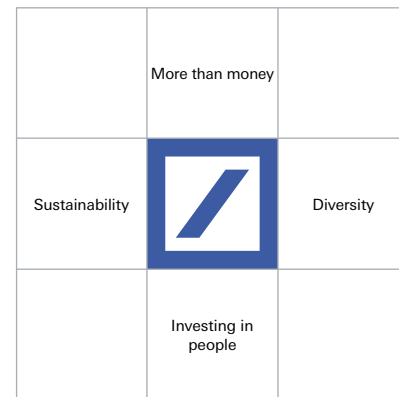
MORE THAN MONEY

Pursuing excellence is what Deutsche Bank is all about. In its CSR programs, Deutsche Bank aims to be more than just the partner that gives the money. For example, the Bank boosts the impact of its sponsoring projects by linking them to education initiatives (see p. 74). And it prefers to support initiatives and programs which allow its staff members to actively involve themselves, be it as mentors with professional know-how (see p. 95), as teachers in commercial classes (see p. 62) or as an advisor to charitable organizations (see p. 92). With their volunteering projects, employees have delivered tangible proof that “A Passion to Perform” is in fact their leitmotif—not just when it comes to serving clients, but also for their interaction with all other stakeholders. The bank welcomes its staff’s participation in volunteering programs. Globally, employees dedicated 9,843 days to volunteering in 2006—more than 2,000 days more than in 2005 (see p. 94).

DIVERSITY

Deutsche Bank embraces the complexity of the world and leverages the unique insights generated by its global workforce. It values differences and considers cross-cultural exchange as a key prerequisite to business success. With staff from 132 nations, its international management team, its presence in 73 countries, its shareholders from all regions of the world and more than 75% of revenues coming from outside the home market, Deutsche Bank is indeed a successful blueprint for globalization. The Bank promotes diversity inside and outside of the company, be it with global employee networks (see p. 40) or with its education programs for young migrants (see p. 68). In 2006, Deutsche Bank initiated the Diversity Charter together with DaimlerChrysler, Deutsche BP and Deutsche Telekom to advocate and enhance the appreciation of diversity in German corporate culture (see p. 35).

As an international corporation the Bank assumes active responsibility for making globalization a success. In this context, the Alfred Herrhausen Society’s “Urban Age” conference series promotes solutions for structural change in the world’s megacities (see p. 86).



The brand is the base of our CSR principles

Employee survey on CSR commitments

- 70% of staff are proud that Deutsche Bank takes social responsibility
- 78% of staff agree that CSR initiatives should play a significant role in communicating “A Passion to Perform.”

Source: Representative online survey among Deutsche Bank global staff, 2006



INVESTING IN PEOPLE

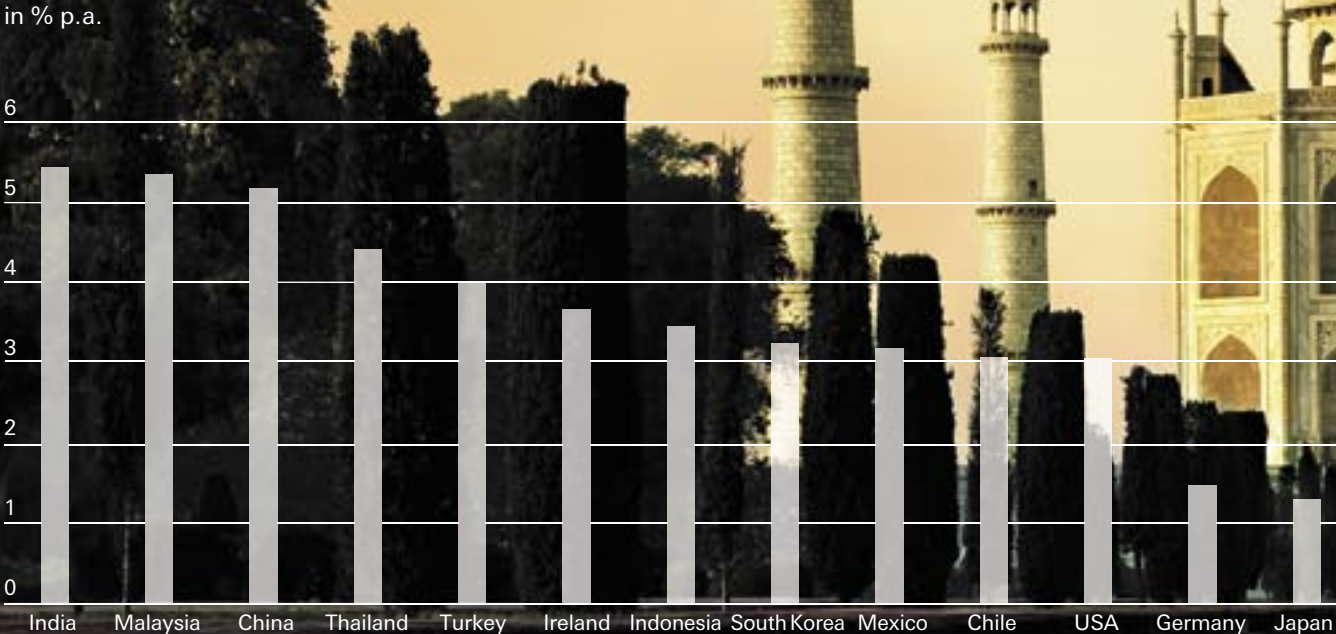
The intellectual capital of its employees, their willingness to challenge the status quo and their ability to develop superior client solutions make Deutsche Bank a widely recognized pioneer in the area of product innovation. Strengthening the individual to enable innovativeness and to foster performance is thus another core principle of Deutsche Bank’s CSR activities. Many of the Bank’s projects focus on education as a key resource of tomorrow’s society. An outstanding example of superior solutions in the CSR context is the “Eye Fund,” which supports eye clinics in developing countries and leverages Deutsche Bank’s expertise in microfinance projects (see p. 48).

SUSTAINABILITY

Long-term partnerships, reliability and eye-level dialogue are the fourth pillar of Deutsche Bank’s brand platform. For investors, Deutsche Bank’s stock is a value investment; employees are justly proud of working for a top global player; and to clients Deutsche Bank is a trusted business partner. In the framework of its social responsibility the Bank relies on long-term active support—regionally by a number of community development projects, globally by its commitment to the UN Global Compact or the United Nations Environment Programme (see p. 50 et seq.). Sustainability is an ongoing concern that affects all divisions, all hierarchical levels and all decisions taken within Deutsche Bank Group (see p. 7 et seq.).

Clients

Ranking: Growth in Gross Domestic Product, 2006–2020



Growth markets hold great opportunities for companies and investors alike. An especially promising market is India, home to over one billion people. With its population increasing at a rate of 15 million people per year, India is well on the way to surpassing China as the world's most populous nation. Like its population, India's economy is also growing at a record rate. Consequently, it is predicted that India's gross domestic product will increase by more than five percent annually between 2006 and 2020. Rising productivity and an abundance of highly qualified workers make India attractive for foreign investors. The number of wealthy clients in India is growing, the market for consumer goods is expanding, and clients are demanding quality financial advising and first-class bank products. Deutsche Bank began serving India's private and business sector in October 2005. When developing our products and services, we take into account the cultural and religious traditions of the country in order to better serve the needs and wishes of our Indian clients.

Pursuing New Paths to Win New Customers

Adorned elephants, traditional dress, Hindu priests. Such festive elements are a must when Deutsche Bank opens branch offices in India. To gain a foothold in new markets, one must be prepared to pursue new paths—not only by holding a welcoming ceremony typical for the country but also by rethinking how one addresses clients and in fashioning the portfolio itself.



The opening of a branch office in India: 600 employees serve clients in Mumbai, Delhi, Bangalore, Chennai, and Kolkata

Since October 2005 Deutsche Bank has had offices in India serving both private and business clients. Six hundred employees—mostly Indians by birth—see to the needs of clients in Mumbai, Delhi, Bangalore, Chennai, and Kolkata. These cities alone are home to 60 million people. “With annual economic growth at roughly 8 percent, India is one of the most interesting markets in the world,” explains Rainer Neske, member of the Group Executive Committee of Deutsche Bank. Furthermore, the Indian populace is “young, consumption-oriented and, to a great degree, highly educated,” adds Ajay Bimbhet, PBC Head of India. One out of two Indians is younger than 25 years of age. Experts envision that the number of young working people will reach 226 million in the next decade. Over and beyond that, the dynamically growing middle class will act as a catalyst, boosting investments and consumption.

Opening up the Indian market for private and business clients is part of Deutsche Bank’s comprehensive strategy for growth. According to Rainer Neske, “In the age of globalization, German banks must expand in order to be able to survive in the long run. We are doing just that, growing in the home market as well as in new markets.” A successful strategy for the Indian market requires knowledge of cultural aspects particular to India. This is as indispensable for planning product adaptations as it is for carrying out a personnel strategy that promises success. New markets with cultural and religious traditions unlike those found in Europe or the USA demand that new questions be asked. “In everything we do in India,

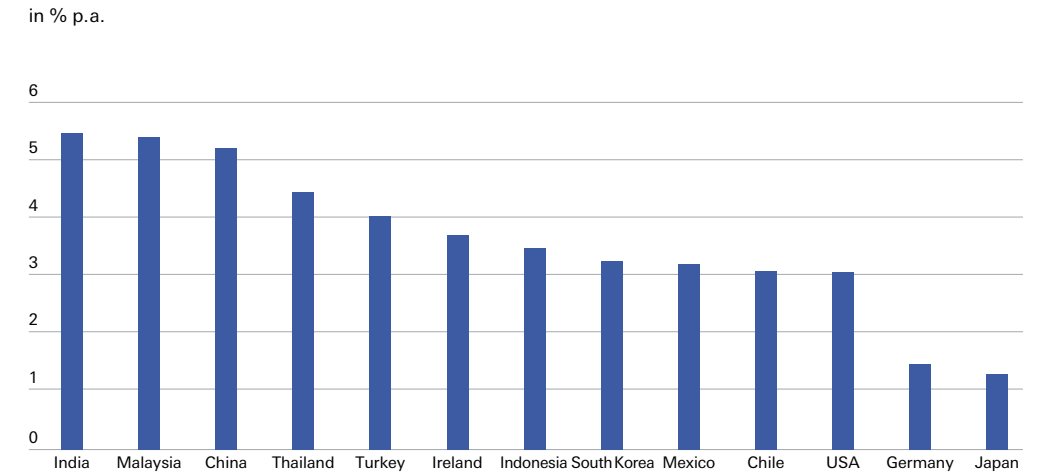


Ajay Bimbhet, Country Head, Private and Business Clients, India

Based on the assessment of experts, India is the market of the future. The second most populous country in the world, it will take over first place in the next 10 to 15 years. India is expected to have a gross domestic product of over 5% by the year 2020. That places it at the top of the list of the 34 national economies studied.

Source: Deutsche Bank Research, Formula G, September 2006

Ranking: Growth in Gross Domestic Product, 2006–2020

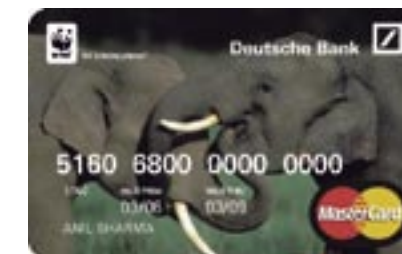


beginning with deciding on external features like, for instance, advertising motifs, right up to determining individual products, we take the needs of our Indian clients into account,” says Ajay Bimbhet. Consequently, besides offering the tried and true giro and savings accounts as well as investment and loan products, Deutsche Bank’s portfolio for India’s private and business clients also includes specially developed offerings: For example, for Muslims and members of other religious sects for whom the concept of insuring one’s life runs counter to their religious beliefs, there are appropriately modified products providing retirement planning. Deutsche Bank also responds to the wishes of many NGOs in India who would like to offer their staff and financial backers comprehensive insurance coverage.

Deutsche Bank in India is pursuing totally new paths in terms of credit card production and services as well. Clients can choose between various card designs, be they pictures of stars, famous buildings, animal and sports motifs, or the signs of the zodiac, which, in India, are also well entrenched in the business world. Moreover, each client can choose which features the card should have, allowing individual wishes to be met. The Bank offers Indian clients four discount programs and various repayment options. For example, they can choose whether they wish to completely repay each month’s expenditures or pay in installments. The offerings are very popular, indeed: Deutsche Bank already has 160,000 clients in India.



Credit card offerings in India: With each use of the card, the bank donates a certain percentage ...



... of the expenditures to the children’s organization CRY (Child Rights and You) or to the WWF

Our Sustainability-Oriented Products and Services (Selection)

Sustainability-oriented products are not only in the financial interest of our clients and our Bank. They also create added value for society and the environment as a whole. We are steadily extending our product portfolio in order to meet specific demands and requirements, which may stem from political changes, climate change or particular cultural features.

Product fields	Description	Results	Added value
Asset management on the basis of sustainable investment funds (PWM, since May 2005)	<ul style="list-style-type: none"> In addition to the "traditional" risk-return profile, sustainability aspects and ethical restrictions set out individually by the investor can be taken into account (if customers want this and as far as the restrictions can be objectively measured) Implementation of sustainability criteria by a best-in-class approach, which is based on the Dow Jones Sustainability Indices and the underlying sustainability expertise of the Swiss SAM Group (see p. 18) 	<ul style="list-style-type: none"> The risk-weighted returns of sustainability indices do not diverge from those of traditional benchmark indices (see for example a study by the ZEW, dated July 2005) Extension of the range of highly individualized sustainable/ethical investments 	<ul style="list-style-type: none"> Investment in sustainable corporate securities Consideration of customers' individual ethical criteria
Sustainability-oriented funds issued by DWS	Retail funds whose profits may be used for sustainability-oriented non-profit purposes	<ul style="list-style-type: none"> DWS manages a total of EUR 122 bn. (as of the end of 2006 in Germany) Management of about EUR 1.2 bn. in the funds and products described in the left-hand column 	<ul style="list-style-type: none"> Customers can implement their personal stance with regard to the sustainability issue Incentive for companies to improve their sustainability profile Rapid market growth Significant potential among private and institutional investors
<ul style="list-style-type: none"> GKD-Fonds DWS Bildungsfonds Panda Renditefonds 	Retail funds which take sustainability criteria into account in their stock-picking process		
<ul style="list-style-type: none"> DVG Stiftungsfonds DWS Invest Sustainability Leaders 	Retail fund which picks companies that are looking for solutions to the problem of resource shortages (water, renewable energies, food)		
DWS Klimawandel	Retail fund which focuses on companies that offer products, services and technologies which help to reduce greenhouse gas emissions or to cope better with the effects of the climate change		
DWS Noor	Range of retail funds (5 sub-funds) which is admitted in Dubai, Bahrain and Singapore and pursues a Sharia-compliant investment policy		



DWS Klimawandel: Brochure

Product fields	Description	Results	Added value
Emissions trading	See p. 12		
Investment in renewable energies	Financing the expansion and capacity increase of companies in the solar industry by long-term loans and current account credit lines	Our German business customer division has lent a total of about EUR 350 m. to companies in the solar industry as of the end of 2006	<ul style="list-style-type: none"> Realization of economically viable and ecologically useful projects thanks to investment financing Building solid industry expertise within the Bank
Corporate financing			
Project development	Active participation in the increased use of renewable energy sources by structuring financing solutions for wind farms, solar industry projects, biomass plants, etc.	<ul style="list-style-type: none"> 27 projects realized in wind farming Together with a Canadian joint venture partner, currently development of what will probably be the largest wind park worldwide in Canada Realization of a solar power plant with a power of 20 megawatt in Spain Until the end of 2007: With financial support from the EU, development of a biomass plant for olive waste in Greece; the project is to serve as a blueprint for other plants in other EU countries 	<ul style="list-style-type: none"> Promotion of climate-friendly technologies Projects generate a market-oriented return and thus fulfill the expectations of our shareholders and customers Ensuring a steady supply of energy, seeing that a steady supply of fossil fuel from third countries is not certain Economic aspects: <ul style="list-style-type: none"> Search for alternative sources of energy against the background of rising oil and gas prices Numerous government incentives for investment in renewable energies
Promotional bank ("Förderbank") measures	Internal and external financing (provided by the EU, the German government and the German state governments) to promote energy saving, energy efficiency and carbon emissions reduction as well as the use of renewable energies	Lower interest rates for investment in environmental protection and energy saving, use and coordination of KfW programs worth a total of EUR 420 m. in 2006	Incentive to implement desirable projects in environmental and climate protection
Promotion of investment in environmental and climate protection			
Support of innovation, research and development	Support of innovative companies/projects	Financing by targeted use of KfW mezzanine products, risk sharing with the European Investment Bank (EIB) and regional promotional institutions	Recognizing economic opportunities, spreading the economic risks of innovative projects more broadly and strengthening of the equity basis
Support of infrastructure investment at a local level	Low-interest KfW loans for social infrastructure projects and low-interest loans from the European Investment Bank (EIB) for education and health projects	<ul style="list-style-type: none"> Creation of a solid basis for the current health and social security institutions and provision for the future Further development/modernization and improved competitiveness 	Improvement of the social infrastructure, cost savings (which mean that the projects can be financed more easily)

Product fields	Description	Results	Added value
Public Private Partnerships (long-term contractual cooperation between the public sector and private investors for the planning, construction, financing, operation and/or maintenance of public-sector institutions)	Advisory work and financing of PPP projects, reliance on comprehensive international expertise in the realization of complex infrastructure projects in different industrial sectors	<ul style="list-style-type: none"> Advisory and structuring services and financing of infrastructure and public-sector construction projects In 2006 alone transactions with a volume of several billion euros were concluded 	<ul style="list-style-type: none"> Projects are relevant in social, community and environmental terms Development of cheaper and more efficient financing solutions which allow the realization of infrastructure projects Political changes (EU enlargement, financing shortages in the public sector, limited scope to take on new debt) increase the necessity of infrastructure investments and a cooperation between the private and public sectors
Example: Proton therapy center, Essen	Largest PPP in the German health sector: Total financing volume of EUR 136 m.	<ul style="list-style-type: none"> New technology is linked with an innovative financing structure Awards: "EMEA PPP Deal of the Year 2006" (Project Finance International) and "European Healthcare Deal of the Year 2006" (Euromoney Project Finance) 	<ul style="list-style-type: none"> Introduction of a cancer therapy which minimizes the damage to the surrounding tissues Cost-efficient construction and maintenance of the center
Structuring innovative financing solutions for real estate investments	<ul style="list-style-type: none"> Comprehensive advice concerning the technical and business side of the realization of complex real-estate projects Support of corporate and municipal customers in the analysis, brokerage, financing, construction management and operation procedures 	<ul style="list-style-type: none"> In 2006 alone real-estate projects worth more than EUR 500 m. were realized by Asset Finance & Leasing 	<ul style="list-style-type: none"> Closing financing gaps Implementation and improvement of financing structures
Example: German School, Milan	<ul style="list-style-type: none"> Development of a special financing concept for the construction of a new wing of the school, together with the school's sponsoring organization Active and regular support by the Bank during the construction work 	<ul style="list-style-type: none"> With funds scarce, the financing solution includes the construction of additional underground parking with 135 spaces below the new wing. 95 of the spaces are to be sold The sale for an average price of EUR 52,000 per space will cover 75% of the total investment needs (EUR 6.5 m.) 	<ul style="list-style-type: none"> About 3,000 m² of additional teaching space, a nursery and a gym The school was able to finance ¾ of the total investment without having to raise the tuition fees Overcoming financing bottlenecks in government education financing

Product fields	Description	Results	Added value
Islamic finance	An alternative economic system, based on Islamic law, intended to create a socially harmonious and ethical system of profit creation through commerce. Fundamental principles: Fairness, transparency, ethical considerations of the underlying trade, profit and loss sharing	<ul style="list-style-type: none"> Numerous awards including "Euromoney Most Innovative Islamic Finance House 2006" and "Euromoney Best Structured Products House 2007" The leading creator of Shari'a-compliant investment products worldwide First house to structure convertible sukuk, profit rate swaps, and hedge fund-linked products 	<ul style="list-style-type: none"> Deutsche Bank is widely recognized as fundamentally contributing to the development of the industry through the most innovative products and ground-breaking research Our clients are able to invest with confidence without compromise to their beliefs, in products with the same quality, yield, liquidity and cost as conventional products
dbStudentenKredit	A loan which covers living costs and tuition fees for graduate and post-graduate students at German universities and universities of cooperative education and does not require guarantees by parents or similar guarantees	<ul style="list-style-type: none"> 4,684 loans granted in 2006 Overall, 6,400 loans have been granted since October 2005, with a total volume of EUR 83 m. So far EUR 24 m. have been paid out 	<ul style="list-style-type: none"> Individual advice for students Promoting Germany as a location for university studies Significant potential for the product due to the introduction of tuition fees Enabling poorer students to study at university
Eyefund	See p. 48		
Global Commercial Microfinance Consortium	See p. 49		



Stiftung Select for arts promotion: Support for museum teaching and the restoration of paintings



Stiftung Select for impoverished people: Support for German Agro Action, which constructs a well in Ethiopia

Stiftung Select: Make a Long-Term Impact—Set up a Foundation Instead of Giving a Donation

Deutsche StiftungsTrust (DSTT) and DWS have developed "Stiftung Select," a scheme which enables potential founders to set up foundations bearing their own names with a founding capital from EUR 10,000 upwards. The fact that the foundation can be named after the founder is a particularly attractive feature; this is often the crucial factor in a potential founder's decision about what to do with his or her money.

The founder transfers his or her foundation's capital to up to five umbrella trusts managed by Deutsche Bank affiliate DSTT. Each of these trusts pursues one of the following purposes: Arts promotion, support for nature and the environment, support for generations, support for impoverished people or shaping the future (education and research). Independent experts select meaningful projects for every foundation purpose and review their success. The founder regularly receives a report on how the returns from the foundation capital are used. In line with the purposes of the five umbrella trusts, the returns from the foundation capital are channelled to the relevant projects. The capital itself is not diminished and will generate new returns every year. How the capital is used is transparently communicated to the founder: DSTT puts it in the DVG Stiftungsfonds issued by DWS (see p. 26), which in turn invests in international equities and European bonds.

In contrast to a donation, which is a one-off event, setting up a foundation is a long-term commitment. And many customers wish to have an impact in the long run. Once a foundation has been set up, its capital can be raised in steps of EUR 1,000.

www.dstt.de

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

One aspect of our strategy of "making customers fans" is to offer excellent advice and service particularly when the situation is difficult. Most customer complaints are therefore resolved to the customer's satisfaction in a personal meeting with his or her regular Deutsche Bank advisor. Advisors have the authority to resolve minor issues by themselves. 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 notice of the receipt of their complaints. This helps to keep our clients informed about the status of their complaint.

In order to steadily improve the quality of our services we ask individual customers about whether they were content about the way their complaint was handled. The results of these surveys and regular reviews of our work are used to further develop and improve our work in the best interest of our customers. This is the background for the DQS certification, which was first obtained in December 2005 according to DIN EN ISO 9001. The certification was successfully repeated at the end of 2006.

A flexible monitoring for complaints in the Private and Business Clients (PBC) division helps us to identify any issues

that are particularly important to our customers as well as regional characteristics. The well-established information and escalation procedure ensures that particularly sensitive issues are given preferential treatment. If particular procedural difficulties come to our attention via complaints, an improvement procedure will be started within PBC. In order to continuously improve all customer-oriented procedures the issues are collected and prioritized, suggestions for solutions are presented and quickly implemented in our customers' best interests.

Consumer Protection and Product Responsibility in Our Business With Private and Business Clients

When shaping our "basic" products—accounts, saving products, loans—we always take into account the specific demands and life situations of our different customer groups. For us, the legal provisions on consumer protection are only a minimum. We take care that all agreements made with clients are easy to understand. Up-to-date scoring procedures allow us to take credit decisions quickly, to minimize the credit default risks and to reduce the debt risks for potential debtors. Moreover, our consequently used "early warning system" 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.

Concerning our young customers, the protection of minors is of particular importance: Neither credit nor overdraft facilities are advanced to clients below the age of 18. Minors receive the service card for our "Junges Konto" ("account for young people") as a debit card, so they can only access the money actually deposited on their account. We have created a tailor-

made product package for students, namely db StudentenKredit ("db student loan"). When granting a student loan, we take particular care to achieve an optimal balance between the student's current financial needs and his or her accruing indebtedness (see p. 29). To our older customers we offer a large range of products that help them to consolidate their wealth and pass it on to the next generation. We support the establishment of new businesses and business investments with favorable financing solutions. For example, we offer microloans or start-up capital to new companies, small companies and freelance professionals. Credit cards are given out to all customers who are of age and can prove sufficient credit-

worthiness. We do not differentiate among our customers for their sex or age.

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 private 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 com-

prehensively protected against unauthorized access. Moreover, a multilevel encryption and identification system ensures that no unauthorized persons can access, change or read protected data. An extended PIN/TAN procedure and transactions via HBCI ensure maximum security in online banking.

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, for example. Since December 2005 Deutsche

Bank has installed a total of 30 ATMs in a number of airports and branches 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 EU, they vary considerably around the world. Our Group Data Protection department coordinates the necessary compliance activities worldwide for Deutsche Bank. 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.

We considerably extended our Deutsche Bank Group data protection activities in 2006 as new data protection laws were adopted (for example in Russia or Dubai). Group Data Protec-

tion focused on implementing standard agreements for situations in which services are outsourced to internal and external providers as well as on developing and implementing the necessary monitoring procedures together with the Group Technology and Operations department. In addition, a self-assessment questionnaire was developed and introduced nationwide in Germany and as a pilot project in several other European countries. The results have shown a very high degree of awareness of and compliance with data protection rules within the Bank, which is to be steadily improved further.

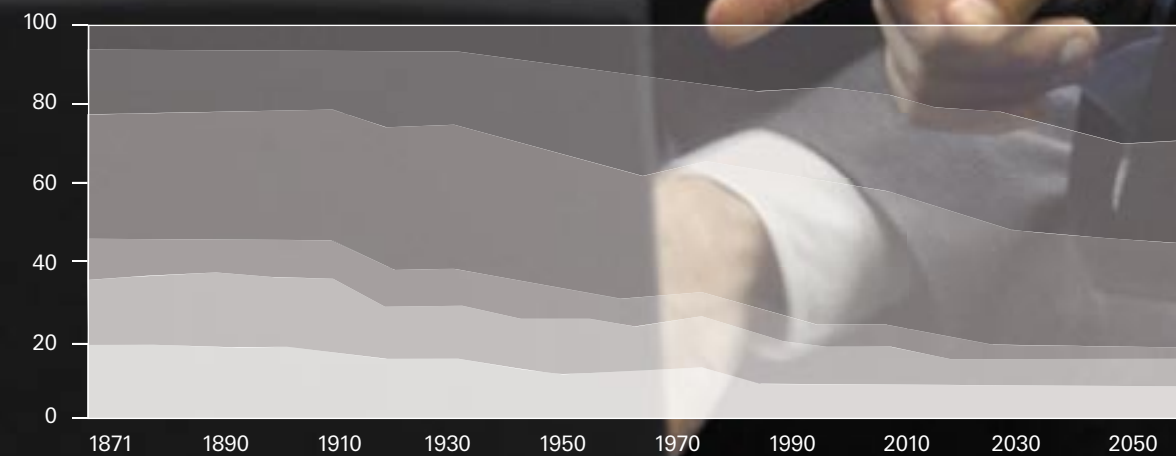
The number of data protection-related complaints in Germany was up slightly in 2006. A total of 10 percent were requests for information and 20 percent were based on supposed technical problems, such as wrong addresses. Roughly 20 percent of the queries were justified and resulted in the necessary mitigation measures.

DBCERT

Cybercrime is increasingly becoming a global issue and a serious challenge. Deutsche Bank Group has responded to this development by strengthening the global thrust of its Computer Emergency Response Team (dbCERT) and implemented a "follow-the-sun" model, meaning service centers operating within business hours around the world within the course of the day. In cooperation with the IT Security Operation Center, queries can be taken up and resolved at any time around the globe. Internal measures to guard the infrastructure against Trojan horses, viruses and unauthorized use were stepped up and protection against phishing was improved. Among other things, numbered lists of TANs (transaction numbers) were introduced and client and employee awareness of cybercrime was increased. (See also p. 59.)

Age Distribution in Germany From 1871 to 2050

in % ■ 0-6 ■ 6-15 ■ 15-20 ■ 20-45 ■ 45-65 ■ 65 and older



Demographic developments—above all, the increasing number of senior citizens in the German population—do not only have repercussions for the country’s social security system. They also affect the labor market. Projections show that the number of older people will increase while the number of working people will continue to decline. Those of age 65 or older, 19 percent of today’s population, will comprise 33 percent of the population in the year 2050. At the same time, the number of elderly people (of age 80 and above) will climb as high as 15 percent, more than three times the present level.

Deutsche Bank is meeting these challenges with its Diversity Strategy, various programs which are specially tailored to respond to its employees’ specific needs and stages in life. For example, employees of different age groups are integrated into work teams. Such cross-generational teams offer younger as well as older employees the opportunity to learn and benefit from mutual exchange and feedback.

How Do We Meet the Challenges Posed by Demographic Change?

For a long time, the so-called “Methuselah conspiracy” seemed merely a distant fantasy. The idea that the population could become dramatically overaged was not taken seriously by either business or society at large. But today demographic change is increasingly becoming a problem for companies. According to estimates by the Institute for Labor Market and Vocational Research at the German Federal Labor Agency, the reversal of the traditional population pyramid will negatively impact on the availability of working-age individuals in Germany over the coming decades, resulting in a decline from 41 million in 2000 to 26 million in 2040.

For Deutsche Bank, these estimates mean that whereas at the moment we still have a relatively young staff, in future it will become increasingly difficult to recruit qualified new employees. But we are confident that we will be able to compete successfully for young talent since, as a successful business with a dynamic, global “classroom,” we can offer attractive prospects to those just starting out on their careers.



Employability Program: The info pack “My professional fitness program” was sent to all staff in Germany



Orientation Event: We hired 904 university graduates worldwide in 2006

But first of all, we must foster and develop the labor potential that is already there as much as possible. In order to make it easier for employees to combine a career with raising a family, we are currently increasing the number of day-care places at our institutions in Germany (see p. 42 et seq.). In addition, part-time work in our corporation has been facilitated for many years now through a number of programs. In order to employ staff members for as long a period as possible, the Bank’s primary strategy is to foster employability. To this end, we offer our staff members a range of programs that allow them to continually develop their skills and knowledge. Thus since May 2006, the Bank has been offering an “Employability Program” to all of its 31,000 employees in Germany. The initiative, which is supported by the works councils, relies heavily on staff members’ own sense of responsibility and commitment. The challenge is to “motivate all sections of employees, independent of qualification and age, to keep themselves fit for the job, to grow to meet the challenges they will confront, and throughout their whole working life to contribute self-confidently to the concern,” according to Ralf Brümmer, Head of HR Employment Models. More than 4,500 staff members have already registered on the Internet site (www.db-in-eigener-sache.de) that has been set up specially for this project. There, for instance, they can take a “Competence Test with Individual Evaluation” or register for a workshop on “Mastering Change” (see p. 38).

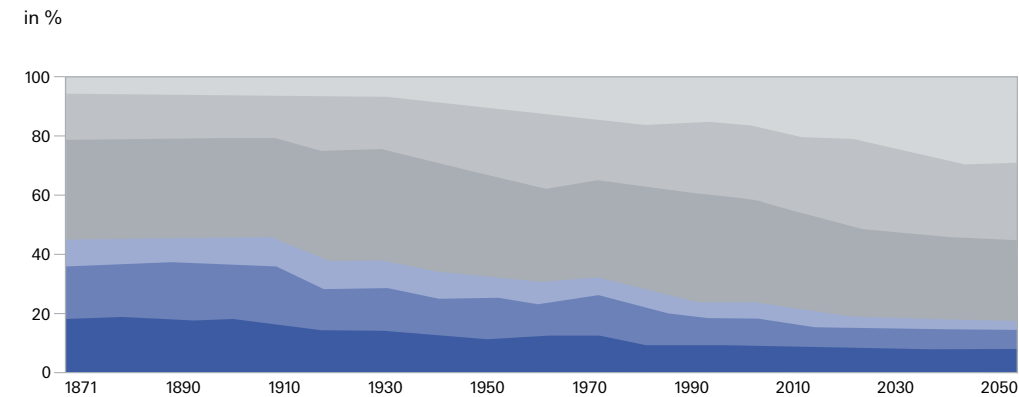
Health initiatives including illness prevention also play a big role in maintaining employability. From strategies for preventing coronary diseases to training programs for dealing with stress, we offer our employees a wide range of options to keep fit and healthy into old age (see table on p. 42).

A serious challenge as far as demographic change is concerned is posed not so much by the long-term decline in Germany’s population as by the increasing aging of the population, which is bringing the country’s social security system into difficulties and demands long-term adaptive strategies. Recent calculations on population development estimate that the proportion of those aged 65 or older will rise from 19.3% today to 33.2% in 2050. At the same time, the proportion of the very elderly (those aged 80 or older) will rise to 15%, three times what it is today.

Source: Federal Statistical Office and Federal Ministry of the Interior; own calculations

- 0–6
- 6–15
- 15–20
- 20–45
- 45–65
- 65 and older

Age Distribution in Germany From 1871 to 2050



Even today, Deutsche Bank pursues a policy through its Diversity Strategy of forming work teams that include members from all age groups. For instance in customer service, we recruit experienced Relationship Managers who then work together in teams with younger staff members. “These intergenerational teams created for our customers offer both young and old an excellent opportunity to learn from each other,” says Tessen von Heydebreck, Member of the Management Board. As well as facilitating such staff development “on the job,” Deutsche Bank is an active promoter of lifelong learning, offering its staff members a wide range of opportunities for further education and training (see p. 37 et seq.).



In addition to federal minister Prof. Dr. Maria Böhmer, Deutsche Bank was one of the four initial corporate signers of the Diversity Charter in December 2006 (along with DaimlerChrysler, Deutsche BP and Deutsche Telekom)



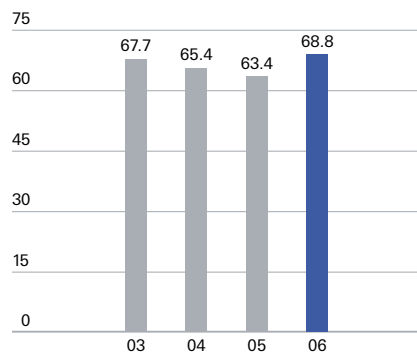
Deutsche Bank employs people of 132 different nationalities in 73 countries. Such an international staff has already created a very diverse corporate culture. As a globally active provider of financial services, demographic change does indeed offer us some positive opportunities: We have access to a broad international labor market and can offer attractive career prospects on a global scale. In its Diversity Workshops, the Bank is working on “creating a prejudice-free working environment and demonstrating that diversity provides both added value and many positive advantages,” according to Aletta Gräfin von Hardenberg, who is responsible for Diversity in Germany. In order to propagate this philosophy in other German companies, she has initiated a “Charter of Diversity” (see p. 39 et seq.) together with representatives from DaimlerChrysler, Deutsche BP and Deutsche Telekom. In such partnerships, a main concern is to understand the process of aging so that we do not let it become a problem in our society, but that we instead develop positive solutions well ahead of time.

Our Commitment to Our Staff

It is Deutsche Bank's employees who ensure its success. Deutsche Bank teams develop financing solutions for our clients in 73 countries around the world. With their broad range of experience, their commitment and their cultural background from a total of 132 nations Deutsche Bank's employees are actively shaping the future of the group. That is why we support their development, help them to systematically improve their skills and create a working environment that enables them to optimally use their potential. We offer a broad range of incentives and benefits to reward the commitment and enthusiasm of our employees. For example, Deutsche Bank tries to support employees in their efforts to reconcile their professional and family lives, and offers pension plans and provision schemes for retirement.

Number of employees

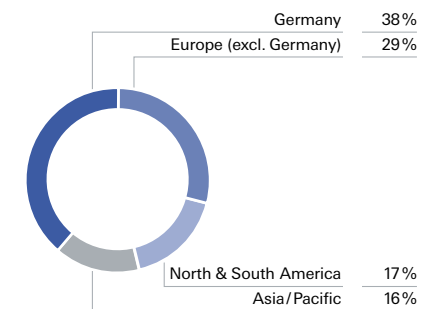
in thousands at year's end 2006¹



¹Full-time equivalent

Regional deployment of our staff

68,849 at year's end 2006¹



¹Full-time equivalent



Since 2002 Deutsche Bank trainees have undertaken a total of 68,310 hours of charitable work



Interns participate actively in so-called "Social Days," too; this picture was taken in a day-care center in Frankfurt

WIN THE WAR FOR TALENTS

We are living in the era of globalization, and therefore the commitment to our home market is no longer sufficient. Indeed, Deutsche Bank has to show a worldwide presence. As a result, we need employees who can rely on a broad range of know-how and abilities to fulfill customer demands around the globe. That is why we recruit students from leading universities and business schools around the world for our trainee programs and internships. The "Class of 2006" consists of 904 university graduates who started to work for us last year. In 2007 we hope to recruit more than 1,000 new employees for the first time and win top talent for the Bank, true to our strategic direction. All our trainees participate in an orientation

and introduction event in London or New York which gives them not only an overview over Deutsche Bank's strategies and business fields, but also insight into its values and corporate culture. The event includes a three-day nonprofit team workshop. The goal of the teamwork is to promote cooperation across national, cultural and business division boundaries, to develop joint solutions and to support local people (see p. 92 et seq.). 2006 was already the fifth year in which our new trainees supported a total of 15 projects, with the focus on schools and an institution for physically and mentally challenged persons. Since 2002 Deutsche Bank trainees have invested a total of 68,310 hours in nonprofit work in the framework of their trainee programs.

COOPERATION WITH SCHOOLS AND UNIVERSITIES (A SELECTION)

Partnerships with universities: New cooperations in 2006

HfB Business School of Finance & Management, Frankfurt

Deutsche Bank Chair for retail banking, research projects and lectures, invitation of two international guest lecturers for research and teaching every year

Universität Mannheim

Deutsche Bank Marketing and Sales Management Research Group, a new research group with three members at the Institut für Marktorientierte Unternehmensführung, led by Prof. Dr. Dr. h.c. Christian Homburg: Research in the area of retail banking, research and practice-oriented projects

Mentoring programs for students

Next Steps Mentoring (UK)

Deutsche Bank employees act as mentors for ethnic minority undergraduates from selected British universities

African Caribbean Mentoring Program (UK)

Mentoring program for undergraduates from the traditionally underrepresented African Caribbean minorities

Sponsors for Educational Opportunity, SEO (UK, US)

Charitable orga

Cooperation in the selection of candidates for entry positions at Deutsche Bank

International internships

Deutsche Bank "I Have a Dream" (Germany, UK, US, Poland)

A successful global internship program established more than five years ago that targets students who usually would not get insight into the financial services sector and into investment banking due to their backgrounds (see p. 68)

Internship programs for students

We offer undergraduate students enrolled in German universities internships at over 20 Deutsche Bank branches worldwide. The length of the internships is between 2 and 6 months in all areas of the Bank.

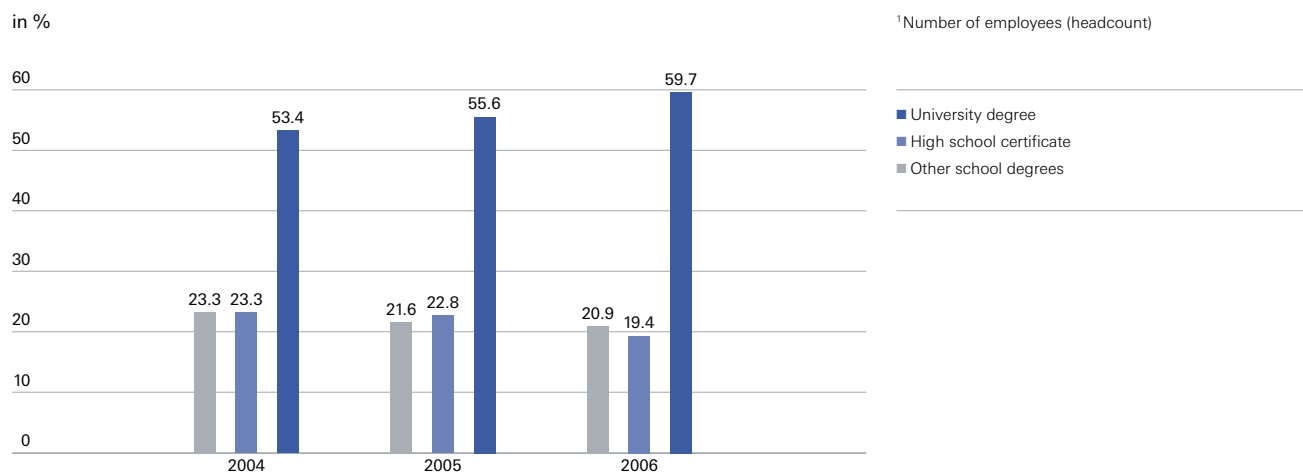
IMPROVE QUALIFICATIONS

We have again expanded our training opportunities in 2006. Via the group-wide electronic training platform "db Learn" our employees can now choose between 3,070 seminars and online training opportunities. In addition to the technical and bank-specific training courses, seminars on leadership and management, personality and team development and events on corporate

culture, orientation and networking are offered and help to round off our employees' qualifications. In Germany we took on 654 new apprentices in 2006, i.e. 60 more than in 2005. Almost 1,500 young people are currently apprenticing with Deutsche Bank in Germany. 2006 was the first year in which 604 apprentices and 29 Berufssakademie students finished the additional sales qualification course. This program,

which was certified by the Deutsches Institut für Normung (DIN, German Institute for Standardization), is unique in Germany and a valuable additional qualification for our apprentices. It consists of seminars and individual learning modules on sales and marketing issues which help the apprentices to be better prepared for their professional lives.

Qualification of our employees¹



Number of training days in 2006 by categories

in thousands	Participants ¹	Training days
Business management, finance	69.2	77.7
Leadership and management	9.0	15.3
Personal and team development	34.9	38.4
Corporate culture and orientation	8.8	10.4
Communication and information technology	6.9	7.3
Professional qualifications	4.1	11.8
Legal framework conditions and compliance	145.5	16.5
Total	278.4	177.4

¹Multiple counting of staff who took part in two or more seminars

STAY FIT FOR THE JOB

We do not stop at giving our employees technical training, but also offer them the employability program “in eigener Sache,” which helps them to regularly analyze their abilities, know-how and expertise, to set themselves individual

The platform “in eigener Sache” gives a user-friendly overview over all initiatives that aim to improve our employees’ abilities to cope with change and their employability. Since the program was introduced in May 2006 the platform has already been visited more than 18,000 times.

targets and to improve their personal knowledge and abilities. We continued to step up our efforts to promote employability in 2006. In May 2006 the starter package “My professional fitness package” was introduced in Germany. It offers all employees a range of innovative opportunities for personal and professional growth. For example, a personalized summary of each employee’s knowledge, a fitness coaching program and a workshop on “Profile-Based Positioning” help our employees to successfully manage their professional lives in an increasingly complex environment (see p. 34).



PROMPT THE SHARING OF EXPERIENCES

Our careers programs offer not just internal learning experiences, but also include exchange opportunities beyond the boundaries of the Bank and the private sector. 2006 was the seventh year in a row in which ten mentors and ten mentees from the Bank participated in the cross-company mentoring program, a cross-company staff development program for women. In its framework mentors and mentees create a supportive and career-enhancing network beyond the boundaries of their own companies, share professional knowledge and expertise and get to know the corporate culture and the structures of other companies. The staff exchange program between the

private and the public sector goes one step further. Here, some of our staff swap their desks with high-ranking servants from top federal authorities for several months. This helps private-sector managers and leading civil servants to understand not only the work, but also the organization and procedures of the public and private sector, respectively. Participants are encouraged to bring their experience to the fore during the exchange. Since the program was introduced in October 2004 41 exchange options in the private and public sector have been identified and 24 have been realized. 12 of these were with Deutsche Bank. There are plans to extend the program to include stays with the EU Commission.



The seventh WEB Conference in March 2006 focused on “Taking on Corporate Responsibility”

Mentoring programs for women (a selection)

Cross-company mentoring for women (Germany)

Cross-company mentoring program, with high-potential women being supported by mentors from different companies

Cross-divisional mentoring for women (Germany)

The program is designed to promote high-potential women across the divisions. Up to 60 mentors and mentees work together as “cross-divisional” tandems every year.

Coaching programs for women (US)

Individual divisions offer high-potential women business coachings. These may take the form of group or individual coachings and help to enhance careers and expand knowledge and contacts beyond the own division.

FOSTERING DIVERSITY

Diversity is an integral part of our corporate culture. That is why we were one of the initiators and first signatories of the “Diversity Charter for companies in Germany” in the Federal Chancellery in December 2006 (see p. 35). Among other things, this Charter describes a goal the Bank has been striving for for years: To create an interesting, open-minded and motivational work environment for all employees regardless of characteristics such as age, gender, religious or ethnic background, sexual identity or

physical or mental challenges. Our diversity strategy helps to promote and shape diversity. In order to ensure the highest possible degree of integrity and consistency in all our activities we have adopted global rules and agreements which call upon all staff to cooperate in a spirit of respect and fairness (such as the Code of Conduct at the global level or the company agreement “Fairness at Work” in Germany). Moreover, numerous initiatives help to implement our diversity strategy. A selection is shown in the table on the following page.



In 2006 the German Rainbow Group again participated in Christopher Street Day activities in Frankfurt am Main

GLOBAL DIVERSITY—OUR INITIATIVES (A SELECTION)

Networks, conferences and events

Women on Wall Street™ network and conference, WOWS™ (US)

Network which organized the 13th annual Women on Wall Street conference for female managers in the financial sector in 2006. Numerous lectures and training events

Women in European Business®, WEB (Frankfurt/London)

Network of women at Deutsche Bank and alumnae in order to promote the dialogue among women in European business. With about 700 participants each year, the WEB conferences are among the most successful European events for women in leading positions.

Regional women's networks (Germany)

Numerous networking initiatives and events in eight German regions

Network for female top managers (Germany)

Sharing of experiences and networking

Deutsche Bank Women, DBW (London)

Network to promote the professional and personal development of women at Deutsche Bank

Rainbow Groups (Germany, UK, US)

The networks focus on the professional and personal development of lesbian, gay, bisexual and transsexual staff.

Multicultural Partnership (US, UK)

Networks for the sharing of experiences and the professional and personal development of ethnic minority staff

E-Fellows (Germany)

Deutsche Bank is a partner in this career network for highly talented students who may get an online grant or free Internet access. Members can also participate in exclusive events or may receive assistance in finding a job.

All-Faith Room (UK, US)

Own worship and meditation rooms for employees of all religious backgrounds

Commitment to the physically and mentally challenged in cooperation with:

IBW (Germany)

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

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

Association of Sheltered Workshops eG, GDW (Germany)

An association of sheltered workshops for physically challenged people

Vocational training centers for physically challenged persons (Germany)

Internships and cooperation in the framework of the "db-Mosaic for Employment"

"Dialogue in the Dark" (Germany)

Integration project for blind or visually challenged people in Frankfurt

Sheltered workshops for physically challenged persons—"Initiative Contribute-Help-Gain" (Germany)

Group-wide publication of the range of services offered by sheltered workshops and order placement by Deutsche Bank

Awards and sponsorships

SIA Diversity Leadership Award for Sustained Leadership 2005 (US)

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

Courageous Corporate Champion Award 2005 (US)

In 2005, Deutsche Bank was named the Courageous Corporate Champion by the New York City Gay and Lesbian Anti-Violence Project (AVP).

2006 "Lauf für mehr Zeit" AIDS Walk Frankfurt (Germany)

The Deutsche Bank team again raised donations for outpatient AIDS assistance in Frankfurt. Participation was organized by the Rainbow Group Germany, which also represented Deutsche Bank with a booth.

AIDS Walk New York, AWNY (US)

The Deutsche Bank team, organized by the Rainbow Group Americas employee network, again participated in the race and achieved Gold Team status for the raised donations for the fourth year in a row.

Human Rights Campaign—2006 Corporate Equality Index

In 2006, Deutsche Bank again received a perfect score rating on the Human Rights Campaign's Corporate Equality Index (CEI), which rates major corporations on their records toward lesbian, gay, bisexual, and transgender employees, consumers, and investors. 2006 was the fourth consecutive year that Deutsche Bank achieved a 100% score.

Diversity benchmarking, memberships and research studies

Catalyst (US)

Research organization focused on the advancement of women in business. Participation in studies on women in the financial services industry

EU Compendium "Good Practice at the Workplace"

Deutsche Bank was selected among 500 applicants across Europe and included in the compendium for its good implementation of diversity principles.

Securities Industry Association Diversity Survey, SIA (US)

As a member of SIA, Deutsche Bank participates in the biannual diversity studies.

EU Project "active@work"

Participation in the EU-supported project active@work on age diversity

Race for Opportunity (UK)

Membership in the organization, which focuses on equal opportunities initiatives for members of ethnic minorities worldwide

Opportunity Now (UK)

Deutsche Bank is a member of this organization which focuses on equal opportunities and diversity in the workplace.



The introduction for newly appointed managers kicked off the international introductory events ...



... in which the corporate values, culture and strategy of the Bank are explained. Moreover, they give the newly appointed managers the opportunity to swap experiences and to network

STRENGTHEN LEADERSHIP ABILITIES

Our Leadership Standards form the basis for a holistic approach to leadership. The group-wide framework was introduced in 2004 and defines what Deutsche Bank means by "leadership" and what we expect from our managers. For us, successful leadership does not stop at financial and business success and operational excellence, but includes sustainable support of our corporate values and our corporate culture, team building and leading people. The Leadership Standards also form the

basis of our human resources procedures such as objectives setting and performance assessment or recruiting and development.

In order to familiarize our newly appointed managers all around the world with the standards and their implementation in their specific areas of responsibility, we have introduced the Leadership Curriculum, a training series with 14 core programs. The programs range from short 90-minute modules up to events that span several days. The three-day basic seminar "Fun-

damentals of Management" for all new managers was held 68 times in 15 countries and seven languages in 2006. Furthermore the "Leading Managers Program," which is directed at top managers to whom middle managers report, was offered 15 times in two languages in the US, the UK, Asia and Germany.

RECOGNIZE PERFORMANCE

We promote and support our staff's commitment and willingness to perform by offering a fair and transparent variable bonus payment, which directly and justly reflects the success of the corporate division and the employee's individual performance. And in their capacity as shareholders our staff were also able to benefit from the positive business development in 2006: In the framework of our staff shareholder program Global Share we again gave out up to ten Deutsche Bank bonus shares to all eligible employees. Our compensation packages are rounded off by a range of attractive corporate benefits which offer solutions to a healthy work-life balance, and provide for illness, families and retirement.



The Leadership Standards define what Deutsche Bank means by "leadership" and what we expect from our managers

ACTIVE HEALTH MANAGEMENT—OFFERS FOR OUR STAFF (A SELECTION)**Partners for our employees' health****Arbeitskreis Gesundheit**

Advisory and initiating forum which focuses on promoting healthcare in companies and on primary prevention. Support for the Bank in the development and implementation of projects for better health and a better work-life balance. Cooperation among the human resources and work safety departments, the staff council, the representative of severely physically challenged persons and the healthcare partners:

▪ **Betriebskrankenkasse Deutsche Bank AG**

In December 2006, BKK Deutsche Bank AG (the health insurance for Deutsche Bank employees) was responsible for 53,704 insurance holders and 24,743 family members, i.e. 78,447 persons overall (current employees and pensioners).

▪ **Company doctors**

Range of services for employees, advice for managers, human resources staff and staff council members

▪ **Company sport associations**

More than 15,000 Deutsche Bank sportsmen and -women work out in more than 100 company sport associations in Germany.

Employee Assistance Program (EAP)

Advice for employees, their families and their relatives who experience a personal conflict or crisis situation, provided by staff who are specially qualified for this task. Since the establishment of the service in 2000 about 6,200 colleagues received advice or were sent on to outside experts or advisory centers.

Offers to promote the health of our staff and to support prevention (examples from Germany)**Health at the workplace**

Advice on organizing materials, ergonomics issues, work with the computer and sedentary work, courses on posture, movements, relaxation techniques, back-school training

Vaccinations and traveling advice

Flu shots, advice on travel immunization

Prevention examinations

Skin screening, prevention against coronary heart diseases, checkup examinations for managers

Dietary advice

Diet check, advice via the phone or in a personal interview

Advice on dealing with stress

Individual advice, courses on relaxation techniques and time management

Advice in case of psychological problems

After a bank raid, in case of serious illness, other psychological problems in professional or private life

Reintegration at the workplace

After prolonged illness and rehabilitation

Support for severely physically challenged people

Layout of the workplace, medical support near the workplace

RECONCILE PROFESSIONAL AND FAMILY LIFE

In addition to flexible working time arrangements, from which all employees benefit, Deutsche Bank is particularly interested in promoting an optimal balance between work and family commitments. That is why we adopted a new company agreement on "Job and Family" in 2003. A regular dialogue between the employees and the Bank before and during their maternity/paternity leave and support after their reentry are central elements of this agreement. In 2006, we used an anonymous survey conducted by an outside agency to systematically examine the efficiency of these measures for the first time. Employees during and after their

maternity/paternity leave and representatives of the human resources department, which are the main dialogue partners for parents, were surveyed. The main outcome is that parents want to return to work early on and desire a high degree of flexibility in terms of working hours, assigned workloads and work structuring. Part-time work during the maternity/paternity leave and flexible agreements on the number of hours that have to be worked within a year turned out to be particularly helpful. More than 90% of the surveyed reentrants said they already worked part-time during their maternity/paternity leave. Information during maternity/paternity leave, for example

via the newsletter (which is currently addressed to about 1,400 employees), intranet access to the Bank, workshops and training measures, was regarded as one of the most important factors to ensure a successful return. Nursery places provided by the Bank near the workplace are another solution for returning parents. Offers such as the provision of childcare solutions by the family service were welcomed. Our employees used the family services about 700 times in 2006. We will use the results of the survey to focus even more strongly on the needs of mothers and fathers and to develop the range of our benefits further in line with their demands.

RECONCILING PROFESSIONAL AND FAMILY LIFE—OUR INITIATIVES (A SELECTION)**Shaping personal and professional lives****Flexible working times**

Within the framework of the legal, contractual and corporate regulations and in view of the requirements of our business, our employees take responsibility for managing their working hours.

Part-time work and teleworking

Within the boundaries of its corporate needs, Deutsche Bank supports employees' wishes for part-time work or teleworking, i.e. the option of working part-time outside the Bank. This applies particularly after their return from maternity/paternity leave.

db zeitinvest (Germany)

Employees can individually shape their personal working lives by exchanging part of their salaries against paid holidays, for example for a fully paid sabbatical or early retirement without suffering any financial losses from cuts in the statutory pension payments.

Reconciling professional and family life**Paternity/maternity leave (Germany)**

Paternity/maternity leave can be extended by 6 months on request.

Other offers:

- Discussions on the professional outlook and on the preparation of the return to the job before paternity/maternity leave starts
- Planning discussions during maternity/paternity leave
- Invitation to information events in the team
- Inclusion in staff planning
- Intranet access to the Bank
- Part-time work, training and development measures during maternity/paternity leave
- Training on the job after return
- Newsletter on issues around maternity/paternity leave, job & family, return and news in the Bank
- Workshop and individual coaching "Well-prepared for the return" for the new fathers and mothers

Flexible reentry during the maternity/paternity leave (US)

- In order to make it easier for mothers and fathers to return to work we have extended the period during which wages continue to be paid after the birth of a child from 12 to 16 weeks.
- Moreover, we offer parents the new "Phase Back to Work Program," which gives them the possibility of a flexible return: Within a pre-set time frame, the working time can be increased gradually during the subsequent eight weeks.

Corporate nurseries (Germany)

Corporate nurseries are available in Frankfurt/Main, Eschborn and Leipzig.

Broadgate Nursery (UK)

Deutsche Bank is the first bank in the City of London which has its own nursery for children aged 3 months to 5 years.

Placement assistance: Childcare and emergency care (Germany, UK, US)

In Germany our employees can rely on "pme Familienservice" for free consultation on childcare placement and care for the elderly. Moreover, emergency childcare is available at short notice in the US, the UK and Germany.

Sharing of experiences/emergency support**Family network (UK)**

Network that aims to strengthen awareness of the needs of working parents and to offer solutions for a better work-life balance and a platform for the sharing of experiences

Round table for working parents (Germany)

Initiative for working parents and parents-to-be as well as caretakers, discussion forum to share experiences on solutions to balance home and work

Franz Urbig und Oscar Schlitter Stiftung (D)

Offers financial support for Deutsche Bank employees, employees on maternity/paternity leave, pensioners and their closest family members who have fallen into poverty through no fault of their own, e.g. due to severe illnesses among their close family or to accidents

Unpaid leave for family emergencies

Employees can get unpaid leave for one to six months up to two times. Moreover, they can take unpaid leave for up to two years to care for family members who need intensive care

Awards**Working Mother Award 2006 (US)**

Deutsche Bank was named one of the 100 Best Companies for Working Mothers in the annual survey by "Working Mother" magazine for the fifth consecutive year.

Fortune Magazine Top 50 Employers for Women 2005 (US)

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)

In 2005 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"

As a member of the Business Forum for Women Deutsche Bank won the "Success Factor Family 2005" award sponsored by the Ministry for Family Affairs, Senior Citizens, Women and Youth.

Times Top 50 Places Where Women Want to Work 2006 (UK)

In a survey by the newspaper "The Times" Deutsche Bank was named as one of the top 50 companies for which women want to work.

Sunday Times Best Companies 2006 (UK)

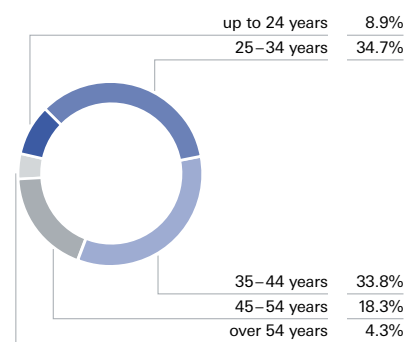
The "Sunday Times" newspaper named Deutsche Bank as one of the top 20 employers among large companies in the UK.

RETIREMENT PROVISION

Occupational old-age provision is one of the most important components of our range of employer benefits. In view of the demographic developments and the discussion about a retirement age of 67 additional old-age provision is gaining importance. Deutsche Bank has implemented a contribution plan, under which a personal account is created for each employee, and thus helps to slowly accumulate capital for retirement. The annual contributions are paid by the Bank. The contribution-based system covers not only old-age provision, but also widows'/widowers'

pensions and premature disability pensions and is thus an important supplement to the social-security network for our employees and their families. In Germany, the contribution plan is rounded off by benefits from the "Versicherungsverein des Bankgewerbes a.G." (BVV). The Bank and the employees each pay a share of the BVV contributions.

Age structure of our staff, 2006



Commitment and promotion of our staff

	2004	2005	2006
Employee Commitment Index	68	68	68
Training (expenses per employee ¹ in EUR)	1,479	1,583	1,757
Apprenticeship programs (expenses in EUR million)	42	40	40
Total female headcount	44.6%	44.7%	44.2%
Women among our top managers (Managing Director, Director)	14.8%	14.5%	14.6%

¹Number of employees (headcount)

Since 1999, Deutsche Bank has conducted global staff surveys which serve, among other things, to calculate the employee commitment index. This index gives insight into our staff's commitment to, and identification with, Deutsche Bank. Investment in training, for example, has been steadily increased in the last few years. In 2006 the share of female top managers has remained stable, at 14.6%.

Compensation of staff council members

In order to ensure that the compensation for full-time staff council members is transparent we have introduced spending control mechanisms so that any irregularities are prevented right from the start. In particular, 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 and may not authorize certain transactions in a number of order and procurement systems. In addition, a separate agreement on bonus payments for full-time staff council members 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.

safety@work

The promotion and implementation of health and safety across all divisions, is the worldwide goal of the Safety Management Team within Deutsche Bank. This function is coordinated by Corporate Real Estate & Services [CRES]. Compliance with the legislative requirements of each country in which we operate, is deemed to be the minimum standard as we roll out health and safety best practice globally.

Germany as an example

In order to maintain the high level of prevention the Bank's safety@work team made up of three employees cooperates with 19 occupational safety specialists from an external provider. Moreover, 30 external occupational physicians, 203 safety officers and

1,330 first-aid officers work for health and safety.

The group health and safety committee focused on the following issues in 2006:

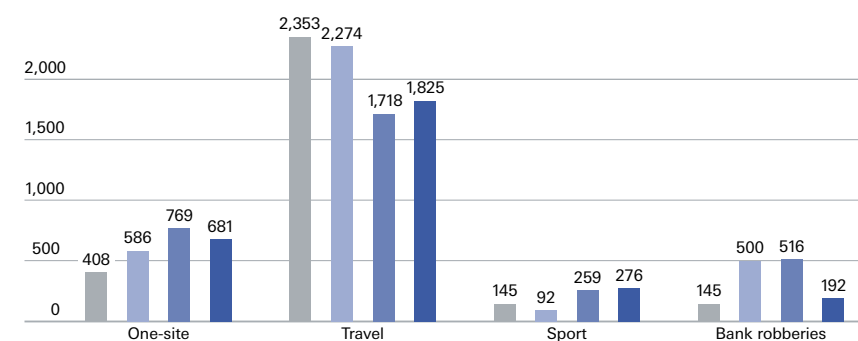
- Improvement of the annual employee instruction procedure on workplace, fire and health protection
- Setting inspection intervals for electrical systems and equipment
- Implementation of a procedure for psychological care after bank raids and other traumatic events
- Improvement of the first-aid procedure

Together with the occupational physicians the occupational safety specialists accomplished 415 work safety and environmental protection inspections.

The planned figure was fully reached. Any points that gave rise to criticism set out in the minutes were remedied by the responsible people in time. In order to ensure the sustainability of this process the reporting database was adapted and improved.

The number of accidents remained at the low level seen in the previous year. In order to reduce the number of accidents and lost working days the responsible people within the Bank and our facility service partner were called upon to determine potential sources of accidents in the buildings and take preventive action.

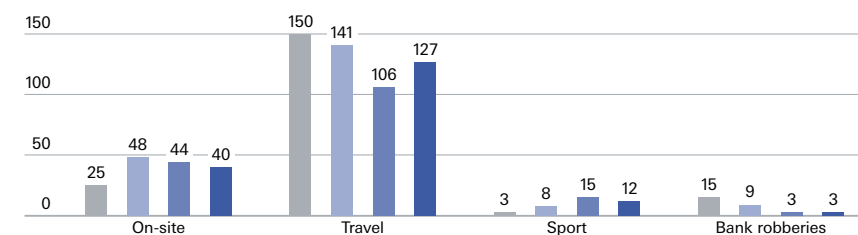
Number of work days lost in 2006



Decline in the number of workdays lost compared to the preceding year by 288 work days: Roughly equivalent to one FTE (full-time equivalent). Possible reason for the rise in the number of accidents during the journey to work: = Long winter/ice in 2006

Source: Accident statistics of DB AG & DB PBC AG

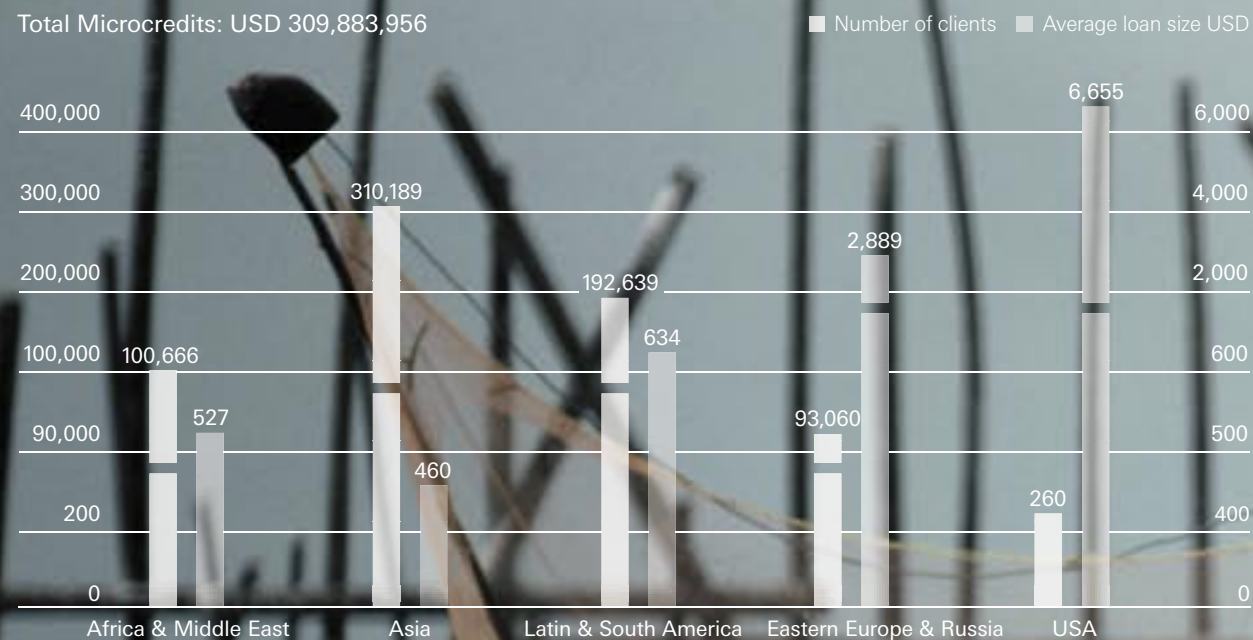
Number of accidents and bank robberies



Source: Accident statistics of DB AG & DB PBC AG

International Comparison: Impact of Deutsche Bank Microfinance Funds (Deutsche Bank Microcredit Development Fund, Global Commercial Microfinance Consortium & Start-Up Fund)

Total Microcredits: USD 309,883,956



USD 634—that is the average amount of a microcredit in Latin America and South America. As little as USD 120 was enough for Maria Anastacia de Oliveira Alves to open her own vegetable stand in São Paulo and become self-employed. With an additional loan, she was able to expand her offerings and increase her income by 50 percent in less than a year. Innovative financial instruments enable many people throughout the world to build a livelihood and thereby break free from the cycle of poverty. Over the years, Deutsche Bank has used its experience and know-how to develop such instruments. With the Microcredit Development Fund, we have been involved in the field of microfinancing since 1997. Together with partners from the social sector, we are currently supporting the “Eye Fund” by providing initial loans to assist eye clinics in developing countries.

Seed Money for Social Innovation

Jeanne D. had almost given up hope. Over the years, the vision of this market woman from Kinshasa had been progressively deteriorating. It was becoming more and more difficult for her to ply her trade of selling mangold roots—she was having to rely increasingly on other people to help her. At the age of 59, she was almost blind, afflicted by cataracts in both eyes.

Jeanne D.'s case is all too common. Blindness is especially widespread in developing countries, where 90 percent of the world's 45 million blind people live. And each year, the economic burden of blindness amounts to USD 5 billion globally. Yet in many cases, restoring a person's sight is a relatively easy matter: A cataract operation costs about twenty US dollars. And indeed, a simple 15-minute operation in the St. Joseph Eye Clinic in Kinshasa restored Jeanne D.'s sight and with that, her ability to run her own life.

For the past five years, a new type of eye clinic developed in India and based on innovative economic principles has been rapidly spreading to other developing nations. The clinics combine humanitarian aid with entrepreneurial values. The concept is simple: Only people who can afford it pay for the operation—everybody else is operated for free, and the costs are borne by the paying patients. Some 400 professionally organized clinics are currently run according to this concept in the world's developing countries. Yet thousands more such clinics are desperately needed to combat the growing problem of eye diseases. The International Agency for the Prevention of Blindness estimates that the number of blind people in developing countries will increase to 75 million by the year 2020—unless something is done to stop it.

Currently, Deutsche Bank is helping to build more such clinics by setting up a so-called "Eye Fund," in cooperation with social organizations such as the International Agency for the Prevention of Blindness (IAPB)—the biggest umbrella organization for the prevention of diseases that cause blindness—and Ashoka, a nonprofit organization that identifies and supports social entrepreneurs. Over the next five years, this innovative investment fund, which totals USD 20 million, will provide seed money for clinics in developing countries such as Nepal, Egypt, India, and China, so that in the long run they will be able to finance their work from paying patients and thus help poor people to regain their sight. "The 'Eye Fund' is an outstanding example of how a new market-based initiative can contribute to solving an ongoing human problem," says Seth Waugh, CEO of Deutsche Bank Americas.



The Eye Fund supports clinics in developing countries so that patients can be treated who otherwise could not afford treatment



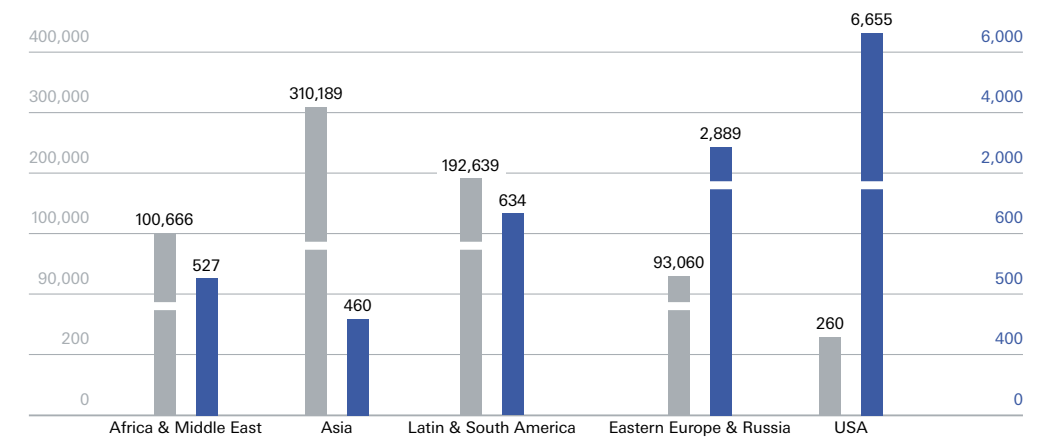
Greengrocer Maria Anastacia de Oliveira Alves of São Paulo received a microcredit (see p. 94)

Through our Microcredit Development Fund and the Global Commercial Microfinance Consortium and the Start-Up Fund, microcredits totaling over USD 309 million could be made available to nearly 700,000 people. Individual credit amounts vary between and within particular regions: In Asia, for example, loans are usually between USD 100 and USD 200; in few cases are these amounts exceeded. In the USA, on the other hand, a microcredit can amount to thousands of dollars.

■ Number of clients
■ Average loan size USD

International Comparison: Impact of Deutsche Bank Microfinance Funds (Deutsche Bank Microcredit Development Fund, Global Commercial Microfinance Consortium & Start-Up Fund)

Total Microcredits: USD 309,883,956



What is a Microcredit?

Microcredits are small loans given to people who have no material resources. Sometimes the loans are only in the amount of USD 50 or 100 that people need to buy a parcel of land or to open a shop. Despite the lack of collateral, the resolve of the borrowers to repay their loans is extraordinarily high: Repayment rates are often 99% or more, and the majority are over 95%. The procedure is handled by microfinance institutions which, like local banks, finance their work through interest payments. Furthermore, they advise borrowers regarding how to start their own businesses.

Deutsche Bank possesses special know-how that enables it to create innovative finance models. One such example is the Global Commercial Microfinance Consortium set up in 2005 under the leadership of Deutsche Bank, which has brought together a capital of some USD 80 million from development aid organizations and institutional investors such as AXA, HP, Merrill Lynch and Münchner Rück. Within the space of a year, the consortium has distributed some USD 70 million to microfinance institutions who do business with end users in countries including Cambodia, Mozambique, Bosnia, Peru, and Mexico.

Since 1997 Deutsche Bank has been active in the field of microfinance—which recently received a great deal of attention through the awarding of the 2006 Nobel Peace Prize to Muhammad Yunus, the founder of the Grameen Bank and the developer of this form of financing. The Deutsche Bank Microcredit Development Fund (DBMDF) brought together wealthy families and the Deutsche Bank Americas Foundation in a partnership that created the capital basis for a guarantee fund that finances microfinance institutions. The experience it has gained in the field of microfinance has allowed Deutsche Bank to create an instrument for providing seed money to a wide range of projects. "We can bring together the right partners and provide the necessary start-up capital for socially useful innovations that have until now been dependent on charity for survival," says Asad Mahmood, General Manager of the Deutsche Bank Microcredit Development Funds and developer of the "Eye Fund." The Global Commercial Microfinance Consortium is currently the only one of its kind in the world: It provides investors with guarantees for their capital, as well as paying out interest on investments at market rates. "Housing construction, alternative energy sources, education—there are many problems in the world that could be combated by similar means," says Mahmood, enumerating the possibilities of this kind of finance model.

UN Global Compact—Communication on Progress

The ten principles set out in the UN Global Compact are the basis of values for our sustainability efforts. By participating in the UN Global Compact we have committed ourselves to preserving internationally recognized human rights, creating socially acceptable working conditions, protecting the environment and fighting corruption. We regard the UN Global Compact as an umbrella commitment which covers all voluntary obligations Deutsche Bank has signed (see box).

In 2006, we again worked actively to implement and spread the principles of the UN Global Compact and the concept of sustainable development—both within our Bank and in the public eye.

COMMUNICATION ON PROGRESS 2006

- Active participation in events and conferences on sustainability and corporate social responsibility issues
- Releases in internal and external print publications
- More than 80 presentations and road shows for employees as well as national and international audiences
- Regular inclusion of sustainability aspects in customer and supplier communication
- Use of this platform for a dialogue with nongovernmental organizations



Deutsche Bank hosted the UNEP FI/VfU Roundtable 2006, which focused on "Climate Change—Opportunities and Risks for the Financial Industry"

Voluntary commitments of Deutsche Bank

- World Bank Standards
- UNEP Declaration of the Financial Institutes
- UN Global Compact
- Global Reporting Initiative (GRI)
- OECD-Principles for Multinational Corporations
- International Labour Standards
- Wolfsberg Anti-Money Laundering Principles
- German Corporate Governance Codex

The ten UN Global Compact Principles

Human Rights

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

Principle 2: Make sure that they are not complicit in human rights abuses.

Labour Standards

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

Principle 4: The elimination of all forms of forced and compulsory labor;

Principle 5: The effective abolition of child labor; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

Environment (US)

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.

Examples of their implementation

p. 35, 39–40, 51, 58

p. 16–17, 31, 51, 58

p. 51, 58

p. 51, 58

p. 51, 58

p. 35, 39–40, 58

p. 7 et seqq., 12–14, 16, 26–29, 54–56

p. 7 et seqq., 12–14, 16, 26–29, 54–56

p. 12–14, 26–29, 54–56

p. 16–17, 58, 59

Memberships in Organizations That Promote Sustainability

Active membership

Arbeitsgruppe "Emissionshandel zur Bekämpfung des Treibhauseffektes" (AGE)



Bellagio Forum for Sustainable Development



Bundesdeutscher Arbeitskreis für umweltbewusstes Management B.A.U.M.



dena – Deutsche Energie-Agentur



Deutscher Industrie- und Handelstag/Industrie- und Handelskammern



econsense – Forum Nachhaltige Entwicklung



Forum für Zukunftsenergien e.V.



Global Reporting Initiative



Klima-Partner 2007



Naturschutzbund Deutschland e.V.



UNEP Finance Initiative



UN Global Compact



Verein für Umweltmanagement in Banken, Sparkassen und Versicherungen e.V. (VfU)



World Business Council for Sustainable Development



World Economic Forum

Overview

▪ Initiative by the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety to form emissions trading in Germany

▪ Association of international organizations, foundations, NGOs, media institutions, and companies, established in 1993 and aiming at promoting sustainability-oriented projects

▪ Environmental initiative by the business sector, in particular small and medium-sized enterprises
▪ Presented with the B.A.U.M. environment award in 2003

▪ Promotion of energy efficiency and renewable energies

▪ Lobbyists for the German business sector with decision makers in local, state, and federal policy, and in European institutions

▪ Initiative of leading German companies and organizations that pursue a sustainability-oriented corporate strategy

▪ Promotion of safe, cost-effective, resource-saving, and environmentally friendly energy supply

▪ A multi-stakeholder initiative established in 1997
▪ Promotion of reporting the economic, ecologic, and social performance of an organization

▪ Development and implementation of climate-neutral products and services
▪ Renamed: Formerly "Hessische Klima-Partner"

▪ Important association for the promotion of environmental protection

▪ Specialized working groups on asset management, climate change, environmental management, and reporting
▪ Regional task forces: Americas, Far East, Eastern and Central Europe, Africa

▪ Code of conduct for companies concerning human rights, labor, the environment, and the fight against corruption
▪ 1,950 participants from 74 countries

▪ Forum in which specialists share opinions and experience in ecologic and sustainability issues

▪ A group of about 175 international companies committed to sustainable development

▪ International platform for a dialogue between leading personalities from business and society to jointly resolve global problems

Since

2003

1998

1995

2001

1997

2000

2000

2002

2006

2001

1992

2000

2004

2000

2001

Solar Impulse—Around the World in a Solar Airplane

In the framework of its efforts to promote sustainable development, Deutsche Bank has been supporting the unusual project “Solar Impulse” since the end of 2006. The project was initiated by the well-known Swiss doctor and explorer Bertrand Piccard, and the aim is to fly around the world in a solar airplane which will not need any fossil fuel.

The solar airplane will be developed by 2011 and, with a wingspan of 80m, will be roughly as wide as the new Airbus A380. However, it will not carry any passengers, it will weigh only a fraction of the Airbus and it will not fly as quickly. In fact, the Solar Impulse plane will need several days to fly around the globe. This means that the plane will have to fly by night and land and take off several times so that the two pilots can alternate—an additional challenge. And this new flight record is not a goal in itself. Rather, the project aims to push the development and use of renewable energies and strengthen people’s awareness of how resources can be used efficiently.

Deutsche Bank’s sponsorship is a conscious decision to continue with a long tradition of support for innovations. Shortly after its establishment in 1870, Deutsche Bank already participated in financing innovative projects, for example in railroad building or the development of new technologies in the areas of electricity, cars or—later on—flight. Moreover, sustainability is a particularly important issue to us—and not only because of the recent discussions about climate change (see p. 7 et seq. and 12 et seq.). We believe that promoting renewable energies is crucial in this respect (see p. 16, 26 et seq. and 54). The “Solar Impulse” project fits in with our tradition and beliefs: It is characterized by a focus on innovativeness and sustainability as well as an entrepreneurial spirit, which includes the willingness to take risks and a clear desire to be successful. That is why the values and goals represented by Solar Impulse closely resemble those of Deutsche Bank, so there is a solid basis for a reliable cooperation in the next few years.

www.solarimpulse.com



Josef Ackermann and the two pilots Bertrand Piccard (left) and André Borschberg

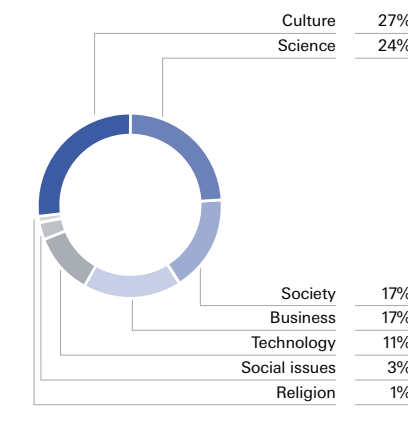
Deutsche Bank Research

DB Research, Deutsche Bank’s think tank for trends in business, society and the financial markets, has been studying sustainability issues for years. This includes, for example, the challenges of demographic change or the analysis of global growth centers. We are pioneers in new fields such as calculating national measures of well-being and prepare scenarios which show that political changes can deeply influence growth factors such as education and innovation in the long run.

DB Research advises policy makers and business managers about questions of energy security. Within the framework of the megatopic “Energy,” we focus increasingly on economic and social consequences of the global climate change and try to arrive at recommendations for taking action. We take a stance on important economic and social policy issues and promote the public discussion of such topics. That is why we actively address decision makers in companies, political and administrative institutions, research institutions and the media, participate in networks and offer a forum for discussion and debate—the latter particularly in our Berlin office, where about 25 lectures and workshops take place every year. DB Research releases about 50 studies each year, which are available for free on our website, as are Web commentaries, presentations and charts.

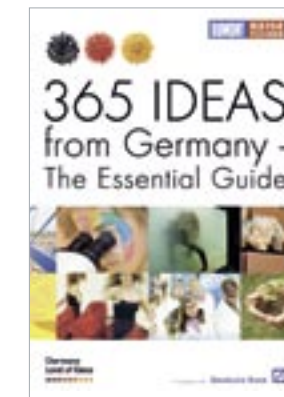
www.dbresearch.com

“365 Landmarks in the Land of Ideas” by topic in 2006



365 Landmarks in the Land of Ideas: The Future Starts Here

An orchestra of worldwide renown gives unusual orders to young composers and thus helps them to make a breakthrough, a nursing home and a primary school establish an “intergenerational” project, residential houses are developed that require only one-tenth of the “normal” energy consumption: These are only three innovative ideas from Germany that deserve more attention. In order to support exemplary commitment to the future of our society and to bring it to the public’s attention, Deutsche Bank and the initiative “Germany—Land of Ideas” jointly established the competition “365 Landmarks in the Land of Ideas” under the patronage of Federal President Horst Köhler. The response was impressive: 1,200 institutions—research institutes, companies, cultural or social projects, museums and universities—competed for the title “Selected Landmark in the Land of Ideas.” An independent jury then selected the 365 most convincing applicants on the grounds of how they display Germany’s innovative, economic and cultural potential by their ideas. On every day in



2006 a “Selected Landmark” presented its idea to the public and received a certificate by a representative of Deutsche Bank. More than 250,000 people attended the 365 presentations and got a glimpse of the places and ideas that will shape our country’s future. In fact, the “Landmarks” presentations became the biggest series of events in Germany. A network was created that will enable the 365 “Selected Landmarks” to benefit from each other.

With this initiative, Deutsche Bank supports projects and institutions which strengthen Germany’s position with their passion and entrepreneurial spirit. “Our aim is to bring Germany’s advantages to the forefront: The country’s openness to the world, its competitive strength and its ability to perform. That is the main reason why we have decided to support the initiative ‘Germany—Land of Ideas’ as a partner,” says Josef Ackermann.



One of the “Selected Landmarks”: The initiative “Local Alliances for the Family”

The initiative is continued in 2007. While it focused on ideas from the past and present in the first year, it concentrates on orientation towards the future and implementation in 2007.

Operational Environmental Protection

Sustainability, to a bank, is much more than just taking into account ecological and social aspects in its own facility maintenance. Nevertheless, it is crucial for a company's credibility to use natural resources responsibly and in an exemplary way. Only then can it make similar requirements on its suppliers, customers or business partners.

Energy: 80% of the total greenhouse gas emissions within the EU are due to carbon dioxide emissions stemming from energy consumption.

Internal guidelines and goals

- Group standard on operational environmental protection
- Sustainability Guideline for Facility Management (for Germany)
- Sustainability Guideline for Involvement of External Companies in Facility Management (for Germany)

Measures

- Steady improvement of building technology in order to use energy more efficiently
- Contractual obligation for our facility maintenance service providers to identify ways to save energy and to implement the necessary measures
- Energy-saving campaigns in order to reduce the energy consumption by changes in employee behavior
- Buying energy from renewable energy sources

Results

- Changes in energy consumption
 - in Germany between 2002 and 2006: Reduction by 10.6%
 - in New York between 2004 and 2006: Rise by 5.7%
- Changes in carbon dioxide emissions from energy generation
 - in Germany between 2002 and 2006: Reduction by 32.6%
 - in New York between 2004 and 2006: Rise by 4.9%
- 20% of the power consumed in Germany comes from renewable energy sources

Challenges and measures planned for 2007

- Preparation of a global guideline on the issue of "Inhouse Ecology," which will define ecological criteria for the selection of new and the refurbishment of existing buildings
- Integration of ecological aspects in planned renovations (in particular renovation of the headquarters in Frankfurt)
- Reduction of energy consumption
 - in Germany: Stabilization of the per-capita consumption at the level of 2004 by 2008
 - in New York: Reduction of the per-capita consumption by 2% by 2007 compared to 2006
 - in London: Reduction of the per-capita consumption by 5% by 2007 compared to 2006
- Reduction in carbon dioxide emissions stemming from energy generation
 - in Germany: Reduction of the per-capita emissions by 5–10% by 2008 compared to 2004
 - in London: Reduction of the per-capita emissions by 5–10% by 2007 compared to 2006
- Increase in the share of renewable energies in the global energy mix of the Bank

Water: Potable water from rivers and lakes makes up only 0.3% of the global water resources. Potable water is therefore a valuable resource.

Internal guidelines and goals

- Group Standard for Operational Environmental Protection

Measures

- Improvement of the existing building technology
- Obligation for service providers to identify and implement potential improvements
- Regular employee information on reducing water consumption

Results

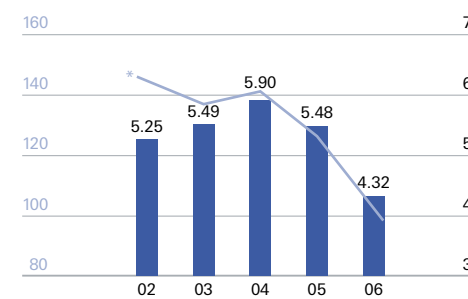
- Changes in water consumption
 - in Germany between 2002 and 2006: Reduction by 26.4%
 - in New York between 2004 and 2006: Rise by 22.1%

Challenges and measures planned for 2007

- Reduction in water consumption
 - in Germany: Stabilization of the per-capita consumption at the level of 2004 by 2008
 - in New York: Reduction by 2% by 2007 compared to 2006
 - in London: Reduction by 3% by 2007 compared to 2006

CO₂ from energy generation¹ per employee in Germany² (in metric tons)

Total consumption* (in thou. tons)

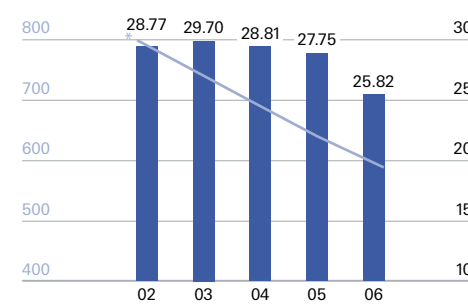


¹Change in conversion rate for CO₂ emissions

²Figures for Deutsche Bank AG and DB PBC AG

Water consumption per employee in Germany¹ (in m³)

Total consumption* (in thou. m³)



¹Figures for Deutsche Bank AG and DB PBC AG

Waste: Waste separation helped to push the share of residual waste in Germany down from 87% in 1990 to 44% in 2004.

Internal guidelines and goals

- Group Standard for Operational Environmental Protection
- Sustainability Guideline for Waste Management (for Germany)
- Within Deutsche Bank, the following principles apply:
 - Waste is to be avoided as far as possible.
 - Any waste is recycled as far as possible.
 - If recycling is impossible, the waste is orderly disposed of by certified specialized companies.

Measures

- Reorganization of waste disposal in Germany: Replacement of numerous certified companies by only two waste management companies, which act nationwide
- Order to the Association of Sheltered Workshops (GdW) to destroy confidential documents/data carriers and electronic waste
- Employee information on reducing residual waste by waste separation, in particular in London and New York
- Introduction of waste separation in London in the framework of the "bin-to-bin programme"

Results

- Significant quality improvement due to closer contact with waste disposal companies in Germany
- Reduction in total waste
 - in Germany between 2002 and 2006: By 22.4%
 - in New York between 2004 and 2006: By 61.5%
- The share of recyclable waste was
 - 64.9% in Germany
 - 86% in New York
- Volume of the orders placed with the Association of Sheltered Workshops in Germany in 2006: EUR 5.1 m. Not only can we bank on reliable and orderly waste disposal, but we also support the work of physically and mentally challenged people
- The 14 London offices received a gold medal under the Clean City Awards Scheme by the city of London

Challenges and measures planned for 2007

- Global expansion of the activities concerning waste avoidance and reduction
- Reduction of residual waste in Germany: Per-capita stabilization at the level of 2004 by 2008
- Increasing the recycling ratio to
 - 85% of all waste in New York in the long run
 - 33% in London in 2007
- Extension of the "bin-to-bin programme" in London to 100% of all workplaces by the end of 2007

Hazardous substances: By avoiding the use of hazardous substances, we not only reduce the environmental burden, but also make a contribution to health protection.

Internal guidelines and goals

- Group Standard for Operational Environmental Protection
- Sustainability Guideline for Handling Hazardous Substances (for Germany)
- Sustainability Guideline for Danger Prevention in Environmental Protection (for Germany)

Measures

- Reduction in the number and volume of hazardous substances used
- Responsible treatment of hazardous substances

Results

- Investigations about the substitution of hazardous substances in 78 cases in Germany in 2006
- Reduction of the stock of hazardous substances by about 75% in Germany since 2000
- Inventory and reduction of the volume of hazardous substances in New York

Challenges and measures planned for 2007

- Global reduction of the use of hazardous substances in Deutsche Bank buildings

Paper: Worldwide, one tree out of five is felled for paper production. Much of the pulp needed comes from countries outside Europe.

Internal guidelines and goals

- The following general principles apply:
 - Reduce paper consumption
 - Use recycled paper wherever possible
 - Use new paper which bears an FSC certificate

Measures

- Employee information on careful use of paper
- Use of recycled paper
- Use of FSC-certified paper whenever recycling paper cannot be used
- Order for an independent study on the issue of "Sustainability Aspects in the Procurement of Stationery and Paper, with Particular Consideration of Sustainable Forestry Certifications such as FSC and PEFC"

Paper: Continued.

Results

- Decline of paper consumption by 6.8% between 2002 and 2006
- Since January, 2007: All office paper in London is recycled paper
- All new paper for photocopiers, printers and standards

Challenges and measures planned for 2007

- Implementation of the results of the study mentioned above in Deutsche Bank's procedures

Traveling: 23% of global carbon dioxide emissions are caused by traffic.

Internal guidelines and goals

- Travel Policy
- DB Group Standard on global cost management
- Company car regulations
- Sustainability Guideline for Mobility (for Germany)

Measures

- Obligation to check whether conference calls and videoconferences can be used before a journey is booked
- Employees who travel a lot for business purposes receive a BahnCard (train card) from Deutsche Bank
- Financing of job tickets at many Deutsche Bank offices
- Employees pay part of the cost for their company cars depending on the car's fuel consumption
- Obligation to purchase diesel cars with a soot particle filter

Results

- 491 videoconference rooms worldwide
- More than 3,000 workplace videoconference equipment systems
- 2006: 1,563 new BahnCards (train cards) granted in Germany
- 86.7% of company cars (diesel cars) have a soot particle filter

Challenges and measures planned for 2007

- Reduction of worldwide traveling despite increased business activity
- Further investment in video and conference call equipment, including workplace videoconference systems
- Climate neutralization of business journeys and events

Catering: 75% of all fish stocks worldwide are overfished.

Internal guidelines and goals

- List of the Marine Conservation Society for endangered fish species (in London)

Measures

- Cooperation with the Marine Conservation Society in London
- Introduction of organic products in the bank restaurants in London
- Fair-trade coffee offered in more bank restaurants in Germany and London

Results

- Endangered fish species are removed from the menus in the London staff restaurants
- Fair-trade coffee offered in two additional staff restaurants in Germany and all four staff restaurants in London

Challenges and measures planned for 2007

- Extending the activities to other international locations
- Extending the procurement of fair-trade products to other locations

Environmental data (see p. 57): Basis for identifying blips, potential disruptions in operational procedures and potential improvements.

Internal guidelines and goals

- Group Standard on goals, measures and parameters in the framework of the Sustainability Management System

Measures

- Monthly review of the consumption data of the offices with more than 4,000 m² in Germany, as well as DWS, DB Bauspar and the London and New York offices
- Order for a study on the global collection of Deutsche Bank's environmental data and the extrapolation of a global carbon footprint

Results

- System of environmental data generation and aggregation externally verified by Gerling Risiko Consulting for the years 2004, 2005 and 2006

Challenges and measures planned for 2007

- Extending the environmental data collection to other international locations

Verification statement

Gerling Consulting Gruppe GmbH was commissioned by Deutsche Bank AG on February 14, 2007 to examine the data generation and aggregation systems for the operational environmental data in the 2006 Deutsche Bank report "Corporate 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 2006" of April 03, 2007.

Ina Stubenrauch *Norbert Eigen*
Ina Stubenrauch Norbert Eigen
GERLING
CONSULTING GRUPPE

COMPARISON OF ENVIRONMENTAL DATA 2002–2006: GERMANY, NEW YORK AND LONDON

		2002	2003	2004	2005 ²	2006 ²
Number of staff (full-time)	Germany ¹	27,767	24,906	23,915	23,033 (23,852)	22,770 (23,545)
	New York, 60 Wall Street	n.a.	n.a.	5,912	4,277	5,435
	London	n.a.	n.a.	n.a.	6,246	6,776
Office space (m ²)	Germany	1,477,171	1,439,000	1,185,052	1,125,699 (1,155,685)	1,085,616 (1,110,773)
	New York, 60 Wall Street	n.a.	n.a.	151,007	151,007	151,007
	London	n.a.	n.a.	n.a.	108,728	122,084
Energy consumption (gigajoule)	Germany	1,500,392	1,377,362	1,636,184	1,398,272 (1,435,605) ³	1,341,807 (1,369,950)
	New York, 60 Wall Street	n.a.	n.a.	281,657	298,536	297,735
	London	n.a.	n.a.	n.a.	— ⁴	370,554
CO ₂ emissions from energy generation (tons) ^{5/6}	Germany	145,813	136,770	140,993	126,150 (129,560) ³	98,282 (100,233)
	New York, 60 Wall Street	n.a.	n.a.	11,989	13,046	12,574
	London	n.a.	n.a.	n.a.	— ⁴	41,724
Water consumption (m ³)	Germany	798,964	739,683	688,919	639,235 (643,585) ^{3/6}	587,816 (597,085)
	New York, 60 Wall Street	n.a.	n.a.	198,864	250,248	242,883
	London	n.a.	n.a.	n.a.	— ⁴	199,913
Residual waste (tons) ⁸	Germany	7,313	7,979	6,732	5,594 (6,650) ³	5,677 (6,352)
	New York, 60 Wall Street	n.a.	n.a.	624	439	240
	London	n.a.	n.a.	n.a.	— ⁴	1992.51
Recycled waste (tons) ⁸	Germany	n.a.	n.a.	12,288	9,478 (9,799)	10,703 (11,005)
	New York, 60 Wall Street	n.a.	n.a.	899	1,373	1,589
	London	n.a.	n.a.	n.a.	— ⁴	668
Hazardous waste (tons) ⁸	Germany	n.a.	n.a.	126	129 (131)	116 (120)
	New York, 60 Wall Street	n.a.	n.a.	n.a.	n.a.	3
	London	n.a.	n.a.	n.a.	— ⁴	98
Traveling Deutsche Bank Group (million km)	Worldwide					
	By plane	n.a.	n.a.	n.a.	n.a.	920.45
	< 500 km	n.a.	n.a.	n.a.	n.a.	48.65
	> 500 km	n.a.	n.a.	n.a.	n.a.	871.80
	Germany	104.18	87.08	95.90	102.44	117.67
	By plane	72.64	62.99	72.29	76.36	91.55
	By train	23.23	16.82	18.71	21.36	21.61
	By rental car	8.31	7.27	4.90	4.72	4.51
	USA	n.a.	n.a.	n.a.	226.66	281.74
	By plane	n.a.	n.a.	n.a.	226.04	280.60
	By train	n.a.	n.a.	n.a.	0.62	1.14
	United Kingdom	n.a.	n.a.	n.a.	159.89	188.92
By plane	n.a.	n.a.	n.a.	159.89	188.92	
CO ₂ emissions resulting from business traveling (tons) ^{5/6}	Worldwide	n.a.	n.a.	n.a.	n.a.	103,195
Germany	11,175	9,531	10,285	10,886	12,599	
USA	n.a.	n.a.	n.a.	24,986	31,087	
United Kingdom	n.a.	n.a.	n.a.	18,547	20,781	
Paper consumption (tons) ⁸	Germany	5,860	5,314	5,401	5,380 (5,430) ³	5,463 (5,752)
	Photocopy paper	2,123	1,942	2,082	1,821 (1,871)	1,757 (2,046)
	of which recycled paper	136	135	108	60	34
	Printed documents	3,737	3,372	3,319	3,559	3,706
	New York, 60 Wall Street	n.a.	n.a.	n.a.	524	— ⁷
	Photocopy paper	n.a.	n.a.	n.a.	513	— ⁷
	of which recycled paper	n.a.	n.a.	n.a.	11	— ⁷
	Printed documents	n.a.	n.a.	n.a.	n.a.	— ⁷
	London	n.a.	n.a.	n.a.	984	758
	Photocopy paper	n.a.	n.a.	n.a.	444	468
	of which recycled paper	n.a.	n.a.	n.a.	—	—
	Printed documents	n.a.	n.a.	n.a.	540	290

¹Germany: Figures for DB AG and DB PBC AG

²Figures in brackets for DB AG, DB PBC AG, DWS and DB Bauspar

³Updated figures

⁴No comparability with the data for 2005

⁵Change in carbon dioxide emission factors: Power (kg/kWh) GER power mix (80% since 2006): 0.453 (GHG Protocol); power (kg/kWh) GER from water energy (20% since 2006): 0.004 (VfU figures); power (kg/kWh) UK: 0.467 (GHG Protocol); power (kg/kWh) US from natural gas (25%): 0.442 (GHG Protocol); power (kg/kWh) US from water (75%): 0.004 (VfU figures); gas (kg/kWh): 0.19 (GHG Protocol); heating oil (kg/kWh): 0.268 (GHG Protocol); district heating (kg/kWh) GER: 0.161 (VfU figures); district heating (kg/kWh) US: 0.269 (GHG Protocol); energy for emergency power aggregates (kg/kWh): 0.265 (GHG Protocol); cars (kg/passenger km): 0.1725 (Federal Motor Transport Authority); train (kg/passenger km) GER: 0.046 (Deutsche Bahn); train (kg/passenger km) USA: 0.195 (GHG Protocol); short flights (kg/passenger km): 0.15 (GHG Protocol); long flights (kg/passenger km): 0.11 (GHG Protocol)

⁶Excluding DWS

⁷Data not available at the time of going to press

⁸In metric tons

Sustainability in Corporate Purchasing

For Deutsche Bank, sustainability means that ecological, social and ethical criteria are taken into account during the selection procedure for our products and suppliers. By including minimum standards in our product specifications and defining requirements on our suppliers, we demand and promote our suppliers' commitment to sustainability. In 2006, Deutsche Bank spent roughly EUR 7 billion on goods, materials and services worldwide. This shows that corporate purchasing is also important for us as a financial services provider.

The following internal policies apply worldwide and set out how sustainability aspects have to be taken into account in procurement and the supplier selection procedure and how nepotism and corruption are to be prevented:

- Global Sourcing Policy
- Global Outsourcing Policy

IN 2006, WE REACHED THE FOLLOWING GOALS IN SUSTAINABLE PROCUREMENT:

- Development of new and review of existing sustainability criteria catalogues
- Incorporation of sustainability criteria in procurement decisions, even if this

led to additional cost for Deutsche Bank in some cases

- Implementation of first steps towards a uniform system for supplier assessment
- Obligation for our suppliers in strategic procurement to comply with the code of conduct even if they use sub-suppliers

FOR 2007 WE HAVE SET OURSELVES THE FOLLOWING GOALS:

- Extending the use of sustainability criteria catalogues to tender procedures abroad
- Expansion of the supplier assessment

system for the entry procedure into the electronic procurement system

- Review and adjustment of the existing policies

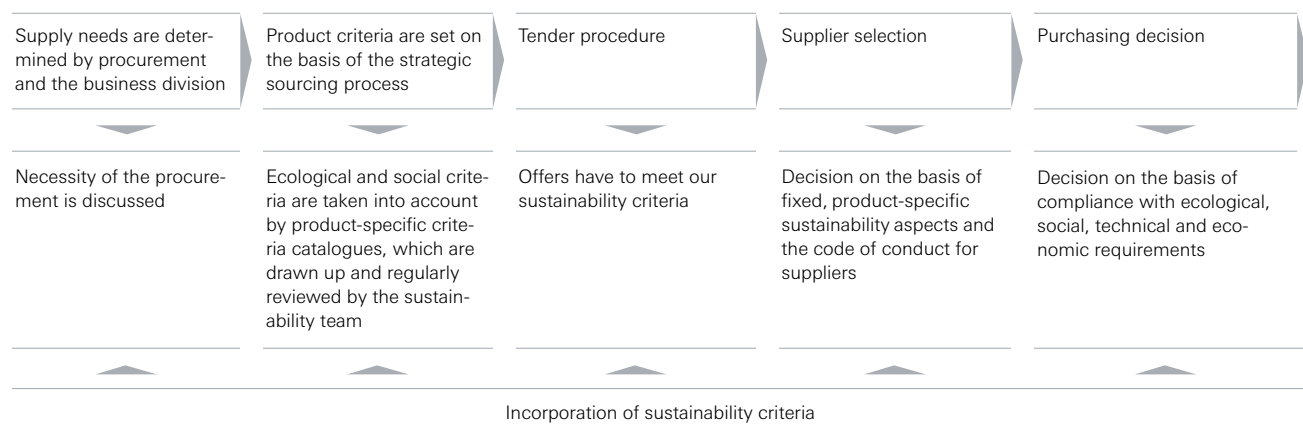
Code of Conduct for Suppliers

- Guarantee of equal opportunities
- Recognition of the right to collective bargaining
- Healthy and safe working environment
- No forced or child labor
- Business activities in line with ecological criteria and careful use of resources
- If a number of offers are equivalent, sustainability principles and environmental responsibility are the decisive criteria for selecting a product or a supplier.

Example of a procurement procedure: Procurement of office equipment

In February 2006, a global bid for offers for computers, monitors and laptops was tendered. In this context the existing environmental criteria catalogues were reviewed and social criteria were newly included. Energy efficiency requirements were considerably tightened with the help of the website www.office-topten.de maintained by Deutsche Energie-Agentur (dena). The sustainability criteria questionnaire had to be filled in during the tender procedure, which took place via Deutsche Bank's e-sourcing platform. The purchasing decision was taken in April 2006. The selected suppliers are among the top group in terms of our sustainability criteria.

Incorporating sustainability criteria in the purchasing process



Corporate Security & Business Continuity (CSBC)

In April 2006, the Business Continuity Management and Corporate Security functions were merged. Objectives of this merger were to enhance the interface with, and service delivery to, the business; be more agile in responding to the challenges of a constantly evolving operating model, and deliver better protection of the Bank's activity streams against current and future threats.

Deutsche Bank continues building strong relationships with auditors, regulators, and government bodies around the globe to help drive its CSBC activities and to maintain open and timely communication in crisis events. 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 Associa-

tion of Banks in Singapore, which help promote security and business continuity, knowledge sharing and best practice across the financial industry.

Close cooperation with international governments and institutions such as the US Department of Defense and The Institute of Defense and Strategic Studies ensures that CSBC continues to exchange knowledge with leading external subject matter experts.

Towards the end of 2006, Deutsche Bank participated successfully in the London market-wide crisis management exercise which was run by the UK's Tripartite Standing Committee (HM Treasury, the Bank of England and The Financial Services Authority (FSA)). The exercise scenario, which was run over a 6-week period, was based on the first

week of an avian flu pandemic. Like last year, Deutsche Bank assisted the FSA in the scenario development. In addition to participating in regulator- and industry-driven exercises, Deutsche Bank also successfully completed an ambitious program of internal crisis management exercises. Scenarios and locations tested were diverse. For example, an exercise dealing with cyber-threats held in New York and an exercise in Tokyo where the scenario was based on business disruption caused by a bomb threat. A new initiative in CSBC's crisis management program includes Social Engineering Workshops which were successfully launched last year and will continue in all hubs throughout 2007. This initiative is mainly aimed at the Bank's business divisions which strongly support this concept.

Political Dialogue

The efficiency of financial markets and financial services—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. It is against this background that Deutsche Bank participates actively in political dialogue, in the enhancement of legal foundations and in the improvement of regulatory frameworks. Political dialogue and lobbying are an intrinsic part of our social responsibility. We engage in dialogue at all levels of political opinion-forming and decision-making. For example, we support a number of initiatives that aim to improve the framework conditions for the capital markets. Moreover, we back the work of expert committees in professional associations, legislative institutions, and regulatory bodies by providing exper-

tise and human resources. Our political work focuses particularly on Berlin, Brussels, London and Washington, D.C. Our main aims are to strengthen Germany as a financial center, 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

Deutsche Bank established a representative office to the EU in Brussels more than 15 years ago in order to enhance the contact between the Bank and the EU institutions. On the grounds of our market expertise we contribute to legal initiatives which affect the banking sector. Exchange of information is usually in form of open consultations by the EU

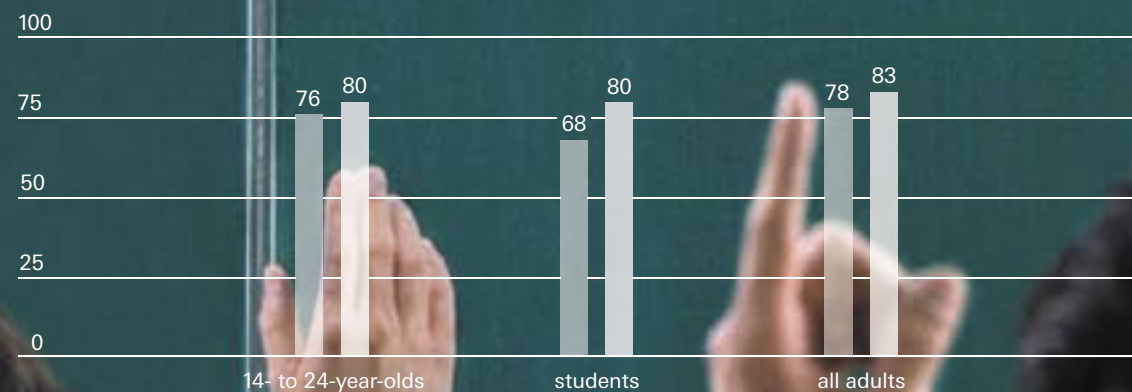


Against the background of the German EU presidency we support the arts installation "More Light!" in Brussels

institutions, in which representatives of the financial services sector and other stakeholders (such as consumer associations) participate. Our EU office monitors pending and planned legislation and other political initiatives of the EU institutions and informs the Bank's departments which are affected by the issues under discussion about the relevant developments.

“Economic Contexts Need to be Covered More in Schools.”

in % ■ 2003 ■ 2006



Education

Many young people are well aware of the deficits in their knowledge of economics and are calling for schools to offer increased coverage of economic contexts. Among students, the interest in financial topics is growing with each passing year. Whereas 68 percent of all students in 2003 wanted more financial topics to be covered in school, in 2006 it was already 80 percent. That is why Deutsche Bank has started various educational projects in the field of economics. As a result, in our initiative entitled “General Education in Finance,” we are introducing students to the world of personal financial management and helping them learn to handle money responsibly.

Hands-on Economics: When Bankers Come to School

Can 10- to 17-year-olds get into debt? They can, and they do, too, as the representative study Young People and Money 2005 of the IJF Institute for Youth Research found out at the request of the Schufa, Germany's credit control agency. One out of five in this age group admitted to spending more money per month, on the average, than at his/her disposal. Six percent can be regarded as being in debt since they are unable to repay the money. Going out, fast food, clothing, cell phones—these are the four largest debt traps for young people.

Once they are of legal age and earning their first regular income, the lack of financial planning becomes all too evident. Instead of owing their parents for advanced allowances, they now encounter bill reminders, open leasing rates, or unpaid loans. Among the Schufa's so-called hard negative entries, the 25- to 29-year-olds are the inglorious leaders of the pack. This confirms that many young people do not concern themselves enough with the world of the red and the black, debit and credit.

It is true that there are school curricula in place in all German states that address economic topics. Yet the perspective of the user is often neglected. In order to offer students an orientation in personal finance, Deutsche Bank started the initiative entitled "General Education in Finance" in 2005. It is designed primarily for those who will soon be graduating from school. Christian Stronk, member of the Board of Directors of Deutsche Bank Foundation, is convinced that "financial knowledge must be promoted precisely for those transitioning from school to vocational training or the university." For today, even in one's early years, vital matters like providing for one's old age or avoiding excessive loan debts need to be addressed. Stronk describes the goal of the initiative by saying, "We want to place young people in the position to responsibly take their present and future financial planning into their own hands."

Evaluation of the project "General Education in Finance": 27 visits to schools by bank employees in the fall semester of 2006; all school types included

- 95% of the expectations of all teachers were fulfilled
- Above all, the school visit by the client advisors of Deutsche Bank were rated as "very good" or "good"
- All classes will participate in the project a second time
- The instructional material has the potential to be perfected
- Doves-tailing students with the business world is absolutely desired
- The suggestions made in the feedback questionnaire in response to the question "What additional support do you wish the business world to offer?" will be taken up in the economic educational programs of Deutsche Bank.



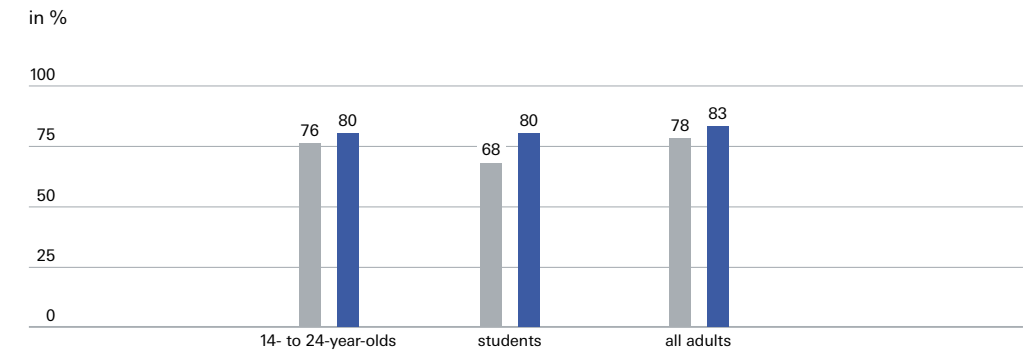
Financial literacy: Reading the newspaper is also part and parcel! The initiative was started in cooperation with the trade paper "Handelsblatt"

Many young people admit that they enjoy looking after their own money matters. Nevertheless, they consider their financial knowledge to be minimal. Compared to 2003, the percentage of those desiring increased coverage of economic topics in school rose, not only among young people but among adults as well; the greatest increase, however, was among the students surveyed. Moreover, nearly 8 out of 10 are in favor of introducing economics into the school curriculum as a separate subject.

Source: Bank Association/ipos, Youth Study, 2006

■ 2003
■ 2006

"Economic Contexts Need to be Covered More in Schools."



Deutsche Bank employees gear instruction to practical applications



Ingo Liebenow, director of an Investment & Finance Center in Berlin, responds to questions from students of the Georg-Mendheim-Oberstufenzentrum

In cooperation with schools, the project "General Education in Finance" can conceptually build upon the competence that the Bank has amassed in various educational programs. Since 1998 the Deutsche Bank Foundation, together with the IZOP Institute, has conducted the international project for economic education entitled "Youth-School-Industry" (see p. 65). Within the framework of the initiative "General Education in Finance," customer advisors of Deutsche Bank cover the subject matter. In order to visit a school, they interrupt their daily routine for one day. "Our employees—competent partners for the concerns of students, parents, and teachers—are an important means to advertise our company," comments Guido Heuvelodp, member of the Board of Deutsche Bank Private and Business Clients. The Bank employees—120 advisors will be trained for the initiative by May 2007—handle up to four sessions per year in which they impart practical financial knowledge to young people.

The subject matter grows out of the topics that the students are dying to discuss: Can you tune a leased car? Is it a good idea to buy a TV at a bargain price and, by doing so, overdraw your account? These are two typical questions of this age group for Ingo Liebenow, who answered the students' questions at the Georg-Mendheim-Oberstufenzentrum in Oranienburg. The director of the Investment & Finance Center of Deutsche Bank on Kladower Damm in Berlin found out that 70 percent of all the questions dealt with the topics credit, debt, and interest. Yet different forms of financial investment also interested the young people. In order to increase the learning effect, Liebenow let the students discuss strategies and do calculations based on real-life examples. His way of imparting knowledge was very well received by Brigitte Kühnlenz. The teacher of the honors course in economics sees this information offering as "a helpful, consumer-oriented supplement to the curriculum," one which she could also refer to later in her course. Ingo Liebenow's ultimate insight after completing his instruction: "In order to avoid debt traps, young people must personally watch their finances as early on as possible. To that end, we are guides and dispensers of knowledge."

Other Education Projects (Selection)

From the standpoint of having a long-lasting impact, education is mankind's most important resource. Both in countries like Germany—not just because of changing demographics—and in developing countries, education is a decisive factor in being able to deal with the future. That is why Deutsche Bank initiates and supports projects throughout the world that instill a love of learning in children and young people, help them overcome existing obstacles, and develop their individual potentials. Our commitment to education, in which we invested EUR 20.2 million worldwide in 2006, encompasses four main areas of support: These are educational projects that mix learning with economics, cultural educational programs and initiatives that prepare young people for professional life. Yet, beyond that, we also particularly support excellence in academic research and teaching (see p. 89). At all times, we seek to enable people to realize their full potential, thereby helping them turn their possibilities into abilities.



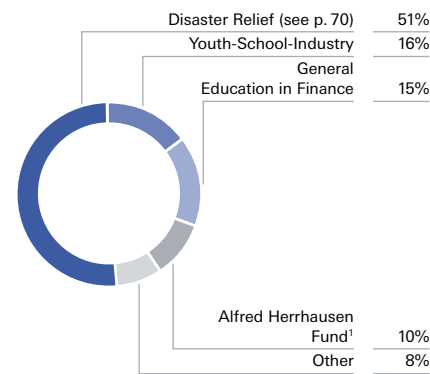
93 percent of all participants in the Hanover Coaching Program were able to improve their grades



Deutsche Bank employee Kate Verhagen (third from left) with students of the Zitikeni School, Tembisa

Deutsche Bank Foundation

Education and community development support in 2006
Total: EUR 4.4 million (see p. 102)



¹ Principally for support projects for young people, see p. 70



KINDER ZUM OLYMP! Over 800 projects have been submitted for the new 2006/07 round of the competition



Team meeting in the Youth Bank, Cottbus, which became the 21st regional Youth Bank in November 2006

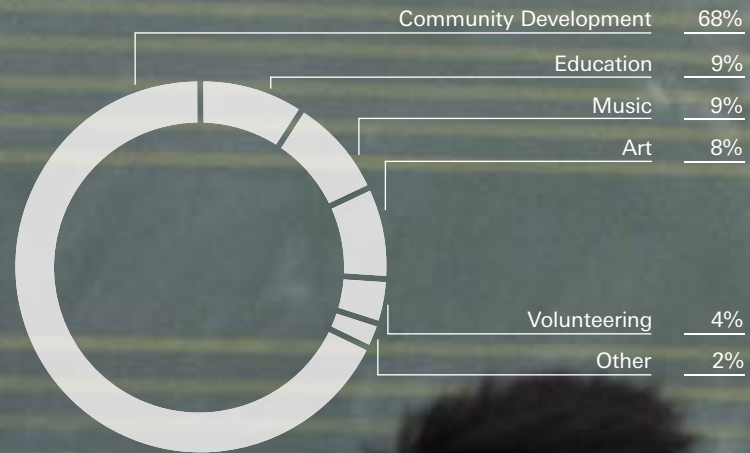


Last year we were able to provide schooling for over 2,600 AIDS orphans (see p. 71)

Project	Description	Goal	Results
Youth-School-Industry: Dialogue in Europe Germany, Poland, Czech Republic, Hungary, Slovenia, and Slovakia, since 1998 www.jsw-online.de	Competition in the area of economic education whereby students research regional economic topics and present their findings and expertise in a local newspaper Journalists of the local newspaper provide counseling	To transcend the school curriculum To impart practical economic knowledge To create lasting contacts between students of various nations	Participation since 1998: 14,460 students 764 schools 880 teachers
Youth Bank in cooperation with the German Foundation for Children and Young People and the Office of Youth Involvement Germany, since 2004 www.youthbank.de	Support for the Youth Banks in which young people actively help their peers realize their own personal project ideas. Employees of Deutsche Bank serve as mentors for the young "bankers"	To stimulate educational processes outside the classroom To allow young people to realize their own ideas To support employees' voluntary commitment	Participation: 37 young people run 21 Youth Banks 28 bank employees serve as mentors Basic support in 2006: EUR 62,977 Support for 176 micro-projects
KINDER ZUM OLYMP! Youth initiative of the Cultural Foundation of the German States and Deutsche Bank Foundation Germany, since 2005 www.kinderzumolymp.de	Competition in the area of cultural education which invites schools to develop, together with cultural institutions and artists, cooperative projects in 7 categories	To open up realms of cultural experience for young people To develop new concepts for cooperation between schools and the cultural sector	2005 and 2006: 548 competition entries Awards given to 66 projects in 7 categories
Articulate in cooperation with the National Gallery; London, since 2002 www.nationalgallery.org.uk/education	Project to support the literary talents of students: Collaboration between the National Gallery and 10 London partner schools, Deutsche Bank, and writers	Schools involved have below national average examination results. The aim is to increase the student's literacy rates to have a positive impact on exam results	Participation of 1,360 students 83% of the students improved their grades in English 41% of the students visited a museum for the first time
Hanover in cooperation with the Hanover Foundation London, since 2005 www.hanoverfoundation.org.uk	Program to address issues of disaffection and alienation in young people by offering them professional business coaching in the areas of personal development and performance	To have 55 students to take GCSE exams To have 30 of them receive A to C grades	42 of 55 students achieved A to C grades A total of 93% of the participants improved their grades in school
School Facilities New York City, since 2002 www.community.db.com	Support for charter schools and new small schools committed to creating and improving school facilities in disadvantaged communities	To increase the types of excellent school options available to students in disadvantaged communities by providing new small schools and charter schools with access to capital and support with the complex process of developing new infrastructure	Research, advocacy and new partnerships have been formed to advance new means for developing new schools
Schools Adoption Programme in cooperation with the National Business Initiative (NBI) South Africa, since 2004	Support for schools in Tembisa: Teacher training Expansion of extracurricular offerings for students Expansion of the natural science curriculum	To improve general education with an emphasis on the natural sciences To increase the motivation of teachers and students	Numerous educational projects were successfully initiated Improvement of students' grade point averages
Career Choice Assistance Programme South Africa, since 2006	Development of training material for teachers to facilitate learners to identify their career options	To support disadvantaged young people in their search for a career To offer programs for career counseling	Pilot project began in 2006 Completion of instructional materials for further distribution expected in 2007

Deutsche Bank Americas Foundation—Support in 2006 by Topic

Total: EUR 12.3 million



Community Development

Deficits in education and social inequality are catchphrases that are a central part of any discussion of today's educational system. Along with one's social background, being descended from immigrants plays a decisive role in the educational career of a young person. This problem is not only relevant in Germany but in the world at large. In order to counteract this situation, Deutsche Bank, along with its international foundations (see p. 101 et seqq.), supports disadvantaged young people through a multitude of programs. Our work over the past years has shown that it is precisely where social initiatives and educational projects meet that the most long-lasting results can be achieved. Last year our Americas Foundation alone invested a total of more than EUR 9 million in the areas of education and community development. As a result, educational projects such as "Classroom, Inc." and "Sponsors for Educational Opportunity" were promoted and funded.

A Good START to One's Career— Counseling and Support for Disadvantaged Young People

Three different places, three nationalities, and one career goal: To work for a bank. Ekaterina from Russia, Sanjay from England, and Vernal from the USA are three of 95 young people who participated in the project "I Have a Dream" at Deutsche Bank in 2006. This international program focuses especially on young people from migrant families, as well as those from SOS Children's Villages, who are about to start out on careers. It offers them an opportunity to get to know the world of banking through a four-week summer internship in one of eight German cities, or Kraków, New York or London. The goal of "I have a Dream" is to provide the young people with new perspectives and to motivate them to be proactive about pursuing their career goals. "In addition, the program is also a part of our Global Diversity initiative, through which we foster diversity group-wide," says Heidrun Förster, Chairperson of the Staff Council in Berlin and Deputy Chairperson of the Supervisory Board of Deutsche Bank, who as project sponsor accompanied the young people on their ventures. One of these young people, Sanjay Budhdeo, for instance learned how company mergers take place and helped put together branch office reports. After his experience, he is certain that "investment banking is the right thing for me. The period of practical training has convinced me to aim for a career in the mergers and acquisitions field."

"I Have a Dream" is only one of many projects with which Deutsche Bank and its staff members are helping young disadvantaged people around the world. For years, the Deutsche Bank Americas Foundation has been participating in the "Classroom, Inc." initiative. This program is directed at children from migrant families for whom learning English is an essential prerequisite for succeeding at school. Also in the U.S., the "Sponsors for Educational Opportunity" (SEO) project motivates students from socially deprived families to complete high school and college with the best grades they can, in order to increase their chances of getting good jobs in the future. Those who are accepted into the renowned SEO program profit considerably from the intense counseling they receive from mentors and from the organization's widespread network of partnerships. As a project partner, Deutsche Bank provides practical training in investment banking.



"I Have a Dream" took place for the first time in 1997 in New York City. A global internship program held during summer vacations, it has been offered in London, New York, and various locations in Germany since 2001, adding Kraków to the list in 2003

The education situation of school-children descended from immigrants

After the USA, Germany is the OECD country with the most inhabitants born abroad. In the German education system, the situation of children descended from immigrants is worse than that of their peers, whose families have lived here for some generations: The former are three times more likely to leave school without any kind of diploma than the latter. The most common qualification for children descended from immigrants is the "Hauptschulabschluss" or secondary school-leaving certificate, which over 40% of them achieve. Only 8.2% graduate with the equivalent of a high school diploma, compared with 25% for children whose families have lived here for some generations.

Sources: Federal Statistical Office Germany, 2004/05. OECD Study on Labor Market Integration of Immigrants in Germany, 2005.

In 2006 the Deutsche Bank Americas Foundation provided more than EUR 9 million to support social initiatives and educational projects. Besides furthering educational programs in which social aspects play an integral role, the foundation's work also concentrates on urban development initiatives, projects promoting intercultural understanding, and supporting culture.

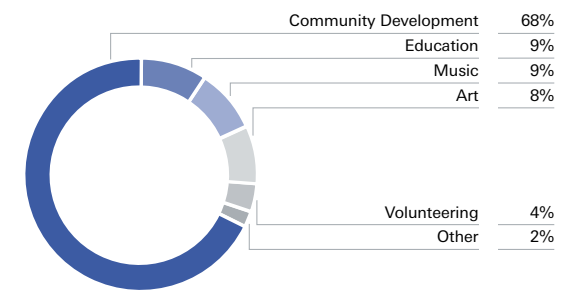
¹ For further information see p. 104



START help for higher education, in cooperation with the Hertie Foundation

Deutsche Bank Americas Foundation¹—Support in 2006 by Topic

Total: EUR 12.3 million



The START initiative in Germany also aims at improving opportunities for motivated schoolchildren from migrant families—both at school and when they set out on careers. START was inaugurated in 2002 by the non-profit Hertie Foundation and is supported by city governments, private individuals, as well as other foundations. Almost 300 gifted and socially committed schoolchildren from more than 50 countries have received the START scholarship to date. Support includes EUR 100 and a computer with an Internet connection. To these are added a wide range of counseling and training programs to support the young people in planning their education and future careers, contacts to companies and help in finding practical training, and a continually growing network of former project participants. Wherever possible, Deutsche Bank enhances its financial support with the personal contribution of our staff, and in this case, volunteers from the Bank act as mentors for the scholars. "We accompany the young people in their life in this country," says Christian Stronk, member of the Board of Directors of Deutsche Bank Foundation. "This includes practical things such as helping them to open a bank account or do paperwork with the German authorities." The sponsorship program is already showing positive results: 40 percent of the scholars improve their grades at school in the first year, and 70 percent participate in some kind of volunteer work.



Up to 20 START scholarships are awarded each year to students in grades 8 through 13. Besides academic performance and societal commitment, character as well as financial and familial circumstances play an important role in the selection process

Other Community Development Projects (Selection)

Whether urban development initiatives, disaster relief, or projects that improve the educational and vocational chances for disadvantaged children and young people—the most effective help is always that which puts people in the position to shape their own lives in accordance with their own visions. That is why we want to offer assistance in difficult situations and create opportunities—in 2006 with assistance in the amount of EUR 41.6 million worldwide. Especially in the sensitive area of social commitment, Deutsche Bank seeks to work cooperatively with local organizations, clubs, experts, and institutions of various kinds. In this way, we not only utilize our financial resources but also our networking, our know-how as a financial services provider, and the competence of our employees.



Through our programs in Africa and Asia, we currently support some 37,000 AIDS orphans

Deutsche Bank and Disaster Relief

Deutsche Bank, its clients, and employees donated a total of more than EUR 15.5 million for the victims of the tsunami in Asia and the earthquakes in Pakistan and Indonesia. In addition, employees on the scene were actively involved, participating in emergency aid measures or identifying effective projects. To do this, we developed a catalogue of criteria, the foundation for deciding which organizations and projects are worthy to receive financial assistance. The focus was on those partners with whom bank employees themselves were voluntarily involved in the assistance effort; consequently, they could help assure that things were done properly. In the meantime, our relief projects in Sri Lanka, Thailand, Indonesia, and Pakistan are mostly well under way or completed. Only a very small portion of the donated funds has yet to be dispersed. Nevertheless, we will continue to accompany and assist ongoing projects. For detailed information about assistance projects and distribution of donations see: www.disasterrelief.db.com



IFC Kirchheim took 47 children from the SOS Children's Village in Schorndorf to an amusement park



Assistance from the Alfred Herrhausen Fund enabled the Prisma e.V., an initiative for youth support and the prevention of criminality, to expand its workshop in which young offenders receive vocational training that qualifies them for employment

Project	Description	Goal	Results
Alfred Herrhausen Fund Germany, since 1987 www.deutsche-bank-stiftung.de	Support for projects that improve future chances for disadvantaged and handicapped young people	<ul style="list-style-type: none"> To prepare young people to begin careers as trained workers To equip young people for a life of autonomy and self-responsibility To help people help themselves 	2006: <ul style="list-style-type: none"> Support totaling over EUR 300,000 for 19 projects
Initiative "A Future for Children" partnership with SOS Children's Village e.V. Germany, since 2003 www.sos-kinderdorfinternational.org	<ul style="list-style-type: none"> Support for the organization SOS Children's Village e.V. Germany Establishing a savings contract of EUR 200,000 through Deutsche Bank Bauspar AG in October 2003 	<ul style="list-style-type: none"> To provide long-term support for children in SOS Children's Villages To involve bank employees in volunteer activities 	<ul style="list-style-type: none"> Support for the SOS Patron Weeks Through donations by the Bank, clients, and employees, the initial amount of the savings contract had grown to a total of EUR 1,376,000 in 2006

Project	Description	Goal	Results
Education Program for AIDS Orphans in cooperation with the Education Development Center (EDC) and international organizations; Cambodia, India, Laos, Thailand, and Vietnam, since 2003	<ul style="list-style-type: none"> Distribution of schooling grants and day care for children afflicted with HIV/AIDS Providing instructional programs for AIDS prevention and anti-discrimination Conducting psychological counseling programs 	<ul style="list-style-type: none"> To give afflicted children a perspective for the future To contribute to AIDS prevention 	2006: <ul style="list-style-type: none"> Awarded grants to 2,607 children to overcome specific educational weaknesses and prepare them for careers Supported a total of 12,703 children and their families
Nurturing AIDS Orphans for Humanity (NOAH) South Africa, since 2001 www.noahorphans.org.za	Support for the NOAH Initiative that provides communities with the capacity to care for the orphans and vulnerable children	<ul style="list-style-type: none"> To create an infrastructure and a social network for AIDS orphans To make schooling and vocational training available 	<ul style="list-style-type: none"> Caring for more than 25,000 children at this time Improving management and the spectrum of achievement
Project Shoreditch London, since 2005 www.communityuk.db.com	Community development initiative in the district of Shoreditch in East London to improve the quality of life and education and to contribute to lasting urban development; in cooperation with East London Business Alliance, Linklaters, UBS, and Shoreditch Trust	<ul style="list-style-type: none"> To run a long-term employee engagement program To support non-profit grassroots organizations which address local problems To break down barriers and assumed stereotypes between the City and the community To ensure that the companies' involvement is a true "engagement" with the local community To strengthen the motivation of the residents and helpers to improve their district 	<ul style="list-style-type: none"> Participation of a total of 914 volunteer employees who supported 48 organizations The project has directly benefited 644 local people and indirectly benefited almost 8,000 residents In-kind support: GBP 21,438 Financial support: GBP 75,800
Working Capital Program—Round VI New York, since 1994 www.communitydb.com	The program provides direct support to community-based organizations in New York City that are engaged in developing their communities through the creation of affordable housing, community centers, schools and other public use facilities	<ul style="list-style-type: none"> Supporting the earliest and most risky stage of development Encouraging best practices in working with new partners, building "green," planning for emerging community needs, and improving design and livability Engaging leaders of community development in direct support of those on the ground who are implementing new solutions 	2006: <ul style="list-style-type: none"> Support for 11 organizations, each receiving USD 225,000 Distribution of over USD 7 million since the program began Implementation of 6,000 units of housing and community centers
StreetSmart London, since 2006 www.streetSMART.org.uk	Support for the organization StreetSmart, which cooperates with restaurants to gather donations for the homeless: In the Christmas period, patrons could voluntarily add an additional pound to their bills as a donation	<ul style="list-style-type: none"> To collect donations To increase awareness for the problems of homeless people 	<ul style="list-style-type: none"> Increase in the number of participating restaurants (2006: 290 vs. 2005: 253) Support for approx. 50 projects for the homeless
Disaster Relief: Hurricanes Katrina and Rita Gulf Coast, USA, since 2005	Reconstruction assistance through financial support and relief efforts by bank employees	<ul style="list-style-type: none"> To preserve unique cultural aspects To create information systems to help care for hurricane victims To support new local relief organizations 	<ul style="list-style-type: none"> The Bank collected donations in the amount of USD 1.8 million Support for 5 nonprofit organizations Coordination of relief efforts and communication systems

Music

Participants in the Bank's Cultural Education Programs (Selection)

KINDER ZUM OLYMP! (see p. 65)	■	548
Deutsche Bank Foundation Youth Art Prize (see p. 83)	■	270
"The Threepenny Opera" poster competition	■	465
"The Threepenny Opera" printed program competition	■	1,529
Zukunft@BPhil (see p. 77)	■	6,458
Cooper Hewitt's Design Directions Program (see p. 83)	■	550
New York Philharmonic Education Program	■	3,250

In Brecht Year 2006, we provided financial support for the new production of "The Threepenny Opera" in Berlin's Admiralspalast. True to our maxim "More than Money," Deutsche Bank initiated two competitions, one for art and design students and one for schoolchildren. The aim was to prompt young people to grapple with a modern classic. The entries surpassed all expectations: 465 students submitted poster designs while 1,529 students wrote texts for the printed program. At the international level, we also support cultural education— young people's creativity and the ability to think— through countless additional projects and competitions. The lively response to these offerings has convinced us of the importance of our work and proves that our commitment pays off.

Pimp My Brecht

A Sponsoring, 234m² of Posters, and Texts From 80 Different Schools

What do people associate with “The Threepenny Opera?” For Sylvia Janssen, Brecht’s work evokes blue-black night skies, neon advertising, and laser shows—the interplay of shapes, colors, and lines. “The red light milieu and the constant shifts between reality and appearance inspired me to tackle this theme,” says the communication designer from Hamburg, whose work was the result of a competition announced by the Deutsche Bank Foundation. On the occasion of the Brecht Year in 2006, the foundation participated in a production of “The Threepenny Opera” in Berlin, sponsoring a poster design and printed program competition as a part of this commitment.

Back in the summer of 2005, theatre director Lukas Leuenberger had asked Deutsche Bank if it would be prepared to provide financial support for a new production of “The Threepenny Opera” under the direction of Klaus Maria Brandauer. The première was planned for the 50th anniversary of Brecht’s death and the reopening of the Admiralspalast in the Friedrichstraße in mid-August of 2006. For the 45 performances of the opera, the two directors assembled a troupe of artists and performers whose composition was unique in the world of theatre. Mac the Knife was played by Campino, lead singer of the “Tote Hosen”; Polly was played by Birgit Minichmayr, the shooting star of the German-speaking theatre scene; Mr. and Mrs. Peachum were played by Gottfried John and Katrin Sass; and the music was performed by the German Film Orchestra from Babelsberg. “Leuenberger and Brandauer were so enthusiastic that we just couldn’t say no,” recalls Michael Münch, member of the Board of Directors of Deutsche Bank Foundation. “In addition, the project fitted perfectly into our concept of supporting a special big cultural event every year on top of the various long-term cultural commitments that we have.” In previous years, these annual projects have included Peter Stein’s production of “Faust” and the New York Museum of Modern Art’s (MoMA) exhibition in the Neue Nationalgalerie in Berlin.



From sharks to neon light advertisements: 234m² of creative posters did not make the jury’s decision an easy one. The best designs were displayed at the Admiralspalast and printed in a special postcard collection



First Prize for her depiction of the urban milieu at night: Sylvia Janssen, communications designer, Hamburg

“The Threepenny Opera,” Berlin 2006

Total attendance	70,000
Performances	45
Tickets for Deutsche Bank employees	746
Tickets for Deutsche Bank clients	1,695
Participants in printed program competition (among 80 schools)	1,529
Participants in poster competition	465

Whether it be projects that introduce young people to classical music, that call for cooperative efforts between schools and cultural institutions, or that elicit debate over contemporary art, the response is overwhelming. Since 2002, for example, 6,458 young people have taken part in Zukunft@BPhil (see p. 77). We will continue this long-term commitment, yet we also will create new initiatives as circumstances arise. Thus, we are sponsoring a photography competition in 2007 to accompany Peter Stein’s production of “Wallenstein” in Berlin.



Over 300 students attended the awards ceremony at the Concert Hall at Gendarmenmarkt in Berlin

Participants in the Bank’s Cultural Education Programs (Selection)

KINDER ZUM OLYMP! (see p. 65)	548
Deutsche Bank Foundation Youth Art Prize (see p. 83)	270
“The Threepenny Opera” poster competition	465
“The Threepenny Opera” printed program competition	1,529
Zukunft@BPhil (see p. 77)	6,458
Cooper Hewitt’s Design Directions Program (see p. 83)	550
New York Philharmonic Education Program	3,250

But it wasn’t sufficient for the Deutsche Bank Foundation simply to sponsor “The Threepenny Opera,” and so, true to its maximum of supporting cultural education, the foundation announced a printed program competition for students from the ninth class upwards and a poster competition for art and design students and young professionals up to the age of 30. Both initiatives are part of a series of competitions run by the foundation in the field of youth cultural education, for instance KINDER ZUM OLYMP! (see p. 65) and the Deutsche Bank Foundation’s Youth Art Prize (see p. 83). “The response to the Brecht projects surpassed all our expectations,” recalls Michael Münch enthusiastically months later. 80 school classes and courses submitted program designs, for which the schoolchildren, according to the competition rules, had worked in groups “focusing on the subject matter and the parameters of time, place, protagonists and genre, as well as the contemporary relevance” of Brecht’s opera. In their winning submission, Class 10a of the Albert-Einstein-Schule in Schwalbach/Taunus went beyond these stipulations, also including in their work the manner in which the music



The enthusiasm of producer L. Leuenberger and director K.M. Brandauer was contagious, not only for the theater pros but for the newcomers as well

of Kurt Weill interacts with the action on stage. “The demands of the competition fitted in exactly with the learning goals of this school year,” says Verena Seuring, who was the class’s German and music teacher during 2005/2006, in describing the winning class’s motivation for participating in the competition. In addition, she noted that working on the project “fostered communication, cooperation, and independence in the schoolchildren.”

The jury for the poster competition was literally overwhelmed by entries: 465 young artists and designers submitted posters. The kaleidoscope of motifs—ranging from suspenders, briefs and ladies’ shoes to noose, crowbar, handcuffs, pistol and knife, and even a gaping shark’s mouth—did not make the decision of the jury (consisting of design professors, art historians, artistic directors, conductors and actors) any easier. In addition, the entries manifested a plethora of different styles and materials. The money and other prizes to be won were certainly a strong motivation for such massive participation. But for the young independent designer Sylvia Janssen, it was above all “a piece of great fortune to be able to present oneself, through such a competition, to such a broad public and such an illustrious jury.”

Other Music Projects (Selection)

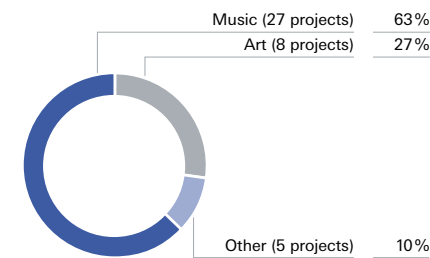
Education is also the recurring theme that characterizes our commitment to music, for cultural education is not a “side dish” but an essential foundation for the development of mental abilities and creativity. For us, education in the area of music means reaching the widest possible audience, creating lasting impact, and supporting the public of tomorrow as well as promising new artists. Thus, above all, we expose young people at an early age to the diversity of classical and contemporary music. At the same time, one of our prime concerns is to support fresh musical talent through competitions and scholarship programs. Along with this, energizing regional culture far from the great cultural centers is another special concern of the Deutsche Bank Foundation which is supported by local branches of the Bank. In 2006, the Bank and its foundation made EUR 13.1 million available for its committed efforts in the area of music.



For the first time, the winner of the EUR 15,000 prize in the category “Directing” went to a woman, the 31-year-old Korean Shi-Yeon Sung

Deutsche Bank Foundation¹

Cultural projects in 2006 by topic
Total: 40 projects, EUR 2.2 million



¹For further information see p. 102

Why are we committed to cultural education?

For the second time in three years, the German Music Council issued a so-called Berlin Appeal last year to Horst Köhler, the President of the Federal Republic of Germany. It warned of the consequences if music instruction continues to be neglected. According to figures presented by the Association of German School Musicians, 82% of music education in German elementary schools is either canceled or taught by teachers with no background in the subject. At junior high schools and secondary schools, 63% of instruction is canceled while 36% is not offered in the high schools. In addition to these cancelations, approx. 85% of young people in Germany have no opportunity to take private lessons or be instructed in publicly supported music schools.

Source: www.deutscher-musikrat.de
www.miz.org www.vds-musik.de



With their own production, the 15 scholarship recipients end their course of study at the Academy Opera Today



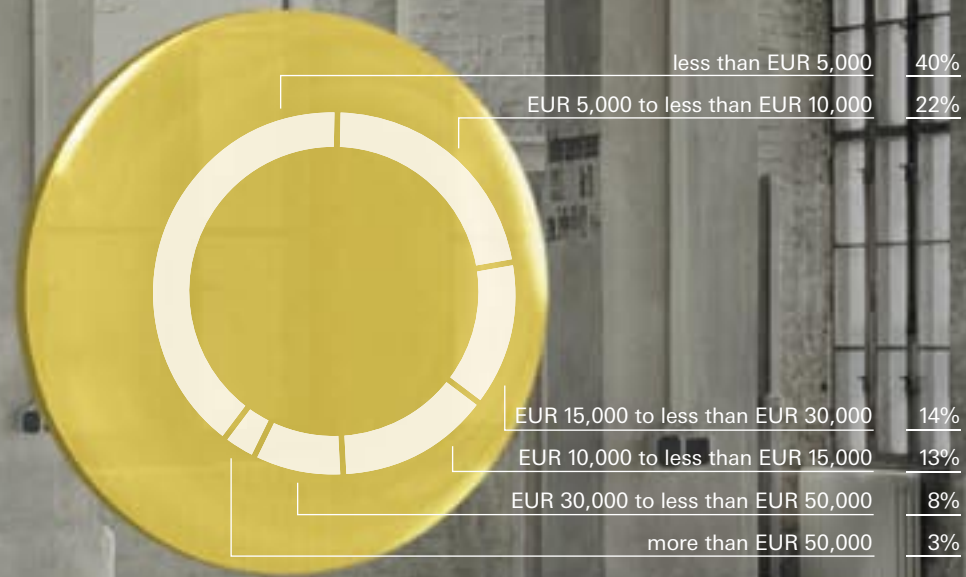
Since 2002, over 6,000 young people have participated in the project Zukunft@BPhil, under the direction of Sir Simon Rattle



Support for young musical talent at the New York Middle School Jazz Academy

Project	Description	Goal	Results
Academy Opera Today Europe , since 2001 www.musiktheater-heute.org	Two-year scholarship for young talent of the opera in the areas of directing, dramatic composition, theater management, composing, and conducting Academy program: ▪ Visits to productions ▪ Interchange with artistic teams and heads of theaters	▪ To support and network fresh young talent for modern opera ▪ To further the development of opera beyond the realm of individual opera houses	Since 2001: ▪ Support for 91 talented newcomers ▪ Visits to 97 productions and concerts in 7 countries ▪ Awarding of 18 scholarships enabling the recipients to stage their own productions ▪ Creation of one complete musical theater project per year
International Conductors' Competition Sir Georg Solti in cooperation with the Old Opera House and Frankfurt Opera, the Frankfurt Museum Society e.V., and Radio Hesse; international, since 2002 www.dirigentenwettbewerb-solti.de	▪ Competition for talented young conductors ▪ Presentation of individual ability in front of a distinguished jury ▪ Collaboration with a professional orchestra under professional management	▪ To facilitate direct collaboration between up-and-coming conductors and orchestras ▪ To maintain long-term cooperation between 4 regional cultural institutions and Deutsche Bank Foundation	▪ Over 800 applicants from 70 countries ▪ 9 prize winners ▪ Support for the 2008 competition as well
Berlin Philharmonic Orchestra and Education-Project Zukunft@BPhil cooperation since 1990, partnership since 2002 www.berliner-philharmoniker.de/en	▪ Support for one of the world's best orchestras ▪ Exclusive framework for encounters arranged by the business world ▪ Facilitation of the educational project Zukunft@BPhil for children and young people of different origins and educational backgrounds ▪ Embodiment and utilization of the entire range of the Bank's social commitment	To bring the orchestra and the Philharmonic Hall closer to a wide audience as well as to win new audiences Zukunft@BPhil: ▪ To introduce young people to classical music ▪ To promote social integration ▪ To assist young or disadvantaged people in their personal development ▪ To facilitate cultural education	2006: 1,850 clients in Berlin concerts, 1,800 clients on concert trips, 214 tickets for employees Zukunft@BPhil: ▪ Awards to date include the following: Herbert von Karajan Music Prize, Comenius Prize, Golden Camera, and Karl's Medallion ▪ Deutsche Bank was awarded the International Sponsoring Award (2004) and the German Prize for Cultural Assistance (2006) ▪ 2006: 11 projects as well as 8 special projects involving 2,451 students from 89 schools, 22 institutions, 182 teachers, 68 members of the Philharmonic Orchestra, and +40,720 people in the audience
DB Free Tickets Scheme in cooperation with the London Philharmonic Orchestra (LPO) London, since 2002 www.lpo.co.uk	Deutsche Bank's Free Tickets Program allows students free admittance to the orchestra's BrightSparks concerts in London	▪ To get young people excited about classical music ▪ To offer a quality entertainment program for students ▪ To strengthen and promote teamwork	2006: 6 school concerts for specific age groups Participation: ▪ 200 schools ▪ A total of 11,934 people in the audience ▪ Distribution of instructional material to 600 teachers
Middle School Jazz Academy New York, since 2006 www.jalc.org	Support intensive tuition-free private instruction in jazz performance to students from low-income families	To train promising youth to be future performers	▪ Youth performed in orchestras around the city and will be tracked over the long term
Regional Music Sponsorships Europe , since 1995 www.deutsche-bank-stiftung.de	Support for ambitious projects in the field of modern or contemporary music as well as sponsorship of regional music festivals through the Deutsche Bank Foundation	▪ To support music far from major cultural centers ▪ To sponsor young talent ▪ To further ties between employees and clients	Support for 21 projects in 2006, e.g. ▪ European Festival, Passau ▪ Bremen Music Festival Prize ▪ Rheingau Music Festival

Annual Income of Artists from the Sale of Their Art



The financial situation of artists is a difficult one. Only a small number can really make a living from their art. Forty percent of all artists earn less than EUR 5,000 annually from the sale of their works. As in other professions, especially the young person starting out faces hardship, despite solid professional training. This is where our support in the form of the Pyramid Award comes into play. Through this annual prize, we not only provide financial support for art school graduates but also accompany and advise them individually and professionally as they seek to become truly independent.

The Pyramid Award Transforms Creative Artists into Self-Employed Business People

There is scarcely a line of business in which it is so difficult to predict the chances of success as that of the freelance artist. "Art is a tough business: Either you make it or you don't," says Daniel Spoerri, realistically summing up the two alternatives in this business sector. The Swiss artist belongs to the former category: His success is the result of hard work and a continual stream of creative ideas. At the beginning of their careers, creative artists need to practice a lot of patience before they start to earn enough money—from fees and sales of their works—to live on. According to a 2006 survey by the German Artists' Social Security Fund, the average annual income of young freelance artists launching into the fine arts, the performing arts, and music was a mere EUR 6,600.

"Art students leave college brimming with enthusiasm and creativity," says Kate Cavelle, Director Corporate Social Responsibility, Deutsche Bank UK. "But it is often hard for them to find the resources they need to turn their bright ideas into reality." This is where the Deutsche Bank Pyramid Award Scheme comes in. The award is given annually to graduates of London's leading art colleges. In 2006, ten artists and ensembles—actors, musicians, dancers, fashion designers, circus performers, photographers, and art designers—each received prize money amounting to GBP 8,000 (about EUR 12,000). "Deutsche Bank wants to smooth the way for creative artists to achieve sustainable success as business people," says Kate Cavelle, explaining the philosophy behind the scheme.



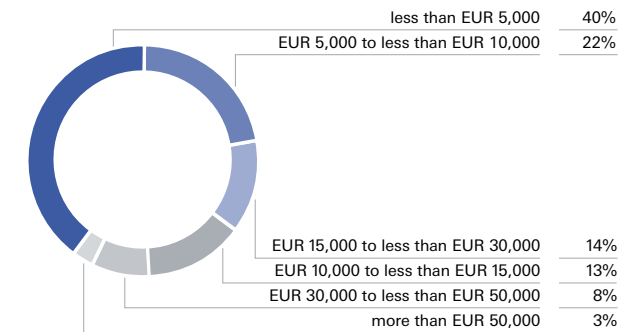
In 2007 the Pyramid Award celebrated its 15th anniversary: The prize helps young artists use their innovative ideas and entrepreneurial spirit to gain a foothold during the difficult transitional period following art school

Since 1992, Deutsche Bank has provided support for some one hundred artists through this cultural sponsorship program. But the Pyramid Award is not intended primarily for top-flight artists; its principal aim is to foster innovation and entrepreneurial spirit. Consequently, projects submitted for consideration must also include business plans—for realizing ideas and for starting businesses. Besides a description of the project and a résumé including details of the applicant's professional experience, applications should also include a marketing and finance plan, a description of the project's goals, and a system of accountability. A jury consisting of college faculty and representatives of Deutsche Bank then decides whether the project in question is realistic and stands a good chance of success in the long term. In addition, applications are judged on such business criteria as the quality of the market research conducted and the method used to estimate the project's financial feasibility. The art colleges involved also offer their graduates counseling and seminars on how to write a business plan. Besides the prize money, the Pyramid Award winners also receive professional training in setting up

In Germany, 40% of all artists earn less than EUR 5,000 annually from the sale of their works. Consequently, the majority of artists are dependent upon additional income, for example, from teaching or other activities. Those starting out are often supported by family, friends, and colleagues.

Source: Federal Association of Artists, survey of artists, 2004/05

Annual Income of Artists from the Sale of Their Art



The prizewinning ensemble "The Clash of Steel" at the awards ceremony ...



... and in action: The ensemble shows what they learned at the London Academy of Music and Dramatic Art

a business, thus deepening their understanding of project and finance planning. The prize-winners are also counseled for a year by a mentor from Deutsche Bank. John Krumins, who mentors the prizewinning ensemble "The Clash of Steel," defines his role in terms that go far beyond those of a simple counselor: "Being pushy when it's a case of reaching the next set of goals, providing encouragement when adversity strikes, arbitrating in an ongoing group process, facilitating business contacts, and organizing appearances."

Anna-Nicole Ziesche, who in 2000 became the first prizewinner in the Fashion & Textile Design category, was immediately attracted by the concept behind the Pyramid Award. In describing why she submitted an application, the video artist from Hamburg says that the Pyramid Award is "extremely artist-friendly and with no strings attached. I knew that I had a new and unusual idea for a project, and that I needed financial and moral support to realize it," Ziesche says, though she admits that up until then she hadn't thought about writing a business plan at all. More importantly, she probably would not have gone freelance immediately after her graduation without the award, which opened up new opportunities for her and gave her "the necessary self-confidence to take this step." Crucial to the successful realization of her business plan was "having financial guidelines that I had to stick to," says the artist in retrospect. Anna-Nicole Ziesche and her films—located precariously on the boundaries between design, theater, fashion, and body art—are now a recognized part of the international art and fashion scene.



A.-N. Ziesche during the shooting of her performance film "Non-Bifurcated Diary." In 2000 she won in the category "Fashion and Textile Design"

Other Art Projects (Selection)

For over 25 years, support for contemporary art has been one of the most important pillars of the corporate citizenship activities of Deutsche Bank and its foundation. For art is not only a source of imaginativeness and creativity but also of continuous inspiration—for society as well as for our corporation. Our collection contains more than 50,000 works of art, which are displayed in the Bank’s branches as well as in museums and galleries throughout the world. Our commitment, which—stated in numbers—totaled EUR 6.5 million in 2006, combines support for talented new artists and the promotion of contemporary art: We design our own exhibitions, open the world’s largest corporate collection to the public through our program “Art at Work,” and make art projects of national and international importance a reality. For a lively art scene requires three things: Appropriate living and working conditions for artists, exhibition possibilities, and a broad, interested public.



With “All the Best,” the exhibition trilogy celebrating the 25th anniversary of our collection came to an end



Blind Date: In 2006 Deutsche Bank Collection presented its new acquisitions for the first time ever



Tefaf 2006: Lounge of Deutsche Bank Collection with works by Hiroshi Sugimoto

Project	Description	Goal	Results
<p>“Tokyo Blossoms” Hara Museum, Tokyo “All the Best” Singapore Art Museum, Singapore www.deutsche-bank-art.com</p>	<p>Special anniversary showing of the Deutsche Bank Collection amidst Zaha Hadid’s exhibition architecture, creating a unique synthesis of the arts</p>	<ul style="list-style-type: none"> To position the Bank’s commitment to the arts within an international economic context (International Monetary Fund Summits) and art context (Singapore Art Biennial) To further ties between employees and clients 	<ul style="list-style-type: none"> 8 events for clients Singapore: Exhibition as platform for the Bank’s official reception on the occasion of the IMF Summit 65,000 visitors in Singapore alone
<p>“More than Meets the Eye: Photographic Art from the Deutsche Bank Collection” • Monterrey, Mexico • Mexico City, Mexico • Bogotá, Colombia www.deutsche-bank-art.com</p>	<p>Exhibition tour with approx. 200 photographic works by 50 German artists; the first presentation solely devoted to photographs from Deutsche Bank Collection</p>	<ul style="list-style-type: none"> To enhance the presence of the Bank in South America through its cultural commitment To present German photographic art to the South American public 	<ul style="list-style-type: none"> 6 events for clients 42,000 visitors in Mexico alone
<p>“Blind Date: New Acquisitions of Deutsche Bank Collection” • Benedictine Monastery and Art Forum, Seligenstadt • Museum of Modern Art, Passau www.deutsche-bank-art.com</p>	<p>Presentation of the new acquisitions of Deutsche Bank Collection for the first time ever</p>	<ul style="list-style-type: none"> To position the commitment to the arts at a regional level as well, outside the regular art centers To further ties between employees and clients 	<ul style="list-style-type: none"> 10 events for clients A total of 10,000 visitors

Project	Description	Goal	Results
<p>“Max Beckmann: The Watercolors and Pastels” Schirn Art Hall, Frankfurt am Main www.deutsche-bank-stiftung.de</p>	<p>Sponsoring of the exhibition in which Beckmann’s watercolors and pastels were shown</p>	<ul style="list-style-type: none"> To present a less known aspect of the artist’s work To sponsor an exhibition of international note To further ties between employees and clients 	<ul style="list-style-type: none"> Creation of the first catalogue of his watercolor works 80,885 visitors Exclusive preview for approx. 200 clients and employees Tours for approx. 230 employees
<p>Deutsche Guggenheim Berlin, since 1997 www.deutsche-guggenheim.com</p>	<p>Joint venture of Deutsche Bank and the Solomon R. Guggenheim Foundation: In 2006, the art program of the Berlin exhibition hall included a total of 4 exhibitions, among them “Cai Guo-Qiang,” which was under the curatorship of the Deutsche Bank Collection</p>	<ul style="list-style-type: none"> To position the Deutsche Guggenheim in the Berlin and international art scene To offer sustained cultural commitment through this contribution to Berlin’s cultural life To further ties between employees and clients 	<ul style="list-style-type: none"> A total of 153,102 visitors Extensive informational program: More than 20 special events for clients as well as 4 tours for employees and numerous public events and guided tours
<p>Villa Romana Florence, sponsored since 1929 www.villaromana.org</p>	<p>Support for the Artists’ House as well as the Villa Romana Prize for young artists (Germany’s oldest art prize)</p>	<p>To sponsor new talent in the field of the fine arts</p>	<ul style="list-style-type: none"> 4 prize winners in 2006: Andrea Hanak, Simon Dybbroe Møller, Anna Kerstin Otto, and Stefan Thater (each given the chance to live and work in Florence for several months) Sponsorship of approx. 230 prize winners/grant recipients since 1929
<p>Cooper Hewitt’s Design Directions Program in cooperation with the Cooper-Hewitt National Design Museum USA, since 2002</p>	<p>The program provides public high school students from low-income neighborhoods the opportunity to work with professional artists and designers through workshops and internships</p>	<ul style="list-style-type: none"> To support talented students To provide initial help to those beginning an artistic career 	<ul style="list-style-type: none"> 100 students collaborated with designers to design products Over 450 students attended design fairs
<p>Deutsche Bank Foundation Art Prize for Young People Germany, since 2006 www.deutsche-bank-stiftung.de www.museum-kueppersmuehle.de</p>	<p>Art competition for students in cooperation with the Küppersmühle Museum for Modern Art in Duisburg</p>	<ul style="list-style-type: none"> To elicit a critical confrontation with contemporary German art To foster students’ creative and organizational potential 	<ul style="list-style-type: none"> From among 270 applications from all over Germany, 20 classes were chosen Presentation of the winning entries in a special exhibition at the Küppersmühle Museum for Modern Art
<p>Royal Academy Outreach Programme in cooperation with the Royal Academy of Arts London, since 2006 www.royalacademy.org.uk/education</p>	<p>Cultural education program which offers one-day drawing workshops in cooperation with 100 schools</p>	<ul style="list-style-type: none"> To offer 100 drawing workshops in schools across the UK To develop creativity in young people To extend young people’s understanding of the nature and processes of drawing 	<ul style="list-style-type: none"> Participation of 1,200 students from 40 schools (3,000 students are to be reached by the end of the year) Evaluation at 20 schools: 94% of the students rated the workshops as “good” or “very good”
<p>Sponsoring of art fairs: • Tefaf, Maastricht • Fine Art Fair Frankfurt • Frieze Art Fair, London • Art Cologne, Cologne • Contemporary Istanbul www.db-artmag.com</p>	<ul style="list-style-type: none"> Support for art fairs Presence of the Deutsche Bank Collection in lounges 	<ul style="list-style-type: none"> To position the commitment to the arts internationally To foster young talent, who often present their work for the first time at art fairs To use lounges as a platform for client events and information regarding the Bank’s commitment 	<ul style="list-style-type: none"> A total of 33 events for clients Numerous employee activities 700 free tickets for employees to the Frieze Art Fair alone

New Networks

Population Growth per Hour



In this century, for the first time, more than half of the world's population will live in cities or conurbations. Urban areas are growing at a weekly rate of one million. Today 21 percent of the world's population is living in 438 cities with over one million inhabitants each. In many regions—mostly in the northern hemisphere and "developed" countries—declining birthrates are giving rise to so-called shrinking cities. For example, whereas the population of Mexico City has grown 1,500 percent since 1930, during the same period London's population declined by 10 percent and Berlin's by 20 percent. The rapidity and extent of these urban changes present enormous challenges. In order to furnish guidance during this process of necessary structural change, the Alfred Herrhausen Society, the international forum of Deutsche Bank, has established the project entitled "Urban Age."

Urban Age—Inventing the City of the 21st Century Anew

The 21st century is the age of urbanization: According to the Human Settlements Program of the United Nations, for the first time, more than half of the world's population will be living in cities as of 2007. By mid-century this will be true for two-third's of the world's population. Primarily in Asia and Africa, megacities—defined by the UN as cities with more than 10 million inhabitants—will be growing at an explosive rate. Already today there are 16 megacities worldwide: Tokyo has 35.5 million people while Shanghai and Mexico City have more than 18 million each.

In population centers like these, complex challenges arise. "With immigration increasing, megacities in developing countries will have to provide housing, infrastructure, jobs, utility and waste management systems as well as health and educational facilities for hundreds of thousands of people—and do so often in the space of just a few years." That is the view of Frauke Kraas, Professor of Human Geography at the University of Cologne. Moreover, restructuring often leads to increased laxness and an inability to govern. In cities such as Johannesburg or Shanghai, sprawling ad hoc districts are sprouting up in which there are neither official street signs nor civic order. Based on figures provided by UN Habitat, in 2005 there were 998 million slum dwellers worldwide; if this trend continues, there will be ca. 1.4 billion in the year 2020. According to Wolfgang Nowak, Director of the Alfred Herrhausen Society of Deutsche Bank (AHS, see p. 103), "Many cities and districts seem to be self-fulfilling prophecies of the demise of the city, replaced today by increasingly expanding agglomerations."

Cities are the driving force behind the economic development of a country. For example, in the last few years London has experienced an impressive economic upswing. With over 7.5 million inhabitants, the area of greater London has markedly fewer people than Sweden (ca. 9 million) or Belgium (10.4 million); yet its economy surpasses that of Sweden by 15 percent and that of Belgium by as much as 25 percent. The city center of London alone produces a gross national product that exceeds that of all Portugal. Moreover, the ties between cities provide the infrastructure for a new global economy, a new cultural landscape, and a new kind of politics. As Saskia Sassen of the London School of Economics (LSE) explains, "The organizational part of today's global economy is situated within a network of some 40 large and less large international cities."

For these reasons, in the next three years the successful project entitled "Urban Age: A Worldwide Investigation Into the Future of Cities" will be continued. Initiated and organized by the AHS and the LSE, conferences were held in 2005 and 2006 in New York, Shanghai, London, Mexico City, Johannesburg, and Berlin as well as in Halle (Saale). Through research, analysis, and consultation, Urban Age helps decision makers master structural change and develop



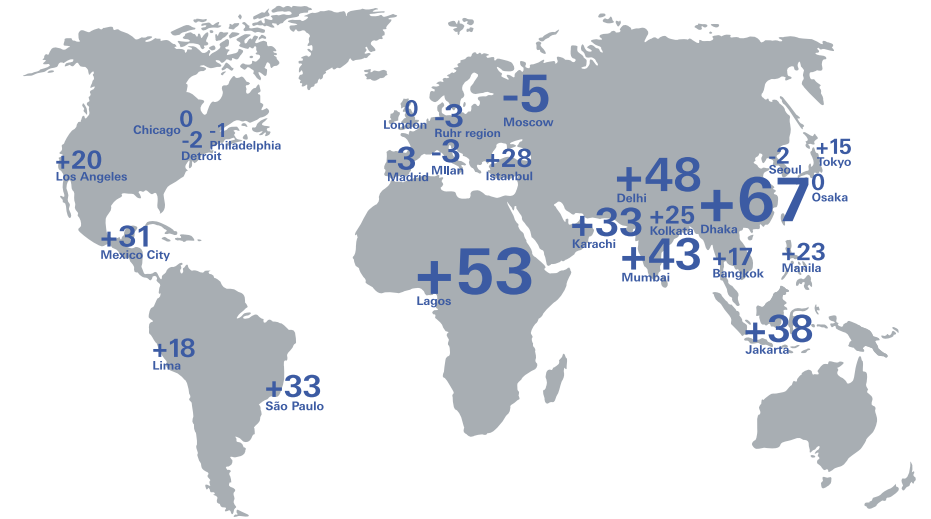
The population living in the conurbation of Mexico City is estimated at 18 million. The population density in the northern part of the region is approx. 20,894 inhabitants per km²



Saskia Sassen, sociologist at the London School of Economics and the University of Chicago

Urban areas grow at the rate of 1 million people per week. In the next two decades, 95% of urban growth will take place in developing nations. By the year 2030, the cities in these countries will be home to nearly 4 billion people, i.e. approx. 80% of the world's population. In Lagos, for example, the population increases by 53 inhabitants per hour, which puts a tremendous burden on the already strained urban infrastructure.

Population Growth per Hour



Interim appraisal: Urban Age Summit in the atrium of Deutsche Bank in Berlin, November 2006



The conference was opened by K. Wowerreit, J. Ackermann, A. Merkel, and T. von Heydebreck (left to right)

innovative initial solutions. The sharing of experiences through a multidisciplinary network of international experts plays a decisive role in the process. The Urban Age book, which will be published by Phaidon Press in the fall of 2007, documents the research and discussion results regarding all the cities visited so far, and it describes exemplary initiatives. For Ute Weiland, responsible for public relations and communication at the AHS, thanks to the intensive collective work, the international network of Urban Age has become, in the meantime, a type of urban tribe, a committed team of urban experts who will continue to meet regularly and expand their network and knowledge. As a result, jointly organized projects by individual Urban Age experts are already under way as are concrete plans for a conference in Shanghai in 2008 as well as a further book project by two professors of the Urban Age team.

Urban Age is focusing on India in 2007 with the conference series moving to Brazil in 2008 and the eastern Mediterranean in 2009. In 2010, similar to the 2006 sessions in Berlin, there will be a summarizing conference. The organizers have already attained one important preliminary goal: The mayors of many cities are turning to the experts for help in dealing with their concrete matters of concern. As Weiland puts it, "Urban Age has become a brand name."

In the future, nations as well should become more conscious of the structural changes in their urban agglomerations. "Cities are the great common task facing all nations," in Wolfgang Nowak's eyes. "Limited resources, environmental problems, new diseases, uncontrolled growth, and migration are as much of a threat as are ethnic and religious conflicts arising from the desperation of the discontented." He sums up this demanding challenge in the following words: "We must invent the city of the 21st century anew." Urban Age will continue to do its share towards this end.

Further Initiatives of the Alfred Herrhausen Society (Selection)

Comprehensive international dialogue is an essential driving force behind the development and corporate social responsibility activities of Deutsche Bank. For future challenges can only be mastered through the global networking of politics, business, science, culture, and NGOs that research and act independently—as the Alfred Herrhausen Society (AHS) has done for 15 years. It is committed to the philosophy of Alfred Herrhausen, for whom the active creation of economic policy was inseparably linked to responsible and sustained management. As the think tank of Deutsche Bank, the AHS brings experts together for panel discussion, lectures, and conferences in which an interdisciplinary and cross-generational exchange regarding current socio-political topics is paramount (see p. 103).



fore/sight: In Berlin 150 opinion makers discussed the people's lack of trust in politics



From megalopolises to a "shrinking" city in former East Germany: Halle (Saale)



Ambassador Kotenev and Foreign Minister Lavrov of the Russian Federation with T. von Heydebreck and W. Nowak (left to right)

Conference	Description	Goal	Results
fore/sight—Strategies for Tomorrow's Society: "Trust in Crisis—the Germans and Their Politicians" Berlin, 2006 (within the framework of the fore/sight series, since 2005) www.alfred-herrhausen-gesellschaft.de	Future conference of the AHS concerning the people's diminished confidence in politics; background: ▪ Forsa (Society for Social Research and Statistical Analysis) survey: 4 of 5 Germans no longer trust their politicians ▪ Only 38% of German citizens have substantial trust in the government of the Federal Republic of Germany	▪ To stimulate future-oriented thinking, beyond that of interest groups ▪ To develop innovative options for action	▪ Discussion between 160 opinion makers from politics, business, science, and the media ▪ Live broadcasting of the conference on Deutschlandradio Kultur and press coverage
Urban Age Symposium Halle (Saale), 2006 (within the framework of the Urban Age series, since 2005) www.urbanage.net	▪ Counter-event to Urban Age conferences in megacities ▪ Focus on urban development in the face of declining populations	To draw upon international experts and academic institutions to create an authoritative network that will continue after the conferences are over	▪ Approx. 150 participants in the discussion: mayors of German cities, politicians, journalists, architects, and scholars ▪ The symposium showed that there can be success despite growth problems; it is possible to improve living conditions for the inhabitants of a "shrinking" city
Joint Debates: Foreign Minister Sergei Lavrov of the Russian Federation as guest of the AHS Berlin, 2006 (within the framework of the Joint Debates, since 2005) www.alfred-herrhausen-gesellschaft.de	Discussion forum of the AHS on contemporary political topics	To make the foreign policy of the Russian Federation clearer to German decision makers	Participation of approx. 80 high-ranking representatives from business, politics, and the media

Our Support for Academia

Financial opportunities and economic interrelations are becoming more and more complex. Sound knowledge and analyses of this global development are crucial for the economy. Therefore, businesses must invest in spreading this knowledge in schools and universities. As a financial services provider, we consider it part of our duty to society to help young people attain the necessary fundamental knowledge in this, our very own, field, and, beyond that, we seek to provide the basic conditions necessary to nurture tomorrow's leaders. We support academia so that such talented young people can be given a top education at an internationally competitive level. In the process, we consider it especially important to provide for personal exchange between the Bank and young college students as well as between executives and professors.



The financial support for the construction of Deutsche Bank Hall of the Bucerius Center for Graduate Studies in Hamburg (model) will make additional offerings available to graduate students

DEUTSCHE BANK PRIZE IN FINANCIAL ECONOMICS

The promotion of international exchange is also one of the reasons why we support the Deutsche Bank Prize in Financial Economics. This prize, which awards the recipient the sum of EUR 50,000, was first awarded in 2005 by the Center for Financial Studies at the Goethe University in Frankfurt to Eugene Fama for his studies on the concept of market efficiency. In 2007, the jury selected the international academic Michael Woodford, Professor of Political Economics at Columbia University. The recipient, one of the world's most renowned academics in the field of monetary economics, received the award for his groundbreaking contributions to the theory and practical analysis of financial policy.

The rapidity at which financial markets change demands functioning networks in order to recognize the newest developments and to examine them in

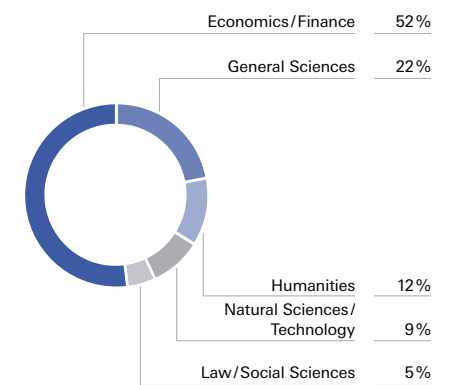
terms of risks and chances. Global players like Deutsche Bank require not only a sound knowledge of management but also innovative management methods in order to develop themselves and remain competitive. That is why we focus our academic support on networking universities internationally. One aspect of our support comes from the Deutsche Bank Donation Fund in the Donors' Association for German Science, founded in 1970 (see p. 106). We also support projects to expand the field of economics at the Bucerius Law School in Hamburg and the European School of Management and Technology in Berlin. Our Human Resources Division for Recruiting and Development supplements these programs by cooperating with some 100 universities worldwide.

With regard to our business strategy, our goal is to expand university cooperation even more. In addition, in order to facilitate an exchange of knowledge and expansion of international networking, we will continue to develop

international collaboration between the universities supported and universities at other strategic locations.

Deutsche Bank Donation Fund¹

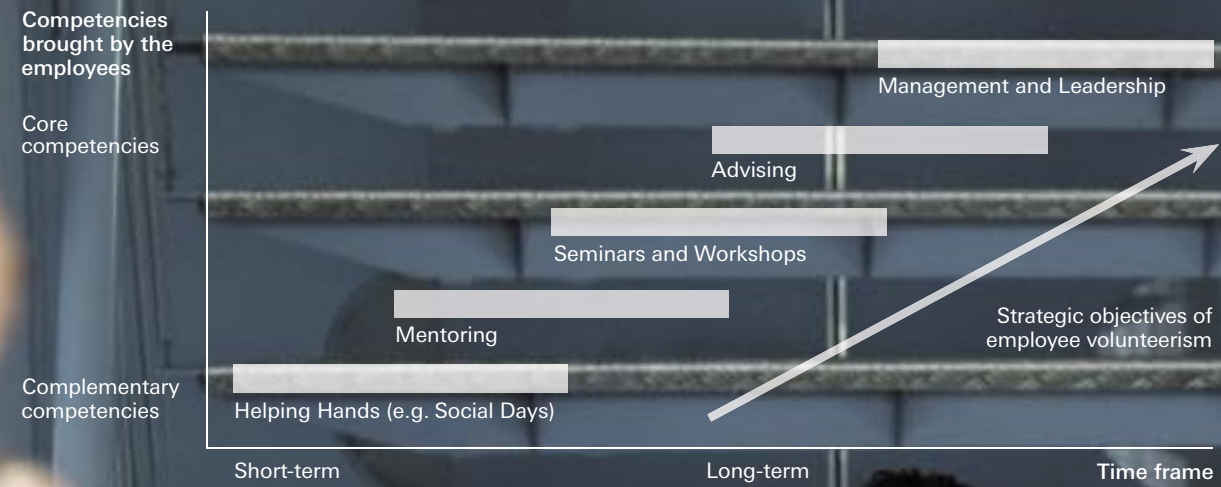
Grants allocated on the initiative of the Bank in 2006 (by subject area)



¹ For further information see p. 106

Volunteering

Portfolio of Our Volunteering Programs



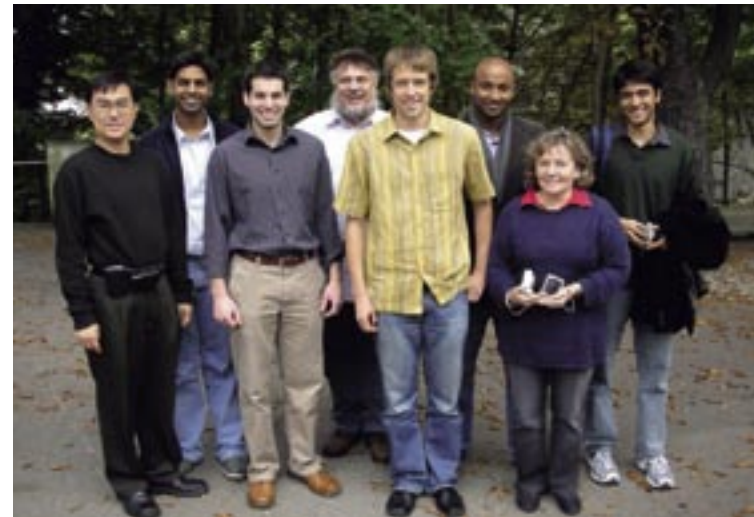
Corporate social responsibility is especially effective and credible when it grows out of an inner drive. That is why our volunteer programs exist under the motto "Passion creates: opportunities." In order for great societal benefit to result from this enthusiasm, we offer our employees a portfolio of various forms of committed involvement. The majority of the activities is the result of personal initiative on the part of our employees and is carried out under their own supervision. A few programs are organized by Deutsche Bank itself in order to draw upon the collective competencies of our employees.

How Our Employees Make Productive Use of Their Knowledge in Volunteer Projects

Singapore businessman Jack Sim, founder of the World Toilet Organization (WTO), is an advocate for human dignity and public health. His self-imposed mission is ambitious: To do everything in his power to help fulfill the seventh UN Millennium Goal and halve the number of people who do not have access to humane sanitary facilities by 2015. "42 percent of the world's population—2.6 billion people—still have to do their business anywhere they can," says Sim, and that is often in public. They feel a sense of shame, and their societies are faced with massive health problems caused by the spread of disease and polluted water supplies.

A global information campaign, consisting of a number of carefully planned stages, has been devised to tackle the problem. Four trainees who joined Deutsche Bank after earning their MBAs (Masters of Business Administration) made an important contribution to this campaign in the fall of 2006. While working their way through the Graduate Induction Program, which is obligatory for all traders and analysts in the Bank's Global Markets sector, they and Jack Sim worked out a strategy and finance plan. During their six-month training, participants in the Graduate Induction Program not only learn about the Bank's financial products and processes but also gain first-hand experience of corporate social responsibility in action. All 66 trainees of this class spent two weeks advising public institutions and nonprofit organizations—to the benefit of all concerned: the charity organizations profited from the young professionals' wide range of qualifications, and the latter learned to apply their knowledge meaningfully in a completely different environment than that of the Bank. A thorough evaluation of the project showed that both bank staff and charitable organizations were pleased with the results. For the future, it was suggested that the project goals be adapted to the individual qualifications of the staff member. In 2007 the program will continue—this time with approximately 100 MBA grads.

Deutsche Bank has been supporting its staff members' volunteer activities for many years—true to the motto: "More than just money." In 2006, bank employees spent the equivalent of 9,843 days working in schools, in cultural institutions, in volunteer associations and with social entrepreneurs around the world. "We see our commitment as an effective way of assuming responsibility, and we are convinced that it will yield big dividends for society as well as for the Bank and its staff members," says Thomas Baumeister, Head of Corporate Volunteering at Deutsche Bank. In his experience, "Many socially useful initiatives need a strong dose of motivation and expert knowledge" to get them going. And here staff members' specialist knowledge and social commitment come into play as they provide individualized counseling to schoolchildren, school directors, artists and community leaders. As consultants they share their expert knowledge and experience, providing advice and sitting on the committees of



Members of the World Toilet Organization and trainees of Deutsche Bank after the completion of their collaboration



Shoreditch Project: Cultural and economic revitalization of a socially deprived area in London

Many employees initially get involved in one-time activities. After such a positive experience, they seek more complex forms of commitment that demand more time and expertise. Long-term projects utilizing specialized knowledge tend to have the greatest value for society.

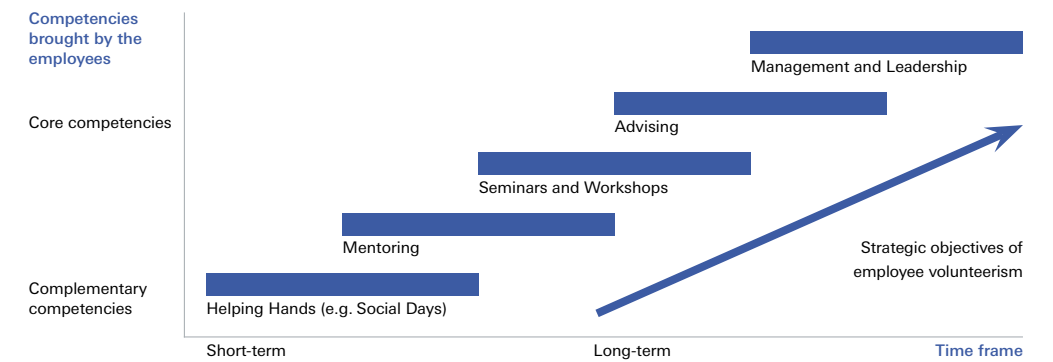
Portfolio of our employees' commitment

- **Helping Hands:** Improvement of local infrastructure, e.g. in kindergartens and homes for senior citizens
- **Mentoring:** Advising individuals, e.g. schoolchildren, principals, and artists
- **Seminars and Workshops:** Consulting, e.g. at schools and universities
- **Advising:** Support for nonprofit organizations, e.g. in the areas of financial management and marketing
- **Management:** Commitment in executive committees and advisory councils of nonprofit institutions and companies



Social days: Combination of volunteer commitment and team-building

Portfolio of Our Volunteering Programs



volunteer organizations. And staff members are increasingly seeking out such volunteer work. "Many of our employees feel a strong urge to help," says Baumeister. They find that the Bank's volunteering projects, with their clear time limits and well-defined goals, immediate results, measurable success and reliable support infrastructure—including expert supervision—are just what they are looking for.

To maximize the effectiveness of such projects, Deutsche Bank relies on its long-standing connections with charitable organizations. So-called commitment clusters have proved to be particularly effective here. These involve supporting projects that are interconnected in some way and thus mutually support each other. One example is an urban development initiative in the London suburb of Shoreditch. As Kate Cavelle, Director of the Bank's CSR UK sector, explains, "Together with three other corporations, we are working in a number of programs aimed at improving the quality of life and education of people living in London's East End. Our colleagues bring their own special skills to the project, for instance helping unemployed people to apply for jobs, people starting up new businesses to plan their finances, or children to read and write."

So that both sides—organizations and staff members—get the most out of these projects, they are regularly evaluated. The evaluation of the WTO's strategy and finance plan turned out very positively for all concerned.



Common purpose: Leaders from various fields discuss local challenges

"At first it seemed as if we were worlds apart: Burning idealism on the one side and concentrated book learning on the other," recalls Jack Sim. But after two weeks of intensive, fascinating work with a lot of give-and-take on both sides, a convincing concept for an information campaign emerged, that will make a valuable contribution to improving the sanitary facilities—and thus the health—of millions of people year by year.

“Passion creates: opportunities”

OUR MOTIVATION

Volunteer work by employees has great value not only for the employees and the nonprofit partners but for Deutsche Bank as well.

Employees:

- Stimulation from various social and cultural milieus
- Inspiring collective experiences
- Opportunities to make a major difference

Nonprofit partners:

- Increased professionalism through the transfer of financial competencies
- Increased motivation through the respect expressed to them by the volunteers
- Increased reputation

Deutsche Bank:

- Credibility as a socially committed corporation
- Networking with important change agents
- Strengthening of the employees' identification with the corporation

STANDARDS FOR VOLUNTEER PROGRAMS

Based upon scientific studies and our experience, we adhere to the following guidelines:

- Close cooperation with nonprofit organizations
- Development of commitment clusters that strengthen one another
- Systematic recognition of commitment on the part of employees

- Connection with personal development goals
- Thorough evaluation of the goals achieved

TARGETS FOR 2007

- Increase in employee involvement, particularly in the areas of “seminars and workshops” and “advising” (see p. 93)
- Expansion of global counseling activities by allowing employees paid leave
- Stronger links between volunteering activities and personal development targets
- External analysis of the strengths and weaknesses of the strategy and implementation of our Corporate Volunteering activities



6,700 schoolchildren have let themselves be inspired by the London Science Museum for the Natural Sciences



Support through Initiative plus: Flea Circus Astheim Nursery School

Initiative plus¹

Support in 2005 and 2006

	Grants in EUR	
	2006	2005
Germany	570,900	235,000
UK	131,037	145,034
USA	73,804	70,339
Latin America	124,525	113,559
Asia	103,000	67,627
Total	1,003,266	631,559

¹See table on opposite page

Employee participation rose markedly in 2006:

Days volunteered by staff, by region in 2006

Region	Days volunteered			Total 2006	Total 2005
	Paid work time	Own time/ spare time	In the framework of Initiative plus or Community Awards ³		
North and South America ¹	0	650	1,700	2,350	1,955
UK ²	2,650	249	1,427	4,326	3,639
Germany ¹	357	554	1,607	2,518	1,030
Asia ¹	0	0	621	621	505
Africa ¹	0	28	0	28	26
Total	3,007	1,481	5,355	9,843	7,155

¹There is no policy for volunteering during work time

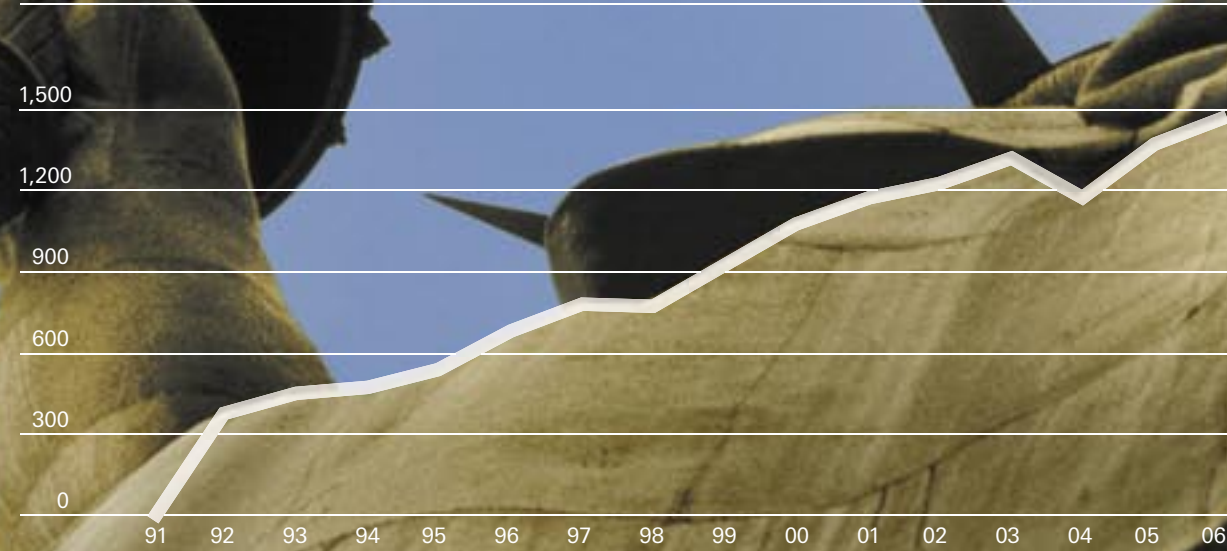
²Employees may participate in volunteer programs for a maximum of two paid workdays

³Financially supported projects in own time

Project	Description	Goal	Results
Helping Hands Initiative plus global program, since 2001	Financial support for the ongoing volunteer commitment of employees in the areas of education, community development, music, art, and athletics	<ul style="list-style-type: none"> ▪ To support volunteer initiatives at the local level ▪ To strengthen the employees' relationship with Deutsche Bank 	Increase in the number of supported projects in all regions (see statistics, p. 94)
e.g. Vacation Camp Odenwald supported through Initiative plus (EUR 1,000)	90 children, some from disadvantaged social backgrounds, created a vacation camp. A female Bank employee has supervised the camp for 17 years, using 17 days of her vacation time each year to do so	<ul style="list-style-type: none"> ▪ To develop public spirit as well as social competencies ▪ To enable children to attend a vacation camp 	<ul style="list-style-type: none"> ▪ Increase in the children's feeling of self-worth ▪ Bridge-building between children from varying social backgrounds
Helping Hands Share Our Strength New York City, since 2002	The initiative raises funds from employees to fund capital projects that benefit NYC public schools	To improve educational offerings and the infrastructure of New York City schools	2006: <ul style="list-style-type: none"> ▪ Nearly USD 1.5 million will have been raised by the completion of the current fifth round ▪ Construction of three libraries and two playgrounds
Mentoring Patenschaftsmodell Offenbach in cooperation with the Youth Welfare Office of Offenbach City of Offenbach, since 2005	Individual guidance by bank employees for junior high school children searching for job training vacancies as well as for those undergoing the qualification process for continued schooling	To increase career chances for junior high school students	Of 32 assisted graduates, 8 found apprenticeships, 8 transferred to a secondary school, one boy was placed in a job, 10 completed a one-year work-study program, and 5 completed a one-year preparatory vocational training program
Mentoring Partners in Leadership in cooperation with the State Association for School and Commerce in Hesse Rhein-Main area and Berlin, since 2006	Personal exchange between bank executives and school principals regarding leadership, project management, budget planning, and public relations work	<ul style="list-style-type: none"> ▪ To strengthen school principals' management competencies for running schools in an organizational system of increasing self-responsibility ▪ To strengthen the advising competencies of bank employees by having them convey their specialized knowledge 	Germany: <ul style="list-style-type: none"> ▪ 90% of the executives and school principals continue the dialogue beyond the first year ▪ More companies joined in 2007
HTI London, since 2006			London: <ul style="list-style-type: none"> ▪ Participation of 25 bank employees
Seminars/Workshops Science Museum Outreach Project in cooperation with the Science Museum London, since 2006 www.sciencemuseum.org.uk/education	<ul style="list-style-type: none"> ▪ Support for the project which takes the Museum's education outreach team into schools to help engage schoolchildren with science ▪ Involvement of Deutsche Bank volunteers who are trained by the Museum and accompany school trips to the Museum 	<ul style="list-style-type: none"> ▪ To interest and excite young people with science ▪ To provide new experiences for the students ▪ To make the Science Museum accessible to a wider audience and promote it as an accessible and positive learning resource 	<ul style="list-style-type: none"> ▪ Participation of 6,700 students from 31 schools ▪ 20 bank employees volunteered ▪ 62 workshops and 9 training sessions
Seminars/Workshops Youth About Business in cooperation with Youth About Business New York City, since 2004 www.youthaboutbusiness.org	One-week program for high school students, enabling them to gain experience in researching, constructing and negotiating a merger/acquisition transaction	<ul style="list-style-type: none"> ▪ To expose young people to the financial services industry as a viable career option and to give them training in the field as early as possible ▪ To engage bank employees in areas where they are able to lend their professional expertise to benefit the community 	Over 35 bank volunteers engaged in the program that served over 200 students in the summer of 2006 alone

Corporate History

Number of Members in the Historical Association Since its Founding in 1991



Since its founding in the year 1870, Deutsche Bank has taken its business to international markets in all corners of the world. Right from the beginning, it was also involved in the USA, at first primarily through the financing of large-scale projects. Today our stock is traded on the New York Stock Exchange, and some 20 percent of our employees work in the USA. The Bank's Historical Institute commissioned a scholarly study of its multifaceted commitment in America that will be published in 2007. We believe that examining our own firm's history is an integral part of our corporate culture. In an effort to make the history of financing known to a wide audience and to strengthen our employees' feeling of communal identity through an involvement with the history of our company, the Historical Association of Deutsche Bank was founded in 1991. Since then, it has grown to include over 1,500 members.

Deutsche Bank and the USA: Scholarly Appraisal of a Shifting History

The business venture was quite promising but also risky. So risky that, in the end, Spokesman of the Management Board Georg Siemens personally intervened to save the company: In 1883 Deutsche Bank had invested in the Northern Pacific Railroad of railroad magnate Henry Villard only to see it become insolvent ten years later. Siemens journeyed to New York and there set up a so-called reorganization committee for those holding railroad bonds. With success: In its business report of 1897, the Bank could announce that the Northern Pacific had begun paying dividends.

The personal commitment of Georg Siemens was an expression of a deep conviction which he formulated for a banker friend in the following manner: "I believe that we in Berlin also have to get involved in American matters. After all, America is closer to us than Italy, despite the Gotthard Tunnel." With this conviction, Siemens laid the foundation for a wide-ranging involvement in the USA that Deutsche Bank has reconstructed through a research project delving into its history. For some three and a half years, the historian and management expert Christopher Kobrak evaluated the company's own archive, perusing many of the 1,200 bound records which chronicle the Bank's business dealings in America. The result is a book entitled "Banking on Global Markets: Deutsche Bank and the United States, 1870 to the Present," which will be published in late 2007. A German edition is currently in preparation as well.

It was due to fortunate circumstances that the Professor of Finance at the European School of Management in Paris found so much material awaiting his research. For one thing, the Bank kept meticulous records of its business in the USA. And for another, this part of the company's archive survived World War II and, in a complicated undertaking in the early 1960s, was airfreighted over the Iron Curtain from Berlin to Frankfurt am Main. Martin L. Müller, Director of the Historical Institute of Deutsche Bank, explains the importance of the archive and its scholarly evaluation by saying, "The history of our company is an integral part of our corporate culture."

The activities of Deutsche Bank in the USA can roughly be divided into three phases. From 1872 until World War I, the Bank was primarily involved in financing large-scale projects: The Northern Pacific did not remain the only venture in which it invested. Projects like the Niagara Falls Power Company for generating electricity or the Lehigh Coke Company, a large coking plant in Pennsylvania, followed. The great caesura took place following World War I: Deutsche Bank changed from an investor to a borrower. New business transactions were few and far between, and, when they did occur, the roles were now reversed: In 1927 the Bank took out a loan in the USA for USD 25 million. With the world economic crisis at the beginning of the 1930s, involvement in the American market lost its importance, and World War II destroyed business relations with the United States altogether.

The first significant step across the Atlantic did not occur again until 1968: Together with European partners, Deutsche Bank established a renewed presence in New York. With the takeover of Bankers Trust in 1999, business dealings in the USA reached a totally new magnitude. As a result, hardly any other European bank today has such strong ties to the United

Historical Institute of Deutsche Bank

Founded in 1996 to conduct research into the Bank's history and to preserve its historically important collection of original documents. Successor to the Historical Archive of Deutsche Bank, which has existed since 1961, it encompasses some 5,000 meters of shelved records. All archival materials spanning the period from 1848 up to and including 1945 are open to the general public for academic research.



The Northern Pacific Railroad: In the 1880s the Bank began financing large foreign projects

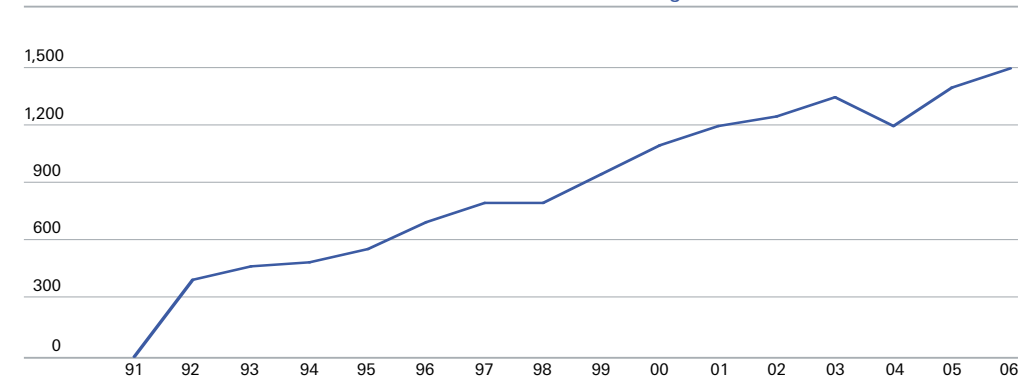


From 1870-1900, Deutsche Bank bore the stamp of Georg Siemens's leadership

The purpose of the Historical Association of Deutsche Bank, founded on June 12, 1991, is to make the history of German and international finance known to a wide audience. It seeks to further a communal spirit and feeling of solidarity among the Bank's employees by strengthening their historical awareness of the firm's history. The Historical Association currently has over 1,500 members drawn from the ranks of employees and interested individuals in the general public.

¹ For further information see p. 106

Number of Members in the Historical Association Since its Founding in 1991¹



Conclusion of the acquisition of Bankers Trust in 1999; employees outside the headquarters in Frankfurt



C. Kobrak, Professor of Finance at the European Management School, Paris

States as does Deutsche Bank: Its stocks are traded on the New York Stock Exchange, and roughly 20 percent of its employees work in the USA.

For Christopher Kobrak, one of the fundamental discoveries during his research was "that the managers of Deutsche Bank always were conscious of the fact that their success depended upon entering international markets." However, in the course of time, the Bank's strategy had to be modified. According to Kobrak's analysis, "Prior to World War I, Deutsche Bank was successful in the USA solely

because of its strong position in Germany and a network of personal contacts. It did not need to invest greatly in representing itself. Today, on the other hand, it is a tactical necessity to create an individual presence in key markets." Kobrak reduces this all to one common denominator: "In the world of today, banks must become global institutions whereas, prior to 1914, they could be national businesses with strong international ties."

Through his research, the renowned scholar could investigate long-held hypotheses, among them comparisons between national corporate cultures and corporate governance systems as well as the question of why and how corporations become international. "Based on the nearly 140-year history of Deutsche Bank in the USA, I could study how such differing business systems influence one another," says Kobrak. "Without the Bank's archive that would have been impossible." In this respect, the study is markedly more than just the history of a bank.

Supplementary Information

DEUTSCHE BANK FOUNDATIONS AND CHARITABLE INSTITUTIONS

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Management:

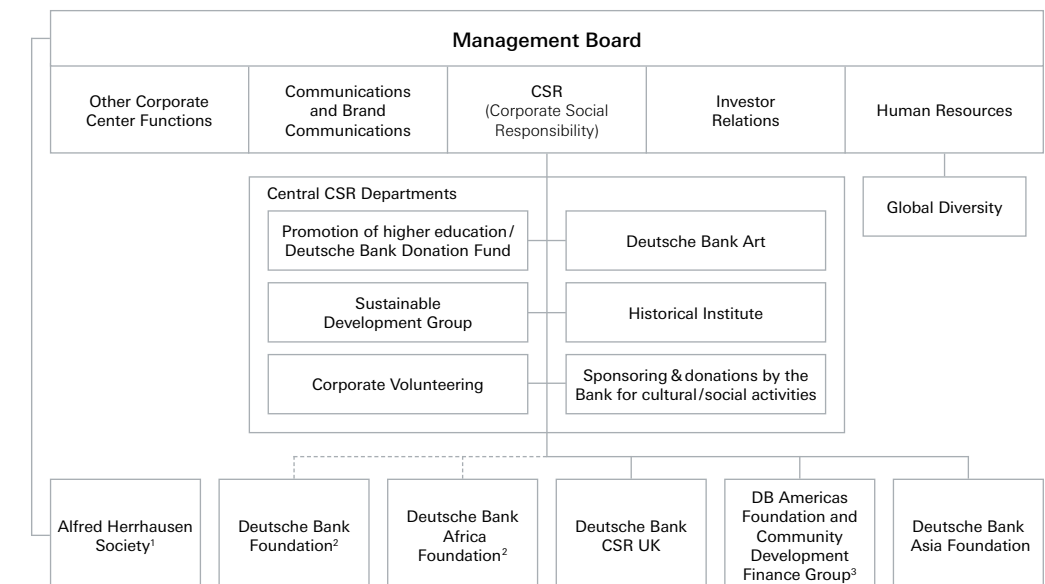
Hanns Michael Hölz
 Michael Münch
 Frank Trümper
 (until June 30, 2006)

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.

www.deutsche-bank.com/csr/en

CSR Organizational Chart



¹ Nonprofit LLC

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

³ Incl. Deutsche Bank Microcredit Development Fund (DBMDF)

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 123.5 million
Commitments 2006	EUR 6.6 million
Total commitments 1987–2006	EUR 105.4 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.

The work of the Foundation involves more than just the distribution of funds according to certain criteria: It is about having a long-term vision, a sustainable agenda when developing projects. It would be shortsighted to only support prestigious and expensive projects. We see again and again what great effect small and unusual initiatives can also have, as long as they are well planned and professionally supported. The Deutsche Bank Foundation helps such projects not just financially, but also with advice and input from Deutsche Bank staff.

ACADEMY OPERA TODAY

One example is the project Academy Opera Today, which developed from a university initiative in 2001. Each year the Academy grants 15 scholarships to promising new conductors, directors, theater managers, producers and—since 2006—composers in the field of opera. Alongside their studies or work, within an interdisciplinary framework, the scholarship holders attend productions and international festivals, organize discussions with experts and participate in workshops. In this way, the Academy Opera Today provides them with an insight into current performance practice and the opportunity for intensive discussions with established managers and artists in the opera world. The aim of the Academy is to enhance opera as a contemporary art form, beyond the limits of individual opera houses.

www.deutsche-bank-stiftung.de

www.musiktheater-heute.org

www.disasterrelief.db.com

Board:

Tessen von Heydebreck
(Chairman)
Frank Trümper
(Deputy Chairman until June 30, 2006)
Michael Münch
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Sebastian Turner
America Vera-Zavala
Lord George Weidenfeld

Alfred Herrhausen Society

Founded	1992
Budget 2006	EUR 2.9 million Financed by donations from Deutsche Bank

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, governance, and the future of cities have marked the AHS’s active participation in sociopolitical debates over the past few years (see p. 84 et seqq.).

www.alfred-herrhausen-society.org/en

Deutsche Bank Americas Foundation

Founded	1999; successor to the Bankers Trust Foundation after Bankers Trust was acquired by Deutsche Bank
Commitments 2006	EUR 12.3 million Financed by donations from Deutsche Bank

PROGRAM

The Foundation's work focuses on community development projects, education programs, arts, and initiatives for fostering intercultural understanding. The Foundation is also 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, since its first audit in 1992, has been annually assessed as "outstanding" by the U.S. government.

www.community.db.com

Corporate Social Responsibility UK

Founded	1989; successor to the charity program of Morgan Grenfell, Ltd., which was acquired by Deutsche Bank in 1989
Commitments 2006	EUR 5.7 million Financed by donations from Deutsche Bank

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 nonprofit partner organizations. CSR UK has won numerous awards over the past few years for its exemplary commitment to society. In 2006, CSR UK received, for example, the "Economic Regeneration Dragon Award" and the "Business in the Community Big Tick" for its Shoreditch Project, an initiative that aims to improve the quality of life and education of people living in London's East End.

www.communityuk.db.com

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President:

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Jorge Calderon

Hanns Michael Hölz

Carlos Padula

Richard Walker

Board of Trustees:

Colin Brown

Niall Carroll

Lindiwe Gadd

Hanns Michael Hölz

Tamzin Ratcliffe

Murray Winckler

Management:

Colin Brown

Deutsche Bank Africa Foundation

Founded	2001
Foundation capital	EUR 16.4 million
Commitments 2006	EUR 1.0 million

PROGRAM

The Deutsche Bank Africa Foundation focuses on education programs. With the Educational Development Program (EDP), for example, it supports schools in economically underdeveloped communities in South Africa, helping them to increase and develop the educational courses they offer. The Foundation also finances training courses for teachers and, through the Student Sponsorship Program, awards scholarships to students who receive mentoring from Deutsche Bank staff. Since 2002 the Deutsche Bank Africa Foundation has been supporting the integration of AIDS orphans into South African society through the initiative NOAH (Nurturing Orphans of AIDS for Humanity). The children are looked after by volunteers in small family groups and also receive schooling. Currently more than 25,000 children are being cared for through this initiative.

www.deutsche-bank.com/csr/en

Deutsche Bank Asia Foundation

Founded	2003
Budget 2003–2007	EUR 5.0 million Financed by donations from Deutsche Bank
Commitments 2006	EUR 1.2 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 the stable social and economic conditions necessary to guarantee a healthy environment for future generations. Like the Africa Foundation, the Asia Foundation focuses on education programs for orphans who have lost their parents to AIDS in Thailand, India, Laos, Vietnam, and Cambodia. It also supports local education projects, involvement in "Initiative plus" (Deutsche Bank's global employee volunteering program), and disaster relief initiatives. Together with the Deutsche Bank Foundation, the Deutsche Bank Asia Foundation coordinated part of the Bank's assistance to the victims of the tsunami in Asia.

www.deutsche-bank.com/csr/en
www.disasterrelief.db.com

Deutsche Bank in London (DBiL) Board

Chairman:

Charles Aldington

Board:

Roger Ayland

Elaine Bartleet

David M. Brush

Kate Cavelle

Graham Hodgkin

Mandy Coxon

Ivor Dunbar

Hanns Michael Hölz

Sam Lytton

Tim Pethybridge

Marcus Wuest

Peter Wyllie

Management CSR UK:

Kate Cavelle

Management:

Michael West

Coordination:

Collin Grassie

Hanns Michael Hölz

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

Founded	1970
Foundation capital	EUR 10.7 million
Commitments 2006	EUR 4.7 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. 89).

www.stifterverband.de

Historical Association of Deutsche Bank

Founded	1991
Number of members	1,550
Annual membership fees	EUR 10; patron's fees at least EUR 60

PROGRAM

The Historical Association of Deutsche Bank was founded in 1991 as a nonprofit organization dedicated to familiarizing the public with the history of Deutsche Bank and of banking in general. The Historical Association addresses its publications, lecture series, and excursions on bank history to staff members and the interested public.

www.banking-history.com

Board:

Josef Ackermann
Andreas Schlüter

Representatives:

Michael Münch
Heinz-Rudi Spiegel

Board:

Rolf-E. Breuer
(Chairman)
Tessen von Heydebreck
(Treasurer)
Manfred Pohl
(Executive Chairman)
Josef Ackermann
Gerald D. Feldman
Jürgen Fitschen
Dierk Hartwig
Michael Münch

Prizes, Awards, and Results of Rankings for 2006 (Selection)¹

Business in the Community Big Tick

Award from the organization Business in the Community for the Shoreditch Project (see p. 71) in the category "Power in Partnership."

Charities Aid Foundation

For its commitment to CSR, Deutsche Bank was honored in London by the Charities Aid Foundation in the category "Effective Giving."

City of London Annual Clean City Awards 2006

Award given to 14 buildings of Deutsche Bank in London, each presented with a gold medal within the framework of the Clean City Awards. The initiative of the City of London, in cooperation with business individuals, supports waste reduction and recycling efforts.

City of London Dragon Award

in the category "Economic Regeneration" for the Shoreditch Project.

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 (see p. 104).

Compendium "Good Practice at the Workplace"

Deutsche Bank was selected among 500 applicants across Europe and included in the compendium for its good implementation of diversity principles.

Recognized with the Euromoney Finance Project's "European Health-care Deal of the Year" Award and the PFI "EMEA PPP Deal of the Year 2006" Award

Award for financing the Proton Therapy Center in Essen (see p. 28), given for developing a new financing structure for PPP projects in general and, in particular, as a precedent for Germany (PFI) as well as for its innovative financing structure and the first PPP structure in proton therapy worldwide (Euromoney).

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.

Human Rights Campaign—2006 Corporate Equality Index

Deutsche Bank again received a perfect score rating on the Human Rights Campaign's Corporate Equality Index (CEI), which rates major corporations on their records toward lesbian, gay, bisexual, and transgender employees, consumers, and investors. 2006 was the fourth consecutive year that Deutsche Bank achieved a 100% score.

Operational Risk & Compliance Achievement Award

At the awarding of the Operational Risk & Compliance Achievement Awards in London, administered by the magazine "Operational Risk," Deutsche Bank received the prize for the best continuity program.

Patron of Culture 2006

Award of the Polish Ministry for Culture and National Heritage in the category "Promoter" for "extraordinary commitment in the realm of Polish culture" and especially for the art competition "Views" of the Deutsche Bank Foundation.

Sunday Times Best Companies 2006

The "Sunday Times" newspaper named Deutsche Bank as one of the top 20 employers among large companies in the UK.

The Guardian Public Services Awards

Award in the category "Good Citizenship."

Times Top 50 Places Where Women Want to Work 2006

In a survey by the newspaper "The Times" Deutsche Bank was named as one of the top 50 companies for which women want to work.

Total E-Quality Award 2005

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

German Prize for the Support of Culture

Within the framework of the German Prize for the Support of Culture, the Bank received one of the three awards for its support for the program Zukunft@BPhil (see p. 77). With this prize, the Cultural Society of the German Economy in BDI [Federal Association of German Industry] honors exemplary cultural commitment on the part of companies. Furthermore, a ranking of corporations that support cultural endeavors was assembled. Deutsche Bank was ranked second place in the category "Companies with more than 2,000 employees."

Working Mother Award 2006

Deutsche Bank was named one of the 100 Best Companies for Working Mothers in the annual survey by "Working Mother" magazine for the fifth consecutive year.

¹ For the results of the sustainability ratings, see p. 18–19

About This Report

REPORTING PERIOD

This report covers the period between January and December 2006. Deutsche Bank's "Corporate Social Responsibility" Report is released once every year.

CONTENT AND GOALS

The content of the report and the weight given to the individual issues are based on the guidelines of the Global Reporting Initiative (GRI). Throughout the report, we have used the third-generation



(G3) guidelines of the Global Reporting Initiative (GRI), including the Social Performance Indicators (SPI) and the Environmental Performance Indicators (GRI and UNEP Finance Initiative). These widely recognized indicators help to standardize sustainability reporting, thus making it comparable (see www.globalreporting.org). On a scale from A+ to C, the GRI assigned an A for this year's report. The scale forms the assessment framework for the GRI, with A+ representing the best grade. This grade is assigned only if there is an additional examination by external third parties. 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.

The different chapters focus on stakeholder-specific issues. This structure enables us to give a broad overview over all our activities worldwide while addressing the information needs of all interest groups at the same time.

Acting sustainably is important in all areas of the Bank and is a leitmotiv throughout the report. Our Sustainability Management System provides the framework for a uniform and systematic approach to sustainability challenges. In addition, the report deals with topical issues and challenges for our Bank and our stakeholders. This year, climate change, demographic developments, international support for education initiatives and the global fight against poverty are among the most important issues. Detailed information on Deutsche Bank's approaches, strategies and guidelines to deal with these challenges can be found in the report. In addition, the texts present our goals and achievements or our performance. Due to the sheer number of our activi-

ties we can present only a selection of our initiatives and projects. However, we have chosen the examples in such a way that they give a representative picture of our global commitment.

For further information on Deutsche Bank—in particular concerning the "Economic Indicators," the "Organization Profile" and "Governance"—please see the publications listed on p. 110.

QUALITY AND TRANSPARENCY

We are dedicated to a transparency in governance and communication. That is why we sum up our contributions to sustainable development and to social progress once every year. The charts and tables released in this report give detailed and accurate information about our activities. In addition, Gerling Consulting Gruppe GmbH was asked to review the methodology for data generation and aggregation for the operational ecological parameters given in the report for 2006 with a view to their structure, their extent and their adequacy in terms of sector-wide best practice. Our Sustainability Management System has received an external certification under DIN EN ISO 14001 and has been recertified up until and including 2008.

Report Content, Quality, and Boundary

1.1–1.3 p. 1–2, 5–9, 108

Strategy and Analysis

1.1–1.2 p. 1–2, 5–9, 12–14, 18–19, 20–21, 34–35, 48–49, 54–56, 58, 65, 70–71, 77, 82–83, 88–89, 94–95, AR: p. 2–5

Organizational Profile

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2.3 p. 101, AR: p. 10–14
2.4 AR: p. 10–14
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2.6 back cover page, AR: p. 18
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2.8 back cover page, p. 36, AR and FR

Organizational Profile (continued)

2.9 inner and back cover pages, p. 36 et seqq., AR: p. 1–5, 10–14
2.10 p. 107, www.db.com

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4.2–4.3 FR: p. 194 et seqq., AR: p. 15–16
4.4 p. 9, AR: p. 15
4.5 AR: p. 15–16, FR: p. 35–39, 201 et seqq.
4.7–4.9 p. 5–9, 15–17, 39–41, 50, 58, FR: p. 55 et seqq.
4.10 FR: p. 56 et seqq.
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EC2 p. 41, 44
EC3 not reported to ensure protection of proprietary information
EC4 p. 58
EC6 p. 34–35, 36–44
EC7 inner cover page, p. 5–6, 38, 44, 60–95, 102–106
EC8

Environmental

Management Approach Disclosure EN1–8, 14, 16–18, 22, 26, 29 p. 7–9, 14, 16–17, 26–29, 54–57 p. 12–14, 26–27, 54–57
EN11 not available
EN19, 21, 23, 27 not reported due to irrelevance of the element in question
EN12 support of the Peace Parks Foundation
EN20 not reported due to the disproportionate amount of expenses required to do so
EN28 none

Product Responsibility

Management Approach Disclosure PR1, 3, 5–6 p. 16–17, 30–31, 58, AR: p. 28–41 p. 5–6, 30–31, 45
PR9 not reported due to bank-specific regulatory limitations and to internal guidelines

Defining Labor Practices and Decent Work

Management Approach Disclosure LA1–3 p. 7–9, 36–45, 50, 58, AR: p. 42–43 p. 36–44, AR: p. 20, 42–43
LA4 Form 20-F: p. 107–108
LA5 Goal: To be reported in CSR report 2007
LA6–7, 9 p. 45, 59
LA8 p. 34, 42–43, 59
LA10–11 p. 34–35, 37–38
LA13 FR: p. 194 et seqq.
LA14 not reported due to bank-specific regulator limitations and to internal guidelines

Human Rights

Management Approach Disclosure HR1–2 p. 34–45, 50, 58, AR: p. 42–43 p. 16, 58
HR4 several instruments to prevent discrimination and to support affected employees; not reported to ensure protection of employees
HR5–7 p. 16, 50, 58, Form 20-F: p. 107–108

Society

Management Approach Disclosure SO1 p. 5–9, 15–17, 101 p. 5–6, 59, 60–71, 84–95
SO2–4 p. 17, 58
SO5 p. 59, 84–88
SO8 not reported due to bank-specific regulator limitations and to internal guidelines

Social Performance Indicators (SPIs)

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CSR2 p. 7–9, 101–106
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F7 p. 14, 26–27, 50–51
F8–11, 13 n.r.
F12 p. 26–27

¹For further information, please see the risk report (p. 56–90) in the Financial Report for 2006
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 2006, AR = see Annual Review 2006

Imprint/Publications

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CONCEPT AND ARTWORK:

Scholz & Friends Berlin

TEXT:

vier-x Kompetenzteam in Sachen 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 therein.

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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PAPER:

Arctic Volume



Deutsche Bank

The Group at a Glance

	2006	2005
Share price at period end	€ 101.34	€ 81.90
Share price high	€ 103.29	€ 85.00
Share price low	€ 80.74	€ 60.90
Dividend per share (proposed for 2006)	€ 4.00	€ 2.50
Basic earnings per share	€ 13.31	€ 7.62
Diluted earnings per share ¹	€ 11.55	6.95
Average shares outstanding, in m., basic	450	463
Average shares outstanding, in m., diluted	511	509
Return on average total shareholders' equity (post-tax)	19.5%	12.5%
Adjusted return on average active equity (post tax) ^{2,3}	22.2%	16.2%
Pre-tax return on average total shareholders' equity	26.4%	21.7%
Pre-tax return on average active equity ³	30.4%	24.3%
Cost/income ratio ⁴	70.2%	74.7%

in € m.	2006	2005
Total revenues	28,338	25,640
Provision for loan losses	330	374
Total noninterest expenses	19,883	19,154
Income before income tax expense and cumulative effect of accounting changes	8,125	6,112
Net income	5,986	3,529

in € bn.	Dec 31, 2006	Dec 31, 2005
Total assets	1,126	992
Loans, net	168	151
Shareholders' equity	32.8	29.9
BIS core capital ratio (Tier I)	8.9%	8.7%

Number	Dec 31, 2006	Dec 31, 2005
Branches	1,717	1,588
thereof in Germany	934	836
Employees (full-time equivalent)	68,849	63,427
thereof in Germany	26,401	26,336

Long-term rating	Dec 31, 2006	Dec 31, 2005
Moody's Investors Service, New York	Aa3	Aa3
Standard & Poor's, New York	AA-	AA-
Fitch Ratings, New York	AA-	AA-

¹Including effect of dilutive derivatives, net of tax.

²Net income of € 5,986 million for 2006 and € 3,529 million for 2005 is adjusted for the reversal of 1999/2000 credits for tax rate changes of € (1) million for 2006 and € 544 million for 2005, and cumulative effect of accounting changes, net of tax of € 46 million for 2006.

³We 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 € 30,765 million for 2006 and € 28,201 million for 2005 are the average unrealized net gains on securities available for sale, net of applicable tax effects of € 2,382 million for 2006 and € 2,023 million for 2005 and the average dividends of € 1,615 million for 2006 and € 1,048 million for 2005. The dividend is paid once a year following its approval by the general shareholders' meeting.

⁴Noninterest expenses as a percentage of net interest revenues before provision for loan losses plus noninterest revenues.



We are dedicated to transparency in corporate governance and communication. That is why we introduced the annual “Corporate Social Responsibility Report” in 2002 in order to record our contribution to society. The report describes how Deutsche Bank fulfills its role as corporate citizen and how it incorporates sustainability principles into its business activities. We describe the latest challenges for our Bank and our stakeholders—shareholders, customers, employees and society as a whole. In this year’s report, climate change, demographic developments, international support for education initiatives and the global fight against poverty are among the most important issues. Each chapter deals with specific topics that are of interest to certain stakeholder groups. This report showcases both our motives and goals as well as the concrete results of our efforts.

