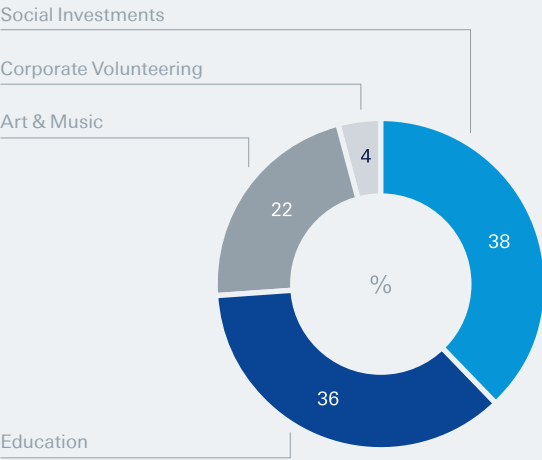


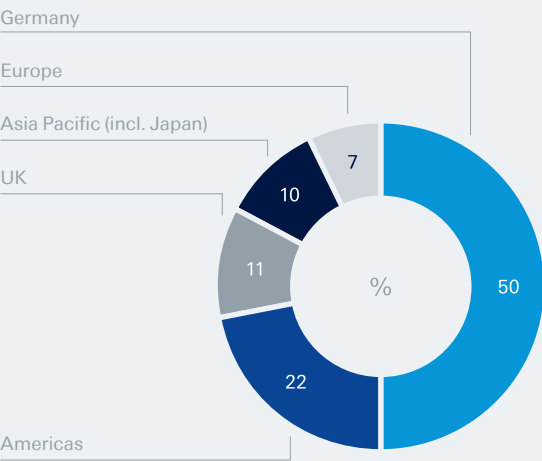
Global social responsibility investments

With a total investment of **nearly 100 million euros** in 2010 – more than ever before – Deutsche Bank and its foundations were again among the world’s most active corporate citizens.

Share of total investments per area of activity  
€98.1 m. in total



Regional split of total investments  
€98.1 m. in total



Deutsche Bank  
Our Identity

Our mission

We compete to be the leading global provider of financial solutions, creating lasting value for our clients, our shareholders, our people, and the communities in which we operate.

Our promise

- Excellence
- Relevant client solutions
- Responsibility

Our brand

Deutsche is clear: we are here to perform – in business and beyond. We do this with a unique mix of passion and precision. This measured approach gives us the confidence to enable agile minds to look beyond the obvious, gaining advantage for everyone we work with.

*Passion to Perform*

pass on  
your  
passion

and build social capital

Corporate Social Responsibility  
Report 2010

*Passion to Perform*

Global challenges

**Sustainability** The earth’s temperature could rise by 1.7°C to 2.4°C by the middle of the century, according to the OECD. A development with incalculable results if we do not take action.

**Education** By 2015, all children around the world should receive a primary school education. At the end of the last century, the 189 member nations of the UN committed to achieving this goal. The human right to education must not remain a theory.

**Social Investments** Half of the world’s population lives on less than two US dollars per day, according to the German relief organization Welthungerhilfe. Catastrophes such as floods and earthquakes plunge millions more into poverty. Effective help is needed.

**Art & Music** Cultural diversity is a defining characteristic of humanity, according to UNESCO. But only about 10 percent of all people have regular access to cultural institutions and opportunities. This gap needs to be closed.

**Corporate Volunteering** One in eight adults is a volunteer, according to the UN labor organization ILO, which calls on citizens to become active – many people and corporations already have done so.

Core initiatives

Sustainability  
New Deutsche Bank Towers

The modernization of the Group Head Office in Frankfurt in line with the Green Building approach has the objective to consume 74 percent less water, 67 percent

less heating energy and 55 percent less electricity as well as to emit 89 percent less CO<sub>2</sub>.  
[See p. 52](#)



Education  
FairTalent

Projects such as FairTalent in Germany and College Ready Communities in New York City enable young people to

pursue an education otherwise unachievable due to their social backgrounds.  
[See p. 82](#)



Social Investments  
Help for the disadvantaged

Functioning local communities guarantee social cohesion. We support various initiatives. In addition Deutsche Bank,

its foundations, employees, and clients help people impacted by natural catastrophes.  
[See p. 102](#)



Art & Music  
Art in the Towers

Around 1,500 artworks of 100 artists from more than 40 countries are on display at our Group Head Office in Frankfurt am Main, welcoming viewers to a discovery tour of contemporary art.

The Deutsche Bank Collection is among the world's most important corporate art collections and is today as global as the bank itself.  
[See p. 118](#)



Corporate Volunteering  
Team Challenges

With Team Challenges, employees devote one day to a non-profit initiative in their region, ranging from social projects to environmental organizations.

In 2010, 3,400 employees participated in about 200 Team Challenges in Germany only.  
[See p. 137](#)



Deutsche Bank  
The Group at a glance

	2009	2010
Basic earnings per share <sup>1</sup>	€7.21	€3.07
Diluted earnings per share <sup>1</sup>	€6.94	€2.92
Average shares outstanding, in m., basic <sup>1</sup>	689	753
Average shares outstanding, in m., diluted <sup>1</sup>	717	791
Return on average shareholders' equity (post tax)	14.6%	5.5%
Pre-tax return on average shareholders' equity	15.3%	9.5%
Pre-tax return on average active equity	15.1%	9.6%
Book value per basic share outstanding <sup>2</sup>	€52.65	€52.38
Cost/income ratio <sup>3</sup>	72.0%	81.6%
Compensation ratio <sup>4</sup>	40.5%	44.4%
Noncompensation ratio <sup>5</sup>	31.5%	37.3%

in € m.	2009	2010
Total net revenues	27,952	28,567
Provision for credit losses	2,630	1,274
Total noninterest expenses	20,120	23,318
Income (loss) before income taxes	5,202	3,975
Net income (loss)	4,958	2,330

in € bn.	Dec 31, 2009	Dec 31, 2010
Total assets	1,501	1,906
Shareholders' equity	36.6	48.8
Core Tier 1 capital ratio <sup>6</sup>	8.7%	8.7%
Tier 1 capital ratio <sup>7</sup>	12.6%	12.3%

Number	Dec 31, 2009	Dec 31, 2010
Branches	1,964	3,083
thereof in Germany	961	2,087
Employees (full-time equivalent)	77,053	102,062
thereof in Germany	27,321	49,265

Long-term rating	Dec 31, 2009	Dec 31, 2010
Moody's Investors Service	Aa1	Aa3
Standard & Poor's	A+	A+
Fitch Ratings	AA-	AA-

<sup>1</sup> The number of average basic and diluted shares outstanding has been adjusted for all periods before October 6, 2010 to reflect the effect of the bonus element of the subscription rights issue in connection with the capital increase.

<sup>2</sup> Book value per basic share outstanding is defined as shareholders' equity divided by the number of basic shares outstanding (both at period end).

<sup>3</sup> Total noninterest expenses as a percentage of total net interest income before provision for credit losses plus noninterest income.

<sup>4</sup> Compensation and benefits as a percentage of total net interest income before provision for credit losses plus noninterest income.

<sup>5</sup> Noncompensation noninterest expenses which is defined as total noninterest expenses less compensation and benefits, as a percentage of total net interest income before provision for credit losses plus noninterest income.

<sup>6</sup> The capital ratios relate the respective capital to risk-weighted assets for credit, market and operational risk. Excludes transitional items pursuant to section 64h (3) German Banking Act.

<sup>7</sup> The Tier 1 capital ratio relates Tier 1 capital to risk-weighted assets for credit, market and operational risk. The Tier 1 capital ratio excludes transitional items pursuant to Section 64h (3) German Banking Act.

Corporate Social Responsibility  
Key figures

Sustainability (see p. 24)	2008	2009	2010
Assets under management in sustainability-oriented funds (in € bn.)	2.8	3.1	2.8

Environmental data (see p. 54)	2008	2009	2010
Net GHG emissions, tonnes CO <sub>2</sub>	426,848	365,722	265,267
Water use in m <sup>3</sup>	2,218,794	1,694,236	1,943,856

Education (see p. 78)	2008	2009	2010
Total participants in education projects	108,898	274,251	337,093
Participants in projects with a cultural focus	156,703	126,095	194,943

Social Investments (see p. 94)	2008	2009	2010
Microfinance: estimated cumulative financing to micro-borrowers (in US \$ bn.)	1.01	1.19	1.23
Microfinance: number of borrowers (in m.)	2.2	2.6	2.7

Art & Music (see p. 110)	2008	2009	2010
Visitors at Deutsche Guggenheim, Berlin	109,099	130,018	140,165
Participants in art education programs	9,977	17,058	23,843
Participants in the education programme of the Berliner Philharmoniker	2,500	3,703	3,023

Corporate Volunteering (see p. 126)	2008	2009	2010
Deutschbankers volunteering in their local communities <sup>1</sup>	27 %	27 %	32 %
Deutschbankers participating in the bank's volunteering programs	12 %	14 %	21 % <sup>2</sup>
Matched Giving programs: Total employee donations and matching by Deutsche Bank (in € m.)	8.0	7.0	9.7

Stakeholder feedback	2008	2009	2010
Employee Commitment Index (see p. 61)	74	77	74
Perception of Deutsche Bank as a responsible corporate citizen			

Internal perception <sup>1</sup>			
Global	79 %	81 %	79 %
Germany	79 %	82 %	81 %

External perception (B2B market)			
Global	44 %	44 %	53 %
Germany	36 %	71 %	78 %

CSR investments	2008	2009	2010
Total investments (in € m.)	82.3	81.1	98.1 <sup>3</sup>

<sup>1</sup> Representative internal online survey

<sup>2</sup> Change of data collection method

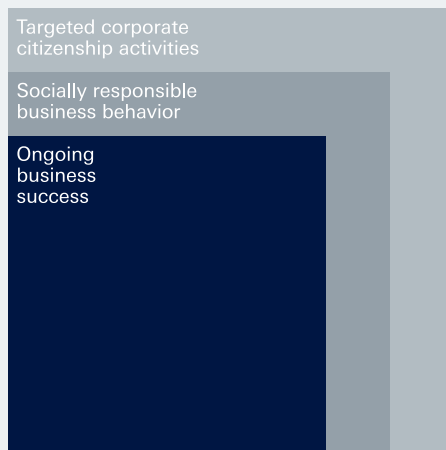
<sup>3</sup> Due to increased support for Education & Science and outstanding commitment to disaster relief efforts

**Cover:**  
Fahd Ndanghwa (14) is among the top students of London's inner city Battersea Park School. Deutsche Bank has been working with the school since 2007, when it launched the Reach Higher program in partnership with Outward Bound, an educational charity that uses outdoor experiences and challenges to help and develop young people.

“Deutsche Bank’s motto is ‘Passion to Perform’. For us, performance includes demonstrating social responsibility. We view it as an integral part of our work.”

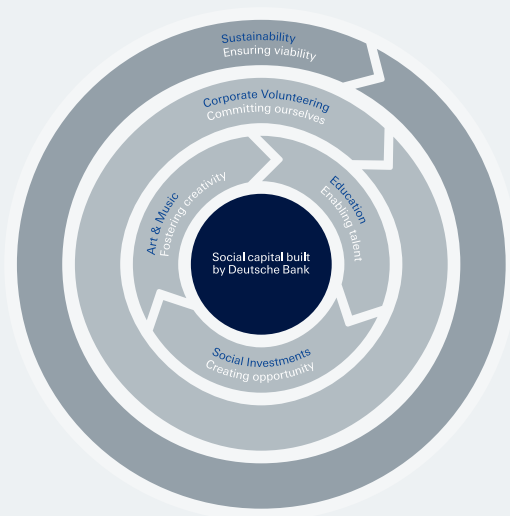
Dr. Josef Ackermann

## Building social capital



### Responsibility today

Deutsche Bank regards corporate social responsibility (CSR) as an investment in society and in its own future. We consider our topmost social responsibility to be internationally competitive, to earn commensurate profits, and to grow as a company. Our second priority as a good corporate citizen is to earn money in a manner that is both socially and ecologically responsible. The third and most visible part of CSR is our support for socially beneficial activities.



### Commitment to society

Our educational programs enable talent, our social investments create opportunities. Our involvement in art & music fosters creativity, and our commitment to sustainability ensures long-term viability. With their corporate volunteering activities, people at Deutsche Bank commit themselves personally.

As a responsible corporate citizen, Deutsche's objective is to build social capital.



# Editorial

## Investment in our own future

*Ladies and Gentlemen,*

The global financial and economic crisis has fuelled doubts in many people whether the quest for profits and ethical principles, whether markets and morals are compatible. This loss of trust harms not only enterprises and their managers but all of us.

For this reason, in the past year, Deutsche Bank, together with a number of other German enterprises, developed and signed a “Code of Responsible Conduct.” With this code, we commit to success- as well as value-driven corporate management. It underscores our clear responsibilities. Companies do not operate in a vacuum; they are a part of the society in which they operate. Banks, in particular, require people’s trust.

Deutsche Bank’s motto is “Passion to Perform.” Performance, for us, includes demonstrating social responsibility. As a leading global bank, we are aware that we have a special responsibility. And it is in our own interest to live up to that responsibility: The more stable the societies in which we operate, the better our chances of success. Therefore, we view corporate social responsibility (CSR) as an integral part of our work – of mutual benefit both to us and to society as a whole.

The foremost social responsibility for us is to be internationally competitive and to earn commensurate profits. Only in this way can we serve the interests of our clients, shareholders and employees and create long-term value for all our stakeholders. We do so in many ways: as a provider of attractive products and services; as a reliable partner for our clients; as an

employer of more than 100,000 people in 74 countries; and last but not least, as a tax payer and supporter of special projects for the common good.

At the same time, as a good corporate citizen, we need to ensure that we work in a socially and ecologically responsible manner. No amount of profit is worth risking the good reputation and credibility of Deutsche Bank. That is why corporate social responsibility must be an integral part of the way we do business. It must be firmly embedded in our corporate strategy and business processes. Corporate social responsibility must be part of our DNA.

In the past year, we invested nearly 100 million euros – more than ever before – in global projects in the areas of education, sustainability, social investments, art and music. This is the third part of our corporate social responsibility. Despite difficult times, we significantly increased our commitment compared to previous years. We view this investment in society as an investment in our own future.

To promote talent is a key focus of our CSR investments. We consider education as crucial in ensuring the future of our societies and are committed to giving everyone a fair chance in life, an essential requisite for peace and social stability. Through numerous initiatives, particularly the new FairTalent program, we help talented young people achieve goals otherwise unattainable for them, often due to their social background.



For us, corporate social responsibility also means operating sustainably and not jeopardizing the future of our planet. An outstanding example of this is the modernization of our Group Head Office in Frankfurt am Main. It is now one of the most environmentally-friendly high-rises in the world.

A growing number of Deutsche Bank employees personally commit themselves to promoting the common good. In 2010, more than 17,000 employees were active in over 3,200 projects around the world– as mentors, advisers to non-profit organizations, or as participants in community days, thereby demonstrating their “Passion to Perform” and building social capital.

What passion to perform can achieve when it is passed on is the leitmotif of our new brand campaign “pass on your passion.” With this initiative, we aim to inspire others with our passion to perform and invite them to join in.

The following report gives you an overview of our extensive corporate social responsibility program. I recommend you to read it and see for yourself that Deutsche Bank stands for more than money – much more.

Yours sincerely,

*Josef Ackermann*

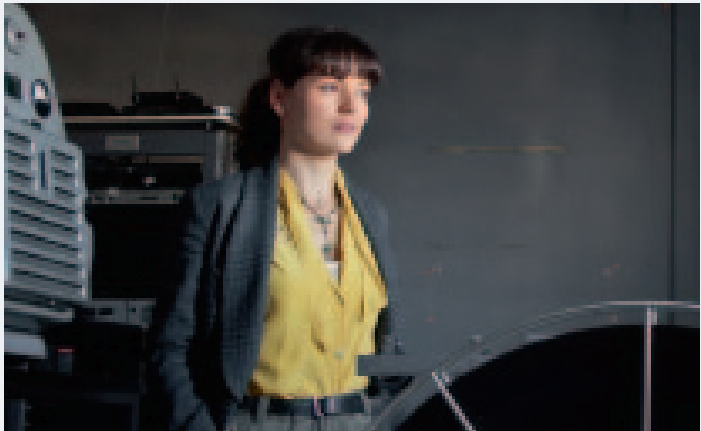
**Dr. Josef Ackermann**  
Chairman of the Management Board  
and the Group Executive Committee



**18 Dialog: Asamblea Comunitaria de Miravalle**  
Social support in the megacity: The Miravalle community on the edge of Mexico City received the Deutsche Bank Urban Age Award 2010 of the Alfred Herrhausen Society.



**82 Education: Christopher Nguyen**  
Equality of opportunities: Thirteen-year-old Christopher is one of the first scholars of the FairTalent program for talented and socially committed students from disadvantaged backgrounds.



**114 Art & Music: Yto Barrada**  
Borders: They are the leitmotif for the work of the 39-year-old Moroccan Barrada, who is Deutsche Bank's Artist of the Year 2011.



**28 Sustainability: Mark Fulton**  
Climate investments: Fulton and his team are the interface of scientific knowledge, social and policy debate, and investment activities around climate change.



**98 Social Investments: Chennupati Vidya**  
Life's work: For 42 years, Vidya has been committed to improving the lives of women and girls in India with her relief organization Vasavya Mahila Mandali.



**130 Corporate Volunteering: Alex Manson**  
Strengthening leadership: Alex Manson, Managing Director at Deutsche Bank in London, coaches the chief executive of the non-profit Street League organization.

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3. View film  
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More than money:  
Building social capital



# Corporate Social Responsibility Highlights 2010



**01 Community development**  
**New York**  
For nearly 20 years, the U.S. government awarded Deutsche Bank the rating “outstanding” for its commitment to disadvantaged communities. Among the new projects is a housing and revitalization program in New York. See p. 104

**04 Code of Responsible Conduct for Business**  
Together with 20 other companies, Deutsche Bank developed this code of practice. The code requires a commitment to a success- and value-driven corporate management in line with the social market economy. See p. 02

**02 Deutsche Bank Urban Age Award**  
**Mexico City**  
The winner of the Deutsche Bank Urban Age Award 2010 is Mexico City’s Asamblea Comunitaria de Miravalle. The award from the Alfred Herrhausen Society encourages people to accept responsibility for their cities. See p. 18

**05 Charity of the Year**  
**United Kingdom/Ghana**  
Employees of Deutsche Bank in the United Kingdom raised 1.7 million pounds sterling for AfriKids and the Marine Conservation Society – a new record for the Charity of the Year initiative. See p. 138

**03 Reconstructions programs**  
**Haiti**  
For the victims of the Haiti earthquake, Deutsche Bank, its clients, employees and foundations donated 5.8 million US dollars – 2 million for immediate relief efforts and the rest for long-term reconstructions programs. See p. 103

**06 New Deutsche Bank-Towers**  
**Frankfurt am Main**  
After three years of a complete modernization, 2,900 employees moved back into the Group Head Office. The CO<sub>2</sub> emissions now amount to just 0.4 tons per employee per year, 89 percent less than before the renovation. See p. 52

**07 FairTalent**  
**Germany**  
The FairTalent education program began with 150 scholars in the second half of 2010. The program enables talented and motivated students from disadvantaged backgrounds to receive an education and achieve their full potential. See p. 82

**10 Huong Duong Education Center**  
**Ho-Chi-Minh City**  
20 percent of Deutsche Bank Vietnam employees participated in building and operating this center, that offers orphans and physically or mentally challenged children a home and education. See p. 102

**08 Bocconi University**  
**Milan**  
The new partnership with the Bocconi University signals Deutsche Bank’s ongoing commitment to the promotion of science. The cooperation includes scholarships and seminars. See p. 90

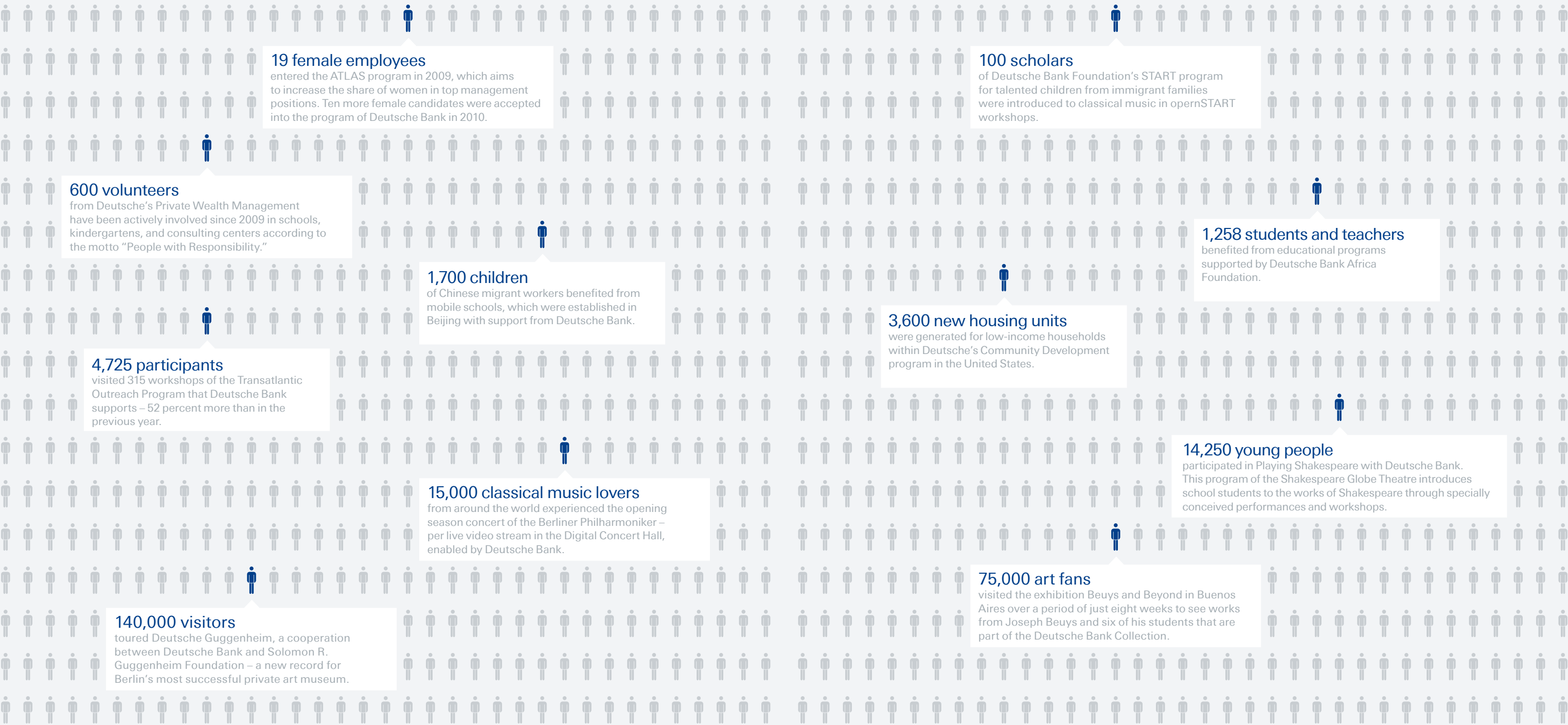
**11 V-Net**  
**Japan**  
Launched in 2008, the V-Net network of Deutsche Bank employees in Japan has significantly expanded its volunteer activities. Volunteer participation has increased by 56 percent since the network’s launch. See p. 138

**09 Artist of the Year**  
**Tangier**  
Yto Barrada from the Moroccan port city of Tangier was selected as Deutsche Bank’s Artist of the Year 2011. Her works will also be featured at the Deutsche Guggenheim this year. See p. 114

**12 From Mahler’s time**  
**Sydney**  
In the lobby of the Opera House, Australian students performed the musical production From Mahler’s time, together with the Berliner Philharmoniker. The orchestra toured Australia and presented its education programme there for the first time. See p. 121

# Corporate Social Responsibility

## Touching lives around the world 2010



Corporate Social Responsibility  
Selected key facts 2010

137

137 million US dollars is the volume of the seven Deutsche Bank investment funds which are dedicated to microfinance.

26

26 hours was the duration of the longest flight of a solar airplane from July 7 to 8. The pilot, André Borschberg, completed the first-ever night flight of Solar Impulse, supported by Deutsche Bank.

14.5

14.5 million US dollars is the size of the Eye Fund launched by Deutsche Bank, which supports eye clinics in poor regions worldwide.

95

95 percent of the more than 56,000 artworks in the Deutsche Bank Collection are accessible to the public. The collection focuses on young, international contemporary artworks.

3,064

3,064 seminars for employee development were offered on our internal electronic training platform.

2.4

2.4 billion euros is the volume of projects in the area of renewable energies that were concluded with Deutsche's product area Asset Finance and Leasing in 2010.

3,200

3,200 volunteering projects were supported by Deutsche Bank employees around the world.

98.1

98.1 million euros is the total investment that Deutsche Bank made in the area of corporate social responsibility – more than ever before.

35.4

35.4 million euros is the total investment that Deutsche Bank made in the area of education – the share of education projects in total investments rose from 29 to 36 percent.

6

6 million low-energy lights were financed by an emissions-trading project that Deutsche Bank introduced together with the Ecuadorian government in 2010. The lights will be distributed to 1.5 million households whose residents live below the poverty level.

14001

ISO 14001 is the international environmental standard. In 2010, Deutsche Bank in Tokyo and Milan received ISO 14001 certification.



# What passion to perform can achieve ...

... when it is passed on – in business and beyond. This is what corporate social responsibility (CSR) is all about when it comes from Deutsche Bank. And this is how our involvement in society is directly linked to the DNA of our brand. At Deutsche, we have always regarded our CSR initiatives as an investment in society and in our future. That’s why we believe in passing on our passion – to really make a difference.

Deutsche is the place for passionate performers – that’s why to us, “Passion to Perform” is more than just a claim – it is the way we do business and involve ourselves in the communities in which we operate. The most visible part of our CSR program is our support for socially beneficial activities across education, social investments, art & music, volunteering, and sustainability. Across all these initiatives, you can see that there is simply no performance without passion. And: passion belongs to everyone, everywhere. By nature, passionate performers pass on what they are passionate about.

Passionate performers are ready for a globalizing world where people engage in a greater number of relationships, in a greater variety of forms, and with greater intensities than ever before. They are ready for a world which is diverse, complex, interconnected, and characterized by fast-changing contexts. Passionate performers not only engage themselves, but also others – shared passion, shared purpose.



As a responsible corporate citizen, our objective is to build social capital – everywhere we operate. That’s why we believe in passing on our passion – to really make a difference.

Passionate performers connect and are connected. In 2010, we extended the scope of our CSR communication efforts, relaunched a news-driven CSR portal, and implemented targeted campaigns to spread the news on key CSR projects. For the first time ever, we initiated a “more than money” campaign in print and online channels – including the social media. It generated considerable public awareness: within just three weeks, more than 45 million page views and more than 140,000 clicks on Deutsche’s CSR websites were registered.

As a responsible corporate citizen, our objective is to build social capital – everywhere we operate.

Take corporate volunteering: Volunteering is one of the most personal, fulfilling ways passion can make a difference. It’s a chance to pass on the benefits of your knowledge and experience, learn new skills, and gain new perspectives as well. One in five of Deutsche’s employees bankwide dedicates time, knowledge, and expertise to others in the local community.

Take education: By supporting a broad range of education projects we offer multiple routes to help young people around the world unlock their potential. Globally, we invest more than a third of our support in educational programs.

Take art & music: We make them accessible to all. At Deutsche Bank we believe that creativity is the source of innovation, progress, and prosperity – in art, in music, in business, and in the society at large.

See in Deutsche’s new CSR Report what passion to perform can achieve when it is passed on – in business and beyond.



Passionate performers not only engage themselves, but also others – shared passion, shared purpose.



pass on your passion  
What passion to perform can achieve, when it is passed on – in business and beyond.

The author of this article  
Christofer Habig,  
Global Head of Brand Communications & Corporate Citizenship

# A commitment to microfinance

## Investor, innovator, thought leader

Deutsche Bank was the first global bank to create a microfinance fund in 1997, when microfinance was beginning to prove its profound global significance in serving the needs of the poor. Since that time, Deutsche Bank has been part of the microfinance industry’s trajectory from the early years of rapid growth and universal accolades to the current period of soul-searching and unprecedented criticism (see p. 105 et seqq.)

### What are microfinance institutions?

There are an estimated 10,000 microfinance institutions (MFIs) worldwide. Most MFIs are very small, however, with approximately 300 of the largest MFIs representing the vast majority of global microfinance assets. While most MFIs are non-profit organizations, they are increasingly developing into for-profit businesses that may take the form of specialized finance companies or deposit-taking commercial banks. These transformations allow for the ability to offer a wider variety of services and access to more sources of funding. Typical MFIs offer loans, some offer savings, and more and more are moving into insurance and other financial services, such as remittances.

Microfinance loans usually start at just below 100 US dollars and can, over time, reach several times this amount, depending on the geography of the institution; loan sizes tend to be larger in Eastern Europe than in Asia, for example. Typically, the minimum loan term to microfinance clients is six months, and the maximum loan term is three years.

Today, Deutsche Bank has emerged as an industry leader by pioneering the first microfinance investment fund for institutional investors, structuring the first rated global subordinated debt fund, and establishing a vehicle to support early-stage microfinance institutions (MFIs) working in the most challenging geographies. While these financial innovations have had an enormous impact on advancing capital access opportunities for the sector, Deutsche Bank has been equally committed to ensuring that the industry works to meet the needs of the poor as the ultimate beneficiary of its efforts. This commitment has led Deutsche Bank to play an important role as a thought leader and advocate in mobilizing key players to support critical efforts such as client protection and transparency and in working to ensure that the industry remains mission-focused.

### The call to action: Why microfinance?

With more than half of the world’s population living on less than two US dollars a day, there is an urgent need to alleviate poverty. While it is not a panacea, microfinance offers a business approach to help ease some of the problems and difficulties of the poor, by providing access to financial services, mainly credit and savings. Granting very small loans (microloans) to poor and low-income entrepreneurs – who cannot access funding from traditional financial institutions due to a lack of collateral or credit history – enables borrowers to generate supplemental income to help cover necessities such as regular meals and a child’s education.

In addition to supporting income generation, microfinance helps poor people to manage their cash flows, which can fluctuate wildly with unpredictable income sources and unanticipated crises such as natural disasters, illness, and death. Microfinance also provides a platform for other development interventions. With their broad distribution networks, MFIs serve as conduits to reach the poor with services including financial literacy education, health care, and insurance.

By most industry estimates, less than 20 percent of the demand for microcredit from the world’s poor entrepreneurs is being met, which leaves an opportunity for social investors with financial expertise like Deutsche Bank to make an impact on the lives of millions by developing funding structures to channel capital to those communities not currently served.

Microloan start-up: merchant at a farmers’ market



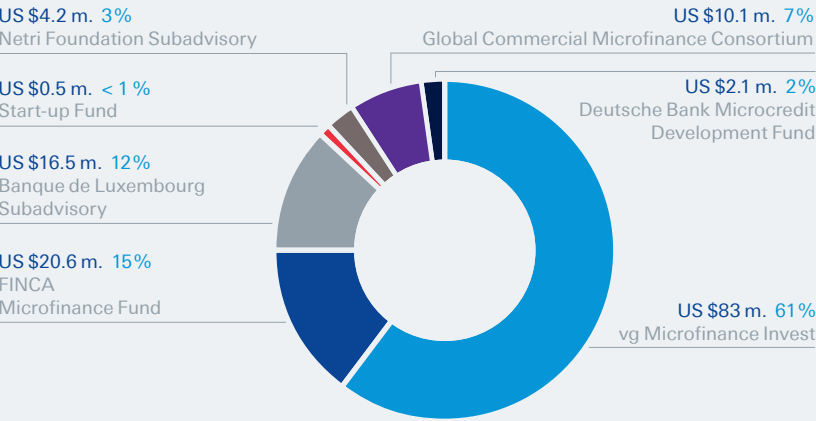
### Deutsche Bank’s philosophy of engagement in microfinance

Deutsche Bank has always championed a moderate view of social investing that recognizes its dual purpose. Success in achieving the objectives of social investment in microfinance is driven neither solely by commercial nor philanthropic intentions but by a hybrid business approach that seeks both financial and social value. Microfinance is mutually dependent on both, like a strand of DNA.

Since 1997, Deutsche Bank has consistently worked to develop the microfinance industry through a strategy of innovation and the creation of double bottom-line funds that have attracted new institutional investors to the sector.

### Deutsche Bank Microfinance Funds

Deutsche Bank currently manages 137 million US dollars in outstanding microfinance loans. Current value of loans outstanding by fund (million US dollars, percent)



### The current crisis in microfinance and Deutsche Bank’s commitment to the industry

Over the past decade, the microfinance industry grew rapidly and gained broad recognition for its approach to addressing global poverty. However, rapid growth has also resulted in growing pains, which have radiated from certain markets that have experienced aggressive commercialization. In these markets, the unfettered pursuit of profits has resulted in very rapid growth using highly standardized products with little regard for the real needs of the client. Unsurprisingly, client service has suffered, causing critics to raise questions about the viability of microfinance.

These instances of client neglect and abuse have resulted in a wide swing in public opinion, with microfinance no longer enjoying the halo of saintliness and instead being characterized as a villain in the lives of the poor. Critics of microfinance have suggested that it exploits the poor by charging high rates, by over-indebting clients, and by employing coercive collection techniques. Others have charged that microfinance’s positive social impact has been overstated. These criticisms, while perhaps exaggerated by the media, also hold kernels of truth that the industry must address. Deutsche Bank believes in the value of microfinance in improving the lives of the poor and believes that in the long



run, the current crisis will help create a stronger industry by spurring reforms and encouraging better client service.

Does microfinance have a strong social impact?

The first impact studies of microfinance programs, published in the 1990s, showed a strong positive connection between access to microfinance and poverty alleviation. However, recent studies carried out on a randomized control trial basis have produced less conclusive results, throwing doubt on the strength of microfinance’s social impact. The resulting media coverage has seized on the headline that microfinance does not have any impact on poverty alleviation. In reality, though, the new studies each revealed inconsistent but often beneficial effects on the lives of the poor. The studies’ authors also each argued for future research on the subject, recognizing weaknesses in their own studies related to the relatively short time period that they analyze.

Responding to this need for greater efforts to study the long-term social impact of microfinance, Deutsche Bank organized the Microfinance Impact and Innovation Conference in 2010 with Moody’s, New York University, MIT, and Yale. The goal was to bring together practitioners and academics to share knowledge on research issues and to generate new ideas for microfinance products and study.

Does microfinance have a detrimental effect on its end-borrowers?

One pronounced criticism of microfinance is that it exploits its clients by charging high interest rates. Historically, interest rates in microfinance have indeed been high, ranging from 30 percent to 100 percent in some regions to allow MFIs to cover the high costs of making very small loans in remote areas. These high rates are accepted in the industry so that MFIs can be profitable and therefore sustainable. As a point of comparison, the alternatives offered by money lenders can carry rates of interest as high as 3,650 percent per annum because they charge a daily interest rate of 10 percent.



Textile entrepreneurs: successful as a team

While there is some justification for the high rates charged by microfinance providers, Deutsche Bank believes that pricing must be transparent both to the customer and to the public in general to encourage accountability. To this end, Deutsche Bank has developed and shared with the industry its own methodology for standardizing effective interest rate calculations, and it has also been an early supporter of the non-profit organization Microfinance Transparency, which provides country-specific listings of effective interest rates charged by MFIs.

In addition to interest rate criticism, recent accusations of harm have highlighted the aggressive collection practices and inadequate underwriting standards of some MFIs in specific markets, most notably India. In their drive for rapid growth and profits, some Indian MFIs have adopted a zero-tolerance policy toward delinquencies that has encouraged unethical collection practices. Also in India, the quest for growth has encouraged lending without proper attention to the borrowers’ needs or capacity to repay, causing some of these clients to take multiple loans, become overindebted, and in the most severe cases, take their own lives in despair. While these stories from India are extreme cases, they draw attention to the need for an enforced code of conduct among MFIs.

Although multiple borrowing is fairly common, there is limited hard data as to the severity of overindebtedness, and the problem has not yet manifested itself in decreased portfolio quality around the world. There are several markets that have faced over-indebtedness crises, in addition to parts of India, such as Bosnia and Morocco, but so far it remains a contained risk. However, this risk has the potential to spread if corrective action is not taken.

In order to encourage public discussion of sensitive issues, in the fall of 2010 Deutsche Bank organized a meeting of in-country networks, university professors, rating agencies, and leading thinkers to discuss the problems facing the microfinance industry, particularly the risk of overindebtedness. One of the key conclusions was that more hard analysis and empirical data is needed to determine the level of overindebtedness and the associated risks. Deutsche Bank is working with these parties to develop a cost-effective survey that will produce this data. In addition, Deutsche Bank is examining a project to educate microfinance networks and institutions on how to counsel those who have borrowed beyond their capacity.

As early as 2007, Deutsche Bank anticipated the risks that aggressive commercialization might bring and organized a group of industry leaders for a lengthy brainstorming session on the challenges and opportunities facing microfinance. This group produced the Pocantico Declaration, which has played an important part in bringing more focus to the mission of microfinance and placing greater attention to serving its poorest clients.



Exporters: farmers in rural Uganda

Stories from the field  
Khalide in rural Azerbaijan



Khalide lives in rural Azerbaijan with her husband and children in a settlement constructed for internally displaced persons (IDPs) who fled their homes during civil unrest and ethnic violence in the late 1980s. While Khalide and her family receive a small IDP allowance from the government, it is not enough to provide for the family, and there are few jobs available for the poor in rural Azerbaijan. In order to start a small animal husbandry business to support her children, Khalide sought her first loan from a microfinance institution to buy three calves.

In Khalide’s words: “The credit helped us to rise up from poverty when we were having hard times and when our children were still too small to work and make money. Things got easier when our elder sons grew up and we helped them to launch their own businesses, again with the help of business loans from the microfinance institution. We bought an old tractor and water carrier truck for them. Though nobody is educated in our family, I am glad that my daughter, who is now 15, shows a deep interest in entering a high school. With the increased income, we were able to hire tutors for her.”

One of the key initiatives of the Pocantico Declaration was the Smart Campaign, which established a code of conduct for MFIs regarding ethical collection methods, overindebtedness, and transparency of pricing. Deutsche Bank played a role in the founding of the Smart Campaign and provided early financial support and expertise. It remains committed to working with MFIs that display the highest standards according to the criteria set by the Smart Campaign. The Smart Campaign is now developing a certification process for MFIs similar to the Fair Trade certification.

The way forward

The recognition of and response by microfinance leaders to the current reputational risks and to the potential loss of public trust are evidence of a maturing industry. The Pocantico Declaration, the Microfinance Transparency initiative, the Smart Campaign and its MFI certification system are all manifestations of this new awareness. In most of these efforts, Deutsche Bank has played a pivotal role in guiding the industry toward greater operating transparency and improved customer service. Most recently, Deutsche Bank gathered the leading CEOs of the major microfinance networks to act collectively to defend and improve the industry. At this meeting in Tarrytown, New York, nine of the major microfinance network leaders reached a consensus to form a council of CEOs to support the implementation of the Smart Campaign, Microfinance Transparency, and social performance metrics.

The microfinance industry, which is still at a very young stage despite its recent growth, requires a multitiered approach for improvement. Deutsche Bank continues to believe in the value of microfinance and remains committed to being among those leaders who will strive to overcome poverty by helping the microfinance industry rise above its challenges, refocus on its customers, and maintain its original social goals.

Smart Campaign  
client protection  
principles

- 1. Avoidance of overindebtedness
- 2. Transparent and responsible pricing
- 3. Appropriate collection practices
- 4. Ethical staff behavior
- 5. Mechanisms for redress of grievances
- 6. Privacy of client data



More information about our microfinance activities

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## Deutsche Bank Urban Age Award “We brought the village to the city”

Asamblea Comunitaria de Miravalle is the winner of the Deutsche Bank Urban Age Award 2010. The journalist Gerhard Waldherr visited the community near Mexico City.



How is your life? “You live the way you live and try to be happy,” says Maria Antonietta Gallego, a small, round, and lively woman in a blue apron with a bag full of empty plastic containers. The Comedor has just opened, and a long line forms behind Maria on the steps. “Sometimes you have enough, and sometimes you have to tell your stomach ‘don’t get so worked up – you have the day off’,” Maria says and laughs. And everyone around her laughs because she happily explains her situation and everyone can relate to what she says.

Maria has six children and no work. Long ago, her husband left for another woman. The oldest daughter is also a single parent. A son became a father at the age of 16 and married. All of them live together: the children, the daughter-in-law, the grandchildren – 10 people altogether. How do they manage? Maria doesn’t know herself but they do somehow. “Of course, I don’t laugh every day,” she says. “Otherwise, people would think I’m crazy, but I try not to let everything prevent me from enjoying life either.”

It’s Friday, and the Comedor is serving tomato soup, beans, rice, tuna fish with onions, and torta de pollo. The community kitchen is the heart of Miravalle, a “colonia” on the outer periphery of Mexico City at the foothills of the Guadeloupe volcano. Miravalle consists of rambling homes made of cement and bricks. Many of them are still unplastered, but as many have well-maintained, brightly painted facades. More than 12,000 people live here between steep roads full of nooks and crannies – people like Maria who came 21 years ago or Galinda Macero Castrejon, a cook in the Comedor, who has lived here for 28 years. **“When we came, there was no electricity, no running water, no paved streets, no public transportation,”** Galinda remembers. **“We had to fight hard for everything.”**

There are 290 colonias in Mexico City. Most of them have a similar history and development: People come from the country in search of work or from the city to live in their own four walls. They go where property is cheap and build shacks or houses. Some of them later extend their shacks or add a floor to their homes. They build, add on, and expand. Planning doesn’t exist; everything is totally arbitrary, unorthodox. The colonias have spread uncontrolled into the valley of Mexico City, like stew from a tipped kettle. The official definition is “informal city development.” As such, Mexico City has become the quintessential city of the 21st century, the first urban century in history. Since 2008, more people in the world live in cities than they do in rural areas.

Mexico City has more than 20 million inhabitants, with 60 percent of them living in unplanned suburbs and colonias, and more than four million cars. The city is the largest transportation junction in Latin America, notorious for its endless traffic jams and smog. Even from the air, people can’t see from one end of the city to the other.

“In Mexico City,” says the architect and city planner José Castillo, “we have a chauvinistic attitude toward catastrophe – we, the world’s biggest, dirtiest and most dangerous city.” That may sound more dramatic than it is, Castillo is quick to add. He doesn’t dispute the many problems brewing in the colonias. Every third inhabitant, for instance, lives in poverty. Whoever has a job typically needs hours to commute to and

» No one ever thought that we would achieve what we achieved.

Galinda Macero Castrejon, cook in Miravalle

from work and has little, if any, time for the family. Young people form gangs ruled by drugs, violence, and crime. Girls become pregnant as teenagers. Most people have a poor diet and respiratory issues, suffer from diabetes and high blood pressure, and die early.

**“A feeling of constant fragility prevails in Mexico City,”** says Castillo. “But that is only part of the truth. The city also has a very active population. The inhabitants are independent and full of vitality; they make bold decisions every day to improve their lives.” In Miravalle, Castrejon notes, “we leave our homes to fight for the community.” Indeed, while the colonia may symbolize Mexico City’s urban development over the past 50 years, it is also a symbol for solving problems.

Children in Miravalle’s Centro Educativo







People need more than just  
a roof over their heads

Jorge Carbajal, brother of the Maristen Order in Miravalle

For the Alfred Herrhausen Society (AHS), which researches the future of cities with its Urban Age project, Mexico City serves as an excellent case study. In 2006, the second Urban Age conference organized by AHS took place in the city. In 2008, the society brought the exhibition of a researcher collective to Berlin: Citámbulos: Journey to the Mexican Megalopolis. And in 2009, the Urban Age Symposium took place in Mexico City, attended by Mayor Marcelo Ebrard who is an ardent supporter of AHS efforts. Ebrard was also present when the 4th Deutsche Bank Urban Award was awarded to Asamblea Comunitaria de Miravalle on July 22, 2010.

Asamblea Comunitaria is a consortium of 15 organizations that work independently but regularly meet to approve initiatives and guidelines. The organizations, for instance, take credit for equipping the Comedor where about 200 warm meals are served daily for 10 pesos (about 55 euro cents). They have also established two kindergartens, a library, and a health center as well as a vegetable garden and waste recycling plant. Moreover, they organize dance, music, and art courses for

Betsabée Romero, a juror in the Urban Age Award in her studio



young people, a parents’ association for school issues, an office for political issues, and a commission for human rights called Cultivamos Juntos. This name expresses what these different initiatives are all about: shaping the future together.

“It’s always about problems and solutions and about the transformation into a modern city, whether it’s Mexico City or Mumbai, Johannesburg, or Berlin,” says Castillo, who served as chairman of the jury for the Urban Age Award 2010. “Of the 193 applicants, Miravalle had the most comprehensive program and the most deeply rooted social development. It is certainly no Italian piazza but it is as close to being an Italian piazza as it can possibly be in a globalized Latin-American metropolis.”

Casa de Todos, or “House for Everyone,” is directly below the Comedor. Jorge Carbajal, 48, sits at a rustic table and explains how everything began. Miravalle arose in 1985, following the disastrous earthquakes in Mexico City when many people fled the city in search of a new place to live. In 1988 brothers of the order Congregación de los Hermanos Maristas came to build a school. The Maristas run 70 schools in Mexico, six of them in Mexico City, with their teachers committed to the further development of their communities. “We informed people of their rights,” Carbajal recalls. “We made them aware that they need to press politicians to meet their democratic duties and that they need to take responsibility for their infrastructure and quality of life.”

The inhabitants of Miravalle began to organize themselves, giving rise to the first interest groups. The groups contacted



Food counter in the Comedor, Miravalle’s community kitchen

local politicians, debated with them, voiced their demands, sought support for public and private funding, and worked together to build community centers, waste sites, and organized events. Most of the Miravalle inhabitants, according to Carbajal, come from small, rural villages. “In Mexico, there is something in the country called ‘Faena’,” he says. “It’s a community service that everyone is expected to do and it’s something we established here. This is what has brought the spirit of a village to the big city.”

On main street, the Calle Nacional, we meet Oscar Perez. The 27-year-old attended the Maristas school. “What impressed me the most as a young student was the solidarity and grace we were shown,” he remembers. Now Perez advises young people himself. He established Foro la Bomba, an initiative that organizes acrobatic and juggling games every Saturday. “Kids need space to develop personally,” Perez says. “We don’t just give them a house and some instruments and then tell them to ‘play music.’ They have to take care of the house before they can begin.”

On our walk along the Calle Nacional, we pass by a vegetable stand, supermarket, snack-bar, flower shop, and store with stacks of tortillas. We see a web of telephone and electricity cables strung across the buildings and plastic wreaths. At a kindergarten on a side street, Aidee Guadeloupe Romero, a 27-year-old kindergarten teacher, fills a paper cup full of pineapple juice. Behind her, children dance to music and sing the song, “Manos arriba! Manos atrás! Somos feliz!” (Hands up! Hands back! We’re happy!). Aidee was eight years old when



Cactus garden: aloe vera and cactus pear are grown

her parents moved to Miravalle. “Back then, there were gang conflicts, robberies, and murders,” she recalls. “Now we have cultural activities. People here have a completely different outlook on life.”

Everyone says that in Miravalle. So what changed? “Everything!” says Gallego, the amusing survivalist. “Simply everything!” Even if some of the community’s goals have yet to be achieved. Since 1997 Miravalle has electricity, paved streets, and running water – although the water is supplied only sporadically twice a week for a couple of hours. Gallego wishes there were more jobs. Castrejon, the cook at the Comedor, wishes “people had more money to make their homes look even prettier.” But Castrejon admits that no one “ever thought that we would ever achieve what we achieved.”

The sick can go to the health center to be treated for 20 pesos. Medication is free. In the library, children receive help with their homework, and teenagers take computer courses. “People need more than just a roof over their heads,” Carbajal says. “They need social support and an economy that gives them stability and, ideally, the opportunity to earn an income.” In fact, Castillo views this as one of the most pressing tasks of social investments. “There is no social development without economic development,” he says. “Providing financial support without creating earning opportunities would be like pouring water into a barrel without a bottom.”

For this very reason, Miravalle aims to spend the 100,000 US dollars prize money from the Urban Age Award very prudently.



Alfred Herrhausen Society

Alfred Herrhausen Society (AHS) is the international forum of Deutsche Bank. It is named after Alfred Herrhausen, former spokesman of Deutsche Bank. The banker was assassinated in a terrorist attack on November 30, 1989.

The work of AHS focuses on new forms of governance as a response to the challenges of the 21st century. Only when traces of the future are found in the present can relevant themes of our time be named, developed, and managed. To this end, AHS plans and realizes forums for discussion worldwide, together with international partners across a range of fields, including policy, academia, and business.

The most prominent project of AHS is Urban Age, the series of international conferences that began in New York in 2005 and has since been held in Mexico City, London, Shanghai, Johannesburg, Berlin, Mumbai, São Paulo, and Istanbul. The conference series is organized by the society together with the London School of Economics and Political Science and since 2007 has awarded the 100,000 US dollars Deutsche Bank Urban Age Award.

Deutsche Bank Urban Age Award



With the Urban Age Award, Deutsche Bank honors partnerships between citizens, politicians, business people, and non-governmental organizations that contribute to improving the quality of life in cities. Today, more than half of the world’s population lives in cities or urban centers and an increasing number of urban dwellers live in slums.

The future of cities is a central theme of the modern world. Migration and the economic upheavals of globalization have created the phenomenon of uncontrolled, sprawling megacities, especially in emerging and developing countries. The ensuring social and economic ramifications require effective solutions.

With the Urban Age Award, the Alfred Herrhausen Society encourages people to mutually accept responsibility for their cities and shape their urbane future together.

Previous winners of the Urban Age Award:

- Mumbai 2007: Mumbai Waterfronts Center, a civic association that transformed a waste dump in the Indian Ocean into a boardwalk, as well as Triratana Preana Mandal, an organization initiated by street children from a slum
- São Paulo 2008: Edifício União, a project that took over the shell construction of a high-rise in the city center and transformed it into a living complex for 42 families
- Istanbul 2009: Barış İçin Müzik, a project in the socially disadvantaged city district Edirnekapi, which gives children free music instruction
- Ciudad de México 2010: Asamblea Comunitaria de Miravalle (see photo)



Short film about the Deutsche Bank Urban Age Award Mexico 2010



More plastic for the waste recycling facility

“Should we build something quickly? No, we intend to develop a concept within the Asamblea Comunitaria and definitely employ local workers,” Perez says. Some of the money, Carbajal adds, should go to the community’s vegetable garden and some to the waste recycling facility. And the money that is left over should be used to produce a photography exhibition and a video to inform visitors and others about the community work in Miravalle. Maybe even a radio broadcaster could be set up someday.

The community vegetable garden and waste recycling facility are on the outskirts of Miravalle behind a high wall. Carbajal leads the way, pointing to the cactus garden created by the community’s physically disadvantaged, who have their own employment program. They plant lavender in the flower garden and will later turn it into soap. In a tub, they study the trout they raise themselves and will sell later. The plant beds are prepared in three greenhouses. And at the nearby waste recycling facility, a bulky machine whizzes and crunches away.

It took a while for Asamblea Comunitaria to convince the inhabitants of Miravalle of the importance of protecting the environment and recycling resources. Now they collect debris from the streets and build garbage containers from recycled plastic beverage bottles. Up to 20 people are busy today recycling waste of all types, which is later shredded. The granulates are then poured into soapy water, heated, and finally shaped into buckets, children’s stools, chairs, plates, and more.

“This is what the Urban Age Award can achieve,” Castillo says. “It can shine a light on the potential of communities that are supposedly anarchic. But anarchy can also mean creativity, and the colonias are productive in an astonishing way.” Nobody knew Miravalle before the awards, Castillo points out. “Now television crews and journalists come and architect students and professors from Houston plan to study the model,” he says.

The Urban Age Award 2010 attracted 193 applicants. The most promising received a visit from the jury. Vanessa Bauche and Betsabeé Romero were two of the seven jurors. Actress Bauche

is internationally known for her role in Amores Perros by the director Alejandro González Iñárritu but also for her fight against sex crimes in the northern Mexican border city Ciudad Juárez. The work of the artist Romero often focuses on the absurdities of urban life. Her installations of cars and tires have toured the world. She is one of Mexico’s most acclaimed artists.

Bauche and Romero live in Mexico City and love the vitality, chaos, and contradictions of the metropolis. But both admit that through the Urban Age Award they first learned about the energy and passion of the people living in the city when it comes to solving problems. **“We drove through the city,”** says Bauche, **“and I was amazed and fascinated when we were in Miravalle. I thought ‘here is where I want to live’.”** Romero is thankful for her role in the awards. “The participation in the Urban Age jury was one of the most important things that I did in 2010 and I view it as an honor and an opportunity to learn about all the projects. Above all, they have given me hope.”

Miravalle means valley view in Spanish. And from the observation deck in Miravalle, we look down on the valley of Mexico City, which was once a lake. José Castillo looks together with us at the sea of houses that has spread out under the gray-yellow-brown haze over the city, which is surrounded by mountains. “It’s a view of a valley, a view of an urban reality,” Castillo says, “but it is, above all, a view of the future of the world.”

Those who want to make music need to take care of the house first



» It’s a view of an urban reality, a view of the future of the world.

José Castillo, president of the Urban Age Award 2010 jury

Globalized metropolis: looking down into Mexico City from Miravalle





# 02

## Sustainability

Deutsche Bank regards sustainability as an essential element of its activities – in its core business and beyond. We want to pass on a healthy environment as well as stable economic and social conditions to future generations.



A blurred background image of a modern office interior. Two men in business attire are seated at a wooden table, looking at a laptop. A woman in a pink top is walking in the background. The scene is lit with warm, ambient light from pendant lamps.

# 02

## I. Financial partner

A key role of the financial industry on the path towards a sustainable future consists in providing capital. The global environmental and social issues offer a wide range of opportunities for innovative products and financial services, see p. 38.

A blurred background image of a diverse group of business professionals in a meeting. A woman with dark hair is smiling and looking towards the camera. Other people are visible in the background, some in profile, some looking towards the camera. The setting appears to be a bright, modern office with large windows.

# 02

## III. Social issues

Our employees are our most important resource: We want to offer them an attractive work environment and individual development prospects, see p. 60.

A background image of a large, jagged iceberg floating in a dark blue ocean under a bright blue sky with scattered white clouds. The iceberg's surface is textured with ice ridges and shadows.

# 02

## II. Environmental issues

Environmental protection and climate change are among the most pressing global challenges of our time. In order to meet these challenges, Deutsche Bank had already developed a climate strategy in 2005, see p. 49.

A background image featuring a close-up of a hand with fingers spread, overlaid with a grid of orange squares. The squares are of varying sizes and are positioned over the fingers and palm. The background is a blurred image of a person's face, focusing on the eye and nose area.

# 02

## IV. Governance issues

Transparent and effective corporate management is the foundation of our economic success. Effective corporate governance structures are of crucial significance in that context, see p. 69.





## Sustainability Ensuring viability

“This is a place where society and business come together.” Within the bank, Mark Fulton’s desk on the 24th floor of the Deutsche Bank building on Park Avenue is an important interface between scientific knowledge, social debate, policy and entrepreneurial activity relating to the entire issue of climate change. The 54-year-old Briton is Global Head of Climate Change Investment Research at Deutsche Asset Management in New York. He also represents Deutsche Bank as the co-chair of the climate change working group of the Finance Initiative of the United Nations Environment Programme (UNEP FI).

Mark Fulton has focused on climate change and its impact for 20 years. “1991 was the first time that I participated in preparing a study that examined the influence of climate change on stock markets and raw materials. The move to Deutsche Bank in the year 2006 gave me the opportunity to delve into that theme in greater depth when the Global Head of Asset Management asked me to set up the climate change research team in Asset Management.”

Since then Mark Fulton has contributed his research experience predominantly in the asset management area. Working with his team, he publishes thought-leadership white papers as well as helping to identify investment opportunities for clients and the bank.

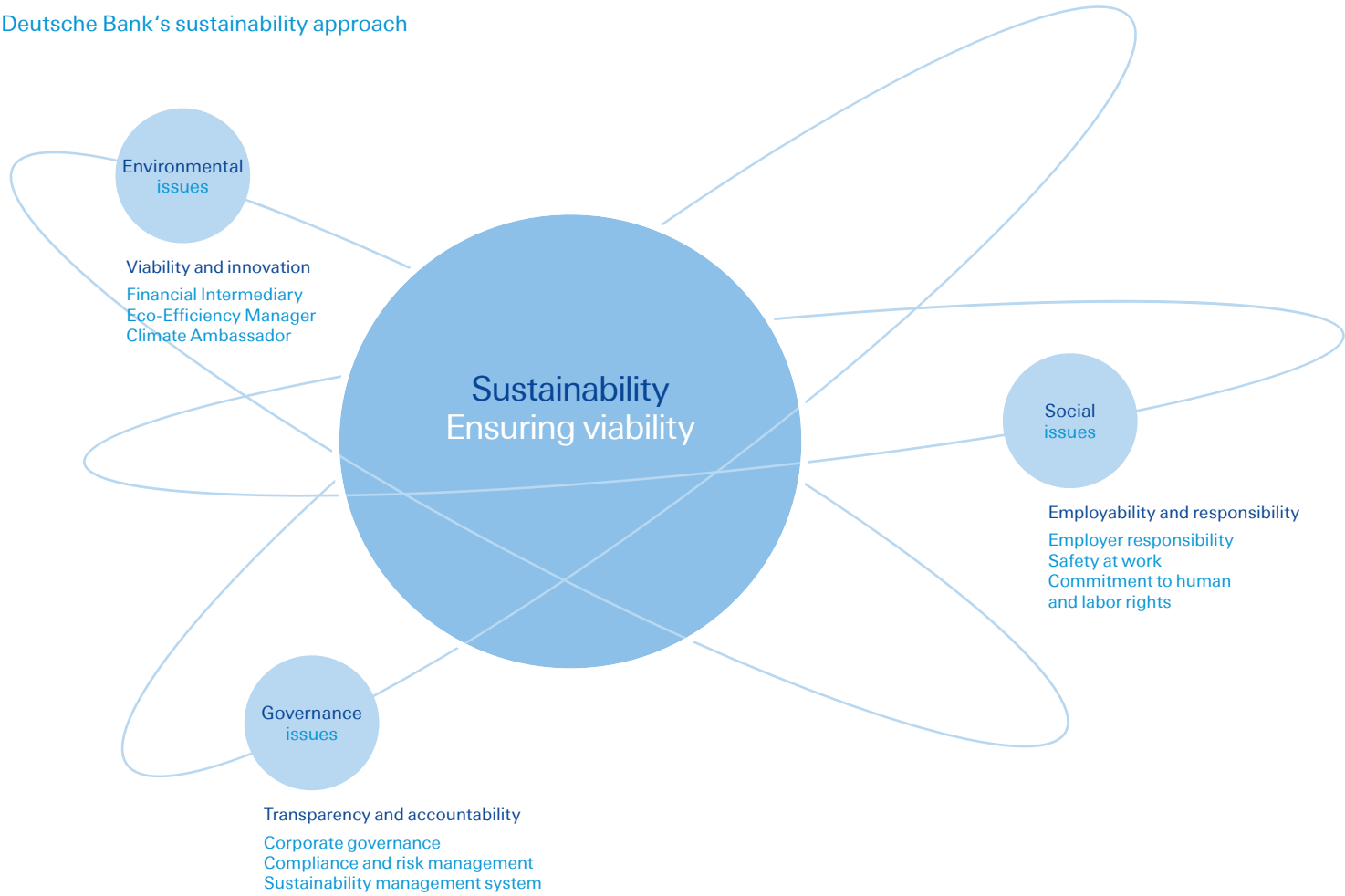
Questions relating to environmental protection and sustainability not only play a role in Mark Fulton’s business life but also for Deutsche Bank. The challenges of climate change and sustainability are central elements of the bank’s business strategy. “The next economy must be cleaner and more energy efficient,” states Dr. Josef Ackermann, Chairman of the Management Board of Deutsche Bank: “Green growth is also good economy. [...] My aim is to keep Deutsche Bank at the forefront of green growth.”

The complete speech of Dr. Josef Ackermann on the topic “Green growth – the role of financial institutions”:

🔗 [banking-on-green.com/intro](https://www.banking-on-green.com/intro)

Mark Fulton, Global Head of Climate Change Investment Research at Deutsche Asset Management in New York

Deutsche Bank’s sustainability approach



Mission statement on sustainability

We believe sustainability means future viability – with the aim of ensuring that 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 and reputation. Sustainability is an integral component of our business decisions. We go beyond legal requirements in taking into account social, ethical, and ecological issues in our everyday business. We review and continually improve our everyday work procedures according to sustainability-related criteria [...].

🔗 [banking-on-green.com/Mission](https://banking-on-green.com/Mission)

The global challenges that we have to cope with today can only be resolved through cooperation between the business and government and society as a whole. Therefore, Deutsche Bank intensively takes part in public debate on issues of sustainable business management. Particularly in the area of environmental protection, the bank plays a vital role as a financial intermediary and capital provider for innovative projects and companies.

An important growth market has developed in this area: More and more clients are interested in sustainable financial projects and would like to invest in climate-resilient technologies and projects.

However, sustainability and return on investment requirements do not always harmonize. We operate in an environment which is subject to conflicting demands and in which the aim is to balance economic interests with environmental integrity and social responsibility. However, we strive to firmly

anchor sustainability as part of our business policy and to realize it as part of our corporate DNA.

Our direct and indirect impact

Our business operations affect our employees, clients, shareholders, and ultimately society as a whole – directly or indirectly.

In our view, all operational issues can be influenced directly. For instance, we are pursuing a challenging goal in the area of operational environmental protection: We have undertaken to make all our business operations completely climate neutral by 2013. We strive to be an attractive employer for our staff, supporting them in a targeted manner and enabling them to make environmentally and socially responsible choices in their day-to-day work routine. We can also exert influence in conjunction with our core business. For example, we provide impetus for change by expanding our range of climate-friendly financial products, which also have an indirect

impact in the wider context of the economy and society. Our commitment towards responsible corporate governance also has an indirect impact even beyond the limits of the bank.

Our sustainability approach

Our sustainability strategy is based on the ten principles of the Global Compact. As one of its founding members, we have committed ourselves to support the ten principals of this UN initiative for corporate responsibility and to implement it in

practice. Its principles apply to the areas of human rights, labor standards, environmental protection, and fighting corruption. We regard it as a guideline for our own commitment and want to communicate and support it even outside of our company.

In implementing our sustainability approach, we adhere to the ESG concept. It distinguishes between environmental themes (Environment), social themes (Social), and themes relating to corporate governance (Governance).



Launch of the world's first-ever carbon counter in Manhattan on June 18, 2009

Mark Fulton, Global Head of Climate Change Investment Research at Deutsche Asset Management, and his team





## >> Financial partner

Our central focus as a **financial partner** is on values such as reliability, transparency, and trust. We want to support our clients in making sustainable investments, promoting future trends such as wind power and solar energy as well as realizing sustainable objectives in the best possible manner. We want to contribute towards the sustainable development of the financial sector.

## >> Environment

Protection of our **environment**, and climate change in particular, is one of the greatest global challenges of our time. Deutsche Bank wants to make a real contribution to coping with this urgent, complex problem. We accomplish that primarily by investing in innovative technologies and concepts for a low-emissions future.

## >> Social

Our goal in relation to **social** issues is to sustainably create value as a competitive and profitable company – for our employees, clients, shareholders, and society as a whole, operating as a competitive and profitable company. Our responsibility as a bank with global operations includes a clear commitment to democracy, tolerance, and equality of opportunity.

## >> Governance

Our top **governance** priorities are to foster values such as responsibility, transparency, and credibility as well as management of risks. Our governance system is designed to achieve the standards we have set for ourselves as well as external requirements. That applies to our sustainability management system as well as risk management.



## Our sustainability management system

### Certified sustainability performance

Deutsche Bank has been using a group-wide sustainability management system in accordance with the international ISO 14001 standard as part of its total quality management since 1999. Besides environmental issues, the system also addresses the social and governance areas.

In 2010 in the course of the periodic audit, an external certifier confirmed that we have implemented our sustainability program in a manner that complies with the norm and that we have continuously improved our sustainability performance. The primary focus of our sustainability management system consists of in-depth audits that were conducted at 42 global business units and infrastructure functions. In line with our matrix certification they took place at our German locations in Frankfurt, Munich, and Hanover as well as our international locations in New York and London. In addition, our locations in Milan and Tokyo were also audited and certified in 2010.

With our sustainability management system we have defined structures, processes, and responsibilities that ensure goal-oriented, effective implementation of our sustainability strategy. Our objective is to constantly improve the sustainability performance of Deutsche Bank in all areas – in our core business as a financial services provider, in our operational environmental protection measures, personnel management, and corporate management – and to recognize and rectify any possible undesirable developments at an early stage. We want to anchor our group-wide sustainability management system even more firmly at the regional level.

#### Organization and control of our sustainability management system

The primary responsibility for the sustainability policy of Deutsche Bank lies with the Management Board. The Group Sustainability Officer is responsible for operational implementation. He also coordinates the cooperation with more than 65 sustainability officers in the global divisions and infrastructure areas of the bank.

The Group Sustainability Officer agrees upon the goals of our sustainability program as well as the measures that serve to implement it jointly with the responsible individuals at the management level. Central bodies ensure a direct exchange on sustainability issues and interdivisional

coordination matters relating to sustainability. The Group Sustainability Officer is a member of the interdivisional Environmental Steering Committee (ESC) and is involved in the consultations of the Group Reputational Risk Committee on thematic issues with ESG relevance.

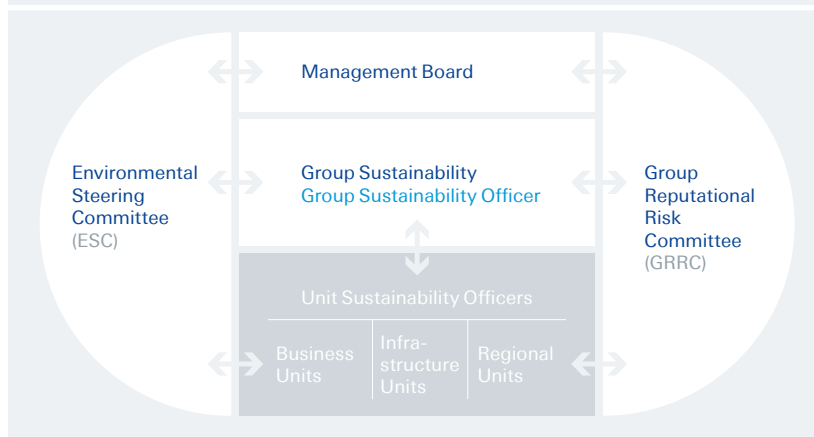
In conjunction with their sustainability program, the business units and infrastructure areas of the bank have among others undertaken to raise employees' awareness and to inform them about the subject of sustainability. In order to support this goal, we have developed an online-based learning program that has been available on our internal training platform since 2009. It vividly illustrates how important sustainable action is for the success and future of the bank. In 2010 we focused on increasing the number of participants significantly.

Our current sustainability program period will end in 2011. We intend to set ourselves ambitious goals again for the new certification cycle from 2012–2014.

More about certification according to ISO 14001 banking

[banking-on-green.com/iso\\_14001](http://banking-on-green.com/iso_14001)

#### Sustainability management system: control and functions



↔ reporting lines; flow of information

Owners’ voting rights

Another field of activity that is important to Deutsche Asset Management is exercising owners’ voting rights and thus engaging in the resulting critical dialog with companies that we have in our portfolios (see our voting rights policy, see p. 44).

More about our commitment in the area of human rights: see p. 67.

Dialog with our stakeholders  
Systematic exchange

As a corporate citizen, we are part of society and maintain diverse relationships with people and institutions. That forms the foundation for our business and results in our responsibility.

We conduct a regular dialog with our stakeholder groups in order to understand what special expectations they place on us as a financial institution and to explain our positions. This provides us with important impetus for more sustainability in our business activities. We also learn about new ideas and concepts for practice and thus promote acceptance for our activities.

We attach importance to a fair and open exchange with all of our company’s essential stakeholder groups. These include clients, employees, investors, and society as a whole.

In addition to the established regular dialog with our shareholders in conjunction with our investor relations activities and the annual general meeting, our communications with stakeholders follow a strategy consisting of three elements: We plan and organize our own events on important sustainability themes; we participate in sustainability-oriented initiatives and take part in forums and events; and we seek direct debate with individual groups in the case of thematic issues that arise ad hoc and organize our own suitable discussions.

**Our commitment 2010/2011**  
Institutional investors expressed a generally positive opinion of the sustainability commitment of Deutsche Bank. Their feedback is regularly obtained in the course of SRI road shows. In 2010 we conducted intensive exchanges of this type at the financial centers of Paris, London, Washington D. C., and Boston.

The theme of Sustainable Financial Products was the central focus of our dialog event in Berlin. In that context, we discussed new trends in the market surrounding sustainable products with representatives from rating agencies, sustainability experts, and participants from our bank.

Deutsche Bank hosted a stakeholder workshop of the Global Reporting Initiative (GRI) focusing on the

topic of improved integration of social issues into the GRI catalog of indicators. Non-governmental organizations and representatives of companies attended. In 2010 we also took part in the bank dialog to which the non-governmental organization urgewald had issued an invitation. In 2011 we will provide the platform for this exchange. In addition, we conducted discussions with national and international organizations such as Greenpeace and BankTrack on issues in the area of nuclear power, controversial weapons systems, agribusiness, oil and gas, as well as mining.

In 2011, we plan to continue the dialog with stakeholder groups. In conjunction with our membership we will furthermore host the UNEP FI/VfU Roundtable 2011.

Materiality analysis:  
Essential fields of sustainability activity

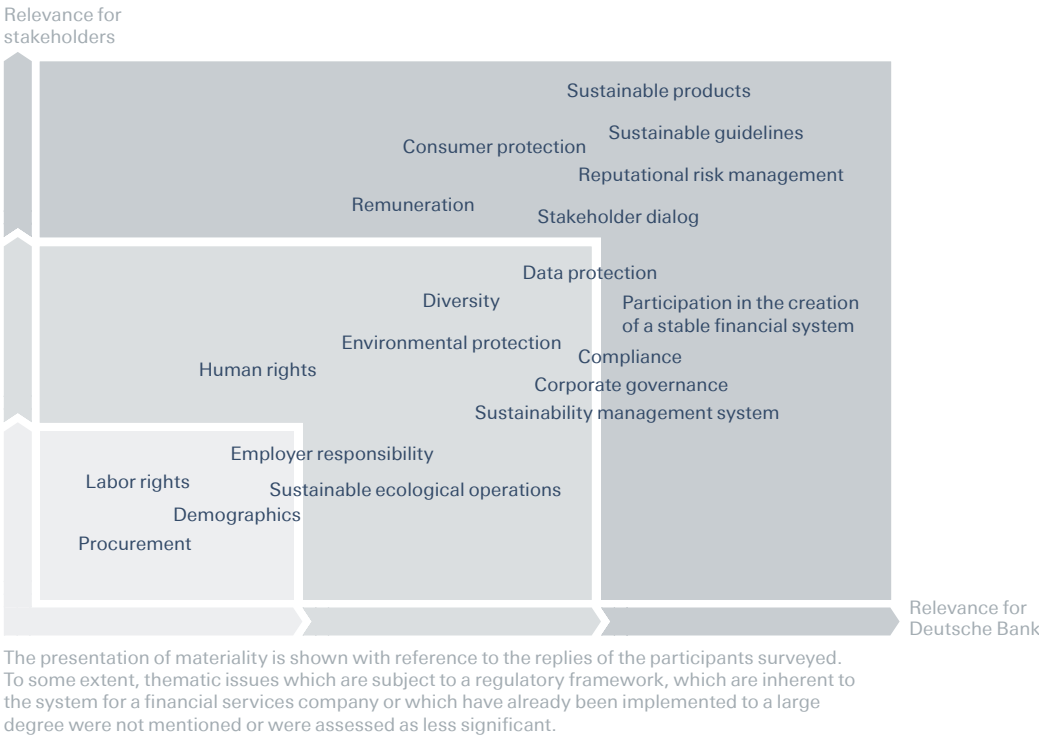
Our sustainability reporting fulfills an important function for building up and cultivating good relationships with stakeholders: For it is how we provide transparency, publicly reporting our achievements and progress against specific goals and indicators.

In 2010 we conducted a structured materiality analysis in order to ensure that the content orientation of our report fulfills the expectations of our stakeholders even better. In this context, we apply the criteria of “materiality” and “stakeholder inclusiveness,” i.e. involvement of stakeholders, which were established by the GRI.

Materiality analysis helps us to determine the fields of activity

- that our stakeholders as well as our bank deem to be significant with regard to sustainability issues;
- that require our special strategic and operational attention, because they entail opportunities and risks with sustainability relevance.

Materiality matrix



We have made use of the following sources in order to identify material fields of activity:

- results of the reader survey of the Corporate Social Responsibility Report 2009;
- the evaluation of structured interviews relating to the sustainability responsibility of Deutsche Bank that an external service provider conducted with representatives of sustainability rating agencies, investors, non-governmental organizations, and senior managers of the bank in the autumn of 2010;
- an evaluation of inquiries that external stakeholders addressed to Deutsche Bank in the course of the year 2010;
- results of our global employee survey 2010;
- evaluations of the feedback from clients and business partners;
- analyses performed by DB Research on behalf of Deutsche Bank that follow relevant trends in the financial market, the economy, and society including their opportunities and risks;
- corporate strategy priorities that have been set.

Our materiality matrix (see chart) shows the results of these evaluations. The matrix is divided into three sections according to the differences in relevance that we determined for the sustainability-oriented fields of action.

This year we have further refined our report on corporate social responsibility on the basis of this materiality analysis and have developed new focuses of priority. That includes the creation of a separate chapter in which we examine the opportunities and challenges of sustainability in the core business of Deutsche Bank (financial partner, see p. 38).

We intend to continue and deepen the materiality analysis in the coming years.

**Online survey**  
If you would like to let us know what issues are important to you, you can participate in our materiality analysis online:  
[banking-on-green.com/materiality](http://banking-on-green.com/materiality)

Sustainability: 2010 in review  
Goals, measures and results

We can make our greatest contribution towards sustainable development through our core banking activities. For instance, we have continued to expand our range of sustainability-oriented investment products and services. We are continuing to work at reducing our own ecological footprint.

Leading rating agencies specializing in sustainability also recognized our sustainability achievements positively in 2010. Sustainable Asset Management (SAM) commended our improved sustainability performance particularly in the area of economy, ecology, and social investments. In conjunction with its assessment of the key environmental, social, and governance criteria, Sustainalytics ranked Deutsche Bank in second place among the total of 93 international financial services providers that were evaluated.

What we have achieved

- Our Asset Finance and Leasing division was involved in more projects in the area of renewable energies than ever before, totaling 2.4 billion euros.
- The emissions trading desk at Deutsche Bank took part in more than 85 CDM and JI projects in 16 countries, which have already generated 90 million CERs and ERUs and are expected to generate 215 million CERs and ERUs by the end of 2012.\*
- Deutsche Asset Management (DeAM) introduced new guidelines for incorporating ESG criteria into the investment process. As one of Germany’s leading asset managers, it manages assets with a value of 2.8 billion euros in sustainability-oriented

investment funds and thematic funds in the area of climate change.

- We have established a global sustainability council in our Private & Business Clients division with the aim of promoting further development and improved coordination of sustainability initiatives.
- We have taken part in discussions aimed at a low-carbon economy, for example by participating in forums focusing on climate change. In our own business operations, we have continued to pursue our target of cutting our net greenhouse gas emissions by 20 percent a year through energy efficiency and carbon offsetting. In order to achieve this objective, we made our first purchase of Certified Emission Reductions (CERs).
- We have integrated a so-called Green Filter into our Group Reputational Risk Management Policy. It helps us determine the extent to which certain transactions contribute towards improving our own and our clients’ carbon efficiency.
- We have introduced a new share purchasing plan in 27 countries as an important component of staff retention. The strong commitment of our staff to the bank was confirmed once again this year: at 74 points, the Employee Commitment Index is still at a very high level.
- The new Women Global Leaders program was introduced to strengthen our existing activities focusing on gender diversity. In addition, 10 more women were selected as candidates for our Accomplished Leaders Advancement Strategy (ATLAS). One-third of the original 19

female participants have already advanced to new positions entailing more responsibility.

Our goals for the future

The current cycle of our sustainability program runs from 2008 to 2011. Our goals for 2011 include:

- Expanding our sustainable banking activities. That means: increasing sustainably managed assets under management, further integration of the UN PRI Principles into our investment

process, and expanding our activities in the area of renewable energies.

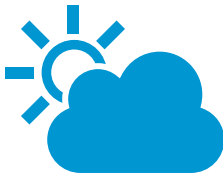
- Making our business operations climate neutral as of 2013. To this end we aim to reduce our carbon emissions by 20 percent a year in comparison with the 2007 reference year.
- Achieving a higher proportion of women in the senior management of the bank.
- Promoting staff awareness of sustainability issues by implementing holistic management of ESG risks.

You can find our goals and measures according to our Sustainability Management System here:  
[banking-on-green.com/iso\\_14001](http://banking-on-green.com/iso_14001)



2.8 bn. euros

Volume of investment products geared to sustainability criteria and theme funds in the field of climate change managed by Deutsche Bank



0 net emissions

Impact from our global operational activities as of 2013



27 countries

Countries we have introduced a new share purchasing plan for employees

\* CER: Certified Emission Reduction; ERU: Emission Reduction Units; CDM: Clean Development Mechanism; JI: Joint Implementation

# 02

## I. Deutsche Bank as a financial partner

### Focus on clients and trust

A key role of the financial industry on the path towards a sustainable future is that of providing capital. The global environmental and social issues offer a wide range of opportunities for innovative products and financial services.

# 1,200

Realization of philanthropic goals in  
**Private Wealth Management**  
1,200: total number of foundations  
managed by us

# 762

Transparency and product responsibility in the  
**Private & Business Clients division**  
762 million euros: amount of loans issues for KfW  
loans to promote investments in environmental  
and climate protection among others

# 2.8

Sustainable investments in  
**Asset Management**  
2.8 billion euros: volume of investment products  
geared to sustainability criteria and theme funds in the  
field of climate change managed by Deutsche Bank

# 2.4

Promotion of future trends in the  
**corporate clients and capital market business**  
2.4 billion euros: volume of projects in the area of  
renewable energies that were concluded in 2010\*

\*Product area: Asset Finance and Leasing only

### Private & Business Clients

#### Consumer protection and product responsibility

In the Private & Business Clients (PBC) division, Deutsche Bank serves private clients as well as small and medium-sized companies in eight European and Asian countries. The range of products that it offers essentially includes payment transactions and account management, the investment fund and securities business as well as private and commercial loans including construction financing. PBC has roughly 23,000 employees and a total of 1,770 branches. Germany is the biggest and most important market.

In the year 2010 one main focus of our retail business continued to consist of thematic areas like consumer and data protection, transparency of advisory services, creation of client benefit and complaints management. That is in accordance with our business model focusing on our clients' interests and also in conformity with the increasingly more stringent requirements for the securities business that supervisory law places on financial services providers.

Furthermore, in 2010 we initiated targeted steps to integrate sustainability aspects into our product range for private and business clients and to sound out business opportunities in this area. We will continue this process in 2011.

#### A strong voice for our clients

In order to give the viewpoint of our clients a stronger voice and to clearly demonstrate that policy externally as well, we created the position of Chief Client Officer (CCO) in 2010. His function is to serve as a visible partner who concentrates his efforts on protecting clients' interests within the company in the long term. The CCO enters for example into dialog with the media and the public, with the consumer protection association as well as with politicians and associations.

In addition, we are making a contribution towards consumer protection with our initiative for promoting more transparent investment consulting. In 2010, we were the first bank in Germany to introduce a product information sheet for investment products with a clear labeling system. In the meantime, we have already published information sheets for over 150 products – also including closed-end investment funds and savings products.

Continuing to enhance the high quality of our advisory service is an important goal. To this end, we ensure that the financial situation and

the financial goals of the investor are taken into account in every consultation, as is required by our consulting standards. In order to check adherence to our quality standards as well as regulatory requirements during consulting, at the end of 2010 we conducted test purchases and test calls once again (mystery shopping). As of 2011 the results will be incorporated into our measurement and control system with the goal of a total quality management.

As a result of the implementation of the EU consumer loan directive, changes in consumer loan law that promote transparent information with clients came into force on June 11, 2010. Clients can now compare offers and loan contracts much better and can judge whether a loan contract is in line with their goals and financial circumstances much more easily. We explicitly support this legislative amendment. Among other things, we implement the resulting rights and claims for our clients by means of pre-contractual information, extensive information contained in the loan contract, as well as regular information during the contract relationship.

#### Internet security and protection of sensitive client data

We apply the highest standards in order to ensure the security of online transactions. We constantly analyze current developments and install the corresponding technologies for the protection of our clients. In addition, we deploy internal security mechanisms in order to prevent improper transactions. We inform our clients comprehensively about possible security risks and precautions on the Internet as well as in combination with our letters that contain transaction numbers. In addition, they can take advantage of a free-of-charge around-the-clock security hotline. And all those measures have been successful: in the test conducted by WirtschaftsWoche magazine in 2010 our online banking service was commended for the highest level of security on the Internet.

More information about  
the labeling of our  
investment products can  
be found at:

➔ [deutsche-bank.de/  
transparenz](http://deutsche-bank.de/transparenz)

Status: end of December  
2010. Numbers without  
Deutsche Postbank



Development bank measures

In 2010 we issued 10,330 loans with a value of 762 million euros for KfW loans promoting investments in environmental and climate protection among others.

db Student Loan

Since its inception in October 2005, we have registered over 18,000 loan approvals with a volume of about 200 million euros. In the year 2010 alone, we issued roughly 2,000 new loans.

In order to provide our clients even better general protection against abuse of their data, we upgraded our internal security standards in 2010.

Furthermore, we have replaced over 1,000 automatic teller machines in 2010 and equipped them with state-of-the-art security technology. As a result of this as well as with the aid of additional measures, we succeeded in significantly reducing the negative effects of skimming attacks on our ATMs.

A current account for everyone

Deutsche Bank supports the Girokonto für Jedermann initiative of Zentraler Kreditausschuss (ZKA) that aims to make a current account possible for everyone. Its goal is to enable even socially disadvantaged people to take advantage of the option of cashless money transactions. As a matter of principle, our bank’s offer for opening a current account is open to everyone who is interested, regardless of the type and amount of his or her income. A record with the General Credit Protection Agency (SCHUFA) that is an indication of a client’s poor financial situation is only a reason to refuse to open a current account for that client if the SCHUFA information is clear evidence of behavior that is a contract violation, such as EC card or credit card abuse.

Specific offers

The products and services we offer are also tailored to the specific needs of individual groups of clients. For example, bilingual client advisors at selected German branches serve our Turkish

clients in connection with the Bankamiz campaign (English: Our Bank). In this way, Deutsche Bank has considerably improved its advisory services for this clientele.

We have also developed a made-to-measure concept for students. Among other things, that includes a student loan that provides support for financing university studies. Up to now, we have granted 18,000 of those loans, thus making it easier for talented young people to complete a degree. In 2010 we additionally introduced the Deutsche Bank achievement bonus: the applicable effective interest rate is reduced by one percentage point for prospective students that completed their university entrance diploma with an average mark that was better than 2.0, i.e. good. That bonus also applies to follow-up financing after university graduation if the student’s results are correspondingly good.

Foundations of enterprises are an important driver for future economic growth. We support founders and start-up companies with precisely tailored financing concepts, including ones that incorporate public subsidy programs – for example, StartGeld, the KfW founder loan or the KfW entrepreneur loan for financing expansion.

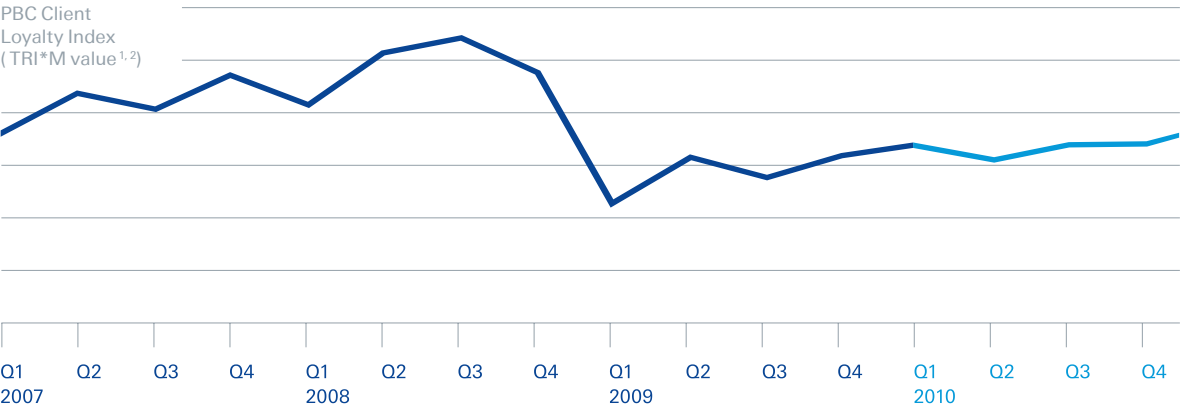
Barrier-free ATMs and branches

We also help visually handicapped people use our self-service option independently and securely by means of our new ATMs. For this purpose, all of the new machines are equipped with headphones for the use of the voice menu in addition to lettering in Braille. At present, this audio service is available as support for the cash withdrawal function at all ATMs throughout Germany. When we remodel our branches worldwide or plan an addition, we also make sure that everything becomes more disabled persons friendly – for example by eliminating steps, adjusting the width of doorways and passages, and creating more maneuvering space for wheelchair users.

Responsible marketing

In accordance with responsible marketing principles, in our advertising we refrain from making promises that may be impossible to keep. For example, we never refer to a “guaranteed return on investment.” We provide detailed, realistic calculation examples illustrating the interest rates that we offer for our financing in order to ensure that our clients can easily understand our offers.

Client loyalty Deutsche Bank Private & Business Clients



<sup>1</sup>Source: Private & Business Clients, Client Survey, TNS Infratest Financial Research Institute  
<sup>2</sup>TRI\*M value (Measure, Manage, Monitor) is the globally leading system for stakeholder management and client loyalty. It is tailored to the individual needs of companies in order to incorporate information from all stakeholder groups into the decision-making process

Client loyalty management for Private & Business Clients

In order to fulfill the needs of our clients in an optimum manner, we regularly conduct full-coverage surveys to ask them how satisfied they are with our bank and then we analyze the results. In this way, we gain valuable insights into how we can improve our business processes and optimize the quality of our service and consulting.

Since 2009, once a year we offer our clients an opportunity to express their opinion about their level of satisfaction, their loyalty to Deutsche Bank and – since the end of 2010 – the quality of advisory service by means of a brief survey at the automatic teller machine or via online banking. After that we talk to dissatisfied clients in person in order to find out what the reasons for their criticism were and to identify areas where action is required. The data from the surveys are incorporated into our client quality index, which serves as the basis for the target agreement of our senior managers in the sales area. In 2010 once again, almost one million clients participated in the client survey. The result demonstrates that the positive trend in client loyalty is continuing: we are regaining their trust.

Complaint management for Private & Business Clients

Our consultants are independently responsible for handling client complaints and recommending suitable solutions. Complaints submitted in writing are processed and responded to promptly on a centralized basis – whereby the consultant is also involved. A complaint management process makes it easier for our staff to record and resolve complaints from our clients as well as to monitor client feedback. Recurring complaints and faults in product and service processes can thus be identified at an early stage. Our quality management committee identifies potential areas for improvement and develops proposals for solutions. The committee consists of representatives from our services and sales units as well as from quality management, target group management, and IT management, for example.

In a group-wide guideline, we have formulated standards for documenting and handling complaints. The basic principle is to always process complaints fairly, effectively, and without delay.

Corporate Quality Service

In addition to the business divisions, the Deutsche Bank Group has a central quality service that fulfills the following tasks:

- developing and implementing group-wide standards for complaint management
- developing forward-looking methods for analyzing the risk potential of complaints
- reporting to the Management Board about complaints that have been received
- coordinating research into and responses to complaints directed at the Management and Supervisory Boards

Philanthropic wealth management

Commendation as top service provider in FUCHS-Report Stiftungsvermögen 2009 and 2010 as well as Foundation Experts Elite Report 2009/2010.

More about our sustainable asset management and philanthropic wealth management at

banking-on-green.com/pwm

Status: end of December 2010

Private Wealth Management  
Investing with a view to the future

Deutsche Bank Private Wealth Management (PWM) serves high net worth individuals, families, and select institutions worldwide, while also providing solutions for family offices and financial intermediaries. PWM is operating in more than 100 locations and manages a total of 275 billion euros of invested assets for nearly 80,000 clients.

We also help our clients realize their individual philanthropic goals in their asset strategy. Regardless of whether that involves a foundation or special investment products.

Philanthropic wealth management

The establishment of foundations is of special significance for fulfilling charitable purposes in the long term. In Germany alone, the Private Wealth Management division of Deutsche Bank manages over 1,200 foundations with foundation assets amounting to roughly 8 billion euros. Our philanthropic wealth management area provides support and advice in this context. That includes support in the conceptual design and setting up of a foundation, structuring and managing the foundation assets, and extends to accounting and correspondence with authorities and beneficiaries. DeutscheStiftungsTrust GmbH offers an extensive range of solutions for non-profit fiduciary foundations.

Asset investment with a sustainability focus

The sustainable investment products and services PWM offers range from public fund offerings and individual asset management mandates to fund solutions focusing on specific thematic issues. We would like to continue to expand this spectrum and thus offer our clients the opportunity to use their assets to accentuate their social or environmental concerns in a targeted manner.

We have already offered sustainable asset management since 2005. Investment criteria that are taken into account are ecological, social, and corporate ethics-related issues as well as the individual standards that our clients place on

discerning ethical investing. Moreover, they can shape the investment guidelines for their portfolio by contributing their own positive and negative lists. In this context, PWM works closely with a leading provider of sustainability research and ratings in Germany. Together with this partner, we have defined our own list of exclusion criteria in order to ensure that only securities with an exceptional sustainability profile are taken into consideration for the asset management portfolios and special investment fund offers. Furthermore, we also offer certified sustainable investment funds of external providers.

Our comprehensive offering for our clientele in the foundation sector – as well as for private clients – was completed in 2009 when we initiated the WvF Rendite und Nachhaltigkeit public fund of Wilhelm von Finck AG. This investment fund invests up to 30 percent of its assets in stock, stock funds, and stock certificates in accordance with its investment policy. The investment universe is limited by means of clearly defined and transparent sustainability criteria. These include comprehensive environmental management and eco-efficiency criteria as well as standards of corporate governance and business ethics.

Selecting investments with a view to sustainability is also a major focus when deciding on closed-end investments. Thus, we offer our clients investments in photovoltaic plants, in forests and forest management or in stock-exchange-listed companies with a special focus on climate protection and environmental technologies, as well as investments in so-called “green buildings” (real estate properties with improved resource efficiency).

Asset Management  
Investing sustainability

Deutsche Asset Management (DeAM) engages in investment business activities involving various asset classes as a corporate division of Deutsche Bank. DeAM encompasses asset management for institutional clients, the retail retirement and mutual fund business, products in the area of climate change, and alternative investing, among others. Deutsche Asset Management has assets with a total value of 550 billion euros under management.

DeAM manages about 2.8 billion euros in investment products geared to Environmental, Social & Governance (ESG) criteria as well as thematic funds in the area of climate change. This ranks DeAM amongst some of the largest providers of sustainable investment funds in Germany. Sustainable investments are an integral part of DeAM’s business strategy. Minimum ESG standards are also binding for non-sustainable investment funds.

One guiding principle for investment decisions is sustainable corporate success. DeAM is convinced that responsible action taking environmental, social, and business ethics issues into consideration is conducive to entrepreneurial success and therefore fulfills the requirements of our investors in the long term. Thus, in accordance with its fiduciary responsibility vis-à-vis its investment clients, DeAM also takes non-financial issues into account in our analyses in addition to traditional key financial figures – with respect to risk assessment as well as performance contribution. For our ESG products in the narrower sense, we apply even more stringent selection criteria (see p. 44).

By signing the Principles for Responsible Investment of the United Nations (UN PRI), DeAM has underscored its commitment to uphold those standards. Those guidelines have become an integral element of our investment decisions. By October 2010, a total of 85 percent of DeAM staff worldwide and all employees in fund management had taken part in an e-learning training measure on the UN principles.

The ESG Advisory Panel of DeAM founded in 2007 – an independent body of ESG experts from

the scientific and business sectors, including foundations and churches – supports and advises us on ESG issues of fundamental importance. At the same time, it ensures regular reviews of our analysis methods and selection criteria and serves as a forum for continuous further development of the ESG solutions.

DeAM’s ESG guideline

In the autumn of 2010 DeAM finalized an internal guideline for taking ESG criteria into account in the investment process that is binding for all portfolio managers in asset management in Europe.

According to the stipulations of this guideline, DeAM takes an especially critical look at companies and countries that violate internationally accepted principles. Besides the applicable German and European laws, as well as global standards, we use recognized environmental and social standards as a yardstick, such as those formulated in the UN Global Compact, the OECD guidelines for multinational companies, and the UN Convention on Cluster Munitions. The prerequisite for us to take that type of agreement into consideration is for it to be ratified by relevant countries, e. g. Germany.

DeAM considers seeking constructive dialog with the relevant decision makers in cases where we identify a serious violation of these standards by a company or a country in the security in which we have invested. Our objective in this context is to achieve an improvement of the social, ecological, or governance conditions. If we do not perceive any improvement in the situation in the medium-to long-term, we finally consider the exclusion of the company and/or country from our investment universe. Currently DeAM is working on a globally effective guideline.

Principles for Responsible Investment

The United Nations-backed Principles for Responsible Investment Initiative (PRI) is a network of international investors working together to put the six Principles for Responsible Investment into practice.

- 1 We will incorporate ESG issues into investment analysis and decision-making processes.
- 2 We will be active owners and incorporate ESG issues into our ownership policies and practices.
- 3 We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- 4 We will promote acceptance and implementation of the Principles within the investment industry.
- 5 We will work together to enhance our effectiveness in implementing the Principles.
- 6 We will each report on our activities and progress towards implementing the Principles.

Status: end of December 2010

Our voting rights principles in the original as well as our participation in General Annual Meetings:

[dws.com/proxyvoting](https://dws.com/proxyvoting)

DeAM’s voting rights principles

DeAM’s fiduciary responsibility, vis-à-vis our investment clients, includes active, appropriate exercising of owners’ voting rights within the meaning of stock corporation law. In this context we advocate responsible corporate governance and regularly talk to the executive management of companies about material issues relating to company performance and control. In this way, we are able to exert influence on corporate strategy and monitor management performance. If a constructive dialog is impossible, we modify our voting behavior accordingly and express our opinion vis-à-vis the media, if that is useful. Moreover, we speak at annual general meetings regularly.

When exercising our voting rights, DeAM adheres to a standardized and transparent process. In our voting rights guideline, we have set out principles of good corporate governance that embrace internationally applicable standards such as the Corporate Governance Principles of the ICGN (International Corporate Governance Network) and the German Corporate Governance Code. They incorporate the anti-corruption principle of the UN Global Compact and are supplemented by commonly accepted environmental and social standards that are – in our view – essential for responsible corporate management.

In the event of serious deficiencies in corporate management, poor performance in comparison with competitors, repeated failure to achieve company goals, and in the event of a clear failure to adhere to centrally important environmental and social standards, we withhold formal approval of the actions of the executive management and the Supervisory Board.

Sustainable investments

More and more investors attach importance to investing their capital in an ecologically and socially responsible manner. Admittedly, the sustainable investment market in the narrower sense is still small, but it is growing. In recent years, assets in ESG-related products have increased significantly.

In our understanding, responsible investment is the combination of conventional financial objectives with ESG considerations without compromising potential returns. DeAM’s investment activities focus on companies that are global leaders with respect to ESG issues and, at the same time, attractive with regard to traditional analysis of their

financial situation. The same applies analogously to government bonds. Therefore, our ESG investment concept pursues a clear Best-in-Class approach in the area of annuities, equity, and multi-asset options. The definitive investment funds are DWS Invest Responsibility and DWS Stiftungsfonds.

Regarding DeAM’s thematic investments in the area of climate protection – such as the equity products DWS Klimawandel and DWS Invest Climate Change, or fixed income products such as DB Advisors Invest Euro Corporate Credit Environmental Selection, we devote special consideration to those companies that are active in the areas of emissions control and avoidance, energy efficiency, waste avoidance, and clean future technologies.

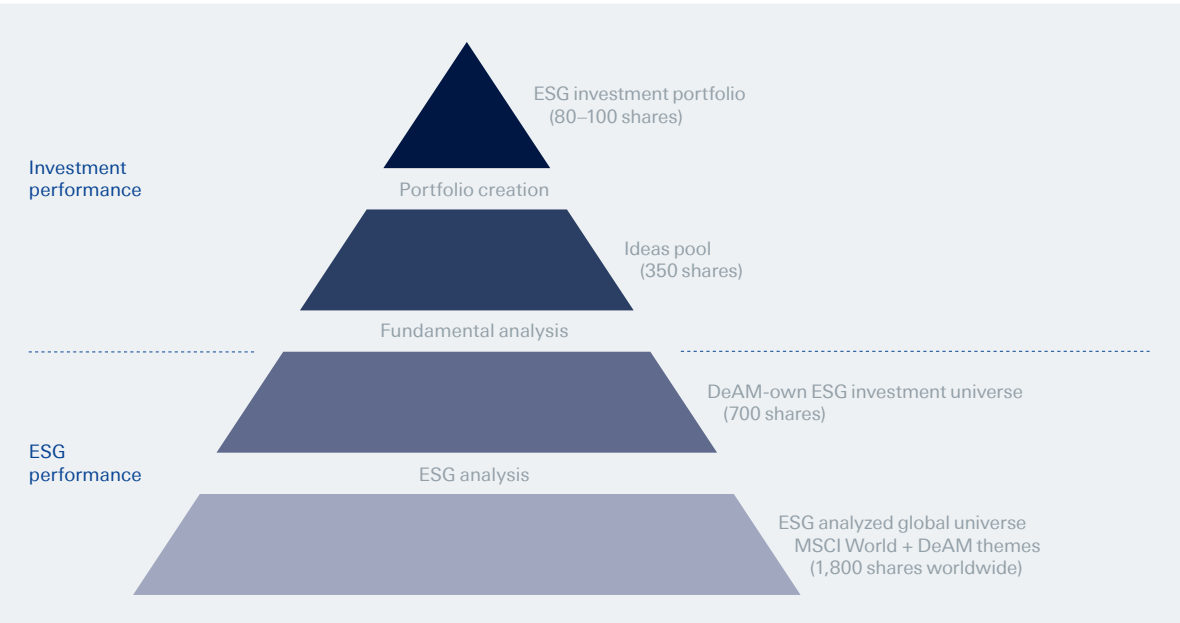
DeAM has developed its own ESG analysis concept for portfolio development. The investment process consists of two steps: First, we evaluate the fundamental data of the individual issuers – companies or countries – the securities of which are being considered. Second is selection on the basis of the ESG criteria. Our research teams make use of up to 160 indicators for every company as well as about 30 indicators per country. Detailed information is compiled – ranging from ecological data to labor law-related minimum standards, and including sustainability requirements relating to supplier management at companies. In the case of countries, we evaluate regulatory quality, treatment of natural resources, and minimum social standards. We apply a detailed methodology for weighting the individual indicators and sectors in the three main areas of environmental, social, and governance issues.

DeAM’s sustainable investment products have consistently earned top ratings from independent rating companies. For example, in February 2011 the TELOS agency gave our special sustainable investment fund ESG Euro Investment Grade Corporate Credit a very good rating of AAA-. In the Feri EuroRating Awards 2011, the DWS Invest Responsibility investment fund was among the top 5 in the category Equity Sustainability/Ethics World. And in 2010 DWS Investments was honored for a third time with a prize for its commitment to environmental and climate protection – as the Best Alternative Energy Fund, the DWS Invest New Resources was commended with the Climate Change Award by Investment Week in cooperation with the asset management company Holden & Partners.

You can find information about the individual investment funds at

[banking-on-green.com/asset\\_management](https://banking-on-green.com/asset_management)

ESG investment process for equities



We use a multilevel analysis concept to develop our ESG portfolios. The basis is formed by a global share universe analyzed according to ESG criteria, consisting of companies from the MSCI World and supplemented by DeAM’s own thematic pool made up of about 1,800 shares worldwide. The ESG analysis data for this purpose are supplied by the independent research company Sustainalytics. We narrow that universe down even further to about 700 shares with the aid of our own ESG analysis, in which we allocate valuation bonuses for a good carbon footprint, for example. We then perform fundamental analysis according to classic financial key figures, incorporating market opportunities, regional and sectoral factors. On that basis we develop an ideas pool consisting of about 350 shares with which we assemble the ESG portfolios. All of the underlying analysis values are regularly verified and updated, so the composition of our ideas pool can change at any time.

ESG research and ratings

Through our investment portal G-CUBE, which serves as a global communications platform and database for research, all DeAM investment specialists have access to the latest results of ESG research and can incorporate them into their decision-making process.

In the ESG investment process we have a global pool of experienced specialists including portfolio managers, product managers, and sales specialists, and in the past year have expanded this team. Currently DeAM offers equity, fixed income, Multi-Asset, Advisory Services, and private equity investment products in this area. Furthermore, we work with external ESG experts, independent data providers, and interest groups in the area of product development, portfolio management, and in the development of investment guidelines.

Retirement pension products

In accordance with our ESG guideline, we also examine ethical, social and ecological criteria in connection with private retirement pension products (so-called Riester and basic pensions). In the case of these products, the exclusion criteria of the ESG guideline also apply for actively managed investment funds of companies outside of the Deutsche Bank Group.

We also take ESG criteria into account in our investment decisions for the pension plans of our employees. The Deutsche Bank pension fund has a volume of 5.5 billion euros, right now 100 million euros are invested exclusively according to ESG criteria. Our long-term goal is to expand this type of investment.

Sustainable investment funds and thematic funds

Assets under management in billion euros, as of December 2010
Funds with a comprehensive ESG orientation
0.80
Funds with a “green” thematic focus
1.82
Funds with a focus on ethical themes
0.15
Total
2.77
Selected products of Deutsche Bank in the area of sustainable investments:
<a href="https://banking-on-green.com/asset_management">banking-on-green.com/asset_management</a>



Corporate clients and capital market business  
Promoting future trends

Our Corporate & Investment Bank (CIB) Group Division encompasses capital market business activities, including issuing, selling, and trading capital market products, as well as business involving transaction services and advisory and loan business activities. CIB provides advisory services exclusively to institutional clients – in the private sector as well as in the public sector.

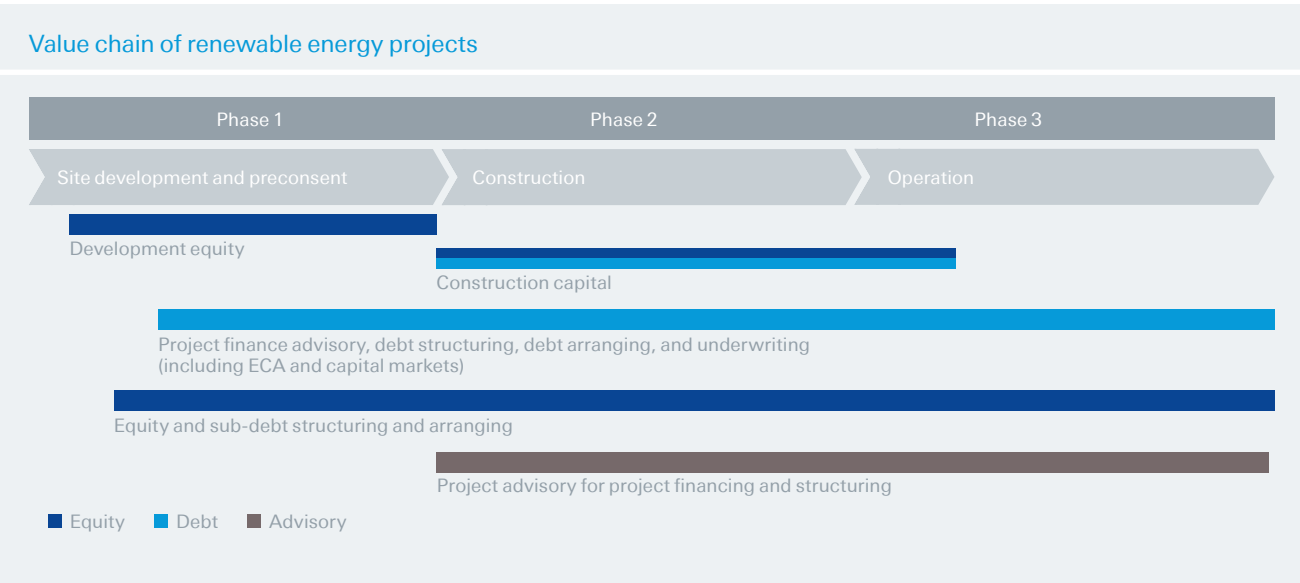
In our CIB Group Division the sectors that are of special significance with regard to sustainability are renewable energies, clean and green technology, infrastructure, as well as investment products with a climate and/or development policy focus. However, we also contribute our competence towards the development of financing solutions for the public sector, support for the SME sector, and emissions trading.

As a matter of principle, we take sustainability issues into consideration in our Corporate & Investment Banking activities for two reasons:

– Recognizing and promoting future trends: Through the advisory services and financing that we offer, we pave the way for new business sectors, projects, and enterprises that make an important contribution towards resolving future issues affecting our society.

– As an exclusion criterion for financing: We do not participate in business activities that are contrary to fundamental sustainability requirements (for this see our credit guidelines, the Green Filter and our approval processes for new products and clients, p. 76).

**Renewable energies**  
Deutsche Bank occupies a leading position in the renewable energy sector. Our activities range from participation in selected project developments in Germany and abroad to consulting and support for financing, including structuring participation models in order to enable private investors to gain access to this market as well. In addition, we serve as an intermediary for public subsidies from the federal government or the EU, for example. By means of our globally positioned product areas, we cover the entire value-added chain of renewable energy projects (see chart below).



In 2010 we completed projects in Germany, Spain, Italy, France, Canada, and the United States with a total value of 2.4 billion euros. These included 38 onshore and offshore wind farms and 23 solar parks with a total capacity of almost 850 megawatts (MW). In addition – together with partners – we developed projects in the wind and solar sector with a total capacity of 536 MW, including a 400 MW offshore wind farm in the German part of the Baltic Sea.

Further activities of the Bank included a 400-million-euro bond for SolarWorld and a 160-million-euro convertible bond for SunPower.

The Environmental Finance and Carbon Finance Magazine honored our activities in the renewable energy sector with its commendation Best Renewable Energy Finance House 2010 – Europe.

**Clean and green technologies**  
These technologies not only decouple economic growth and environmental degradation but also strengthen the economy. Low-carbon technologies are one of the major drivers of future growth, creating new industries, opening up export markets, and generating new jobs around the world.

Deutsche Bank helps to raise capital for environmental technology through bond issues, initial public offerings, and private placements. We work with all kinds of companies from multinationals to start-ups. We also arrange capital for one-off renewable energy and environment-related projects.

In 2010, Deutsche Bank’s significant activities in this area included serving as the joint book runner for a 160-million-euro initial public offering (IPO) for the leading electric vehicle company, Tesla, in the United States.

**Infrastructure**  
We support and advise our clients in Europe, Russia/CIS, North America, and Asia with respect to financing and implementation of complex infrastructure projects as well as preparation of competitive tender offers in conjunction with international invitations to tender bids. These also involve projects aimed at promoting climate protection as well as social issues. They include projects for new construction or upgrading of railway lines and the public transit network, for modernization and construction of energy generation and water processing plants, as well as for remedial measures and new construction of schools and hospitals. Besides statutory requirements, we verify and take into account the applicable environmental and social standards in connection with all projects that we are involved in.

As a result of the energy revolution, renewable energy infrastructure projects are becoming more important, with the primary objective of upgrading outdated plants and making them technically state-of-the-art. Moreover, there is also a growing demand for our know-how and our financing solutions in connection with the expansion of electricity networks. In 2010 Deutsche Bank served as the sole equity placement agent as part of the 106 million US dollars private capital raise completed by Trilliant, a provider of Smart Grid communication networks that improve energy efficiency, lower operating costs, and help to integrate renewable energy resources.

Capital market products with a climate and/or development policy focus

The Sustainable Investments product area concentrates on structuring for sustainable investment products. The focus in this context is financing of portfolios in the area of microfinance, renewable energies, energy efficiency, and agriculture/fair trade. Our aim is to develop investment options that are both socially responsible as well as economically sound.

One example for our commitment in this regard is the Global Climate Partnership Fund, which was set up by the German Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety together with the KfW development bank (Kreditanstalt für Wiederaufbau). Deutsche Bank acts as the investment manager. It is the world’s first structured investment fund that mobilizes private and public capital for climate protection in developing and emerging countries. It invests in projects aimed at countries improving energy efficiency as well as in renewable energies. Predominantly local banks are used as intermediaries in order to reinforce the sustainable integration of the local business sector. The investment fund is scheduled to reach 360 million euros by 2015, with funds from public donors, international development banks like KfW, as well as private investors. Deutsche Bank itself has also invested about 3 million euros in the investment fund.

**Emissions trading**  
Deutsche Bank has been a leading participant in the international emissions trading market since its inception.

At the end of 2010 Deutsche Bank was involved in more than 85 Clean Development Mechanism and Joint Implementation projects which are expected to generate an estimated 215 million emissions credits by 2012. One transaction of particular note was purchasing nearly one million Certified Emission

**External recognition**  
Our services in the infrastructure sector have also earned external recognition through a large number of prestigious awards. In the Euromoney Project Finance Borrower Survey 2010, for example, Deutsche Bank was commended as the Joint Best Overall Advisory Bank and Best Project Bond Arranging Institution.

More on our microfinance initiatives: see p. 14 et seqq.

More information about Global Climate Partnership Fund: [gcpf.lu](http://gcpf.lu)

### Reward in the area of emissions research

In 2010 industry professionals in the Energy Risk magazine named Deutsche Bank as the most important CER\* trader. In the emissions research category we came out on top for the second year in succession.

\*Certified Emission Reduction

Reductions – and thereby securing financing – for a government project in Ecuador where six million energy efficient lightbulbs were distributed to 1.5 million households whose residents live below the poverty level. This will both reduce CO<sub>2</sub> emissions and lower the energy bills for the households.

### Support for SME sector

Deutsche Bank's subsidy specialists advise clients in the SME sector as well as clients in the public sector and offer custom-fit facilitation of financing, for example in the form of low interest loans or through procurement of guarantees and reduction of risk exposure. These include development banks belonging to the federal states, the national German development bank (KfW Bank Group) as well as the development bank of the EU (EIB – European Investment Bank).

In 2010 Deutsche Bank made support in the amount of over 2 billion euros available to the SME sector in the form of low-interest loans, guarantees, and additional subsidies. A large proportion of that support volume is derived from global loans from the KfW Bank Group and serves the purpose of achieving economic policy objectives. In the past two years, Deutsche Bank has played a role in implementing the economic stimulus package of the German federal government. With the aid of the special KfW program, about 410 million euros were paid out to German SME sector companies in 2009 and over 330 million euros in 2010. Furthermore, in 2010 support packages worth 22 million euros were granted in the area of innovation financing and 30 million euros were made available for

financing renewable energies and measures aimed at improving energy efficiency.

### Finance solutions for the public sector

Today, the federal and state levels of government as well as municipalities are faced with the challenge of realizing future-oriented investments – for example in the area of education, energy supply, energy efficiency, and public transit – despite their limited financial resources. That necessitates the search for alternative financing solutions. In addition to municipalities and other regional authorities, in the Public Sector and Institutions area we serve a total 45 client groups ranging from municipally owned utility and service companies to social services facilities and charitable associations, and including pension funds as well as banks and financial service providers.

Public private partnerships (PPP) are another option for realizing public investments that is being used to an increasing extent. After a downward trend as a consequence of the financial and economic crisis and the massive slump in the German PPP market in the year 2010, government and business are now faced with the task of reanimating this financing tool.

In connection with public invitations to tender bids, Deutsche Bank is primarily active as a consultant for bidding syndicates. In addition, it has taken on a leading role in the Partnerschaften Deutschland initiative, i.e. Partnerships Germany, which is aimed at contributing towards qualified preparation of projects and developing Germany-wide standardized PPP standards.



# 02

## II. Environmental issues

### Viability and innovation

Environmental protection and climate change are among the most pressing global challenges of our time. In 2005 Deutsche Bank developed a climate strategy based on three pillars. As a financial intermediary, we promote environmental and climate protection in our core business. In our operations we act as an Eco-Efficiency Manager. By promoting innovative projects and engaging with policymakers and thought leaders, we communicate the climate message.

# 26

Reinforcing awareness of climate change as a [climate ambassador](#)

26 hours: the time that Solar Impulse – the first manned solar aircraft – was in the air without consuming any conventional fuel or polluting the environment

# 2.7

Contributing toward environmental and climate protection in our core business as a [financial intermediary](#)

2.7 billion euros: maximum estimated market size for constructing energy-efficient buildings that we participate in through our Global Climate Partnership Fund

# 0

Ensuring resource efficiency at our company's locations as an [Eco-Efficiency Manager](#)

0: net emissions impact from our global operational activities as of 2013

High-Level Advisory Group

The private sector already made record investments in the amount of 175 billion euros in 2010. The UN High-Level Advisory Group on Climate Change Financing, of which Deutsche Bank Vice Chairman Caio Koch-Weser was a member, presented its findings in Cancun in late 2010. The group found that it was “challenging but feasible” to scale up flows of climate change finance to developing countries to 100 billion US dollars per year by 2020.



Deutsche Bank’s climate strategy  
The three pillars addressing climate change

Our environmental activity focuses primarily on climate change. It is the dominant environmental issue of our time and one where we can make a significant contribution, although the interlinked issues of water and biodiversity are increasingly important.

The international community is making continuous progress in addressing climate risks. The UN climate summit in Cancun did not produce a successor agreement to the Kyoto Protocol, but important progress could be made nevertheless.

The conference also confirmed our view that emerging markets in particular are becoming increasingly important as far as climate policy is concerned and that the private sector must play a decisive role in addressing the global challenge presented by climate change. Deutsche Bank seeks to make its own contribution in this area.

Our climate strategy

The climate strategy of Deutsche Bank rests on three pillars:

- **Financial Intermediary:** As an asset manager, we can offer products that steer investments into low-carbon companies; as a trader, we provide liquidity in the emissions certificate market; and as a capital market actor, we raise debt and equity capital to fund clean tech companies (see p. 43 et seqq.).
- **Eco-Efficiency Manager:** By reducing our own carbon footprint, we not only make a positive contribution to the climate, but also challenge ourselves to devise energy-efficient solutions that have a positive impact on our bottom line (see p. 52 et seqq.).
- **Climate Ambassador:** Building on our well-recognized research platform and experience in the development of political strategies, we maintain close contacts with regulators and political decision makers in many of the 74 countries in which we operate, thus passing on the “climate message” to all of our stakeholders (see p. 58).

The Environmental Steering Committee (ESC), which was established in 2007 under the chairmanship of Deutsche Bank’s Vice Chairman, coordinates our environmental protection activities. The members are executives from all corporate divisions: Private & Business Clients, Asset Management, Investment Banking, as well as the bank’s infrastructure functions.

We receive valuable external input from the Climate Change Advisory Board, which is comprised of 10 experts from diverse specialist backgrounds and countries. The Board met twice in 2010 to discuss topics including renewable energy and electric mobility as well as to advise Deutsche Bank on its climate change strategy.

Financial Intermediary  
Environment and business opportunities

While markets have been volatile in recent years, the fundamental drivers of environmentally friendly investments are strong. The world is facing rising energy demand, finite natural resources, and the potential for severe impacts on the economy and environment from climate change. Therefore, investing in alternative energies and low-carbon technologies is essential.

Deutsche Bank intends to grow its climate-change-related business substantially. An integrated approach encompassing the entire bank will open up business opportunities in five key areas:

- 1. Stimulating investment in green and clean technologies**  
Through our push into clean technologies since 2007, we have facilitated investments in renewable energy and energy efficiency, thus helping to decouple economic growth and growing environmental degradation (see p. 46).
- 2. Emissions trading**  
Deutsche Bank plays a leading role in emissions certificates trading. That is reflected in its number-one ranking in core markets and across all categories in the Energy Risk Environmental Rankings (see p. 48).
- 3. Managing sustainability-related funds**  
Increasingly, investors are demanding high standards with regard to environmental, social, and governance issues (ESG) in addition to excellent financial returns. An experienced team of specialists covers equities, fixed income, and

other investment options, and works with external experts to develop guidelines. Deutsche Bank is a signatory of the Principles for Responsible Investment (see p. 43).

- 4. Commercializing energy efficiency in buildings**  
Energy efficiency in buildings is one of the most effective and cost-efficient ways of mitigating carbon emissions. The most recent research suggests that the size of the market for energy-efficient construction will increase to between 1.5 billion and 2.7 billion US dollars by 2020. Deutsche Bank is pursuing this opportunity through the Global Climate Partnership Fund, a public-private fund established by the German Ministry of the Environment and the KfW Bank Group, as well as through a similar EU/EIB facility.
- 5. Financing infrastructure for delivery of renewable energies**  
Analysis of the industrial sector, our investment capacity, and financing expertise reveals that investing in alternative energy infrastructure is an attractive opportunity. Deutsche Bank already occupies a leading position in the renewable energy sector today (see p. 46).

Industrial initiative of DESERTEC

Dii, the industrial initiative of DESERTEC, is aimed at realizing the DESERTEC concept. The goal is to supply a considerable part of Europe’s electricity from clean power sources in North Africa and the Middle East.

[dii-eumena.com](http://dii-eumena.com)

Eco-Efficiency Manager  
Reduce our environmental footprint

Strategy and performance: Our ambition to help create a low-carbon economy begins at home, with a commitment to make our own operations carbon-neutral from 2013 onwards.

To reduce its CO<sub>2</sub> footprint, Deutsche Bank has defined four areas of action:

- Improve energy efficiency and reduce consumption
- Pioneer “green” buildings and “green” leases
- Use more renewable energy
- Buy Certified Emission Reductions (CERs) to offset the remaining emissions

We are also working to reduce our consumption of other resources, including water and paper, and have introduced sustainability requirements into our supply chain.

**Organizing for carbon-neutrality and efficient resource use**  
Our global Eco Operations Committee sets the strategy and monitors performance in operational

sustainability. It includes representatives from all relevant areas of the business and reports to the bank’s Environmental Steering Committee.

Regional Eco teams implement the strategy, with the support of the Eco Project Management Office (EPMO). The EPMO serves as an expertise center and a network to share practical experience. It develops instruments for achieving our ecological efficiency goals, monitors results and implements projects for optimizing the use of resources in our buildings. EPMO implemented 217 projects in 2010. One of the major successes was improved lighting efficiency in major buildings which has saved 13.5 million kilowatt-hours in two years, equivalent to reducing carbon emissions from more than 800 homes.

The regional Eco teams operate our environmental management and reporting system and meet the requirements of the ISO 14001 certification for the respective sites.

**Reporting and verification**  
For the first time, in 2010, energy and greenhouse gas (GHG) emissions data in this report are consolidated within a new global database that collects information systematically on energy, travel, and further GHG-relevant activities (such as climatisation), from almost 2,300 sites. This massive exercise captures data for all electricity, fuel, and refrigerant gas sources where available, from the last three years. It covers all locations with significant energy consumption, collectively representing more than 76 percent of our energy use. We extrapolate from these actual figures to cover non-reporting sites and arrive at the total energy and GHG emissions. These data are quantified and reported in line with the international GHG standard ISO 14064. Waste, paper, and water data are also captured in this database.

Actual data for waste comes from sites with ISO 14001 certification in Germany, London, and the United States. Copier paper consumption is collected from Germany and London. Water

consumption covers 72 percent of floor space from sites across the globe. These data sets are extrapolated based on FTE (Full-time equivalent) to derive totals for the Deutsche Bank Group.

This is the first time we have been able to provide global data based largely on actual consumption. We are showing improvements in the performance trends for most of our key indicators.

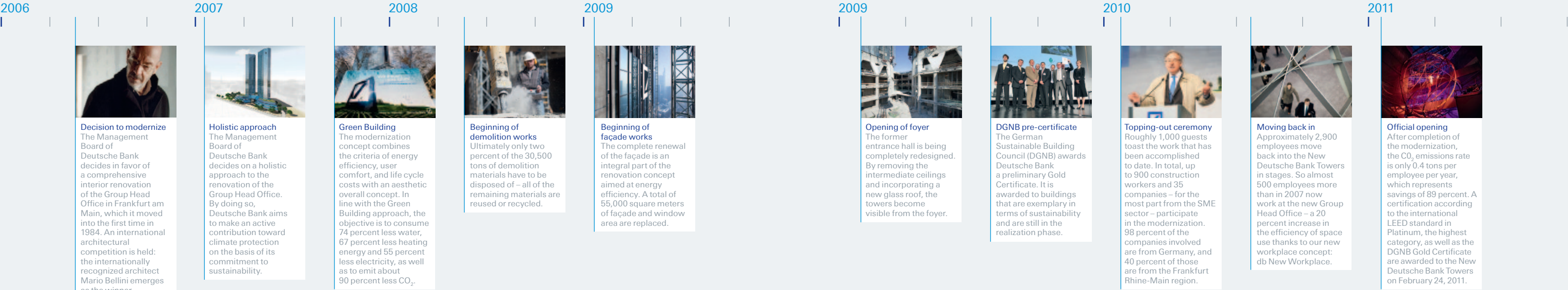
The data collection, internal reporting processes, and Certified Emission Reductions (CER) purchases have been reviewed by ERM Certification and Verification Services (ERM CVS) (see p. 147).

**Performance in 2010**  
We purchased CERs for the first time to help achieve our annual target to cut net GHG emissions by 20 percent. Emissions from air travel increased but energy use decreased relative to 2009, and renewable electricity.



Modernization of the Group Head Office in Frankfurt am Main

Milestones:  
Holistic modernization of the Group Head Office of Deutsche Bank





Greenhouse gas (GHG) emissions, energy, and water consumption

	Measure	2007	2008	2009	2010
GHG emissions	tonnes CO <sub>2</sub> e	536,101	588,573	591,247	612,588
– Scope 1 direct GHG emissions activity	tonnes CO <sub>2</sub> e	28,781	27,235	27,230	26,643
– Scope 2 indirect GHG emissions activity	tonnes CO <sub>2</sub> e	398,068	452,438	470,076	470,290
– Scope 3 other indirect GHG emissions activity	tonnes CO <sub>2</sub> e	109,253	108,900	93,941	115,654
– GHG reduction from CER purchases	tonnes	n/a	n/a	n/a	-120,000
– Net GHG emissions (incl. CERs, RECs, renewables)	tonnes CO <sub>2</sub> e	518,524	426,848	365,722	265,267
Total energy consumption	GJ	4,418,314	4,356,840	4,509,609	4,438,242
Water use	m <sup>3</sup>	2,190,700	2,218,794	1,694,236	1,943,856

Table notes:  
1 Scope 1 GHG emissions are combustion of fossils fuels and refrigerant leakage from cooling equipment; scope 2 are delivered energy, e.g. electricity, district heating; scope 3 are from purchasing goods or services where emissions sources are controlled by others, e.g. air travel.The net GHG emissions include renewable energy with zero emissions factor. Purchase of renewable electricity in Australia, Austria, Canada, Germany, Italy, Spain, Switzerland, United Kingdom, and United States, was expanded in 2010 to include Belgium and the Netherlands.  
2 GHG reporting boundary is defined according to GHG Protocol’s operational control approach: Operational control includes businesses and sites where DB staff hold executive positions in the company, and DB’s operational procedures are implemented within the entity. Where data center operations are outsourced, emissions from hardware owned by DB within a facility are within scope.  
3 Sal. Oppenheim and Berliner Bank are now operationally part of Deutsche Bank, and, accordingly, within scope for GHG reporting; they have also been included in extrapolations for energy, waste, water, and

paper. Postbank data are not organizationally integrated into environmental reporting and are therefore out of scope.  
4 The GHG base year 2007 and following years’ emissions have been recalculated due to the inclusion of Sal. Oppenheim and Berliner Bank, changes in emissions factors, extrapolated heating energy requirements based on climate zone, and the inclusion of the 9 percent increase in the uplift factor for air travel as recommended by the GHG Protocol and the Department for Environmental, Food and Rural Affairs (DEFRA) of the UK government for emissions caused by rerouting and delays.  
5 CERs will be purchased throughout the year to offset outstanding emissions towards carbon neutrality goals.  
6 Refrigerant gas data are from Germany, United Kingdom, United States, and are extrapolated based on operational floor area.  
7 Air travel data covers 93 percent of all flights; 7 percent is extrapolated based on cost.  
8 Total energy consumption in gigajoules comprises all sources used – natural gas, liquid fossil fuels, renewable and grid electricity, and district heating and cooling.  
9 Water figures are extrapolated based on FTEs and refer to potable water only.

Global paper use and waste development 2009/2010

		Germany		United Kingdom		United States		Deutsche Bank Group	
	Measure	2009	2010	2009	2010	2009	2010	2009	2010
Paper use	tonnes	2,757	2,942	420	444	n/a	n/a	3,577	3,811
Recycled	%	1	1	84	84			21	21
Virgin	%	99	99	16	16			79	79
Virgin FSC	%	100	100	0	0	n/a	n/a	98	98
Virgin non-FSC	%	0	0	100	100	n/a	n/a	2	2
Waste	tonnes	11,296	13,438	3,000	3,602	4,090	4,381	29,797	34,826
incinerated	%	5	5	5	5	0	3	3	4
landfilled	%	0	0	0	0	15	14	4	4
recycled	%	95	95	95	95	85	83	92	92
hazardous	%	1	1	1	1	0	6	1	3
non-hazardous	%	99	99	99	99	100	94	99	97

Table notes:  
1 Copier paper data is from Germany and United Kingdom, and is extrapolated based on FTEs.  
2 Waste data is extrapolated based on FTEs from the ISO 14001 certified sites in Germany (using 2009 data), United Kingdom and United States, covering 64 percent of FTEs. Waste data does not include project waste,

e. g. from the Deutsche Bank Towers refurbishment in Frankfurt. UK waste also includes waste from engineering maintenance for a selected number of contractors. Waste excludes our R22 replacements, and municipal waste for Germany has been extrapolated.  
3 FSC stands for Forest Stewardship Council and refers to a non-profit organization certifying sustainable forestry.

We have moved to global goals for all indicators; in previous years we focused on Germany, London and New York.

One exception is data for waste and copy paper usage that we compile at our sites in Germany and London. We also use data from our New York site for compiling our waste generation. This is then extrapolated to estimate the global impact of our operations. Our strategy is to manage usage and waste responsibly and efficiently, and to further expand our ability to monitor and report environmental data globally.

Buildings

Deutsche Bank’s global portfolio consists of approximately 3,000 buildings in 74 countries and territories. These buildings account for more than 70 percent of our global emissions. The refurbished Deutsche Bank Towers in Frankfurt highlight the environmental improvements we can achieve in existing property (see pp. 52–53). At the same time we are seeking excellent environmental performance at new sites.

Managing the impacts of our buildings is critical to achieving our goal of carbon neutrality, but we want to go further than that. We aim to maximize our impact by working with suppliers and the property industry to develop and promote best practice throughout the property world. Our projects and programs also provide opportunities for new business in areas such as retrofit financing as we develop expertise in this area.

New, centralized data gathering helps track the performance of our facilities around the globe. We can track key energy metrics in real time, identifying opportunities and problems so that we can take prompt, targeted action to improve performance. A Building Performance Scorecard tracks the main metrics every month for our top 10 buildings.

In 2010, total energy use in buildings fell despite continued expansion in Asia, following the trend begun in 2009.

We continued to achieve excellent environmental building certifications. Four of our buildings in the

Targets for 2011

- Energy** 3 percent annual reduction in total energy consumption
- Renewables** Increase on-site renewable electricity share; maintain renewable power contracts
- Water** Reduce consumption by 20 million liters
- Waste** Reduce total waste by 5 percent
- Global recycling** Maintain global recycling ratio of total waste above 90 percent
- Paper** Reduce consumption of office paper by 15 percent; increase proportion of FSC and recycled paper used

United States, three in Europe, and one in India, have gold-level certification in the Leadership in Energy and Environmental Design (LEED) accreditation scheme. We received the Platinum LEED certification for the towers in Frankfurt, and more buildings will be certified in the future.

Green Leases

Within our “Green Lease” program, we ensure that the buildings we use meet commercial requirements and, at the same time, comply with sustainability aspects. We require that the use of resources in all facilities is measurable and that this data is available to us. Our newly agreed real estate contracts contain “green” clauses. They pertain, for instance, to energy and water efficiency criteria, air quality in buildings, waste management and environmentally-friendly room cleaning.

Through our own engagement as well as through our cooperation with organizations we aim to contribute to sustainable facility management. The initiatives include:

- establishing practical standards and instruments for “Green Lease” agreements
- compiling a sustainable catalog of criteria for real estate agencies
- defining ecological selection criteria for new sites and their construction
- demanding energy and environmental ratings for leased real estate to allow lessees a comparison of sites
- Working with Greenprint Foundation in establishing global standards for reporting carbon emissions in buildings

For more information on our goals 2010, see [banking-on-green.com/ environmental\\_data](#)

Case study: Project Dragon, Hong Kong

We created a world-class working environment for 1,800 people over 12 floors in the International Commerce Centre, the tallest building on Hong Kong’s skyline. It is our largest office in Asia and the fifth-largest in the world. Fully-integrated audio-visual (AV) technology is available throughout the building and users can access their desktop on demand, wherever they sit. Everything was performed to high environmental standards and we have a continuing program for sustainable operations. We are seeking LEED Gold Certification for this outstanding space.

Data center energy efficiency

· Our Computing Landscape Optimization Program saved nearly one megawatt of energy in 2010 by replacing old servers with new, highly efficient ones.

· Within our Infrastructure Efficiency Project (IEP) in 2010 we developed and tested innovative data center cooling systems. IEP uses Cold Aisle Containment, which intelligently channels cold air to the servers and together with intelligent control loops allows up to 95 percent less power for the room air-conditioning. In London the project will save almost 10 million kilowatt-hours of electricity per year, starting in 2011.

· Our Eco Data Center in New Jersey was designed and built in 2010. It is a truly innovative data center design, using fresh air to cool a very highly dense computing environment. Initial tests measured an energy efficiency of 85 percent.

Making it happen – with the commitment of our employees

Reducing the environmental impact of our buildings is not only a question of using the right technologies and systems but also making sure they work well in practice once buildings are occupied. Employee behavior makes all the difference. Embedding a responsible culture and ensuring that employees are kept informed, motivated, and well trained is a key part of meeting our environmental goals.

Our information portal “Passion for the Planet” encourages simple changes in employee behavior such as double-sided printing, turning off monitors and using local recycling offers. Eco Teams in each region consider how each part of the business can improve, including responding to ideas from employees.

In new and retro-fitted buildings we help employees understand how to operate eco-efficiently. For example, “floor walkers” helped employees who had moved back into the Deutsche Bank Towers to understand heating and lighting controls in their areas and how to operate IT equipment efficiently.

Eco-efficient IT

The 2012 commitments

In 2009 we made eight commitments to deliver eco-efficient IT by 2012. They are transforming the bank’s working practices, behaviors, and environments, helping us to meet our carbon-neutral goal and reduce our operating costs:

IT commitments and strategy

Commitment	Strategy	Progress in 2010
1. Neutralize the bank’s IT carbon footprint, in line with the Group’s carbon-neutrality commitment	– Improve eco-efficiency – Use more renewable energy – Buy and retire emissions reduction certificates	<b>Our IT energy consumption and savings data are fed into the DB standard carbon reporting mechanism.</b>
2. Create an eco-supplier program to assess the total impact of major IT purchases	– Work with vendors to assess eco-impacts – Include Total Cost of Ownership (TCO) in our financial decisions, including environmental impacts – Create eco-ratings for each vendor and/or category – Advocate supply chain carbon accounting	<b>In 2010 we selected industry standard ratings for environmental sustainability of IT products, and piloted their use.</b>  <b>We piloted the requirement for IT vendors to set deadlines for eliminating toxic substances in the IT equipment we purchase.</b>
3. Track the disposal of IT assets and ensure they are recycled responsibly wherever possible	– Initiate a monitored eco-recycling program to recycle all end-of-life IT assets possible by 2012 – Develop standard recycling policies – Drive suppliers towards responsible ownership of end-of-life disposal	<b>We performed a detailed review of our end-of-life IT equipment processes and vendors.</b>  <b>We selected industry-standard ratings for recycling partners.</b>
4. Use technology to reduce business and commuter travel	– Invest in high-quality teleconferencing and collaboration technologies – Deploy mobile and remote working technologies	<b>Delivering new technologies and running usage and adoption campaigns have driven the use of video and web conferencing up by over 75 percent from 2009 to 2010.</b>
5. Use technology to halve the paper used in offices	– Eco-printing program – Implement a global PRINT LESS campaign – Reduce the eco-impact of paper purchases	<b>In 2010 our centrally managed print program – where already implemented – achieved average paper savings of over 30 percent and average printing energy savings of over 40 percent.</b>
6. Double the utilization of next-generation hardware	– Implementation of services based on virtualization technologies – Design and deliver new data center services	<b>Through our virtualization program we avoided using over 800 KW of power for new servers in our four largest data centers in 2010.</b>
7. Increase energy efficiency in major corporate data centers by four times	– Measure and report on our data center energy efficiency	<b>By the end of 2010 we doubled our data center energy efficiency compared to the end of 2008.</b>
8. Halve individuals’ energy consumption in corporate offices	– Measure and report on our IT energy usage per headcount	<b>In 2010 we achieved average energy reductions of over 55 percent per person in several projects.</b>

Travel

Green travel guidelines apply throughout the Group. Before traveling, all employees are expected to check whether telephone or videoconference calls are possible alternatives. We are working towards installing desk-based audio-video (AV) technologies in all our sites.

Our Global Travel team has worked with suppliers to provide a carbon calculator, ensuring that employees are aware of their carbon impacts when arranging travel.

Our green travel events-planning internal website provides information on sustainable mobility. In Germany we buy “CO<sub>2</sub>-free” train tickets, representing renewable energy purchases by the train operator.

We have improved measurements of our travel impacts and are able to report by country and by operational hub.

Emissions from air travel (the most material source) increased by 23 percent in 2010 as an important result of increased business activity following the recession. Emissions had fallen in each of the previous two years with the result that emissions in 2010 are slightly above the 2007 level.

Renewable power and offsets

Green power contracts

In Germany, Italy, Switzerland, the United Kingdom, Spain, Austria, Australia, Canada and the United States, we draw electricity from renewable sources, since 2010 for the Netherlands and Belgium as well.

Carbon offsets

In 2010 we made our first purchase of 120,000 Certified Emission Reductions (CERs), issued through the UN Clean Development Mechanism. These CERs were retired to the UK Government’s Greenhouse Gas Emissions Trading Scheme Registry. This purchase helps us on our path to carbon-neutrality from 2013 onwards. Further CER purchases to offset emissions towards our carbon reduction targets are linked to our final GHG inventory for 2010 confirmed by our independent assurance.

Sourcing

Deutsche Bank spent up to 7 billion euros on purchases of goods and services in 2010, demonstrating the importance that supplier relationships have for Deutsche Bank’s sustainability ambitions. We require newly contracted suppliers to meet minimum social and ecological standards based on the international SA8000 standards and the UN Global Compacts. Our code of conduct for suppliers covers equal opportunities, health and safety, labor standards, and environmental protection.

Recognized certification systems, such as Renewable Power Certificates, Forest Stewardship Council, Basel Action Network, Green Guard, or Energy Star, help us identify sustainable options.

Sustainability performance is a deciding factor in purchasing decisions when other aspects are equal. More sustainable alternatives need to be cost-competitive, but we compare costs based on total cost analysis across the life cycle, including waste management, not only on the immediate purchase price.

In 2010 we concentrated on sustainable procurement for buildings, which contribute our biggest environmental impacts. In particular, we ensured that products and suppliers for the new Group Head Office in Frankfurt am Main meet the highest standards for LEED certification.

Further achievements

- developing a standard process to ensure sustainability criteria within the entire purchasing workflow of a material group/resource, from market research, through product or service specifications, to the calculation and documentation of CO<sub>2</sub> savings
- applying the above process in pilot projects in real estate/building operations and IT
- purchasing and installing LED-illuminated advertising materials for approximately 200 bank branches in Europe
- purchasing heating and cooling systems for approximately 30 buildings based on new product and supplier requirements
- expanding the number of suppliers meeting our sustainability criteria
- buying the first electric cars for use as pool vehicles in the Frankfurt area

Goals for 2011

- implementing the standard process for ensuring sustainability criteria in the purchasing workflow for key material groups, piloted in 2010
- expanding the supplier portfolio on the basis of sustainability criteria

End-user IT

· Our new standard workplace technologies are highly energy-efficient. We have achieved average energy reductions of over 55 percent per person in several projects in 2010 including our refurbished headquarters in Frankfurt and in buildings in London, New Jersey, and in Asia. In some cases, we have even seen energy reductions of over 85 percent per desk, such as an infrastructure department of 100 seats where energy went from 103 MWh/year to 10 MWh/year, and a business department of 500 seats (508 MWh/year to 62 MWh/year), both in London.

· In the bank’s new Hong Kong ICC building, we have introduced for the first time Trader Workstation Blades – a virtual trading desk solution hosted in the data center and connected to the trading floor via thin client technology. These energy efficient workstation replacements are having a major impact on the efficiency and flexibility of the total building infrastructure.

Eco-supplier program

Our eco-supplier program takes into account not only the financial implications of a purchase, but also its environmental implications – how much energy it will require, reduction of hazardous chemicals, eco-design, and the like. This is being captured in our Green Supply Chain framework.

## Climate Ambassador Creating awareness

We use our presence and our global networks to raise awareness of progressive global warming.

### Research on climate change

Climate change and the preservation of natural resources are also a special focus area for the research experts of Deutsche Bank. DB Climate Change Advisors, our research team specializing in the area of climate change and climate policy trends, regularly publishes studies, also in cooperation with well-known organizations like the United Nations Environment Programme or the World Business Council for Sustainable Development. In addition, our think tank DB Research works intensively on environmental topics in relation to economics as well as politics. Its goal is to follow relevant trends in the economy and society, to provide market players with aids to decision-making, and at the same time to encourage public debate about future issues, such as climate protection.

→ [banking-on-green.com/research](http://banking-on-green.com/research)  
→ [dbcca.com/research](http://dbcca.com/research)



Solar Impulse  
video insights

More information about our Climate Ambassador initiatives and memberships can be found on our website at:

→ [banking-on-green.com](http://banking-on-green.com)

Building on our expert knowledge, we seek to identify, stimulate, and actively support measures to counteract climate change.

We engage clients, employees, shareholders, the general public, and public decision makers through various activities ranging from local and national policy dialog to involvement in global programs at the highest levels.

Through partnerships with industry and trade bodies, think tanks, NGOs, as well as charitable associations, we are making a contribution towards sustainable development. In 2010 we were regularly called upon to provide our expertise on the topic of climate change and environmental damage, and we supported a number of initiatives to address those issues.

### Solar Impulse

The Solar Impulse project highlights the enormous potential of clean and innovative technologies coupled with smart resource management. The first manned flight around the world in an aircraft powered exclusively by the sun moved one step closer in 2010. For the first time the solar airplane remained aloft night and day for more than 26 hours without interruption and without consuming a drop of fuel or causing any pollution.

As one of the main partners of Solar Impulse, Deutsche Bank has supported this innovative project right from the outset.





# pass on your passion

"Nature has given us an incredibly generous present. So it is a true joy to be able to do something for nature."



Last year, 3,400 employees participated in about 200 Social Days in Germany alone.

Together with colleagues and numerous family members, Cristiana Galliazzo, Assistant Vice President in Human Resources, People Engagement & Marketing at Deutsche Bank in Frankfurt, helped dig tree holes. During a tree-planting initiative on the occasion of the World Water Day, the group planted about 300 Elsbeere trees up to 3.5 meters high as a sustainable contribution to improving the groundwater.



Tree-planting activities on the occasion of the World Water Day

III. Social issues  
Employability and responsibility

Our employees are our most important resource. We want to offer them an attractive work environment and individual development prospects. With regard to the social issues of our sustainability strategy, the primary focus areas are our responsibility as an employer, our commitment to human and labor rights and the health and safety of our staff.

32,554

Guaranteeing the safety of our staff, business partners, suppliers, and visitors  
32,554: number of employees in Germany that have attended training measures on the subjects of work safety, fire protection, and health protection

14,000

Actively fulfilling our responsibility as an employer  
14,000: number of employees that have gone through our talent management process aimed at individual career development

2000

Commitment to human and labor rights  
2000: year in which we signed the UN Global Compact – as one of the first signatories

Deutsche Bank as an employer  
Designing an encouraging environment

Our employees are the most important factor for our success: It is they who conduct our day-to-day business and give it a face to our clients.

**Employer responsibility and employability**  
Deutsche Bank strives to recruit the most talented people and offers them an optimal work environment as well as individual development opportunities. We want to motivate and support our employees from their very first day at work – throughout their entire working life. We encourage them to put their ideas into practice, assume responsibility and contribute in shaping our success. We know that dedication and motivation require appropriate prerequisites. These include recognition and a financial reward for individual performance as well as a prejudice-free work environment, including prevention and sanctioning of all types of discrimination. Therefore, one focus area of our personnel strategy is the promotion of a culture of diversity which values employees particularly because of their heterogeneity and which allows every individual to contribute his or her talents in an optimal manner. That is why our

diversity management also encompasses a broad range of personnel policy options geared to the wide variety of prerequisites and needs that our employees have.

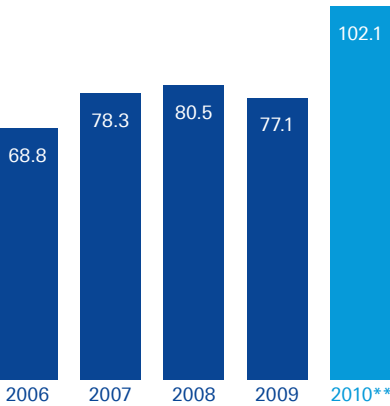
**Employer attractiveness and employee satisfaction**  
A good reputation as an employer is crucial for recruiting the most talented people in the labor market and for retaining our staff. Every year for the past 11 years we have surveyed our employees worldwide in order to find out how satisfied they are with their working conditions and the business strategy of Deutsche Bank and where they would like to see improvements.

In 2010, the commitment index that we use to measure how strong our employees' ties to our company are is still at the high level of 74 points (out of 100). In 2009, the year of the financial crisis, the index reached a peak value of 77. As external

More about our entry programs for postsecondary graduates and information sources for school students, parents, and teachers:  
[db.com/careers](http://db.com/careers)

Commendations awarded to Deutsche Bank in the personnel area: see p. 148.

Number of employees 2010\*  
in thousands



\*Full-time equivalent  
\*\*Thereof Deutsche Postbank 20,400

Performance figures\*

	2008	2009	2010
Employee Commitment Index	74	77	74
Employees leaving the bank for a new job	7.3%	4.8%	6.6%
Training (expenses in € million)	114	86	95
Vocational training (expenses in € million)	41	41	41
Total percentage of women	44.5%	44.3%	43.8%
Percentage of women in management positions (Managing Director, Director)	15.6%	16.1%	16.5%

\* Without Deutsche Postbank



Our career website:  
db.com/careers

More about the  
Charter of Diversity:  
charta-der-vielfalt.de

Mission statement on diversity

We aim to foster an inclusive culture that values the diverse mix of our employees, utilizes their talents and helps them realize their full potential.

Deutsche Bank knows that diverse teams are smarter teams, that success comes from many perspectives, and that diversity is vital for delivering innovative solutions for our clients.

studies have shown, a slight decline can also be observed at other companies that have overcome the recession: Whereas staff and companies close ranks at times of crisis, when the economic situation begins to improve the focus of employees tends to shift towards individual opportunities and options within, as well as outside of, the company.

Diversity and equality of opportunity

Putting diversity into practice is a prerequisite for ensuring the bank is equipped to meet the wide variety of requirements of our clients in the global market and for developing innovative solutions. Therefore, we regard teams that bring together various different perspectives and experience as an essential success factor for our work.

However, appreciation of diversity is not something that just happens. It requires an open corporate culture that creates space for a prejudice-free work environment in which our employees can develop their potential and contribute their unique talents – regardless of age, gender, religion, ethnic background, sexual orientation, or physical capabilities. We formulated the respective principles in our Code of Business Conduct and Ethics, which is applicable worldwide, as well as in our diversity mission statement. These principles are an integral part of our business policy; all of our personnel measures are in line with them. In 2006 we initiated the Charter of Diversity together with other German companies in order to promote the recognition of diversity in the economic sector as a whole. Today we belong to the initiative’s group of supporting sponsors.

We have defined three core areas in which we want to achieve further progress in the long term:

– **Generational diversity:** We want to integrate our present three generations of staff in an optimum manner, sustainably take advantage of the experience of all generations, and recruit top talent (see box p. 63).

– **Gender-related measures:** We want to achieve greater representation of women in Deutsche’s senior management.

– **Prejudice-free work environment:** We bank on the commitment of all senior managers to establish our diversity mission statement even more firmly in the consciousness of our people and in our business processes.

In the United Kingdom, the United States, Germany, India, Japan and Hong Kong we have established Diversity Councils working under the direction of local business heads. They implement our group-wide diversity strategy, in cooperation with our global Diversity Team, with concrete measures. They concentrate on regional needs.

In addition, we have set up contact points worldwide that those who are affected by discrimination, sexual harassment or bullying can turn to.

As a matter of principle, we adhere to the applicable anti-discrimination legislation in the countries in which we operate.

More women in management positions

We also attach special significance to gender diversity because we are convinced that increasing the proportion of women in management positions is a strategic precondition for sustainable business success. In this regard, we purposely forego a defined quota for women. However, the Group Executive Committee of the bank actively supports gender-related initiatives at the bank and underpins them with concrete goals. They also actively participate in programs designed to create opportunities for women’s advancement with which we intend to build up qualified female candidates for top positions. Furthermore, we support a better work-life-balance (see p. 64).

In 2009 we initiated the Accomplished Top Leaders Advancement Strategy (ATLAS) program under the patronage of Dr. Josef Ackermann. Its goal is to

develop suitable women for top executive positions and to increase the proportion of women in senior management positions overall. In 2010 we continued the program and selected ten additional women. One-third of the 19 female managing directors who originally participated have already advanced to new positions entailing more responsibility. We also initiated a new Women Global Leaders program for female directors. The objective in this case is also to strengthen the leadership competencies of women. In addition, we also actively support improving the compatibility of work and family life.

Promoting a culture of life-long learning

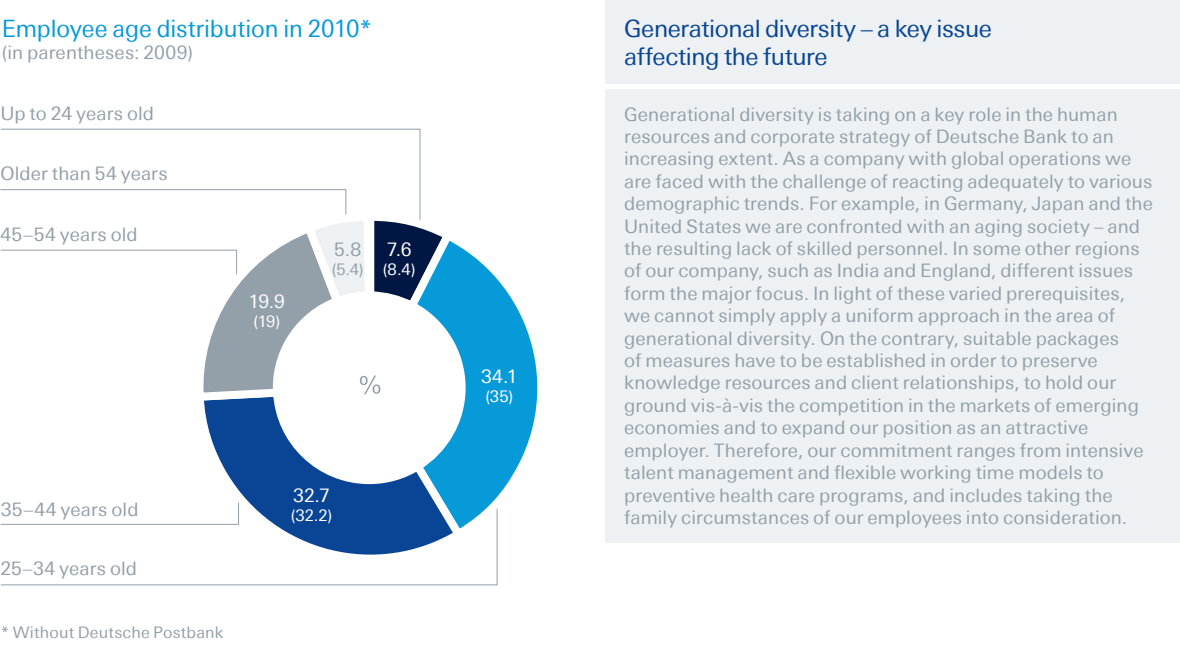
Today more than ever before, global markets and increasingly more rapid technological changes demand a willingness to embrace change and flexibility from companies. This also applies to their staff. We help our employees in developing their knowledge and experience constantly, strengthening their individual capacities whilst preserving and enhancing their employability. Since 2006 Deutsche Bank has implemented

**Growth of workforce: 20,361 new employees as a result of Deutsche Postbank takeover alone**

The integration of Deutsche Postbank AG into Deutsche Bank is a major challenge for personnel policy. After we obtained the controlling interest at the end of November 2010, the number of our employees increased to 102,062 (full-time equivalents) as of the end of the year. Now we not only have to coordinate corporate processes and structures but we also need to focus on uniting two different corporate cultures. We can only achieve this if we take the employees of both companies with us along that path.

As of April 1, 2010, Deutsche Bank completed the takeover of parts of the commercial banking division of ABN AMRO in the Netherlands. This resulted in the addition of 1,195 new staff members. Furthermore, the acquisition of the Sal. Oppenheim Group also added another 3,675 employees.

Without acquired or sold parts of the company, the headcount of Deutsche Bank grew by 222 in comparison with 2009.





Video about Deutsche's corporate culture

More about the projects and initiatives for our staff under:

➔ [banking-on-green.com/hr](http://banking-on-green.com/hr)

the “Staying Fit for the Job” program (In eigener Sache – fit in die berufliche Zukunft) with great success. It is available to all employees free of charge and without any prior agreement. Staying Fit for the Job offers tools for analyzing and expanding one’s own skills and experience. It also provides support for determining one’s own individual objectives. More than 12,000 registered users have already taken advantage of the innovative services offered. In 2010 we offered a total of 3,064 different seminars on db Learn, our electronic training platform, starting with specialist educational courses and including management training and seminars relating to personality and team development. Furthermore, we have offered a learning program on sustainability on our training platform since 2009.

**Personnel development and management responsibility**  
Individual career development is an important component of our human resources work. The development programs at Deutsche Bank are aimed at all of our staff. Our senior managers are

expected to conduct structured employee appraisal interviews every year. Goals are agreed upon in the process, and an individual supplementary training plan is discussed.

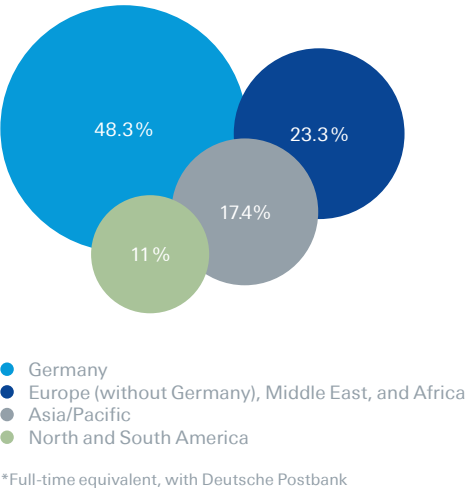
We make use of systematic performance and potential evaluation as an analysis tool in our talent management. Its strategic importance primarily lies in the area of successor planning. In the course of the performance and potential evaluation, managers meet to discuss the performance level and commitment of their employees and to rank them. In 2010, a total of 14,000 employees worldwide underwent our standardized talent management process.

**Work-life balance**  
Achieving a balance between work and private life is a crucial prerequisite for the performance and commitment of our employees. That is why we have developed a wide range of options that contribute towards harmonizing workplace-specific requirements with private and particularly family needs.



**Women's networks**  
Numerous regional and internal women's networks support our female employees with networking and expanding individual career options. Regular events are organized, for instance just recently the conference “Balance instead of Burn-out” with 250 participants from various banks.

Regional employee deployment 2010\*



For example, our employees can organize their working hours flexibly in consultation with their manager. In addition to flexitime arrangements, a time-value account system, and a variety of part-time models, we also make it possible for employees to work alternately from home and facilitate other mobile work options. Worldwide we have set up 296 daycare facilities in the immediate vicinity of our employees place of work. In Germany, the United Kingdom, and the United States, a free family service is provided as a stop-gap solution when needed for periods not covered by childcare arrangements. Advisory services, newsletters, and back-to-work workshops make returning to the workplace easier after parental leave and ensure that contacts are maintained during leave periods.

The Work and Family certificate of the non-profit Hertie Foundation was awarded to Deutsche Bank for the second time in 2010 after a re-audit, thus confirming our family-friendly personnel policy once again. Moreover, we have undertaken to implement

Employee qualification\*

	2008	2009	2010
University degree	64.0%	63.5%	63.9%
High school degree	17.3%	19.1%	15.5%
Other education degrees	18.7%	17.4%	20.6%

\* Number of staff (headcount), excluding Deutsche Postbank

Part-time employees in Germany 2010\*

Private Clients & Asset Management (PCAM)	21%
Corporate and Investment Banking (CIB)	13%
Infrastructure	16%
<b>Total</b>	<b>18.9%</b>

\* Without Deutsche Postbank

new measures in conjunction with this certification. Among other things, in the next three years we want to develop flexible working time models and advisory services especially for older employees and expand options that make care giving for family members possible as well as mobile work arrangements. In addition, we intend to include the issue of compatibility of work and family life in group-wide employee surveys.

Furthermore, preserving and promoting our employees' health is another goal that is important to us. Therefore, we offer health care programs in numerous countries.

**Compensation**  
The compensation system of Deutsche Bank combines a competitive, attractive base salary with an individual, performance-related salary component. The latter is calculated on the basis of the Group's consolidated results, the business success of the specific division and the performance that the individual has contributed.





Childcare

Deutsche Bank would like to make optimal compatibility of work and family life possible. For this reason, it has already offered a special childcare service to employees in the United States, the United Kingdom, and Germany for several years: This serves as a back-up if regular childcare arrangements happen to be unavailable. All in all the bank provides 296 playschool places in immediate proximity to the workplace for its staff.

Health and safety in the workplace  
Staying fit by prevention and training

The health and safety of our employees, business partners, suppliers, and visitors is important for us. We aim to create a safe and healthy workplace, with a particular focus on preventing accidents and ill-health.

Our health and safety standards equal, and in most cases exceed, local regulatory requirements.

We believe that effective health and safety management helps us to improve quality and productivity in the workplace as well as to increase employee job satisfaction. Our approach to health care is designed to help employees stay fit and healthy for longer and includes health screening, psychological support services, and counseling to help employees deal with stress.

We work closely with relevant regulatory authorities on health and safety issues and employ qualified professionals to conduct internal and external risk-based reviews of our safety management systems. We regularly benchmark

our approach to health and safety management against others in the financial sector.

Around 94 percent of Deutsche Bank employees are covered by a safety management system based on the international standard OHSAS 18001. London is now also accredited to ISO 18001. In Germany our health and safety management system is accredited to the VGB Accident Insurance standard, a comparable standard tailored to local regulations. We provide regular training to help employees understand our health and safety policies and to implement these consistently. In 2010 targeted training took place in our Asian-Pacific region, the United States, Europe, Africa, and the Middle East. Action plans were developed to address any areas identified for improvement.

Read more about our approach to health and safety in Germany on our website:

[banking-on-green.com/safety](https://banking-on-green.com/safety)

Our Compensation Report can be accessed at [db.com/ir](https://db.com/ir)

We regard the participation of our employees in the company through shares as an important component of staff retention. That is why we introduced a new share purchasing plan as of April 1, 2010: All employees who are entitled can purchase Deutsche Bank shares for monthly partial payments of at least 25 euros and a maximum of 125 euros within one year. Then Deutsche Bank supplements the shareholding that was purchased in this way on a one-to-one basis with a maximum of 10 free shares, provided that the employee remains at the company for another year. The plan was introduced in 27 countries by the end of 2010.

In March 2010, Deutsche Bank was one of the few globally active banks to present a separate compensation report in order to fulfill its voluntary commitment based on the principles of proper compensation of the Financial Stability Board (FSB) and the circular released by the German financial authority (BaFin) at the end of December 2009. In June 2010, the Committee of European Banking Supervisors (CEBS) deemed our report to be exemplary. In March 2011, simultaneously with our Annual Report 2010, we published the second independent compensation report. In it we demonstrate that our current compensation system also fulfills the new stipulations that have been applicable since the beginning of the year 2011 completely.



Check-up 40+

We offer all employees from 40 years of age a regular health check-up that goes well beyond the ordinary health care benefits of the statutory health insurance scheme. The medical examination is supplemented by an individual consultation regarding physical health, nutrition, and coping with stress.

## Human and labor rights

### Respect is a fundamental right

The respect of human and labor rights is an integral part of our self-conception and has been incorporated into the business and infrastructure processes of Deutsche Bank by means of clear rules.

#### Code of Conduct for suppliers

Our Code of Conduct for suppliers demands equality of opportunity, freedom of negotiation, and a ban on both child and forced labor. In our Code of Conduct we commit ourselves to avoid any type of discrimination.

#### Respecting human rights

The framework of the provision for human rights issues is formed by our policies, which apply across the Group. In these policies we commit ourselves to international agreements, such as the World Bank Standards, the OECD Principles for Multinational Enterprises, the International Labor Standards, and the UN Global Compact Principles.

In 2010 we started an initiative to raise awareness among employees for human rights issues. In addition, we conducted an evaluation of our business activities on human rights and subjected our guidelines and tools, for example in the area of risk management, to an assessment. In 2011 we will continue that work and, where necessary, we intend to revise the guidelines. We want to anchor the resulting goals and measures in our business and infrastructure processes by way of our sustainability management system.

#### Labor rights

The principles of the UN Global Compact as well as the standards of the International Labor Organization (ILO) form the foundation for how employees' rights are structured at Deutsche Bank. In addition, the respective national legislation is also authoritative for us.

We respect the right of freedom of association and collective bargaining, and we cultivate a constructive and trust-based relationship with employee representatives and trade unions at all levels.

About 60 percent of our employees in Germany and roughly 50 percent of our employees worldwide are employed on the basis of wage agreements or similar arrangements. In 2010 more than 70 percent of the employees who were entitled to vote took part in the works council elections in Germany. More than 400 works council members represent the interests of our employees in Germany. To some extent they are released from their normal work duties for that purpose. Among other things, in 2010 they conducted negotiations with the executive management and reached an agreement on new remuneration systems for employees who are not covered by the collective agreement.

We also advocate the observation of employee rights even outside of our own company. Our procurement principles, which are applicable worldwide, require that our suppliers strictly comply with the respective national legislation and recognize equality of opportunity as well as the right to collective bargaining and adequate minimum wages and benefits. If any of our business partners fundamentally violates one of those principles, we terminate the business relationship with them.

# 02

## IV. Governance issues

### Transparency and accountability

Transparent and effective corporate management is the foundation of our economic success. Effective corporate governance structures as well as comprehensive compliance and risk management systems are of crucial significance in that context.

18,000

#### Compliance with laws and guidelines

18,000: number of accounts that are opened at Deutsche Bank every day and examined with respect to money laundering using intricate filter and monitoring systems

3,086

#### Safety by training

3,086: number of colleagues who participated in our Crisis-Emergency Communication and Continuity Planning Trainings in 2010 for the first time

2010

#### "Good Corporate Governance"

2010: year in which our new Code of Ethics was introduced, requiring our senior financial officers to adhere to the principles of integrity, accountability, responsibility, fairness, and respect for others

13

#### Protection of reputation through effective risk management

13: percentage of transactions involving ecological, social, or governance aspects that are escalated in conjunction with our reputational risk management process



Communication with national and international institutions  
Shaping political opinions

Deutsche Bank regards active participation in political opinion-making and contributing towards the democratic legislative process as part of its social responsibility.

Through our political work in Berlin, Brussels, London, and Washington D. C., we participate in international efforts to strengthen the financial regulatory framework. We do this by supporting initiatives aimed at improving capital markets and by contributing to expert committees, professional associations, and the policy making process in legislative and regulatory bodies.

Reforms worldwide are mainly focused on enhanced capital and liquidity requirements, improved market infrastructure, and strengthened corporate governance, in areas such as risk management. Deutsche Bank is also committed to measures that will enhance the resilience of financial markets and institutions in crisis situations.

We conduct a continuous dialogue with governments, parliaments, and supervisory authorities to help them develop the tools to avoid another global financial crisis. Central coordination of global regulatory policy issues is handled by the Government & Regulatory Affairs Department, in close cooperation with offices in Berlin, London, and Washington D. C., and the EU Representation in Brussels. The team members maintain direct contact with supervisory authorities and legislators in national and supranational institutions, providing expertise from across the bank for debates. In 2010 we responded to consultations and put forward views on a wide range of proposals – covering everything from enhanced capital and liquidity requirements to bank levies and corporate governance.

A Regulatory Contact Office, based in Frankfurt, London, and New York, assists Deutsche Bank’s

communication with home and host supervisors. Its main focus is on the coordination of the bank’s interaction with its supervisory colleges, in particular the trilateral, made up of the German Bundesanstalt für Finanzdienstleistungsaufsicht, the New York Federal Reserve and the UK Financial Services Authority. The day-to-day management of the regulatory relationships is handled by local Chief Country Officers, who are supported by Compliance.

Deutsche Bank EU Representation

Today about 70 percent of all financial market laws and regulations in Europe are issued in Brussels. For many years our Deutsche Bank EU Representation there has served as a link between our corporate group and EU institutions. The office offers EU representatives our expertise and market experience with respect to financial services issues. By promoting a solid regulatory framework, more transparency, and continued integration of the European financial markets, the representation contributes towards continuous political communication with EU decision makers at all levels and is supported in this endeavor by our experts. As part of the democratic decision-making process, which incorporates the points of view of all affected stakeholders, the bank’s EU Representation addresses the interests of Deutsche Bank in political discussions.

Our EU Representation also underscores its ambassador function by organizing cultural and social events that are open to the general public in Brussels. Thus – in addition to its political work – it also promotes the bank as a responsible corporate citizen.

Corporate governance  
Our corporate governance responsibilities

Deutsche Bank places enormous value on effective corporate governance, which ensures responsible management and control of Deutsche Bank in a manner geared toward creating sustainable value.

The essential framework for this is provided – first and foremost – by the German Stock Corporation Act and the German Corporate Governance Code. Furthermore, as our shares are also listed on the New York Stock Exchange, we are subject to U.S. capital market laws as well as to the rules of the Securities and Exchange Commission (SEC) and the New York Stock Exchange.

For Deutsche Bank, the central elements of effective corporate governance are good relations with our shareholders, effective cooperation between the Management Board and the Supervisory Board, a performance-based compensation system with a sustainable, long-term focus, as well as transparency in our financial statement and timely reporting.

In addition, we expect high standards of behavior on the part of our employees. These are defined in our Code of Conduct and our Global Compliance Core Principles. Each individual is expected to act professionally, fairly, and respectfully and to uphold Deutsche Bank’s values. Our Code of Ethics requires our senior financial officers to adhere to the principles of integrity, accountability, responsibility, fairness, and respect for others.

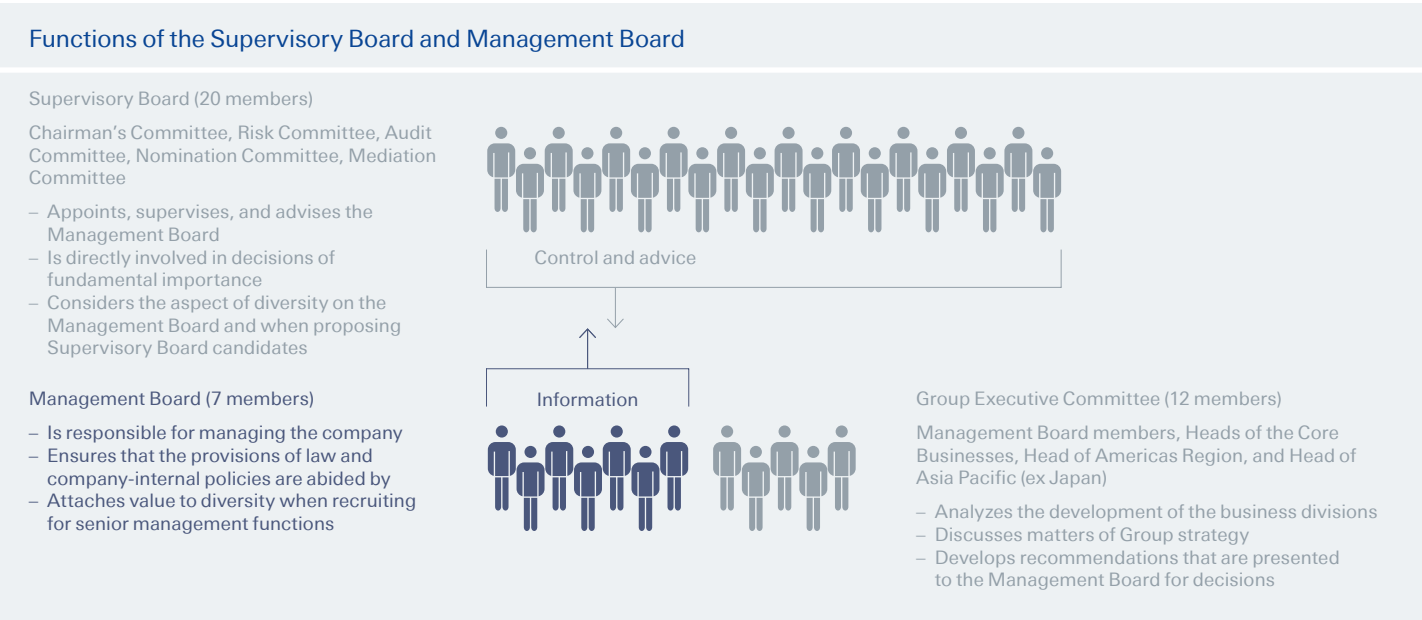
We continuously check our system of corporate governance in the light of new events, statutory requirements, and developments in domestic and international standards, and make the appropriate adjustments.

More information can be found in our Annual Review 2010 see p. 27, our Financial Report 2010 see p. 376 et seqq. and our Compensation Report see p.128 et seqq. of the Financial Report 2010.

➔ [banking-on-green.com/corporate\\_governance](http://banking-on-green.com/corporate_governance)  
➔ [db.com/ir](http://db.com/ir)

Our Code of Ethics:

➔ [banking-on-green.com/code](http://banking-on-green.com/code)



Last updated: February 2011

**Innovative approach**

Towards the end of 2010 we won the Compliance Innovator of the Year award (Thomson Reuters/Complinet), for our innovative approach to the delivery of compliance services within Deutsche Bank.

## Compliance and anti-money-laundering

### Compliance with legal framework conditions

Failure to comply with regulations can cost a bank its business and its reputation. Compliance risk is the danger of insufficient compliance with laws, rules, and regulations. Potential consequences that may result are legal or regulatory sanctions against the bank as well as financial or reputational damage.

Deutsche Bank attaches the greatest importance to managing and minimizing compliance risks by means of its Compliance and anti-money-laundering programs, which are both overseen by the bank’s global integrated Compliance organization.

The Compliance unit provides advice to all departments and responsible managers across Deutsche Bank on ethical conduct. It helps to identify regulatory solutions; safeguards the bank’s integrity and reputation; and, in conjunction with Business, promotes the culture of compliance of the bank. All employees share responsibility for compliance. In 2010 we reviewed and updated our Code of Business Conduct and Ethics. Another review focused in particular on compliance with the BaFin circular on minimum compliance requirements, stipulating the principles of a properly constituted compliance function in detail for the first time.

The Compliance area has more than 500 employees worldwide and is independent of the business units of our bank.

#### Anti-money-laundering program

Deutsche Bank has more than 14 million clients worldwide and conducts more than 10 million transactions with an aggregated volume of about 1 trillion euros every day. About 18,000 new accounts are opened with Deutsche Bank every day. Sophisticated filter and monitoring systems scrutinize new accounts and existing accounts as well as current transactions.

With its anti-money-laundering program, Deutsche Bank provides strong support for the international efforts to combat money laundering,

financing of terrorism, and other criminal acts. The bank’s anti-money-laundering program reflects all legal and regulatory requirements, including the recommendations of the Financial Action Task Force on Money Laundering and the recommendations and standards of the Basel Committee on Banking Supervision. Furthermore, Deutsche Bank is a member of the Wolfsberg Group, in which leading internationally operating banks have joined forces to map out principles for combating money laundering and the financing of terrorism. A total of 135 employees are responsible for implementing our anti-money-laundering program.

We continually review our anti-money-laundering strategies and objectives. The German anti-money-laundering law was amended to bring it in line with the Third EU Money Laundering Directive. The substantive requirements of those amendments have an extraterritorial scope of application, and within the bank we implement them by means of an inter-departmental global workgroup. We expect our managers and employees to consistently comply with the high standards we have committed ourselves to fulfilling. That enables us to prevent any abuse of our bank, its products, and its services for the purpose of money laundering and financing of terrorism.

#### Anti-corruption program

We also monitor corruption risks constantly. Our anti-corruption program helps staff uphold Deutsche Bank’s transparency and integrity in all business dealings to avoid any improper advantage or even the appearance of questionable conduct. As part of the program, we ensure our internal control mechanisms are in line with the provisions of international treaties and local legislation. After the

UK Bribery Act was enacted in the United Kingdom to combat bribery, we reviewed our, among others, group policy regarding accepting and giving gifts and invitations.

In order to prevent corruption, we introduced a computerized system for recording and monitoring gifts and invitations in 2009. We also have a global, professionally run employee hotline telephone number that serves as a channel for discussing issues and concerns confidentially. All employees globally also take part in a computerized training course entitled Preventing Corruption and Fraud, which is regularly revised and repeated.

## Corporate Security & Business Continuity

### Preventative security measures

Corporate Security & Business Continuity’s (CSBC) programs help to protect our infrastructure, processes, and information. They also cover the maintenance and recovery of business operations including contingency plans for possible terrorist attacks or natural disasters.

CSBC is responsible for the security of Deutsche Bank, the continuity of our businesses, and the corporate crisis management process. This includes strategic guidance on issues ranging from fraud prevention to the protection of employees and buildings.

Deutsche Bank was one of a number of German banks to be targeted by skimming fraud at ATMs in 2010. CSBC worked with the bank’s Business divisions to implement various fraud prevention measures that helped to significantly minimize losses and improve client security around this issue.

The core responsibilities of compliance include
– providing advice to the individual business units regarding applicable laws, directives, and regulations and supporting their implementation
– monitoring, reviewing, and analyzing trades, transactions, and business processes to identify and mitigate potential compliance risks
– developing and communicating globally and locally applicable internal compliance principles, standards, and policies
– monitoring and verifying conformity with those principles, standards, and policies
– maintaining the bank’s watch and restricted lists, helping manage conflicts of interest, and administering employee trading requests
– supporting compliance with the bank’s internal confidentiality barriers (“Chinese walls”)
– measures within the scope of the anti-money-laundering program to ensure compliance with all embargo provisions that apply in the EU and in other countries where the bank maintains subsidiaries or branches
– ensuring that any occurrences that give reason to suspect money laundering or the financing of terrorism are brought to light and reported to law enforcement authorities as required by law
– training and educating staff on applicable regulations and rules
– coordinating risk control with other functions
– supervising reputational risk management
– managing daily communications with regulatory agencies around the world

Deutsche Bank also monitors worldwide security risks and assesses travel policies to reduce potential related personal and business risks. For example, guidelines govern the number of employees traveling together on one flight, to reduce the business risk in the event of an incident.

Corporate security programs are an important part of our business. Mandatory online trainings covering related issues help ensure that employees are aware of risks and the appropriate responses.

#### IT security

The Computer Emergency Response Team (dbCERT) is a central service for the analysis and investigation of IT security incidents. It is responsible for addressing online threats such as trojans, viruses, and phishing attacks as well as other forms of unauthorized access.

Data protection  
Protecting client and employee data

The purpose of data protection is to protect the right of every individual to informational self-determination and to prevent abusive use of personal data – for example that of clients and staff.

Accountability principle

Because data protection is firmly anchored within the bank’s organization and its processes and thanks to its global data protection network, today Deutsche Bank has already implemented essential elements of the accountability principle that is currently being discussed in the EU.

As a bank company we make use of IT-supported global processes and applications for our business. Data protection is of central significance to us.

Our data protection experts collaborate closely across all regions. They ensure compliance with data protection regulations, which frequently vary from one country to another. In Germany the data protection officers that are stipulated by law also monitor the area. Central coordination and control of all processes with data protection relevance is handled by the Group Data Protection (GDP) division. Overall responsibility for data protection lies with the Management Board.

Comprehensive internal data protection guidelines apply to day-to-day operations. We have also established detailed processes for prevention and for dealing with data protection complaints, for example. We implement data protection training measures regularly in all our country subsidiaries in order to raise our employees’ awareness of the importance of data protection and ensure systematic adherence to the regulations.

One focus of our activities in 2010 was the implementation of the amended federal data protection law. The latter primarily pertains to the credit scoring area and communications with credit agencies. Our data protection experts work closely together with data protection supervisory bodies to advise and support the business divisions that are affected.

In June 2010, a workshop of the European Privacy Officer Network was held at our bank. Various globally active companies and German data protection supervisory authorities met for a practically oriented exchange of ideas.

Also in the future, we will continue to scrutinize our actions in the area of data protection regularly. Among other issues, we want to link our global data protection network even more closely to business processes and to enhance the effectiveness of our data protection.

Risk management  
Understanding and assessing the complex world

Our group-wide risk management is one of the key responsibilities of the Management Board. Environmental, social, and governance issues have become more of a focus in addition to the classic risks that banks have always kept a vigilant eye on.

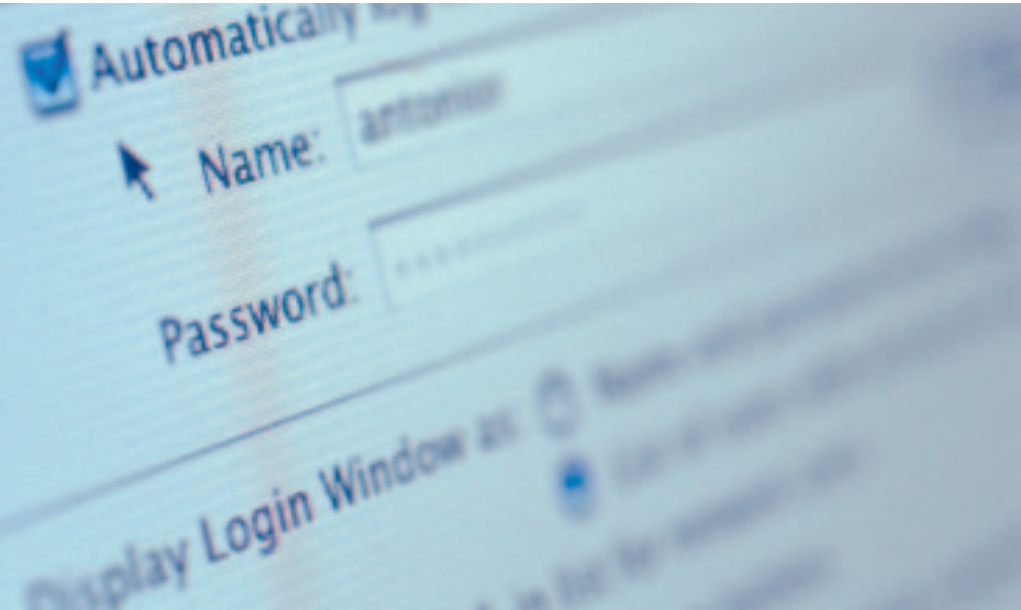
In the past year we have attached even greater importance to effective risk management. Continuously reviewing and revising our guidelines and processes contributes towards bringing the bank’s structures even more in line with the requirements that our stakeholders place on us with regard to risk management and sustainability.

Our risk management principles and guidelines are precisely tailored to the individual business divisions and their respective areas of activity. In combination with our systematic methods for identifying, measuring, monitoring, and controlling risks, they support decision-making processes at all levels within the bank.

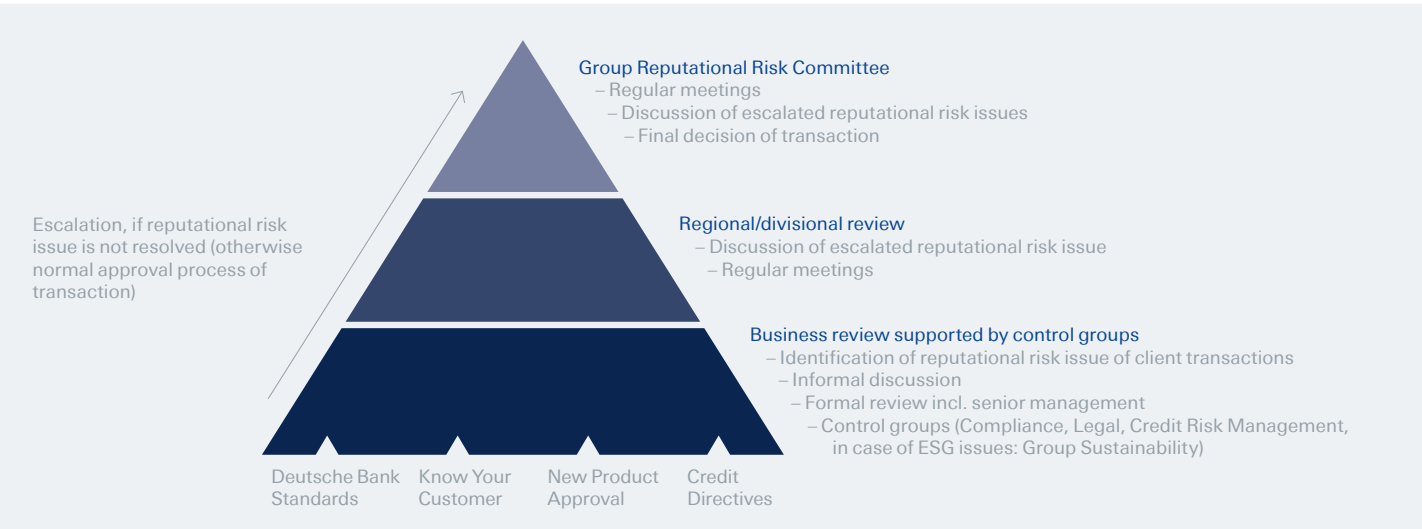
**The reputational risk management process**  
Deutsche Bank is aware that its own business activities could have a potentially negative impact on the environment and society. Such an impact may also lead to risks to the bank’s reputation. Avoiding

those risks is an important objective of the bank’s group-wide risk management system. We require our staff to deal with those risks in a responsible manner.

The identification of so-called “sensitive topics” is an important foundation for comprehensive and timely management of reputational risks. These are thematic issues which have a high profile in current, public discussions and which might influence the business activities of Deutsche Bank directly or indirectly. The Group Sustainability department as well as our Compliance division monitor such thematic areas continuously. As part of our management of reputational risks, we communicate such sensitive topics within Deutsche Bank in conjunction with a specifically designed process, for example in monthly and quarterly reports. In this way, we ensure an adequate response to any negative effects that such thematic issues may have on our reputation.



Escalation of reputational risks





Risk management functions

**Chief Risk Officer**  
· Overall responsibilities for risk management  
  
· Chairperson of the Risk Executive Committee, which manages risk for the entire Group

**Group Credit Policy Committee**  
· Subcommittee of the Risk Executive Committee that defines, among other tasks, Group-wide lending principles

· Biannual information on so-called policy decisions, which are taken in addition to material lending decisions

· Review of the relevant policies at least once a year

**Group Reputational Risk Committee**  
· Subcommittee of the Risk Executive Committee that examines reputational risks across the business units

· Decision on reputational issues after an escalation by senior management or regional management, or as required by Group policies and procedures

· The group officer for the sustainability management system is called in on a case-by-case basis when dealing with ESG risks

Escalation of reputational risks

The group-wide guidelines on reputational risk management assign primary responsibility for identifying, escalating, and coping with reputational risks to the staff of our local business divisions. The role of our internal control functions – such as Compliance, Legal, Credit Risk Management, or Group Sustainability – is to advise those business units. Close cooperation between the control functions and the business units ensures that reputational risks are reliably identified and escalated so that they can be addressed effectively.

If no mutual agreement on the mitigation of the risks resulting from individual transactions can be reached by way of cooperation between the business unit and the cross-divisional functions, the escalation process is managed by one of our divisional or regional Reputational Risk Committees. If no decision can be reached at that level, or if the case is especially complex and entails substantial risk, the Group Reputational Risk Committee is entrusted with resolving the matter. The latter is a sub-committee of the Risk Executive Committee and is chaired by the Chief Risk Officer of Deutsche Bank.

Both the Group Reputational Risk Committee and the Risk Executive Committee receive monthly reports on the transactions that were escalated to the divisional and regional Reputational Risk Committees in accordance with the Reputational Risk Management process. In the year 2010, over 98 transactions were reported in this context. 13 percent of those involved ecological, social, or governance issues.

Green Filter

In the year 2009 we created a Green Filter in order to do justice to the growing significance of climate risks and to sustainably underpin the progress that has been achieved in the area of climate protection and ecology. In January 2010, we integrated this filter into our Group Reputational Risk Management policy, thus placing a strong focus on risks associated with business activities involving carbon intensive industries. This alignment of our reputational risk management also means that when making decisions about business activities we always take into account whether those decisions contribute towards improving our own carbon efficiency and that of our clients. In our view, this approach is particularly relevant in industries with especially carbon intensive production, such as coal, forestry, and agriculture, mining, metal production, and the chemicals industry.

Core principles for our banking business

We have established measures that are aimed at counteracting reputational risks. For example, our global Credit Directives incorporate guidelines for weapons handling, outlawed products, or dangers to people, the climate, and the environment (see p. 77). Transactions involving one or several of those domains require special assessment by our senior management. The Group Reputational Risk Committee and the Group Credit Policy Committee are responsible for assessing their compliance with the relevant internal standards of Deutsche Bank.

Last but not least, compliance with basic legal and regulatory requirements and with internationally accepted standards and voluntary obligations is a matter of course for Deutsche Bank. For example, these include embargo regulations, the directives of the Financial Action Task Force on Money Laundering (FATF), the World Bank Standards, the OECD Guidelines for Multinational Enterprises, and the UN Global Compact Principles, as well as the principles of the Finance Initiative of the United Nations Environment Programme (UNEP FI). We also take the aforementioned regulations and guidelines into consideration within our group-wide risk management process.

Program for assessment of new clients and products

Effective standards and procedures for acceptance of new clients – Know Your Customer standards and procedures (KYC) – help us to combat money laundering, financing of terrorist activities, and similar acts of commercial crime. At the same time, they play a decisive role in protecting the bank from misuse of its products and services and in avoiding damage to its reputation. That means knowing the individuals and corporations that the bank enters into business relationships with, as well as those people and entities that are behind the former or are indirectly linked to them.

Effective KYC starts with the process of accepting a client and continues in the form of regular reviews. The bank makes use of a risk-based approach to Customer Due Diligence. Without a review and acceptance of the potential client according to the relevant procedures for the respective business unit, the bank does not trade in investment funds and bonds nor does it enter into any legal obligations. This also applies to opening an account, selling a financial product, as well as any type of service whatsoever.

Product Approval

In the course of our approval process for new products (New Product Approval) we analyze the risks that may arise in connection with the introduction of new products and modification of existing products by means of our New Product Approval process. The objective is to ensure the operational readiness and effectiveness of our internal control and risk management processes. The New Product Approval framework supports

- the identification, assessment, and limitation of operational risk
- the identification and evaluation of consequences with regard to market, credit, and liquidity risks
- the recognition and assessment of general consequences with regard to regulatory, statutory, and reputational risks

- the recognition and assessment of accounting, valuation and tax risks
- compliance with existing policies as well as reviewing whether new policies and processes are required

Internal governance

Our group-wide Reputational Risk Management Policy obliges every single staff member to assume responsibility for proper management of reputational risks pertaining to the bank. Failure to comply with this obligation may have a negative impact on the individual discretionary pay. By means of this interconnection, we aim to create positive incentives for our employees to commit themselves proactively, openly, and conscientiously to proper identification, communication, and handling of reputational risks in all work areas.

More about risk management can be found in the Financial Report 2010  
[deutsche-bank.com/10](https://www.deutsche-bank.com/10)

Credit Directives

Core principles for our banking business



Defense equipment

“We will not consider any involvement in transactions connected with specific types of weapons, in particular antipersonnel landmines, cluster bombs, or ABC weapons.” [...]



Pornography/red light area

“Deutsche Bank will not enter into business relationships with counterparts belonging or being close to the pornographic sector or adjacent areas (red light area).” [...]



Betting and gambling industry

“We specifically do not want to be connected to counterparts within this industry which show signs of proximity to problematic areas (e.g. red light area) or which are prone to serve as basis for illegal activities, as for example the handling of cash entails the possibility of money laundering.” [...]



Environmental issues

“Deutsche Bank regards the responsible treatment of the environment as an integral part of its corporate identity. [...] In addition to complying with the legal provisions relating to environmental protection, we undertake to protect natural resources such as air, water, and soil. [...] We will not finance certain globally banned products, e.g. CFC, asbestos.” [...]



Embargos and related restrictions

“All embargo regulations of the European Union (EU) apply to the entire Deutsche Bank Group. In addition, local regulations that go beyond the restrictions introduced by the EC have to be followed by those directly affected thereby.” [...]



# 03

## Education

For society and business alike, people's knowledge, skills, and social competence are decisive resources. Every investment in them is an investment in the future. Supporting opportunity and achievement is a fundamental requirement for sustainable prosperity and social cohesion.



# 03

## Equality of opportunity

Access to education must be available to everyone, regardless of social background and economic situation. In the Philippines and around the world, we enable young talent, see p. 86.

# 03

## Cultural education

Experiencing art and culture fosters creativity and broadens horizons. We support this experience, as we do here at the Deutsche Guggenheim in Berlin, see p. 88



# 03

## Promotion of science and international dialog

Academic excellence is essential to expand society's level of knowledge. For this reason, we support the transfer of know-how, as we have been doing for more than 100 years at the University of Frankfurt, see p. 90.







# 03

Enabling talent

## Education Aiming high

The goal of the 13-year-old Christopher Nguyen is nothing less than to complete high school and qualify for university. And with support from the [FairTalent](#) initiative, he will achieve that ambition. The program enables talented and motivated students from disadvantaged backgrounds to receive an education and achieve their full potential.

Christopher Nguyen is 13 years old and lives in Piesau, a city in southeastern Germany. Not too long ago, he had little hope of receiving an education and realizing his capabilities. His living situation simply prevented him from attending high school. But that is no longer the case. In the second half of 2010, Christopher received a scholarship from the FairTalent program of the Roland Berger Foundation, supported by Deutsche Bank. The program offers selected students a comprehensive support program designed to promote personal achievement – from the beginning of their primary schooling to the end of their secondary schooling.

Altogether, 600 students from the German states Hesse, Saxony and Thuringia applied for 150 scholarships. Of these applicants, 240 advanced to the final round. The jurors from areas such as business, science, and religion as well as politics, art, and education met the applicants to learn more about their skills and social commitment. Good grades alone are far from sufficient to win a FairTalent scholarship.

Christopher has been with the program since September 2010 and has benefited from the very beginning. “I’m participating in many interesting courses,” he says. His favorite subject is biology. “You can discover a lot, for instance with the microscope when you look at animal cells,” he adds. And what does he want to become someday? “I think often about this but I’m still not sure,” he replies.

There is still plenty of time for Christopher to answer such a question. And he can also count on help. FairTalent takes an individual, long-term approach.

Christopher Nguyen, scholar of the FairTalent initiative



More about Christopher Nguyen and FairTalent

Students receive a personal educational plan and participate in a program that pays attention to their learning and social skills. FairTalent offers not only courses on politics, science, culture, and general finance but also summer academies, personality coaching, and etiquette courses. Along their education path, students are assisted by volunteer mentors. 14 of these mentors are Deutsche Bank employees.

FairTalent is a special project within the framework of Deutsche Bank’s educational programs, as Dr. Josef Ackermann underscored at the welcoming ceremony for scholarship winners: “For us, FairTalent is a beacon project for all the other educational programs we support. Equal educational opportunities for everyone, irrespective of their cultural origin, are essential for cohesion in our communities.”

With its educational projects, Deutsche Bank pursues three programmatic approaches:

- We support equality of opportunity by enabling young people to reach goals otherwise unachievable to them because of their social background. We pay particular attention to talented people who can combine a wide range of skills with social competence. Our society and economy will require responsible leaders for tomorrow.
- We support the cultural education of young people by giving them the opportunity to gain experience in the area of art and culture in addition to factual knowledge. We view this combination of experience and knowledge as essential to cope with our increasingly complex world.
- We support science and international dialog by encouraging the cross-fertilization of research and entrepreneurship. Only in this way can the results of top research flow into the broad canon of knowledge and help our society effectively find answers to pressing global questions.

Teamwork: Christopher Nguyen doing his homework, together with another FairTalent scholar



## » Knowledge alone is not enough

**Equality of opportunity:** Society and business need young people who are not only skilled but also socially competent – people who are prepared to accept responsibility for themselves and others. They are the leaders of tomorrow. And this new elite class of responsible leaders should recognize all talented people, regardless of their background.

## » Learn to think outside the box

**Cultural education:** Knowledge is the basis for a successful career. And those who also seek diverse new experiences are best equipped to master today’s complex world. Experiencing art and culture fosters creativity and thus the capability to excel, perceive, and communicate.

## » Networks are crucial to success

**Promotion of science and international dialog:** Academic achievement is of paramount importance to the broad growth of knowledge. It requires establishing and expanding networks to provide an exchange between cultures and between knowledge and practice.

Competition  
School at its best

During the 2009/10 school year, 600 secondary school students preparing for vocational training took part in the School at its best (Starke Schule) contest, up 10 percent over the previous school year. Germany's largest school competition honors educational excellence and helps schools qualify their students for vocational training. The program is cosponsored by German employer associations, the Hertie Foundation, and Deutsche Bank Foundation.

➡ starkeschule.ghst.de

Equality of opportunity  
The children of Bulungula

Elementary education for everyone is high on the agenda nearly everywhere in the world, particularly in South Africa where the number of children attending school continues to rise.

The objective is clear: “By 2015, all children of the world should be entitled to a complete elementary education,” the United Nations stated in 2000 as one of its Millennium goals.

And the world, indeed, has come closer to achieving this goal. While 16 percent of all children were still denied a primary education at the turn of the century, today that figure is down to 10 percent – worldwide 90 of 100 children of school age now attend school. But exceptions remain. For instance, in sub-Saharan Africa, every fourth child still grows up without a school education, and in rural areas the numbers are even higher. Much work remains to be done if the promise to provide access to education by 2015 is to be fulfilled. This target

requires action not only by governments but also by non-governmental organizations and companies.

In the year under review, Deutsche Bank supported 18 programs in South Africa that improved the educational opportunities for children and gave young people an education. One of them, **Bulungula**, focuses on children of pre-school and elementary school age. The program provides education in villages previously without schools or helps build schools in those areas. So far, 120 children have benefited from the Bulungula initiative.

The scope of educational projects realized in South Africa ranges from an advanced training program

in South Africa for teachers and a science camp for students to scholarships for underprivileged children from the townships in Johannesburg. Altogether, the projects in 2010 supported 1,258 schoolchildren and teachers at a cost of 3.2 million rands (about 350,000 euros).

What remains particularly difficult in Africa and Asia is access to education for children whose parents are HIV-infected, suffer from AIDS, or have died. These children are often treated as outcasts in their communities and restricted from attending local schools. Deutsche Bank Asia Foundation has helped affected children pursue a normal school education in Thailand (see below) since 2003 and in Cambodia since 2004. Some 3,000 children alone in Cambodia benefit every year from the **Back to School** program, launched in May 2008 in cooperation with the M’Lop Tapang Foundation.

Another educational challenge has emerged in the rapidly growing urban areas of eastern Asia. The local infrastructure there is unable to keep pace with the flood of workers and their families. Since 2008, Deutsche Bank has enabled the construction of mobile schools for the Dongba migrant community in Beijing. The schools, which are run by the

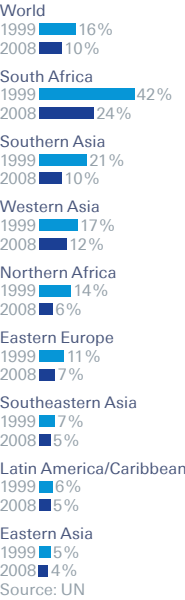
organization **Compassion for Migrant Children**, provide an education every year to more than 1,700 children of migrant workers.

In Europe, the state typically ensures a primary and secondary school education. But young people from challenging social environments often have difficulty in secondary school, let alone graduating from one. Since 2008, Deutsche Bank has contributed to the **ThePlace2Be** project at a London secondary school. The project helps socially disadvantaged children between the ages of 11 and 12 to stay in school. The program has been so successful, in fact, that it will be introduced in an additional 30 schools in Britain over the coming three years.

In Germany, Deutsche Bank Foundation helps children and young people overcome personal barriers and pursue vocational training or a university degree. Since 2004, the foundation has been a supporter of one of Germany’s largest scholarship programs, **START**. The program focuses on students from immigrant families in classes 8 to 10 whose successful integration and access to higher education are aided by the scholarship. So far, the program has aided 1,200 students.

Millennium  
goal: Schools  
for everyone

Share of elementary school-age children who do not attend school (in percent)



Milestones:  
Schooling for children affected by HIV/AIDS in Chiang Rai, Northern Thailand





Training  
for school  
administrators

In 2010, 56 school administrators from Argentina received school management training under the Headmasters, Leaders in Action program. The initiative is supported by Deutsche Bank and accompanied academically by the Universidad de San Andrés. The bank supports similar projects in Britain and Germany (see p. 131).

To improve the occupation integration of lower secondary school students, Deutsche Bank Foundation supports the program **Ready, Set, Job!** One year before they complete their education, they acquire relevant job skills through courses and extracurricular activities, ranging from math tutoring to seminars about manners. And they do so successfully: The placement rate for apprenticeships has increased from 25 to 85 percent. At six locations in the state of North Rhine Westphalia, 2,000 secondary school students have found a training position through

the initiative. For children from non-academic environments, **COMPASS OF STUDIES** paves the way to a university education. Launched in 2007, the program accompanies young people during their last two years of high school and their first year at university. Some 93 percent of the students in the first COMPASS OF STUDIES class decided to pursue a university degree. The U.S. program, **College Ready Communities**, has a similar objective but different format; its key supporters include the Deutsche Bank Americas Foundation and the Bill & Melinda Gates Foundation.

Cultural education  
Show your colors

A contest for young designers, like Design Ventura in London, is supported by Deutsche Bank to advance the cultural education of young people. Those who seek new experiences beyond factual knowledge, we believe, will cope better in our complex world.

Two birthdays

Two programs of Deutsche Bank Foundation that introduce children to art celebrated big birthdays: The Fulda Children's Academy (supported since 2007) turned 20 in early 2011; and the Youth Art Prize was awarded for the tenth time in 2010 within the Youth Interprets Art project in the Küppersmühle Museum in Duisburg. It was given to the study group St. Johann Blönried from Aulendorf for its work entitled Pangaea.

➡ [deutsche-bank-stiftung.de](http://deutsche-bank-stiftung.de)  
➡ [kaf.de](http://kaf.de)

194,943  
people

participated in 2010 in cultural education programs that were supported by Deutsche Bank, 55 percent more than in the previous year.

Cultural educators maintain that young people can benefit from art and culture in many ways. Cultural education not only inspires them to be creative; it also changes the very culture of learning and teaching, enhances intellectual abilities, and fosters complex thinking as well as keen perception and rhetorical skills. This understanding of art and culture has begun to penetrate the public consciousness more and more. Many see an involvement with art and music as helpful in mastering core school subjects by imparting subject matter that is crucial for a knowledge-based society.

More and more individuals, clubs, organizations, and companies now endeavor to help children and young people become exposed to and immersed in cultural projects. Deutsche Bank is among them. Promoting art and culture has been an essential part of our corporate social responsibility for decades, as is our support of educational projects in this context (see p. 118 et seqq.).

With **CHILDREN TO OLYMPUS!** Deutsche Bank Foundation shows its long-standing commitment to this sector. Since 2004, the Foundation has

supported this contest of the Cultural Foundation of the German States, which showcases exceptional collaborative projects between schools and cultural partners. The program encourages schools to work with cultural institutions and artists to give young people the opportunity to gain new (cultural) experiences. It has meanwhile served as a launching pad for 4,334 projects with some 150,000 participants. Since 2010 CHILDREN TO OLYMPUS! has been on the list of contests recommended by the Federal Council of Culture Ministers to German schools.

Deutsche Bank has taken a new approach to foster cultural education in Britain. **Design Ventura**, launched in May 2010 as a cooperative project with the London Design Museum, aims to help young people learn more about design and business. Participants between the ages of 14 and 16 were given the task of developing both a new product and concept to bring it to market. They were assisted by 14 Deutschbankers in the course of 22 business workshops in British schools. All ideas developed during the year were presented at an event in December, followed by an award ceremony on January 27, 2011. The first prize went to Haberdashers' Aske's Hatcham College in Lewisham. The college submitted the Dove Bunting project, featuring small flags made from recycled

materials. Today, the Design Museum Shop produces and sells the pennants.

For more than five years, Deutsche Bank has supported **Playing Shakespeare with Deutsche Bank** in Britain. The program, which is performed by the Shakespeare Globe Theatre in London, guides students through the works of Shakespeare with performances and workshops conceived especially for them. Since the project was launched in 2005, 65 percent of all state schools in London have taken advantage of the program – and 14,250 young people alone in 2010.

Deutsche Bank Foundation broadened its long-standing commitment to the educational sector in the year under review and added a new cultural dimension to its **START** program for gifted school students from immigrant families: Since the 2009/10 school year, the program's opera workshops **opernSTART** have been introducing students to classical music. Six workshops with 20 participants each are held annually (see p. 122).

Also new in 2010 was our support of the **Children's Choir Centro Historico Ciudad de Mexico**. The choir, launched in 2000 as a project to support children from socially underprivileged families, now performs across Mexico. The South African **Melodi Music** program, which Deutsche Bank Africa Foundation has sponsored since 2005, has a similar approach: The initiative helps school students from Soweto learn how to play classical instruments such as violins, cellos, and clarinets.

On the bus  
headed for art

How to bring art to people – or the other way around? With art buses.

**Name:** Walraff, the Museum Bus  
**Goal:** cultural experience for school students in the Walraff-Richartz-Museum in Cologne  
**Duration:** since 2007  
**Participants:** 9,300  
**Award:** German Culture Award 2008

**Name:** Art Bus Singapore  
**Goal:** Singapore school-children encountering contemporary art  
**Duration:** since 2009  
**Participants:** 2,300  
**Award:** Friend of Heritage Award of the National Heritage Board in 2010 and 2011

**Name:** Collection Tours  
**Goal:** museum visits for schoolchildren and adults during the RUHR.2010 cultural capital event  
**Duration:** from March to December 2010  
**Participants:** approx. 20,000



Does it work? Or do they need to tinker a bit more? Two youngsters in London work on their design project



Promotion of science  
and international dialog  
Italian initiative

By establishing a professorship for finance at the Milan Bocconi University, we support the transfer of know-how between theory and practice. Only through global networking can society's level of knowledge, in general, benefit from advanced research.

If our aim is to remain successful as a global knowledge-based society, two developments are necessary: first, as many people as possible need to excel; and second, we must ensure that their insight flows into the broad canon of knowledge. One of the tasks of educational and vocational institutions – public and private alike – is to give talented individuals the opportunity to achieve and share their knowledge. This is largely the task of universities, and it is one of far more urgency to industrialized Europe than it is to the rest of the world. The reason is demographic change. Europe faces a possible shortage of talent, as older skilled people retire from the workforce faster than younger people enter it.

As a result, Deutsche Bank significantly expanded its promotion of science in 2010, with an aim to increase the integration of scientific theory with entrepreneurial execution. To this end, we entered into two new partnerships with European universities in Milan and Luxembourg and significantly increased our financial support for the European School of Management and Technology in Berlin.

The [Bocconi University in Milan](#) has installed the Deutsche Bank Chair of Quantitative Finance and Asset Pricing, held by Professor Carlo Favero, who is a long-standing expert in financial economics. In addition, we award scholarships to students at the university and participate in organizing seminars on financial topics. The collaboration allows us to exchange views and information with faculty, while

also gaining privileged access to Ph.D., MBA, and other post-graduate students.

Both Deutsche Bank and Milan's Bocconi University, which is viewed as one of the top management and business schools in Italy, benefit from the cooperation in terms of research and networking. "The partnership gives us a strong involvement in the educational sector," says Flavio Valeri, Chief Country Officer at Deutsche Bank Italy. "And it does so at a time when the quality of employees is becoming an increasingly important factor for a company's success."

Deutsche Bank enables a five-year professorship at the [Luxembourg School of Finance](#), a department at the University of Luxembourg. The Deutsche Bank Chair of Finance focuses on researching banking and financial applications for the Luxembourg financial center.

In 2010, Deutsche Bank also extended its cooperation with the [Goethe University in Frankfurt](#), a partnership spanning nearly 100 years. We founded a new professorship for international finance in the university's [House of Finance](#). The chair, to commence in 2011, will be devoted to the interdisciplinary question of how the international finance system can be reshaped following the recent crisis. The thrust of our support, however, will remain with the Center for Financial Studies. The center, as part of the House of Finance, conducts independent, internationally targeted research on all topics of relevance to financial markets.

Outside Europe, we have deepened our relationship to the [Tongji University in Shanghai](#). At the university, we sponsor a summer program that allows students to delve into financial topics and gives them background knowledge about Europe. In addition to an intensive language course and business studies, the program includes meetings with German industry representatives in Shanghai and tours of German companies operating in the city. Moreover, we annually award a scholarship to five students at the Tongji University to participate in the international summer program at the Goethe University.

Our support of excellence as well as the cross-fertilization of theory and practice is not limited

to academia, however. Deutsche Bank is now in its tenth year of participating in the [Dual Career](#) project of the German Sports Aid Foundation (Stiftung Deutsche Sporthilfe). The project helps aspiring athletes combine athletic achievements with successful careers. We have supported more than 500 athletes this way. Since 2010, Deutsche Bank has promoted the Sports Aid Foundation through the campaign [Your Name for Germany](#) (Dein Name für Deutschland). The fundraising initiative seeks to attract more than 40,000 individual contributors ahead of the Olympic Games in 2012.



Learning, questioning, understanding:  
Students in an auditorium

Committed  
achievers

The goal of the TEACH initiative in South Africa is to find the best university graduates for the most deprived schools. To strengthen the ties between high achievers and society, top university graduates work for two years in township schools. In its first year, TEACH began with 75 positions, which attracted more than 100 applicants.

Teachers on  
a study tour

Each year, 100 social study teachers from the United States and Canada learn more about Germany during a 14-day study tour. Transatlantic Outreach Program is a joint initiative of Germany's Department of Foreign Affairs, Deutsche Bank, and other partners. Moreover, the program offers 4,725 educators and others training programs and instructional materials for their students.

➔ [goethe.de/top](#)

On the way to a lecture: a new professorship  
for Milan's Bocconi University

## Education: 2010 in review

### Growing volume and stronger involvement

#### What we achieved:

Deutsche Bank increased its investment in the number of participants it supported worldwide in 2010 (see charts). Our list of successful recent initiatives includes [FairTalent](#) with 150 scholars in Germany and [College Ready Communities](#) in the United States, which, in its first year alone, reached 1,800 school students from low-income families in New York City. We also promoted more educational programs in Asia, such as [Families and Children Empowerment and Development](#), which benefited 300 schoolchildren in the Philippines.

The commitment of Deutsche Bank and its foundations to education continues to produce encouraging results, both in quality and quantity. One example is the [COMPASS OF STUDIES](#) (STUDIENKOMPASS) program: 93 percent of the scholars from the first class of graduates aim to pursue a university degree – four times as many as the national average for students from non-academic families. 92 percent of the teachers rated the learning skills of participants in the [Knowledge Counts](#) (Wissen rechnet sich) initiative, which gives 7th to 10th grade students basic finance knowledge, as “very good” or “good.” The [Art Bus](#) program, launched 2008 in Cologne and in Singapore a year later, was successfully introduced at the RUHR.2010 cultural event in Germany’s Ruhr Valley region. The Arts & Business Council of New York honored us with the Encore Award for our support of [Free Arts NYC](#) programs for children (see p. 148).

In 2010, we were able to further internationalize our program for promoting science, especially through two new professorships in Italy and Luxembourg. The [Transatlantic Outreach Program](#) organized 315 workshops with more than 4,725 participants – 52 percent more than in the previous year.

#### Our goals for the future:

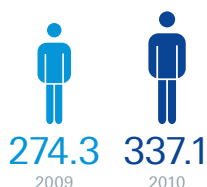
In 2011, Deutsche Bank aims to further expand its programs for creating greater equality of opportunities. In the United States, we plan to align technology and innovation to improve education in public schools and also make greater use of our expertise to advance policy change in education. Deutsche Bank Foundation aims to strengthen the COMPASS OF STUDIES program through the creation of an alumni network and to introduce the program in other locations.

Wherever useful and possible, Deutsche Bank will rely more on its own employees for educational programs. An excellent example is our involvement in the [Music, Art, Drama, and Dance](#) project in Hong Kong in which 60 corporate volunteers have so far been able to support 300 schoolchildren. At the same time, we will encourage our employees to become even more active in mentoring programs such as [Big Brothers Big Sisters](#). A greater interlinking of our educational commitment with the Human Resources division is also planned.

A further focus is to expand our involvement in the [House of Finance](#) at the Goethe University in Frankfurt. In 2011, a new foundation will be established with support from the [Deutsche Bank Donation Fund](#) and a new professorship, devoted to the interdisciplinary question of how to reshape the international finance system. With the [Deutsche Bank Prize in Financial Economics](#) for Kenneth Rogoff and the planned symposium in 2011, we also see an opportunity to improve the exchange between theory and practice.



Total investments of Deutsche Bank Group in the area of Education (in m. €)



Number of participants in education projects (in thousands)



Participants in the cultural education program Playing Shakespeare with Deutsche Bank (in thousands)



# pass on your passion

"If you've worked on something you've enjoyed, don't keep it to yourself! Spread your positive energy."



In 2010, 25 percent of Deutsche Bank's employees in the United States volunteered in social projects supported by the bank.

Free Arts NYC provides educational arts and mentoring programs that help at-risk children foster the self-confidence and resiliency needed to realize their fullest potential. Sales Assistant Scott Hernandez has played a critical role in growing Free Arts NYC into one of New York's most successful volunteer partnerships. He has engaged and inspired colleagues to embrace Free Arts; and hundreds of employees each year are now volunteers.



Deutsche Bank volunteers  
at Free Arts NYC



# 04

## Social Investments

Aid for the most vulnerable people and disadvantaged communities: There is no alternative to this obligation. We help in various ways, whether through the personal commitment of our employees, the use of our networks, or innovative finance models.





04

## Help for the disadvantaged

We offer support for people in need because of social hardship or natural catastrophes. In South Africa, for instance, our focus is on children, see p. 102.



04

## Community development

Intact local communities such as here in the United States are the basis for a civil society, see p. 104.



04

## Microfinance

People and social initiatives often lack fair access to capital to help themselves and others. In South America, for instance, we have applied innovative financial instruments, see p. 105.





Chennupati Vidya, president of the aid organization Vasavya Mahila Mandali

## Social Investments

### Active for women and children

Quit? No, Chennupati Vidya can't imagine that. "There is no retirement for my enthusiasm and passion for the development of women and children," says the 75-year-old Indian who dedicated more than four decades of her life to the aid organization Vasavya Mahila Mandali.

Chennupati Vidya knew she faced a daunting challenge to overcome the discrimination women confronted in India. "Women and girls were not encouraged to pursue an education, leading to ignorance and living in their own shell. Hence they became fatalistic and superstitious with constricted thinking," she says. Vidya had a different childhood from most Indian women: Her father was a compatriot of Mahatma Gandhi, and she lived in his ashram, a place of religious retreat. "I wanted other women to be like me – educated, exposed to the outside world, and able to build their knowledge and develop scientific interest," she adds.

Since 1969, the organization Vasavya Mahila Mandali (VMM) has followed that goal. The relief organization for women and girls in Vijayawada in the Indian province Andhra Pradesh organizes, among other events, a series of literacy courses for women and operates a housing development project for female workers. Since 2005 Deutsche Bank Asia Foundation has supported Vidya's relief organization, in line with the strategic approach of engaging strong local partners.

Vidya is particularly interested in the youngest of India's society. So far, VMM has been able to support about 40,000 street children and as many AIDS-affected children by providing educational opportunities and medical care as well as offering shelter in the children's village in Vijayawada, an interim home for orphans and abandoned children. In most cases, the relief organization works closely with the families of the children to provide care in line with Indian traditions.

"If we do not support the children, most of them become unproductive adults and will not be useful for the family and society," Vidya says. "In the absence of focused impact mitigation programs by the government it requires public private partnerships by investing in building future generations."



More about  
Chennupati Vidya's  
organization

Vidya also has an immediate answer to the question about what her investment can achieve. “After 40 years of my work, the most rewarding change is to see women and girls empowered in society. Women are being recognized for their good academic and professional skills,” she says. “They are well placed in society and have become decision makers. This change in their social status is what I have strived for, and is the most gratifying work in my life.”

Initiatives like VMM, which support future generations, are a key focus of Deutsche Bank’s social commitment. And for good reason: Children and young people are the weakest and most often neediest members of society. Invariably, projects that focus on their needs not only improve their lives and those of their families but also help sustainably strengthen the local social structures.

In its social activities, Deutsche Bank aims to create opportunities for people and communities to overcome unemployment and poverty. Our strategic approach varies regionally:

- In the poorer emerging countries of Africa and Asia, our goal is primarily to help people meet their fundamental needs in areas such as education and medical care.
- In the developed countries in which basic needs are met, we help marginalized people and communities pursue a better future.
- And it is our aim to enable people everywhere to lead a self-supporting life and determine their own future as best they can.

Important milestones for Deutsche Bank along the way are microfinance instruments like social venture funds. A growing number of initiatives benefit from these funds, which serve to promote growth and development (see p. 14).

Natural catastrophes such as earthquakes and floods require not only immediate disaster relief for people in dire need but also support to restore the infrastructure and guarantee long-term development of the affected region. Deutsche Bank is active at both ends (see p. 103).

Chennupati Vidya with children and young people who are supported by the relief organization Vasavya Mahila Mandali



## »» An obligation without alternatives

**Help for the disadvantaged:** People in need require everyone’s support. We help in two ways: by supporting institutions that structurally improve the situation of children in the poorest regions of the world; and by providing swift and direct aid following natural catastrophes and for restoration.

## »» No social cohesion without commitment

**Community development:** Functioning local communities are particularly important in our globalized economy. They guarantee social cohesion and foster an effective ecological system. We support various initiatives financially and through the personal commitment of our employees.

## »» No help without ethical principles

**Microfinance and social venture funds:** To help people help themselves requires innovative financial instruments that serve both social and economic goals. To apply these successfully, we leverage our global networks and core competencies. For years, we have promoted ethical standards in this context.



Jobs for the mentally challenged

The Milan-based organization Itaca helps people with mental impairments or psychological problems integrate into the work world. Deutsche Bank is helping the organization launch its Clubhouse Itaca in Rome, scheduled to open in 2011.

Protection against violence

Violence against children is a mounting problem in South Africa. The Take Action Foundation, supported by Deutsche Bank Africa Foundation, offers children and young people training and advice on how to overcome difficult situations in their daily lives. The successfully launched program will expand to additional townships in the coming years.

Future for Children

Since 2003, Deutsche Bank Group companies have sponsored the Future for Children (Zukunft für Kinder) program together with SOS Children’s Villages. The previous start-up capital, provided by a building loan, has been continuously supplemented by donations from the bank, its clients, and employees. With this project, Deutsche Bank offers underprivileged children opportunities for a better future.

➡ sos-childrensvillages.org

Help for the disadvantaged  
Swift, direct, and with personal commitment

Be it social hardship or natural catastrophes, people in need require support, which we provide effectively together with local partners.

Social commitment is an essential pillar of every society. Everyone can contribute, individuals, organizations, and companies alike. For its activities for disadvantaged people around the world, Deutsche Bank has two guiding principles: to support socially deprived or threatened young people; and to cooperate with local partner organizations whose competence and networks are essential to the success of our programs.

Deutsche Bank has much to contribute to these collaborative efforts in the way of human, material, and financial resources. Our employees offer their knowledge and skills as corporate volunteers, whether in workshops for young people or as advisors and coaches in numerous projects (see p. 131 et seqq.). The contacts between people with often widely varying backgrounds are mutually beneficial for all involved.

UNICEF views the living conditions for children in Africa as particularly oppressive. More than 15 million children have become orphans from the AIDS plague alone. In South Africa, around 1.5 million children have lost their mothers or fathers or both through AIDS. The number of orphans in the country threatens to reach four million over the next decade. Supporting them is a fundamental concern of Deutsche Bank Africa Foundation, which supports numerous initiatives in this area:

- **Refilwe God Parents** places orphans in foster families, which allow the children to grow up in an orderly social environment.
- **Nurturing Orphans of AIDS for Humanity** (NOAH) is an initiative that allows orphans and vulnerable children to remain in the security of their own community after the death of their parents. To that end, more than 100 so-called “arks” have been established. These are not buildings but local networks that offer orphans and vulnerable children the opportunity to receive an education and a home. In 2010, the initiative gave 30,000 children a new chance in life.

– Deutsche Bank Africa Foundation cooperates with **MaAfrika Tikkun** in an education program for youths. MaAfrika Tikkun is an organization that aids abandoned children without parents in townships.

Vietnam provides a further example of how Deutsche Bank complements the competencies of local partners with its own. In the year under review, 20 percent of Deutsche Bank Vietnam employees participated in building and operating the **Huong Duong Education Center** in Ho Chi Minh City. They advised the leaders of the center in financial and management issues. Prior to the center’s opening, they also helped members with the interior furnishings and outdoor facilities. The Huong Duong Education Center offers orphans and physically or mentally challenged children a home and education. Launched in 2010, the center today has 17 registered inhabitants, soon to be 70.

Homeless children in Jakarta can also find shelter in a center enabled by Deutsche Bank Asia Foundation. Since 2007, the foundation has cooperated with officials from the Indonesian capital to improve educational opportunities for street children. In the first quarter of 2010, Deutsche Bank donated a “creative house” made of sustainable materials to the center, which is run jointly with the organization **Kampus Diakonia Modern** (KDM). The building serves to educate children and visitors about the effects of climate change and the impact on their lives and communities.

**Deutsche Bank Foundation’s Alfred Herrhausen Fund** supported eight initiatives for young people in difficult living situations in 2010. They include an educational project in the German state Brandenburg, which gives school dropouts a second chance, and a training center in Berlin staffed with youth workers. All the initiatives are managed in close cooperation with local organizations, professionals, and institutions. Total investment in 2010 was more than 200,000 euros.



Deutsche Bank, its foundations, employees, and clients cooperate to help people impacted by natural catastrophes around the world – through direct aid and long-term reconstruction measures. The photos show the impact of the flooding catastrophe in Pakistan (above and top right) as well as the situation one year after the earthquake in Haiti, where people continue to live in refugee camps and struggle to make ends meet.

Earthquakes in Haiti

Just three days after the devastating earthquakes on January 12, 2010, Deutsche Bank donated 4 million US dollars in aid, which was the net U.S. equity trading commissions on that day. In the following days, employees and clients donated an additional 900,000 US dollars, which the bank and its foundations matched. Total aid amounted to around 5.8 million US dollars, of which 2 million US dollars was provided to immediate relief efforts. The rest is flowing into long-term reconstruction programs.

Earthquake in Chile

Victims of the earthquake in Chile on February 27, 2010, benefited from a donation of 1 million US dollars by Deutsche Bank. The amount was the net Latin-American equity trading commissions on March 17, 2010. Bank employees and clients as well as Deutsche Bank Americas Foundation donated an additional 500,000 US dollars.

Flooding in Pakistan

Employees and clients of Deutsche Bank from around the world donated 350,000 euros to victims of the flooding disaster in Pakistan in mid-2010. Bank foundations in Germany, Asia, and Africa provided nearly 700,000 euros in additional aid for Pakistan. The donations were used to purchase and distribute thousands of water filters and tons of essential items such as food and clothing, among others, in the affected regions.





Deutsche Bank Americas Foundation supports Living Cities, an initiative that organizes projects for improving neighborhoods across the United States

Community development  
Excellent support for local infrastructure

There are many ways to support local communities. These include employee engagement, professional know-how, and financial support. Our goal always remains the same: to empower people to find their place in society.

Integration  
initiative

Together with the non-profit organization Living Cities, Deutsche Bank USA launched the Integration Initiative in 2010. The initiative plans to invest up to 80 million US dollars in innovative solutions for housing, transportation, and jobs in five U.S. cities. The selected cities are Baltimore, Cleveland, Detroit, Newark, and Minneapolis-St. Paul.

Around the world, Deutsche Bank is committed to improving the lives of disadvantaged people. In the United States, in fact, some sectors are even legally bound to such a commitment. All regulated banks in the country are subject to the Community Reinvestment Act (CRA), a federal law that obligates financial institutions like Deutsche Bank to help meet the credit needs of low-moderate income communities. These activities can be in the form of donations, rendered services, investments, or loans.

Deutsche Bank has made a commitment that exceeds the minimum required by the CRA in both the quantity and quality of its programs. In line with our maxim “More than Money,” we often pursue innovative paths to solve social problems. As a reflection of its commitment, Deutsche Bank has continuously received an “outstanding” rating for its CRA efforts for nearly two decades. Deutsche frequently promotes community development by advising and supporting non-profit organizations

in their efforts to acquire and restore affordable housing. The sponsored projects are usually part of a broader, more extensive revitalization program for affected neighborhoods. Within these initiatives, we also promote education and culture.

Two of Deutsche Bank’s new investments in New York in 2010 included: the **Via Verde** project in which 222 affordable, energy-efficient apartments will be built in the South Bronx section of New York City; and **Home HeadQuarters**, a non-profit organization that revitalizes neglected housing in underserved areas of Central and Upstate New York state. Deutsche Bank pledged 15 million US dollars of financing for the construction of the Via Verde and made a loan of 1 million US dollars to Home HeadQuarters in 2010.

Several of our community development activities in the United Kingdom have focused on neighborhood renewal in partnership with East London Business Alliance.

Through this cooperation – and the commitment of hundreds of corporate volunteers – we contribute to improving the living conditions in poor neighborhoods east of the central financial district. The **Spitalfields Together** project, which aims to elevate the living conditions in the socially explosive Tower Hamlets district, is the third within the cooperation. Over the course of two years, the initiative has provided education, training, or employment for 1,700 people through 37 individual projects.

Moreover, Deutsche Bank broadened its support of the **StreetSmart** project in the year under review. The project organizes a pre-Christmas campaign that encourages restaurant guests to add one pound sterling to their bill as a donation for local homeless projects. As the year before, we covered the entire administrative and advertising costs of the campaign incurred in London and throughout the United Kingdom to ensure that every donated pound sterling went to the homeless. For the first time, we also provided financial resources for a similar project, the **SleepSmart** campaign, which targeted hotel guests.

In 2010, 457,000 pounds sterling were raised for StreetSmart and SleepSmart.

With **365 Landmarks in the Land of Ideas**, now in its sixth year, Deutsche Bank has participated in an entirely different approach to supporting local success stories in its German home market. The project, presented by the **Germany – Land of Ideas** initiative in cooperation with the bank, annually awards 365 selected ideas and projects that have contributed to Germany’s innovativeness. Every day, a local Deutschbanker presents the award. So far, nearly one million people have participated in the 1,826 award ceremonies.

Our cooperation with Germany – Land of Ideas goes beyond Germany to include **Germany and China – Moving Ahead Together**. The series of events organized under this initiative in China, began in 2007 and culminated at the world exposition in Shanghai which was held from May to October 2010. The goal of the events was to boost the perception of Germany as a forward-looking, innovative country.

Microfinance and social venture funds  
An impact investment

Motivated people and social initiatives often lack access to financial services to be able to achieve and sustain positive outcomes. Our long-term development work offers both commercial and social benefit (see the article on p. 14).

Microfinance has proven to be one of the most useful and sustainable tools for helping the working poor improve their circumstances in developing countries. In 2010, however, the industry faced new challenges stemming mainly from a trend of aggressive commercialization in certain areas, which manifested itself in high profits for microlenders at the cost of the well-being of their clients. With its long-standing experience in microfinance, Deutsche Bank has long alerted the international community to the growing risk of aggressive commercialization and advocated greater ethical behavior and self-governance in the microfinance sector.

Deutsche Bank does not invest in ventures it considers neither serious nor safe; instead, we work only with organizations that uphold high standards of client protection. Indeed, Deutsche Bank was a driving force in the creation of a written set of client protection principles rooted in the **Pocantico Declaration** in 2008. These principles also form the basis for the **Smart Campaign**, an initiative of the Consultative Group to Assist the Poor (CGAP) and the Center for Financial Inclusion of ACCION International. Several hundred microfinance institutions and investors, including Deutsche Bank, have signed up to the initiative.

Example of  
Excellence

In 2001, Deutsche Bank initiated the first community development project in London’s East End, in the Shadwell neighborhood. Two more projects followed over the past decade. The Shadwell, Shoreditch, and Spitalfields initiatives have won numerous awards, including, Example of Excellence in 2008 and Power of Partnership in the years 2009 and 2010 from the Business in the Community program.

Living Unity  
award

Twelve innovative projects in Germany were additionally honored with the special award Living Unity (Gelebte Einheit) as part of the project 365 Landmarks in the Land of Ideas. They exemplify Germany’s growing together 20 years after unification. The award winners include Berlin’s East Side Gallery, the Ratzeburg Cathedral, and the ecological version of the relaunched former East German car, the Trabant nT.

➔ [land-der-ideen.de](http://land-der-ideen.de)  
➔ [db.com/ideas](http://db.com/ideas)

207 million  
US dollars

This is the capital provided by Deutsche Bank to microfinance institutions since 1997. Altogether, the bank has provided funding for 114 such institutions in 48 countries. Some 2.7 million small entrepreneurs have benefited from microfinancing so far.



On the world’s solar roof

Lotus Energy is today Nepal’s largest photovoltaic company, installing more than 2,000 solar systems annually. The company has been able to grow thanks to a capital injection of 350,000 US dollars, which was provided by the development organization E+Co and financed through a low-interest rate credit from Deutsche Bank.

For years, Deutsche Bank has supported socially motivated microfinance programs and aims to continue expanding its activities in this area. We view our involvement in the microfinance sector not primarily as a commercial activity aimed at generating profits; rather, our interest is the double bottom-line; namely, to provide funds that support projects with both a financial and a social benefit.

An important step in continuing the development of the microfinance sector was the **Islamic Microfinance Challenge**, a global competition created in 2010 to promote the development of sustainable business models for Sharia-compliant microfinance. The goal of the competition was to develop sustainable microfinance products in compliance with Sharia rules, which, for instance, forbid the charging of interest rates, and thus open access to microfinance to a large population of currently excluded potential clients.

Deutsche Bank also pursues a double bottom-line approach in the area of social venture funds. Social initiatives can use these funds to receive capital at more favorable conditions than they would through conventional financing. Through social venture funds, we provide financing for projects that would not be realized under purely commercial aspects.

In 2010, we successfully launched the **Eye Fund**. The 14.5-million-US-dollar investment fund provides financial support for eye clinics serving the poor in developing countries. The fund’s capital has been fully invested in loans to clinics in China, Nigeria, and Paraguay. There, 30,350 patients with visual impairments have already been treated. All have the same business model: only people who can afford treatment pay for it. All others are treated for free, with the costs of their treatment subsidized by the fees of those who can afford the services.

**Big Issue Invest** is a fund Deutsche Bank also helped launch in 2010. The fund is a subsidiary of Big Issue, a British non-profit organization that helps homeless and less fortunate people earn regular income through the sale of a weekly magazine with the same name. Big Issue Invest offers funding to companies, institutions, and projects that provide a social benefit and have the potential to establish benchmarks. One of the fund’s investments is the Fifteen Foundation of star chef Jamie Oliver, which offers disadvantaged young people training as cooks. The loan required to launch the fund is the result of international collaboration and entrepreneurship, spearheaded by Deutsche Bank London, with help from Deutsche Bank New York.



With a microloan into self-employment: an entrepreneur and her start-up

Milestones:  
Deutsche Bank as driving force for responsible microfinance (see the article on p. 14)

1997



**The first fund**  
Launch of the Deutsche Bank Microcredit Development Fund, the first fund created by a global bank to provide capital for microfinance institutions. Total financing provided through the fund so far is more than 6 million US dollars.

2001



**Growth support**  
The fifth loan of the Microcredit Development Fund went to the Kashf Foundation in Pakistan, and it represented Kashf Foundation’s first commercial loan. The institution has since increased its number of customers from 1,076 to more than 300,000.



**Award**  
First presentation of the Micro-Credit Practitioner Awards honoring exemplary microfinance institutions. Winners of the awards come from Uganda, India, Pakistan, and the Philippines.

2005



**Start-up help**  
Launch of the Deutsche Bank Start-up Fund for financing small microfinance institutions that are setting up business. The fund is currently supporting institutions in Argentina, Kazakhstan, Ruanda, South Sudan, and Sri Lanka.



**Consortium**  
Start of the Global Commercial Microfinance Consortium, the first microfinance fund to attract institutional investors. The fund provided 89 million US dollars to support microfinance institutions in 24 countries.

2006



**Reconstruction help**  
Deutsche Bank initiates the Tsunami Loan Program, which offers favorable conditions to microfinance institutions in regions of Asia affected by the disastrous Tsunami in December 2004. Seven institutions in Indonesia, Sri Lanka, and India received a total of 2.2 million euros in aid.

2008



**Client protection**  
Deutsche Bank organizes a meeting of microfinance leaders in Pocantico, New York, to discuss, among other issues, the need for microfinance client protection. The Pocantico Declaration is the first formal ethics code for the sector.

2010



**FINCA**  
Together with FINCA, one of the largest microfinance networks, Deutsche Bank creates the FINCA Microfinance Fund, the first microfinance debt fund to close since the beginning of the financial crisis. The fund is honored as a finalist of the Financial Times Sustainable Investor of the Year 2010 award.

2012



**Smart Campaign**  
Roll-out of a certification process that enables microfinance institutions to affirm compliance with the guidelines for client protection established by the Smart Campaign. Compliance is confirmed by external auditors.

## Social Investments: 2010 in review

### Dynamic development and quality assurance

#### What we achieved:

In the social venture funds sector, the cumulated volume of funds rose by 6 million US dollars to 590 million US dollars. The growth stemmed largely from the [Eye Fund](#) and the [Big Issue Invest](#) fund, both launched in 2010. The best-practice transfer between our social investment teams in New York and London made a significant contribution to the latter fund.

Our [Community Development Program](#) in the United States saw the launch of a range of new housing initiatives. The dynamic development of this segment was driven in part by strong demand for low-income housing. Our support contributed to overcoming the impact of the financial and real estate crisis, resulting in 3,600 new housing units.

In South Africa, we support numerous programs for disadvantaged children who have lost their parents. One of them, the [NOAH](#) project for AIDS orphans, was recognized as a "leading orphan initiative" by the PEPFAR aids relief program of the U.S. President.

In the year under review, we provided swift support to victims of natural catastrophes in Pakistan, Haiti, Chile, Poland, Russia, and New Zealand. Moreover, we altered our internal guidelines so that the coordination of our relief measures is now standardized worldwide. We are thus able to respond more swiftly and efficiently.

#### Our goals for the future:

Due to our long-standing pioneering role, we feel particularly compelled to assure quality in the microfinance sector. We see a need for action not just from individual providers but from the entire industry. In particular, we support the principles of the [Smart Campaign](#) for client protection as well as a certification of compliance by an external auditor.

As for our own microfinance activities, we concentrate on projects with a clear social focus. We are currently developing a new fund that will promote the client protection principles embedded in the Smart Campaign that we support, and implement the highest standards of customer service.

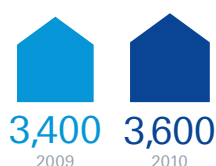
In the social venture segment, we intend to launch the [Global Carbon Guarantee Consortium](#). This is a financial instrument designed to realize small-scale projects for reducing CO<sub>2</sub> emissions in developing countries.

In New York, we will spearhead a program in the area of community development designed to help immigrants launch their own businesses and create jobs.

With our [365 Landmarks in the Land of Ideas](#), we are expanding the "participatory elements" and creating new opportunities for public involvement and volunteering.



Total expenditures of Deutsche Bank Group for Social Investments (in m. €)



Newly generated housing units for low-income households in the U.S.



Beneficiaries of Social Investment programs: 369.2 in total (in thousands)



# pass on your passion

"In rural India there are a lot of successful female entrepreneurs, their country and the world needs to know about them. I'll help."



Since 2008 more than 20 employees from the United States, the United Kingdom, and Germany have worked with microfinance institutions in India.

Anja Dieke, Inhouse Consultant at Deutsche Bank in Frankfurt, spent five weeks in India's Mhaswad region where she successfully filmed profiles of 15 successful female entrepreneurs. The production resulted in clips, available in both English and Marathi, to be used by the microfinance institution Mann Deshi Mahila Bank for promotional purposes.



# 05

## Art & Music

A vital cultural life needs an audience as well as young, creative talent. Deutsche Bank provides access to art and music, and supports aspiring artists, for instance, through its cooperation with the Berliner Philharmoniker. Within its education programme, the orchestra realized a dance project in 2010 based on an original composition by the jazz musician Wynton Marsalis.





# 05

## Art works

Making art accessible fosters the public debate. That's what Deutsche Bank Collection stands for, such as here at the Deutsche Guggenheim in Berlin, see p. 118.



# 05

## Experiencing music

Music is the language that connects the world. We support musical excellence and promote young talent, for instance, with the opernSTART workshop of scholarship holders and alumni of the Academy Opera Today, a scholarship program of Deutsche Bank Foundation, see p. 121.



# 05

## Discovering talents

Engaging in art opens new perspectives and broadens horizons, as the workshop for children does at Art Hong Kong, see p. 122.





## 05 Fostering creativity

### Art & Music When borders connect

There are plenty of movie theaters around the world but this one is unique: Cinémathèque de Tanger is the first film and cultural center in North Africa and Yto Barrada, who founded the center, views it as her most important artistic achievement. “The Cinémathèque de Tanger has been almost 10 years of my life, and for an artist, that’s a long time to work on one piece,” she says.

Yto Barrada, 39, grew up in Tangier, the Moroccan port city on the Atlantic and the Mediterranean. For the ancient Greeks, the world ended here. Today, Tangier is a mix of European, Arabian, and African cultures. The Strait of Gibraltar, on which Yto Barrada’s hometown lies, is the border between Africa and Europe, between the poor and the rich, between Islam and Christianity. To put it another way, Tangier is the prototype of an eternal border city.

Borders also serve as the leitmotif of the artistic work of Yto Barrada, who was selected as Deutsche Bank’s Artist of the Year 2011. This award, which we presented for the second time, is totally committed to here and now. Our aim is to make new and exciting art accessible to the public at large. We support promising international artists who have already created a unique work of art and address social issues. Their oeuvre should be works on paper and photography. A special highlight is the solo exhibition of the Artist of the Year at the Deutsche Guggenheim in Berlin, followed by tours to other international locations.

Yto Barrada’s most important tools are cameras. Her photographs, publications, and films always zoom in on the specific situation in Tangier, which she left for 16 years to study and work in New York before returning. The stay abroad, she admits, helped her better understand her home country. “The best way to start to make sense of your own culture and language is to look at it from another culture and language: It’s all about translation,” the artist says.

Yto Barrada, founder of Cinémathèque de Tanger and Deutsche Bank’s Artist of the Year 2011



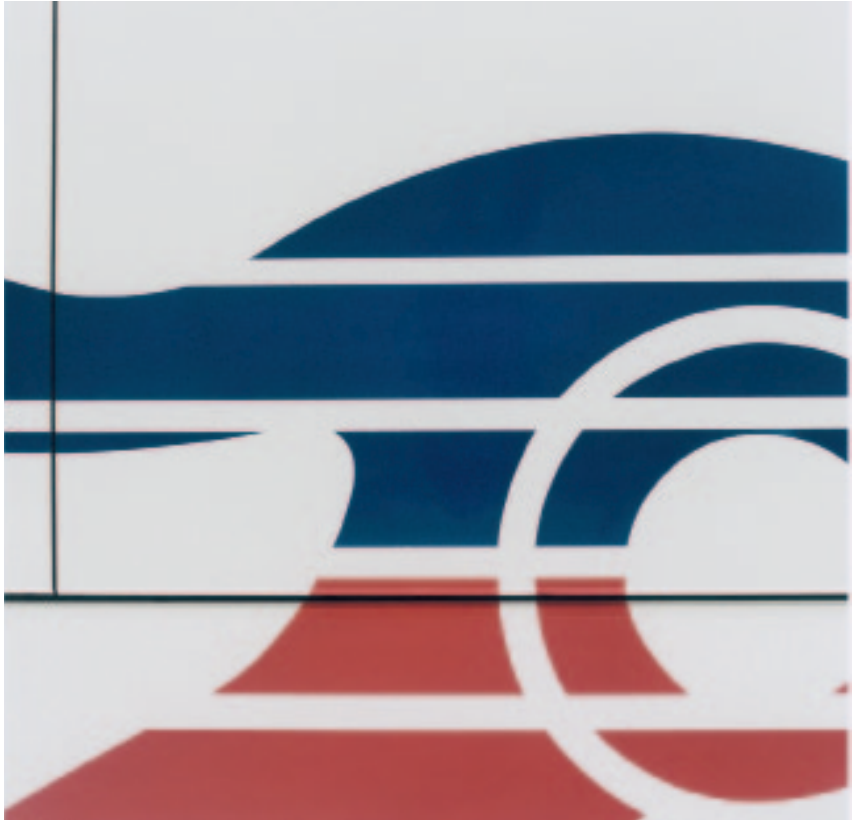
Video portrait of Yto Barrada

In her photo series A Life Full of Holes: The Strait Project, Barrada portrays Tangier and its inhabitants as if they were caught in a permanent waiting position. Her later works capture the unfulfilled expectations of people as well as the current political situation. What looks like bright graphic designs in the Autocar series of photos are actually clippings of tour bus logos, which are used by African refugees hoping to flee to Europe as a communication code. In her project Iris Tingitana, Barrada investigates the countryside around her hometown. These works show the flowing borders between the city and the country, and study how urban space is increasingly homogenizing nature.

“A main focus of our global art activities is to engage with different cultures and social realities,” says Pierre de Weck, a member of Deutsche Bank’s Group Executive Committee. “Yto Barrada is therefore an excellent choice as Artist of the Year 2011.”

Involvement inspires – on all sides and beyond all borders. And for this reason, a key focus of Deutsche Bank’s corporate social commitment has been for years to support art and music. On the one hand, we aim to encourage people to try something new so they can broaden their horizons and discover new talents. On the other hand, we support excellent art and music and make both accessible to the public at large.

No abstract designs but clippings from logos typically found on tour buses: Autocar photography by Yto Barrada



## The future needs art

**Art works:** Art builds. Art questions. Art transcends borders. Art works. This is why Deutsche Bank has supported contemporary art for more than 30 years to encourage and engage people. Artistic inspirations give us new perspectives and lead us to take unique and innovative approaches – all of which benefits society and business alike.

## Top performance needs ensembles

**Experiencing music:** Embracing a passion for music connects people of all ages and origins. Music is an ensemble, like an enterprise. Both owe their success to the interplay of ability, enthusiasm, inspiration, and discipline. Our long-standing cooperation with the Berliner Philharmoniker is living proof of the dynamism and innovation strong partnerships can produce.

## Visionaries need stages

**Discovering talents:** Artists need opportunities to present their works of art and platforms to communicate with the public, especially at the beginning of their careers so they can turn a passion into profession. We encourage people to tackle something new and discover hidden talents. Only in this way will excellence thrive.





Art in the Deutsche Bank Towers



Commissioned work for the Deutsche Bank Collection at the modernized Group Head Office

Art works  
Young, international, and accessible to everyone

Our corporate collection of contemporary art is the most visible part of our commitment to contemporary artists and to our goal of opening people to innovative perspectives.

Visions of Italy

On October 2, 2010, the traditional Open Day of Italian banks, Deutsche Bank presented works from its collection to 1,500 visitors at its Milan head office. The works are largely from young artists and are often commissioned. For more than 80 years, Deutsche Bank has actively promoted aspiring artists with the Villa Romana Fellowship in Florence, see p. 122.

Comprising more than 56,000 works, **Deutsche Bank Collection** is one of the world’s most important collections of works on paper and photography since 1945. It is a constantly evolving collection whose focus has shifted from German art in the early years to young contemporary art from around the world today. The public at large can now experience 95 percent of the works.

A key objective of the Deutsche Bank Collection is to engage employees in contemporary art as well. The collection is meanwhile as global as the bank itself. Following the move back into the Group Head Office, each floor of the towers is now devoted to a young international artist.

About 1,500 works of art are on display created by 100 artists from more than 40 countries. While Tower A features the young avant-garde from Germany and Europe, Tower B presents artists from Asia, America, and the Middle East/Africa.

Art is also a distinguishing feature of Deutsche Bank’s offices in financial centers such as Hong Kong, London, and New York – each with a different local theme. In Hong Kong, for instance, the focus is on China and Northern Asia. Further highlights of the collection are on display in Barcelona, Berlin, Milan, Mumbai, Singapore, Sydney, and Tokyo.

A fundamental aspect of our commitment to art is to engage people. Exhibitions play a key role by allowing viewers to experience works of art from the Deutsche Bank Collection and embark on a personal journey of discovery. The first exhibition took place in 1982 in Munich. Since then, works from the collection are often on tour – either on loan to international museums or as part of thematic exhibitions and solo shows organized by the bank. Innovative curator concepts are at the heart of each show.

A fine example is the current exhibition **Beuys and Beyond – Teaching as Art**, a collaborative curatorial concept that links art and education on an itinerary to seven Latin American museums from 2010–2012. Works from the corporate collection by Joseph Beuys and his students such as Imi Knoebel and Jörg Immendorff are presented in dialog with a selected artist from each country. Juxtaposed and exhibited alongside works by their respective students, the exhibition focuses on an exchange of ideas regarding contemporary pedagogy and art practice and has attracted over 172,000 visitors to its first three venues, including over 75,000 in Buenos Aires within a two month period.

At the same time, a new part of the Deutsche Bank Collection became accessible to the general public in Hong Kong. The **More Than Meets the Eye** exhibition presented a panorama of contemporary photographic art and also offered an exclusive preview of the new art purchases for the Group Head Office in Frankfurt, including a number of

works from Asian artists. The exhibition was on display at the Deutsche Bank VIP lounge of the Art HK, and at the Goethe-Institut in May 2010. As a main sponsor of Art HK, we are expanding our art commitment in Asia, further underscoring the significance of the region to our global strategy.

**Deutsche Guggenheim** in Berlin, which is a cooperation of Deutsche Bank and the Solomon R. Guggenheim Foundation, plays an important role in presenting works from the corporate collection. In the first 12 years of its existence, the art gallery presented 15 commissioned works. Early in their artistic lives, numerous internationally renowned artists such as Neo Rauch and Kara Walker had their first major exhibitions in the exhibition hall, helping them launch their careers and achieve international acclaim. In 2010, Deutsche Guggenheim reported a record attendance of 140,000 people, further strengthening its position as Berlin’s most successful private exhibition space.

Cai Guo-Qiang’s **Head On**, which premiered in Deutsche Guggenheim in 2006, has been a huge success around the world. The installation of the New York-based artist shows 99 lifelike wolves barreling in a continuous stream toward – and into – a constructed glass wall. Although Berlin and its history have been a source of inspiration for Cai’s work conceived for Deutsche Guggenheim, the message he conveys is universal and independent of any cultural context or nuance. “I wanted to portray the universal human tragedy resulting from this blind urge to press forward – the way we try to attain our goals without compromise,” the artist said in an

Mark Bradford in Boston

From November 2010 to March 2011, Deutsche Bank supported a mid-career exhibition of works by Mark Bradford at the Institute of Contemporary Art in Boston. The Los Angeles-based painter and collagist is considered one of the most significant voices in contemporary art working in the United States today.

Deutsche Bank at Guggenheim

The Deutsche Bank Series at the Guggenheim offers artists whose works have been exhibited at the Deutsche Guggenheim in Berlin a highly recognized platform in the American art scene. The series began in 2009 with Anish Kapoor’s spectacular sculpture Memory, followed in 2010 by the Grey Area painting series from Julie Mehretu.



Works of the Collection at Art HK 2010

Nedko Solakov: from the series Murmurings #1–12 (2007)



Fostering creativity: guided tour for children at Art HK





São Paulo Biennale

In 2010, for the first time, Deutsche Bank supported the São Paulo Biennale, the most important art event in South America. Established in 1951, the 29th São Paulo Biennale featured more than 150 artists and over 800 artworks from September to December 2010. More than 400,000 school and university students as well as other art enthusiasts participated in the accompanying educational program.

Subscribe to ArtMag, Deutsche's online art magazine  
➡ db-artmag.com

Head On (2010), an installation by Cai Guo-Qiang in Singapore



interview with ArtMag, the online art magazine of Deutsche Bank. Head On was also on exhibit for two months at the National Museum of Singapore.

Deutsche Bank Collection is traditionally active in the market for contemporary art. The collection remains alive and “breathes,” so to speak, by selling selected works which are out of the focus of the collection, and using the proceeds to purchase new works from young, aspiring artists. Deutsche Bank also uses its regular presence at the world’s most important art fairs as a platform for its comprehensive educational program for children and young people. For instance, at [Frieze Art Fair](#) in London, which Deutsche Bank has supported as

the main sponsor for seven years, [Deutsche Bank Education Space](#) offers school classes the opportunity to discover contemporary art together with artists and experts. And with more than 2,000 clients and 900 employees, the Deutsche Bank Lounge posted a 30 percent increase in visitors over the previous year.

As an education partner of the [Biennale of Sydney](#), Deutsche Bank supports a comprehensive educational program that includes special publications, a web-based teaching tool, podcast interviews and tours, and special education lounges. From May to August 2010, the Sydney Biennale attracted a record number of visitors – 517,000.

Experiencing music  
Far away at first and then very close

Young people need time to explore classical music. And when they do, they can discover a new world full of enlightenment.

Deutsche Bank and musicians share the passion for music. For decades, we have promoted aspiring talent and supported excellent international music events. Our goal is to make music and cultural experiences accessible to the public at large, especially to children and young people, to promote a more creative and innovative new generation.

The passion for music connects people – and is at the heart of the [education programme of the Berliner Philharmoniker](#) that Deutsche Bank has supported from its very beginning in 2002. Children and young people are introduced to classical music through workshops and dance projects, allowing them to discover new, creative possibilities to express themselves. Together with the Berliner Philharmoniker and other artists, they learn musical works that they later present in front of a large audience. In 2010, they entered new grounds and performed [Swing Symphony](#), a dance project in Berlin whose music was composed by the American jazz musician Wynton Marsalis for this particular occasion.

In November 2010, the programme traveled to Australia for the first time. Together with members of the Berliner Philharmoniker, Australian school students performed [From Mahler’s time](#) in the main lobby of the Sydney Opera House. The Mahler project is embedded in the opera’s [World Orchestras Education Program](#), which is enabled by Deutsche Bank. During their first concert trip to Australia, members of the orchestra also gave master classes to young musicians.

The cooperation with the Berliner Philharmoniker goes far beyond this education programme. Since 1989, Deutsche Bank has supported the work of this outstanding orchestra in an exclusive partnership. In 2010, a focus of the cooperation was the Berliner Philharmoniker’s [Digital Concert Hall](#), which ended its first season in the middle of the year. This web-based high-tech platform allows classical music lovers to experience concerts via the Internet. Since August 2009, highly sensitive microphones and remote-controlled cameras have captured concerts

and transmitted them live in brilliant resolution and tone quality. Digital Concert Hall is unique in the world of classical music. It transcends national boundaries, overcomes social barriers and offers people of all origins and ages a new way to access the world of the Berliner Philharmoniker.

The number of classical music lovers who have experienced this outstanding orchestra live in this way continues to grow, whether at home, at work, in public viewing events, or in movie theaters. The 2010 opening season concert alone was shown in 52 movie theaters. Worldwide, more than 15,000 people remotely experienced the concert live – 4,000 on the Deutsche Bank home page alone. Music lovers can enjoy all Digital Concert Hall concerts either live or at a later time via a video stream. Nearly 100 performances of the Berliner Philharmoniker are currently available in the Digital Concert Hall database, with more than 30 new performances added each season.

BPhil down under: Berliner Philharmoniker rehearsal in Perth



Trust as a bridge to success

“Trust and energy are essential for new projects. In Deutsche Bank, we have found these qualities in abundance. We are proud to have such a partner on our side.”

Sir Simon Rattle, principle conductor of the Berliner Philharmoniker and artistic director of the Berliner Philharmoniker.



Enjoy the Digital Concert Hall

Berliner Philharmoniker as a role model

A recent study commissioned by the German Federal Ministry of Education and Science recognizes the Berliner Philharmoniker’s educational work, which is impressively documented in the award-winning film *Rhythm Is It!*. The efforts have triggered a strong expansion of educational offerings in numerous German cultural institutions.



Shared enthusiasm: The education programme of the Berliner Philharmoniker



Discovering talents  
Embracing new ideas

All young people need exposure to culture to further develop as individuals, and all young artists need platforms to communicate with their followers. We support both groups.

Young artists  
in Florence

Since 1929, Deutsche Bank and its foundation have supported young artists with the Villa Romana Prize. The award includes a scholarship and a 10-month stay in the Villa Romana in Florence. The list of recognized artists who have won the award over the years includes Max Beckmann, Käthe Kollwitz, Georg Baselitz, and Markus Lüpertz. Award winners in 2010 were Nora Schultz, Rebecca Ann Tess, Vincent Vulsmä, Thomas Kilpper, and Henrik Olesen.

[villaromana.org](http://villaromana.org)

Art and music thrive on the lively interplay between tradition and avant-garde and between recognized and aspiring artists. To that end, we offer a platform for new voices to be heard and new faces to be seen. For instance, our foundation supports the **International Conductors' Competition Sir Georg Solti**, a joint project of the Alte Oper Frankfurt, the Frankfurt Museum Society, the public broadcaster Hessischer Rundfunk, and Oper Frankfurt. In 2010, the competition further strengthened its position as the world's leading event for showcasing talented, young conductors: a record 576 conductors between the ages of 19 and 35 and from 75 countries participated in the competition. Of these participants, 21 of them advanced to the preliminary round in Frankfurt. The three finalists stood at the conductor's podium for a closing

concert performed for the general public at the Alte Oper in Frankfurt. Immediately after the concert, the jury named the winner: José Luís Gómez Ríos, a Spanish citizen born in Venezuela.

Combined support for music and the environment is the focus of a project spearheaded by Deutsche Bank Italy. **The most famous International Symphony Orchestras for Deutsche Bank** is a three-year partnership that supports Fondo Ambiente Italiano, Italy's most renowned environmental and cultural foundation. The program includes an annual performance of an internationally acclaimed symphony orchestra in Milan's famous opera house, La Scala.

**Amazonas** is a program devoted to environmental protection. The multimedia music project of the



Music and environmental commitment:  
the Amazonas music theatre project

Goethe-Institut introduces children and young people to modern musical theater while, at the same time, making them aware of the destruction of the Brazilian rain forests as well as the need and opportunities for a dialog between the natives and those in industrialized nations. For three years, European and Brazilian experts have collaborated with artists to develop a joint concept for media art and contemporary opera. A key component is the educational program, developed at the request of the Yanomami Indians, which is one of the last large indigenous groups in South America. After its debut in May 2010 in Munich, Amazonas toured Rotterdam, São Paulo and Lisbon. As an exclusive partner of the Goethe-Institut, Deutsche Bank supported the accompanying international online activities of the opera.

Even today, classical music remains relatively unknown in Arabia. Deutsche Bank Middle East Foundation hopes to change this. In Dubai, the foundation organized for the first time a classical concert, Giuseppe Verdi's *Messa da Requiem*. In collaboration with the Ministry for Youth, Culture and Society of the United Arab Emirates and the American University in Dubai, Deutsche Bank brought together 200 musicians from Persian Gulf states.

Dance  
in Brazil

Established in 2009, the partnership with Teatro Alfa in Brazil's São Paulo was further expanded in the year under review. The Deutsche Bank-sponsored Contemporary Dance Season included performances from seven renowned dance groups as well as two shows for children. In addition, Deutsche Bank supported the musical *The King and I* in the Teatro Alfa.

Workshops for  
young people

Deutsche Bank organizes workshops and tours for school and university students at a number of events, including the Biennale of Sydney, Hong Kong Art Fair, the Frieze Art Fair in London, and Deutsche Guggenheim in Berlin. More than 23,843 young people visited these events.

Milestones:  
Academy Opera Today (Deutsche Bank Foundation)

2003



Founding

Deutsche Bank Foundation supports the student initiative Academy Opera Today. The foundation assists young conductors, dramatic advisors, cultural managers, and directors with a two-year scholarship that accompanies their studies and work.

2004



Move

The yearly Academy Opera Today event moves from Berlin to Frankfurt. The Mousonturm theater joins as the new partner.

2005

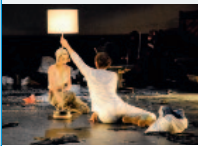
2006



Premiere

Matrix is the debut performance of the Academy Opera Today. The 2003–05 fellows perform the piece in the Mousonturm theater.

2007



Expansion

Support is extended to applicants in the areas of composition and stage design, further strengthening the exchange of views and ideas among Academy Opera Today fellows and across different disciplines.

2008



Cooperation

Academy Opera Today fellows perform Benjamin Britten's *A Midsummer Night's Dream* in cooperation with the Franz Liszt School of Music and the Schloss Belvedere Music High School, which Deutsche Bank has supported for years.

2009



Workshop

In the Oldenburg State Theater, Academy Opera Today fellows introduce young immigrants with scholarships from the START program to the world of opera through workshops. OpernSTART is a successful combination of two CSR projects.

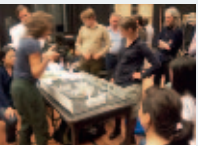
2010



Anniversary

The tenth class of Academy Opera Today fellows is admitted. The class of 2008–09 produces the opera *Innenleben*, which debuts at the Bockenheimer Depot in Frankfurt.

2011



Network opera

A children's opera makes its debut at the Oper Köln/Kinderoper Köln. Deutsche Bank Foundation supports an accompanying educational project, with the aim of introducing young people to opera.

2012

## Art & Music: 2010 in review

### Internationalization, openness, innovation

#### What we achieved:

With our move back into the Group Head Office in Frankfurt, we present a new art concept that clearly shows the increasing internationalization of [Deutsche Bank Collection](#). About 1,500 artworks by 100 artists from 40 countries are featured in the Towers. The collection is displayed in more than 900 Deutsche Bank offices around the world. In 2010, we received the [Art & Work Award](#) in the category Most Outstanding Contribution to Art in the Workplace.

In 2010, we presented for the first time an [Artist of the Year](#), Wangechi Mutu, and created a public sounding board for art dedicated to current societal themes. [Beuys and Beyond – Teaching as Art](#) an exhibition with works from the Deutsche Bank Collection, was well received in South America, attracting more than 170,000 visitors after its first three stops.

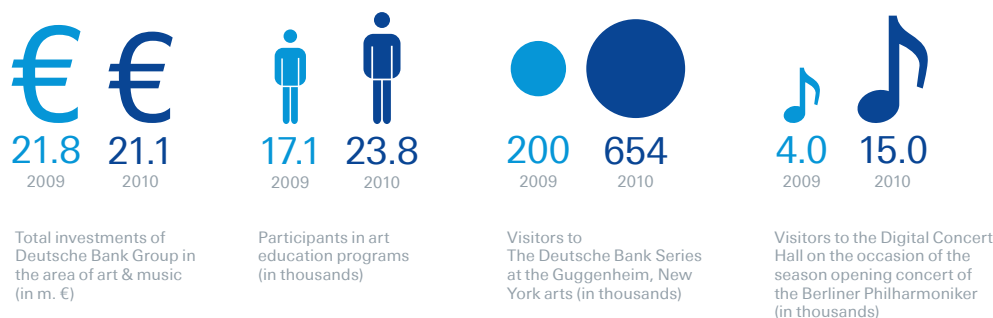
In both the art and music areas, we expanded our educational programs around the world, including Australia, where the [Berliner Philharmoniker](#) made its first-ever tour in 2010. More than 18,000 young people have participated in the orchestra's [education programme](#) since its launch in 2002. The [Digital Concert Hall](#) of the Berliner Philharmoniker successfully established itself in the year under review: 15,000 music lovers experienced the season opening concert live.

#### Our goals for the future:

For the past several years, we have been making our corporate art collection more accessible and will continue to do so. We are planning to create new and innovative ways for people to access contemporary art. An important milestone in this context is [Globe. For Frankfurt and the World](#), an artistic program, launched in early 2011 in our Group Head Office.

We intend to significantly increase the use of art and music events to communicate with our clients – for instance, at art shows such as the [Frieze Art Fair](#) and [Art HK](#). Also, as part of our social commitment, we aim to create a greater appreciation for art and music and build bridges to other programs, such as art auctions that benefit social projects in Asia or the integration of local revitalization programs supported by us in the United States.

With the Digital Concert Hall of the Berliner Philharmoniker, we plan to further develop the live broadcast segment in movie theaters during the 2011/2012 season. We also intend to reposition the orchestra's education programme to improve the sustainability of its offerings. Deutsche Bank Foundation will extend its support of the [Ensemble Modern](#) to give more people access to contemporary music.





# pass on your passion

"Be the change."



In 2010, Deutsche Bank employees in the United Kingdom volunteered 10,874 hours of community service within their working hours, worth around 580,000 pounds sterling.

Irfan Shareef, IT Performance Manager at Deutsche Bank in the United Kingdom, was appointed to the board of the nonprofit initiative Motiroti Arts, which shows young people how to create digital works of art. Shareef's appointment was initiated by the Arts and Business' – Young Professionals on Arts Boards program, which encourages the exchange between young, aspiring managers and non-profit institutions.

# 06

## Corporate Volunteering

Pass on your passion: Day after day, our employees show what passion to perform can achieve when it is passed on – in business and beyond. For instance, during the modernization of the former military base Governors Island near New York.





06

## Strengthening leadership

Engagement also needs management. Our employees support the directors of non-profit organizations in emerging markets through the Corporate Community Partnership program, see p. 132.



06

## Sharing experience

Advice from our employees can open new perspectives for others and help them pursue new paths as here in the Big Brothers Big Sisters mentoring program, see p. 136.



06

## Practical, hands-on support

Around the world, Deutsche Bank employees tackle tasks in projects in their local environments – and increasingly as teams such as here in Frankfurt am Main; more on Team Challenges, see p. 137.





## Corporate Volunteering Strengthening leadership

For more than a decade, Deutsche Bank has supported coaching programs at an international level. Managers from different work areas come together to advise each other and gain new perspectives. The journalist Katharina von der Leyen visited two programs in London and Nagold, Germany.

Leadership, motivation, communication, and execution are among the various topics that coaches and the coached debate eye-to-eye in leadership programs supported by Deutsche Bank. The “support culture” nurtured in these various initiatives has proven so successful that participants often stay in close contact years later despite – or perhaps because of – their different professional and private backgrounds.

### Broadening horizons

Alex Manson, a Frenchman who has lived in the United States, Europe, and Asia and now serves as Managing Director of Corporate Investment Banking at Deutsche Bank in London, participated for the first time in a coaching program in 2005 when he teamed up with the director of a school in London, infamous for drugs and violence, students from troubled families, and teachers afraid of their own pupils. The opportunity for participants to broaden their horizons through unusual, sometimes unsettling and even sobering experiences is a desired effect of the cooperation.

“What’s interesting about coaching – apart from the fact that it’s fun – is that you’re always forced to briefly abandon your privileged, tightly-knit professional world to deal with a broader segment of society,” says Manson, who has remained friends with the school director after their joint project ended. “I really can’t say who coached whom. I viewed the coaching experience as more of a friendly give-and-take in which I gave the director some advice and he certainly gave me some as well.”

# 06

## Committing ourselves

Alex Manson, Managing Director of Corporate Investment Banking at Deutsche Bank in London

Strengthening leadership  
Promoting effectiveness

As a global provider of financial services, Deutsche Bank shares the expertise and experience of its employees with schools, charity organizations, and non-profit programs around the world. The collaboration with the [Partners in Leadership](#) initiative, which focuses on schools, serves this purpose.

The same is true for the [Corporate Community Partnership](#) program. Since 2008 this program has supported emerging markets by sending specialists from our various business and infrastructure units to non-profit organizations, such as microfinance institutions and social entrepreneurs, to advise their management teams (see p. 107). Their local support helps sow the seeds for self-supporting economic and social structures. Typical tasks of Deutschbankers include consulting management, improving IT systems, and developing market strategies. Moreover, the program offers employees the opportunity to further develop themselves abroad, both personally and professionally. In the course of their several-week stay, they gain valuable experience that feeds back into their daily work.

Since 1999, managers from more than 1,200 companies in the United Kingdom, including Deutsche Bank, and over 5,000 school administrators have participated in the headmaster coaching program. And since 2006, Deutsche Bank has supported the [Partners in Leadership](#) program, contributing to the further improvement of school quality in Germany. In February 2011, the bank received together with other corporations the Generali European Employee Volunteering Award – Deutschland in the category “innovation.”

Management skills for school administrators

Schools today are undergoing significant change. International studies such as PISA and PIRLS have shown that the most successful school systems are those that give individual schools a high level of responsibility. Education experts agree that in the future, schools should be managed less by ministries and local education authorities and instead be given greater freedom to develop into small enterprises with their directors functioning as managers. And in that role, they should also be equipped to serve as communications specialists, trusted sounding boards, and professional advisors. The problem is, management skills are not part of the traditional training of school administrators. The Partners in Leadership initiative aims to help school leaders and others master those skills.

Regine Michel and Martina Tietze knew they had much in common after their very first encounter: Michel is the head teacher at the Annemarie-Lindner-Schule mit Sozialwissenschaftlichem Gymnasium in Nagold, southern Germany, and Tietze is Director in Deutsche Bank’s Investment & Finance Center in Stuttgart – and the daughter of

a school administrator. “My father always complained about having to manage without having learned how,” she recalls.

Regine Michel has been at the Annemarie-Lindner school since 1982 and, as she proudly admits, has “grown professionally together with the school.” She has taken her management role seriously from the very beginning. “Some of the students here will someday become managers,” she says. “I really want to give them guidance along the way so they have a basic idea of what management is all about.”

The two professionals also discovered early on that they have plenty of experience to share. “We determined that the friction points in both our worlds are the same,” says Michel. “How do I explain unpleasant things to my staff members? How can I motivate them without having to promise them a financial bonus?” Tietze, with years of experience as a management coach, nods in agreement. “We constantly deal with issues like these, so I can really help.”

Training to make a good impression

Tietze is now in front of a class of eleventh grade students, discussing a typical job application situation. “You have seven seconds to make an impression,” she says. “Seven minutes to make the first impression stick and seven years to rebound from a bad impression.” The students laugh but continue to listen attentively. It’s different

when “Frau Tietze” explains how to make a good impression – not a teacher and not a parent, but one of those people who may someday determine their professional career. It’s different when “Frau Tietze” shows how to make a firm, confident handshake, clarifies what is appropriate attire, and warns against wearing too much makeup or piercings. It’s the kind of advice that teenagers unwillingly accept from parents or teachers.

The relationship between Martina Tietze and Regine Michel reflects a fundamental principle of the Partners in Leadership initiative – namely, to achieve a balanced give and take. “We complement each other very well – which gives us the footing we need to tackle tough issues,” the manager says. “We don’t have to explain everything first; we know how to proceed.”

From soccer to work

Alex Manson had a similar experience. He discovered how alike many of the challenges he faced as a bank executive were with those of a school administrator. “Our conversations,” Manson recalls, “often revolved around the analogies between corporate restructuring at Deutsche Bank – that was a huge focus of mine at the time – and the restructuring at the school. There were incredibly many similarities.”

Today, Manson coaches the director of [Street League](#). The charity organization works

with some of the most disadvantaged young people across the United Kingdom, 16- to 25-year-olds without an education or a job, offenders, and substance users. Within a structured soccer training program, they pursue a set of goals in areas such as physical condition, self-esteem, and team spirit, and later transfer into a continuing education or job program. In 2010 alone, more than 3,000 young people participated in Street League, which successfully placed 72 percent of them either in a job or in an educational institution.

Matt Stevenson-Dodd, Chief Executive of Street League, sought a mentor through the principle non-profit [Impetus Trust](#), with which Deutsche Bank has cooperated for four years. He was put in touch with Alex Manson. “Of course, people like Matt know very well what they have to do,” Manson says. “They have excellent intuitive capabilities; otherwise, they wouldn’t be in the position they’re in. They also have plenty of charisma. What they sometimes lack are just a few management methods and tricks, as well as the ability to discuss things for a sanity check. Charities currently have a difficult time because all grants have been reduced. That means many organizations have to reinvent themselves.”

Mutual inspiration

Stevenson-Dodd began 14 years ago as a youth worker. “I thought I actually needed to do something that would make a real difference for people,” he



Deutsche Bank manager Martina Tietze (left) and head teacher Regine Michel



Alex Manson and his commitment to Street League

recalls. “I’m driven by a sense of social justice – that people should have a fair chance. When you see some of the disadvantaged in society, you realize that a lot of people don’t get many opportunities. An organization like Street League can really help.” And it does it so successfully, in fact, that 10 Downing Street has elected Street League for its charity of the year 2011.

Having worked with mentors before, Stevenson-Dodd knows how to use his time with Manson extremely efficiently. “Matt typically prepares a list of questions,” Manson says. “He wants to talk and be pushed. So we really motivate each other.” The Deutsche Bank executive is fond of speaking about performance indicators and targets that drive banks forward. And Stevenson-Dodd likes to listen. “It’s all about issues such as: How diverse is my portfolio of activities or my target population? And how can I optimize it?” he says. “So now we’re looking at

what all this can do for charities. Alex is really good at challenging me with a lot of tough questioning, which I really value.”

Consulting for the good of society

Alex Manson draws a comparison: “People like Matt or Neil, the school administrator, have a common problem: They have no one they can turn to for advice as a partner,” he says. “When I work on the deal but don’t know how to advance it, all I have to do is to open the door to a room full of bankers who can help me.”

That is why the coaching programs are so important: They enable an exchange of views between managers on the one side and school administrators, directors of charity organizations, and other leaders on the other. Both sides benefit from the opportunity to gain new perspectives and broaden their individual horizons.

Teenagers in the British Street League support program warming up



# Those who help rely on leadership

**Strengthening leadership:** Non-profit organizations seek support in many areas and benefit from the expert knowledge of our employees, from finance, quality management, and project management to marketing. Through leadership coaching our employees gain a new view of themselves – and of their professional world.

# Those who share knowledge expand it

**Sharing experience:** Whether it is mentoring schoolchildren or students, or advising non-profit organizations, our employees offer knowledge and experience. Their outside views can help assess existing systems and structures, open new perspectives, and inspire new approaches. It is a win-win situation for everyone.

# Those who help directly help the most

**Practical, hands-on support:** Around the world, our employees tackle tasks in their local environments, offering direct and individual support to non-profit institutions and social organizations – and as a team as well. They also support selected charities with fundraising campaigns.



770 school partnerships

to enhance financial literacy across Germany is the target. The goal is to teach young people how to deal with money responsibly and curb the rising level of youth bankruptcies. In 2010 alone, more than 1,300 employees were trained as instructors. If your school is interested in such a partnership, please contact the nearest Deutsche Bank branch office or send us an e-mail:

FAB.direkt@db.com



A mentoring program with a 100-year-plus tradition: Big Brothers Big Sisters, which was founded in New York

Sharing experience  
A tradition as current as ever

Transferring general knowledge and individual competencies requires a healthy portion of cooperation and willingness. That understanding underscores the commitment of our employees as mentors around the world.

Advice for community leaders

Deutsche Bank volunteers help in distressed neighborhoods of New York such as central and south Brooklyn, through a partnership with Local Initiatives Support Corporation (LISC). They advise managers of community development corporations on facing new challenges to neighborhood revitalization.

lisc.org

Mentoring is the oldest form of education we know. Long before schools existed, experienced people passed on their knowledge to the younger generation. With its mentoring program, Deutsche Bank embraces this tradition with its own mentoring programs. Mentoring is an excellent opportunity for our employees to share their know-how and experience – both within our own development programs and outside as corporate volunteers.

Individual support is a key success factor, particularly in educational programs that aim to improve equality of opportunities for children

and young people from socially underprivileged families. Employees who volunteer as mentors meet regularly, about once a month, with their mentee to undertake recreational activities and also discuss training and career planning.

The youngest educational program in which some Deutsche Bank employees serve as mentors is **FairTalent**, launched in 2010 (see p. 82). The oldest mentoring program with our involvement was established 107 years ago. In New York, Ernest Coulter laid the cornerstone for **Big Brothers Big Sisters** (BBBS), a mentoring program that has helped hundreds of thousands of children and young

people in difficult living situations over the years. For more than a decade, our employees in New York have supported the program, and since 2007 in Germany as well. At six BBBS locations, more than 20 employees currently serve as mentors for young people from 6 to 16 years of age. We also support events, such as Tandem Festivals, which serve to recruit new mentors.

We also promote mentoring programs that target young adults completing their schooling or entering the working world. One example is the Spanish initiative **Fundación Junior Achievement** (FJA). In 2010, Deutsche Bank and FJA successfully collaborated in nine new programs. Currently, 20 employees volunteer as mentors, helping young people with their vocational training and personality development.

Another example is **iMentor**, a largely New York-focused program that Deutsche Bank has supported since 2006. At present, 50 employees are active as mentors, an increase of more than 150 percent over the previous year. The program

has aided more than 20,000 young people since its launch a decade ago. Of these, 83 percent have gone on to receive a high school diploma – over 20 percent higher than the graduation rate for all students in New York City.

An additional group of people who benefit immensely from mentoring programs are women with disadvantaged or immigrant backgrounds. In many countries, they face huge challenges to enter or re-enter the workforce. They profit from a professional network of mentors, emotional support, and self-esteem building. Since 2007, Deutsche Bank mentors support female immigrants selected for career integration by the association **berami** in Frankfurt: Half of the supported women found a job.

In the United States, we support a similar project: **Bottomless Closet**. This project helps women in difficult situations enter the workforce or return to work. Our employees voluntarily support these women by coaching them in job interviews and advising them in job searching.

Practical, hands-on support  
Rolling up our sleeves

In our Team Challenges, employee teams volunteer days of service for a non-profit organization, with the aim of making a visible, tangible, and sustainable impact of mutual benefit.

Whether it is renovation work, large-scale tree planting, or support for recreational activities, Deutsche Bank offers employees a variety of volunteering opportunities with **Team Challenges**. On these days, Deutschbankers from a region or a business unit lend a helping hand in social institutions, aid programs, kindergartens, or schools. The projects, which seek fast and noticeable results, mobilize numerous employees.

Teamwork is in particular demand when it comes to building homes. Around 50 employees work together to give needy families a roof over their heads within **Habitat for Humanity** programs. And for victims of the earthquake in Chile, our volunteers supported the construction of 380 new homes.

Since 2009, employees in the Private Wealth Management business line have participated in Team Challenges across Germany under the motto **People with Responsibility**. In 2010, more than 50 teams with more than 600 employees worked together in 65 projects. Their volunteering activities included building and furnishing a learning workshop in a kindergarten in Eschborn, renovating a recreation room in a primary school in Hanau, and installing a pavilion in a home for people with disabilities near Nuremberg as well as redesigning a girls' club in a youth center in Frankfurt.

In a nationwide vote, Deutschbankers in the United States selected which non-profit organizations to support in 2010 with donations and personal involvement. The majority of votes went to the

Career start with JOBLINGE

In Munich and Berlin, Deutsche Bank volunteers work as mentors for JOBLINGE, a non-profit organization that helps young people acquire key qualifications and social competencies on the job. In 2011, JOBLINGE will extend its six-month training program to Frankfurt.

joblinge.de

Effective placement

Students of lower secondary schools are the target of the Offenbach Mentoring Program, which Deutsche Bank has accompanied as a cooperation partner from the very beginning. Since 2004, volunteer mentors from the bank work with students from the eighth and ninth grades in three Offenbach lower secondary schools. For an entire year, the mentors accompany, coach, and support an individual student with the goal of finding the right training position.

patenschaftsmodell-of.de

3,400 employees

participated as teams in about 200 Team Challenges in Germany alone in 2010. The teams decided themselves which types of non-profit initiatives to support.

Volunteering in Australia

In October 2010, Deutsche Bank in Australia introduced “Volunteering of the Month.” For an entire month, the bank encouraged employees to volunteer in non-profit initiatives. More than 100 participated.



Deutschbankers at a soup kitchen in Frankfurt

**Food Bank For New York City.** This organization provides about 400,000 free meals every day to needy people in the city; in the metropolis alone, more than 1.3 million people rely on food donations or soup kitchens. Our volunteers supported the activities of the Food Bank and also raised enough money to purchase a refrigerated vehicle for the organization. They helped distribute food and serve meals for low-income people in other regions as well.

The 2010 **Global Community Challenge** initiative of the Risk division involved more than 150 employees globally. In Hong Kong, the Risk volunteers supported the work of a home for underprivileged children, while in London they installed flower planters and planted vegetables together with children at a local school. The volunteers repaired and distributed toys in children’s hospitals in Mumbai, participated in a job interview training program for long-term unemployed people in New York, and helped clean a local animal research center in Singapore. Employees in Germany supported the tree-planting activities of

the environmental group **Trinkwasserwald e.V.** This group supports natural forestry to ensure long-term water resources.

The Volunteering Network, or **V-Net**, which welcomes all employees in Japan, has created a greater awareness for employee engagement in the country. Since its launch in 2008, V-Net has organized 30 different activities, such as participation in charity runs and support for the **Special Olympics**, a global movement to empower people with intellectual disabilities. A further focus is hands-on support for **Kinka Gakuin** that operates a home for children and young people who are either orphans or have been separated from their families for social reasons (see p. 141).

**Initiative Plus** also thrives on employee commitment. Deutsche Bank supports projects recommended by employees either by making a donation or offering paid leave. Under the initiative, the bank has supported projects in more than 20 countries to date (see margin column on the right).



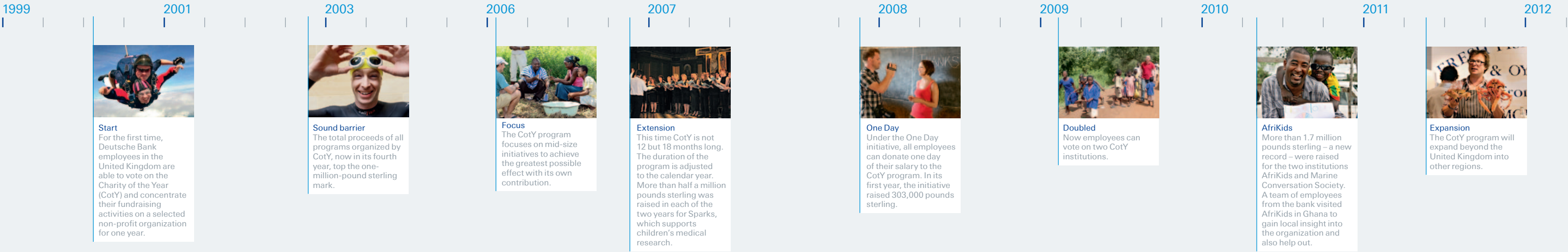
Employees actively support Team Challenges – around the world

Initiative Plus projects

In 2010, Deutschbankers supported about 1,500 projects in their local environment:

- Implementation of an eye camp in Epitawela, Sri Lanka, where 160 villagers received eye examinations and, if necessary, glasses
- Launch of a library and computer room in the Sinhazinha Meirelles and Lar Nefresh orphanages in São Paulo, Brazil
- Support for the Rother Tafel initiative that provides food for needy people in Nuremberg, Germany
- Support for the Lomonossow tournament, a Russian school competition in mathematics and natural sciences in which 15,000 students participated in Moscow alone

Milestones: Charity of the Year (CotY)



## Corporate Volunteering: 2010 in review

### Enhanced networking and more support than ever

#### What we achieved:

Employee engagement rose significantly in all regions. In the past year, more than 17,000 employees participated as corporate volunteers around the world, representing 21 percent of the total workforce, and an increase of 7 percent over the previous year. The spectrum of volunteering activities ranged from music instruction for Philippine street children and the provision of reading glasses for villagers in Sri Lanka to coaching school administrators in the United Kingdom and Germany.

Deutschbankers participated in the [Partners in Leadership](#) program as advisors to school administrators in German public schools. In the past year, we successfully expanded the program to Stuttgart, Mannheim, and Hanover. In early 2011, the program received the Generali European Employee Volunteering Award – Deutschland.

The [Charity of the Year](#) initiative in the United Kingdom entered a new dimension in 2010: The 1-million-pound-sterling mark was achieved for the first time for a non-profit organization – [AfriKids](#) in Ghana.

Within our internal systems, we took two important steps in 2010 to further increase the transparency. One of them was to establish an online platform to track and monitor all volunteering initiatives. The other was the launch of a global corporate volunteering intranet that provides complete information about available local offers.

#### Our goals for the future:

Our key objective is to make employees more aware of corporate volunteering and to encourage them to become even more active in the employee engagement opportunities. A focus of our communications activities in 2011 will be pass on your passion (see p. 12), which encourages participation and extends it to external stakeholders.

We are also prepared, organizationally, for growth. The appointment of corporate volunteering project patrons as key contacts serves this goal. In addition, our employees will be able to identify themselves as corporate volunteers within the relaunched Group Directory. This will further boost the visibility of Deutsche's CSR commitment.

We aim to extend two initiatives that have been successfully implemented in the United Kingdom to other regions. One of them is the Charity of the Year initiative in which employees vote on a non-profit organization to support for a year. The other is the [Spitalfields Together](#) project in London's East End: 2011 will mark the launch of a similar long-term cooperation, together with Linklaters and [Kinder im Zentrum Gallus e.V. / Mehrgenerationenhaus](#) in the Gallus district of Frankfurt. The initiative promotes integration and offers numerous volunteering opportunities in the socially disadvantaged district. And for the first time ever, Deutschbankers in Russia will serve as mentors in the [Big Brothers Big Sisters](#) program.





# pass on your passion

"We feel that action is the truest expression of passion and, that by example, we inspire others to do the same."



Since V-Net was established in Japan in 2008, employee participation in volunteering projects has increased by 56 percent.

John Hanawa (front) leads the network of volunteers (V-Net) at Deutsche Bank in Tokyo and is pictured here with the team that cleaned up the grounds of the Kinka Gakuin children's home in May 2010, alongside the principal Hideyuki Tsuchida and a couple of the young residents. V-Net members participated in 19 events during 2010, including the biggest of them all, the Special Olympics Nippon National Summer Games in Osaka for which 26 employees volunteered.

# 07

## Supplementary information

### Deutsche Bank: Corporate profile

Deutsche Bank is a leading global investment bank with a substantial private clients franchise. Its businesses are mutually reinforcing. Deutsche Bank has its headquarters in Frankfurt am Main, Germany.

#### Management structure

The prime responsibilities of the Management Board of the Deutsche Bank AG include the Group's strategic management, resource allocation, financial accounting and reporting, risk management, and corporate control. It is supported in the performance of its leadership and oversight duties by central infrastructure units and other service departments, as well as functional bodies chaired by Management Board members.

The Group Executive Committee (GEC) is made up of the members of the Management Board, the heads of the core businesses who are not members of the Management Board, as well as the heads of selected regions. At regular meetings, the GEC analyzes the development of the business divisions, discusses matters of Group strategy and draws up recommendations that are presented to the Management Board.

#### Group Divisions

Deutsche Bank is made up of the following Group Divisions: Corporate & Investment Bank (CIB), Private Clients and Asset Management (PCAM), and Corporate Investments (CI).

#### Corporate & Investment Bank

CIB is responsible for Deutsche Bank's capital markets business, comprising the origination, sales, and trading of capital markets products including debt, equity, and other securities, together with our corporate advisory, corporate lending, and transaction banking businesses. Our clients are institutions – both public sector entities, from medium-sized businesses to large multinational corporations.

#### Private Clients and Asset Management

PCAM is made up of two Corporate Divisions: Asset and Wealth Management (AWM) and Private & Business Clients (PBC). Asset and Wealth Management comprises the Asset Management (AM) and Private Wealth Management (PWM) Business Divisions. AM provides retail clients across the globe with mutual fund products through our DWS franchise. It also offers institutional clients, including pension funds and insurance companies, a broad range of services from traditional to alternative investment products. PWM serves high net worth individuals and families worldwide. It provides these very discerning clients with a fully integrated wealth management service, including inheritance planning and philanthropic advisory services.

Private & Business Clients (PBC) provides a full range of traditional banking products, including current accounts, deposits and loans, and investment management and pension products mainly to private and self-employed individuals, and small to medium-sized businesses.

#### Corporate Investments

The Corporate Investments (CI) Group Division manages Deutsche Bank's global principal investment activities. These include certain credit exposures, certain private equity and venture capital investments, certain corporate real estate investments, our industrial holdings, and certain other non-strategic investments.

At the end of the period under review Deutsche Bank had 102,062 employees from about 140 nations in more than 3,000 branches in 74 countries.

Visit our  
corporate website  
[db.com](https://www.db.com)

Deutsche Bank’s CSR units and foundations

The global direction of Deutsche Bank’s corporate social responsibility is represented in its regional CSR units and endowed foundations. Their initiatives ensure that social capital is created in all regions in which the bank operates. The major areas of focus are in line with Deutsche’s CSR strategy in the areas of sustainability, education, social investments, art & music, and corporate volunteering. Furthermore, Deutsche Bank works actively to promote dialog with academia, politics, and business.



Deutsche Bank Foundation		Corporate Citizenship UK	
Founded	1986	Founded	1989
Endowment funds	€136.4 m.	Successor to the charity program of Morgan Grenfell, Ltd.	
Commitments 2010	€4.5 m.	Commitments 2010	€5.1 m.
Most of the funding provided by Deutsche Bank Foundation goes to education and social projects. The Foundation focuses chiefly on projects that ideally bring together these three aspects and encourage young people to realize and develop their full potential. Art, music, and culture also benefit from the Foundation’s sponsorship activities, while the Foundation’s Alfred Herrhausen Fund supports above all initiatives aimed at improving the career prospects of disadvantaged young people.		Corporate Citizenship UK is a business unit of Deutsche Bank. Working closely with non-profit partners and organizing numerous volunteering programs, it lends its support primarily to social investments and educational projects. Over the past few years, Corporate Citizenship UK has received numerous awards for its exemplary commitment to society.	
➡ deutsche-bank-stiftung.de		➡ db.com/uk/csr	

Deutsche Bank Americas Foundation		Deutsche Bank Africa Foundation	
Founded	1999	Founded	2001
Successor to the Bankers Trust Foundation		Endowment funds	€16.4 m.
Commitments 2010	€6.8 m.	Commitments 2010	€1.2 m.
Philanthropic activities support the entire Americas region. The Foundation’s resources are complemented by the activities of the Community Development Finance Group (CDFG) which makes loans and investments within low- and moderate-income communities. It is the center of competence for Deutsche Bank’s global microfinance work. For 20 years, the Federal Reserve Bank has rated Deutsche Bank “outstanding” for this work.		Deutsche Bank Africa Foundation’s primary focus is on education and social development, in particular for orphaned and vulnerable children. The Foundation supports various non-profit organizations who are predominantly working in economically underdeveloped communities. On a smaller scale, the Foundation also contributes to art and music, and projects involved in environmental sustainability. The Foundation encourages and supports staff volunteering in charitable projects.	
➡ db.com/csr		➡ db.com/csr	

Deutsche Bank Asia Foundation		Deutsche Bank MENA Foundation	
Founded	2003	Founded	2008
Commitments 2010	€3.0 m.	Start of activities	2008
		Commitments 2010	€0.3 m.
The Deutsche Bank Asia Foundation directs Deutsche Bank’s corporate social responsibility programs in Asia. The Foundation is committed to improving and sustaining the livelihoods of vulnerable communities. Working in partnership with non-government organizations and foundations, and in concert with community leaders, project facilitators, and staff volunteers, a variety of educational and innovative outreach programs have been successfully implemented across the region.		The MENA Foundation is Deutsche Bank’s most recently established foundation. It focuses primarily on the Middle East and North Africa region. The MENA Foundation has been heavily involved in the arts in the region, in addition to sustainability, social investments, and education. The Middle East Foundation Committee coordinates activities at a regional level and verifies the efficiency and sustainability of the projects which are undertaken.	
➡ db.com/csr		➡ db.com/csr	

Deutsche Bank Donation Fund		Historical Association of Deutsche Bank	
Founded	1970	Founded	1991
Endowment funds	€13.2 m.	Number of members (end of 2010)	1,845
Commitments 2010	€4.7 m.		
The Deutsche Bank Donation Fund is a fiduciary foundation operating in the Donors’ Association for German Science (Stifterverband für die Deutsche Wissenschaft e.V.). The Fund provides financial resources to promote scientific research and teaching at both national and international level. The primary focus is on intensifying the dialog between the worlds of science and business. 60 percent of its funds were assigned at the discretion of Deutsche Bank, 40 percent by the Stifterverband for its projects.		The Historical Association of Deutsche Bank was founded as a non-profit 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.	
➡ stiftungsfonds-deutsche-bank.de		➡ banking-history.com	

Transatlantic Outreach Program (TOP)	
Founded	2001
Endowment funds	€2.75 m.
Commitments 2010	€0.15 m.
Transatlantic Outreach Program is a joint initiative of Germany’s Department of Foreign Affairs, Deutsche Bank, Robert Bosch Foundation, and the Goethe Institute. The program supports American social studies educators and curriculum supervisors to strengthen their knowledge on modern Germany. TOP provides study tours to Germany, in-service teacher-training workshops, as well as teaching materials for all levels.	
➡ goethe.de/top	

Alfred Herrhausen Society	
Founded	1992
Budget 2010	€3.4 m.
The non-profit Alfred Herrhausen Society is the international forum of Deutsche Bank. Its work focuses on new forms of governance as a response to the challenges of the 21st century. The Alfred Herrhausen Society seeks traces of the future in the present, and conceptualizes relevant themes for analysis and debate. It works with international partners across a range of fields – including politics, academia, and business – to organize forums for discussion worldwide.	
➡ alfred-herrhausen-gesellschaft.de	



Independent Assurance Statement on Environmental Data to Deutsche Bank AG

Scope and objectives

ERM Certification and Verification Services Ltd (ERM CVS) was appointed by Deutsche Bank AG to provide independent limited assurance over the environmental data set out on pages 52 to 57 of the 2010 Corporate Social Responsibility (CSR) Report. The scope of this assurance covered the following data:

2010 Data

- Environmental data as set out in the tables on page 54 for:
  - Energy consumption
  - Water usage
  - Waste
  - Paper consumption
  - Greenhouse Gas (GHG) data
- Certified Emission Reductions purchased to offset GHG emissions

2008 and 2009 data

The alignment of GHG inventory data reporting processes (including scope 1, 2 and selected scope 3 CO<sub>2e</sub> emissions) with ISO 14064-1:2006 criteria.

Respective responsibilities and independence

Deutsche Bank AG is responsible for the preparation, collection, and presentation of the environmental data and the associated information on performance presented in the CSR Report.

ERM CVS is responsible for reporting to Deutsche Bank AG on its assurance conclusions. The work that ERM CVS conducts for clients is solely related to independent assurance activities and training programs related to auditing techniques and approaches. Our processes are designed to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff that have undertaken work on this assurance exercise provide no other services to Deutsche Bank in any respect.

Assurance approach and limitations

We based our work on Deutsche Bank AG’s internal guidelines and processes for collecting data associated with the reported metrics. We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions as to whether the reported information and data set out in the ‘Scope and Objectives’ above was appropriately reported, i.e. that nothing has come to our attention through the course of our work that the data are materially misreported (limited assurance). Our approach was developed with reference to the International Standard for Assurance Engagements 3000: Assurance Engagements other than Audits or Reviews of Historical Information issued by the International Auditing and Assurance Standards Board (ISAE 3000); as well as ISO 14064-1:2006 Greenhouse gases “Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals” and ISO 14064-3:2006 Greenhouse gases – “Specification with guidance for the validation and verification of greenhouse gas assertions”.

All environmental data is subject to inherent uncertainties, given the available methods for determining, calculating, or estimating the underlying information.

During the period February to April 2011 ERM CVS undertook a series of activities, including:

- Site level assurance activities at Deutsche Bank regional centres in Frankfurt, London, New York, and Singapore to review the alignment of data management and reporting processes with corporate objectives and reporting requirements.
- Corporate level assurance activities at offices in London to review data management systems and processes and selected investigation of the consolidated data.
- Evaluation of GHG data and reporting processes to establish conformance of Deutsche Bank’s GHG inventory data, and associated systems and controls, with ISO 14064-3:2006 and ISO 14064-1:2006.

Conclusions

With the exception of globally extrapolated waste and paper data, based on the assurance approach and limitations described above, we conclude that:

- the environmental data presented on pages 52 to 57, are an appropriate representation of Deutsche Bank’s environmental performance during the 2010 calendar year.
- the GHG data and information for 2010 are appropriately reported against the requirements of ISO 14064-1:2006 and the GHG Protocol.

The reporting processes for 2008 and 2009 GHG inventory data (including scope 1, 2, and selected scope 3 CO<sub>2e</sub> emissions) were found to be aligned with the requirements of ISO 14064-1:2006 criteria.

Commentary

Without affecting these conclusions we make the following observations:

- The new global environmental data management system, introduced in 2010, has reduced the manual handling and transfer of data, improved data transparency, and strengthened quality control procedures
- Extrapolated waste and paper data are based on a relatively small proportion of overall data and are indicative of the global totals. Deutsche Bank is working to achieve wider reporting in these areas

Melanie Eddis, Head of Climate Change Services  
26 April, 2011

ERM Certification and Verification Services, London  
www.ermcvs.com  
Email: post@ermcvs.com



# Statement

## GRI Application Level Check

GRI hereby states that Deutsche Bank AG has presented its report “Corporate Social Responsibility Report 2010” to GRI’s Report Services which have concluded that the report fulfills the requirements of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

21 April 2011, Amsterdam
















Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative

The “+” has been added to this Application Level because Deutsche Bank AG has submitted (part of) this report for external assurance. GRI accepts the reporter’s own judgment for choosing its assurance Provider and for deciding the scope of the assurance.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 25 April 2011. GRI explicitly excludes the statement being applied to any later changes to such material.

Deutsche Bank awards 2010/2011 (selection)<sup>1</sup>

<p><b>Golden Peacock Global Awards for Corporate Social Responsibility and for Sustainability</b></p> <p>from the World Council for Corporate Governance and the Institute of Directors, in the areas of social responsibility, ethical behavior, business performance, and responsible use of resources</p>	<p><b>Econ Award Corporate Communications in Bronze</b></p> <p>from Econ-Verlag and Handelsblatt Publishing Group for the Corporate Social Responsibility Report 2009</p> 	<p><b>Yearbook of Advertising 2010</b></p> <p>The CSR campaign More than Money was shortlisted in the Digital Media category</p> 	<p><b>LEED (Leadership in Energy and Environmental Design) Platinum certification</b></p> <p>received from the U.S. Green Building Council. The world's first renovated skyscraper with a LEED Platinum certification, the New Deutsche Bank Towers in Frankfurt am Main, Germany</p> 
<p><b>DGNB (Deutsches Gütesiegel Nachhaltiges Bauen) certificate in Gold</b></p> <p>from the German Sustainable Building Council for the modernization of the Group Head Office (The New Deutsche Bank Towers) in Frankfurt, acknowledging the buildings outstanding overall sustainable performance and innovative solutions</p> 	<p><b>Sustainable City Awards</b></p> <p>Deutsche Bank honoured in London's Sustainable City Awards for its efforts to reduce resource consumption</p> 	<p><b>Green Globe Banking Award, Italy</b></p> <p>Two certificates from Globiz for excellent achievements in the area of sustainability</p> 	<p><b>Best Renewable Energy Finance House – Europe</b></p> <p>from the Environmental Finance and Carbon Magazine, accredited to the Asset Finance &amp; Leasing (AFL) and Corporate Investment Banking (CIB), Carbon Emissions'</p> 
<p><b>Best Alternative Energy Fund</b></p> <p>Climate change award from Investment Week Magazine and Holden &amp; Partners for DWS Invest New Resources</p>	<p><b>Careerist 2010</b></p> <p>Award from UNICUM Publishing Group for professional training at Deutsche Bank</p> 	<p><b>Top Employer, Poland</b></p> <p>ranked by the CRF Institute as one of 14 top employers in Poland for a sustainable personnel strategy as well as an impressive communications platform and corporate culture</p> 	<p><b>HRM Awards, Singapore</b></p> <p>two awards, for Best Training, Learning &amp; Development and for Best Leadership Development</p> 
<p><b>Encore Award</b></p> <p>from the Arts &amp; Business Council of New York for the corporate partnership with Free Arts NYC, an organisation that provides under-served children and families with a unique combination of educational arts and mentoring programs</p> 	<p><b>Big Tick Award</b></p> <p>Business in the Community Award in the Power in Partnership category for project Shoreditch, a neighborhood renewal project in London</p> 	<p><b>Charity Organization of the Year 2010</b></p> <p>Deutsche Bank in China is recognized by the China Foundation for Poverty Alleviation for its support efforts in villages in Wulong county suffering from drought and poverty</p> 	<p><b>Art &amp; Work Award</b></p> <p>for The Most Outstanding Contribution to Art in the Workplace</p> 
<p><b>Generali European Employee Volunteering Award 2011 – Deutschland</b></p> <p>as part of the European competition hosted by Generali Group for the program Partners in Leadership, in the category innovation together with KPMG AG and Herlitz PBS AG</p> 	<p><b>Top Companies That Care 2010</b></p> <p>Award from Jacksonville Magazine (US) for volunteering activities in 30 local non-profit organizations</p>		

<sup>1</sup> For the results of the sustainability ratings, see p. 36

About this report

This report sets out how we have implemented corporate social responsibility as an integral part of our work during the year under report. We compile a balance sheet for our sustainability activities and explain what impact our business activities have on the environment and on society. Furthermore, we present our social commitment as a responsible corporate citizen, illustrating our motivation and goals as well as the concrete results of our activities.

We can only publish a selection from the abundance of our activities because of space-related constraints. However, we attach importance to an accurate presentation of the principles and guidelines that serve as orientation for our activities.

Period under report and frequency of publication

The period under report corresponds with our business year, extending from January to December 2010. We have submitted a CSR report every year since 2002. The next report will be released in May 2012. Our CSR websites as well as the CSR reports of our regional units and foundations provide more in-depth information as well as regular updates.

- 🔗 [banking-on-green.de](http://banking-on-green.de)
- 🔗 [deutsche-bank.de/csr](http://deutsche-bank.de/csr)

Report criteria

The criteria of the Global Reporting Initiative (GRI) serve as our orientation for the weighting of thematic areas and collection of key figures. This international multi-stakeholder initiative has developed recognized standards for sustainability reporting that guarantee transparency and comparability. Since 2002 Deutsche Bank – as an “organizational stakeholder” – has worked on refining the guidelines for reporting in feedback discussions together with representatives from the world of business, NGOs, and analysts.

- 🔗 [globalreporting.org](http://globalreporting.org)

This report fulfills the requirements of the third generation (G3) of the GRI Guidelines. The GRI has verified compliance with its guidelines and – on the basis of a scale from A+ to C – it has awarded our report the highest certification level of A+. The index on pages 150 and 151 shows how we have implemented the GRI requirements in concrete terms. If no information was available for an indicator, we provide the reason for that.

Our CSR reporting also serves as a progress report (Communication on Progress) in conjunction with the UN Global Compact (see p. 31). As a member, we continuously

report on how we are putting the 10 Global Compact principles into practice. An overview of this is provided in table form on page 151.

Materiality

The reporting guidelines of the GRI include dialog with stakeholders and materiality. We have taken those requirements into account with the aid of multilevel materiality analysis. The result is the materiality matrix on page 35, which presents the expectations and interests of various different stakeholder groups. We regard conducting a dialog with our stakeholders and tailoring our sustainability reporting to their information needs as a continuously ongoing task. That is why we look forward to feedback (more about that below).

Report limits

We regard this report as a supplement to the annual report and the financial report of Deutsche Bank AG. In cases where we have also incorporated content in this report, to some extent it has been broken down or reorganized in terms of orientation in line with the GRI Guidelines. In addition to the information in this report, you can obtain basic corporate information as well as our key economic figures from our latest annual report and financial report as well as our annual financial statement and management report (see p. 152).

Data validation and transparency

Our business divisions and infrastructure functions collected the data that is relevant for their sectors meticulously. The Corporate Center area of Corporate Social Responsibility gathered those data and integrated them into this report. On behalf of Deutsche Bank AG, ERM Certification and Verification Services, a verification and certification company that is based in London, reviewed and verified the systematics for data generation and aggregation of key figures relating to operational ecology. Our sustainability management system has been certified according to DIN EN ISO 14 001 and recertified up to and including 2011.

Feedback and suggestions

Feedback from our stakeholders is of special significance for further development of our CSR reporting. That is why we look forward to getting new inspiration and hearing your opinion. For this purpose, you can use the contact information in the Imprint, i.e. Legal Notice. Furthermore, you also can let us know online what thematic areas are especially important to you.

- Participation in materiality survey:
- 🔗 [banking-on-green.com/materiality](http://banking-on-green.com/materiality)

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EC4	Financial assistance received from government	Not reported to ensure protection of proprietary information
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EN7	Initiatives to reduce indirect energy consumption and reductions achieved	pp. 38–48, 50–57
EN8	Total water withdrawals	p. 54
EN11	Location and size of land in or adjacent to protected areas	Not relevant, because no land owned in protected areas
EN12	Impacts of activities, products, and services on biodiversity in protected areas	integration of environmental issues in our risk management, pp. 75–77
EN16	Direct and indirect greenhouse gas emissions	p. 54
EN17	Other greenhouse gas emissions	p. 54
EN18	Initiatives aimed at reducing greenhouse gas emissions	pp. 50, 52–57
EN19–21, 23, 27	Emissions, waste, and waste water	Not reported because the amount of data is insignificant (EN 19–21), there is no uncontrolled release of substances (EN 23), and no packaging material is required (EN 27)
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LA2	Data on rate of employee turnover	p. 61; AR: 53
LA4	Percentage of employees covered by collective bargaining agreements	p. 68; Form 20-F: pp. 111–112
LA5	Minimum notice period(s) regarding operational changes	According to par. 111, 112 of the German Labor Management Relations Act, the works council must be thoroughly and promptly informed of any company changes. The notice period is three months in normal practice
LA6	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs	Form 20-F: p. 112
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LA10	Average hours of training and education per employee per year	<a href="#">banking-on-green.com/hr</a>
LA11	Programs for skills management and lifelong learning	pp. 63–64
LA12	Percentage of employees receiving regular performance and career development reviews	pp. 63–64; AR: p. 55
LA13	Composition of governance bodies and breakdown of employees (age, gender, etc.)	pp. 61–63; AR: pp. 18–19, 32; Form 20-F: pp. 97–100
LA14	Ratio of basic salary of men to women by employee category	Not reported due to bank-specific regulatory limitations and internal guidelines
Human rights		
	Management approach disclosure	pp. 33, 61–68, 73, 75–77; <a href="#">banking-on-green.com/hr</a>
HR1	Investment agreements that include human rights clauses or that have undergone human rights screening	pp. 68, 75–77
HR2	Suppliers and contractors who have undergone screening on human rights	pp. 56, 68
HR4	Total number of incidents of discrimination and actions taken	Several instruments to prevent discrimination and to support affected employees (pp. 61–62, 66; Deutsche Bank Code of Conduct for Staff at <a href="#">db.com/ir</a> ); not reported to ensure protection of employees
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FR = see Financial Report 2010, AR = see Annual Review 2010, Form 20-F 2010

Global Compact – Communication on Progress

The ten principles set out in the UN Global Compact form the foundation on which we base 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.

The ten UN Global Compact principles		Examples of implementation
Human rights		
Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights; and	pp. 33, 61–68; <a href="#">banking-on-green.com/hr</a>
Principle 2:	ensure that they are not complicit in human rights abuses.	pp. 33, 34, 61–68, 75–77; <a href="#">banking-on-green.com/hr</a>
Labor standards		
Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labor; the effective abolition of child labor; and the elimination of discrimination in respect of employment and occupation.	pp. 33, 61–68; Form 20-F: p. 112
Principle 4:		pp. 33, 68
Principle 5:		pp. 33, 68
Principle 6:		pp. 61–68
Environment		
Principle 7:	Businesses should support a precautionary approach to environmental challenges;	p. 33
Principle 8:	undertake initiatives to promote greater environmental responsibility; and	pp. 50–58
Principle 9:	encourage the development and diffusion of environmentally friendly technologies.	pp. 39–48
Anti-corruption		
Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.	pp. 72–73, 75–77



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### Editorial comment

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Insofar as the masculine form is used in the contents of this report, it is assumed that this refers to both genders on equal terms.

We would like to thank all colleagues and external partners for their friendly support in making this report possible.

This CSR Report is also available in German.

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### Publications relating to the financial statements

- Annual Review 2010 (German and English)
- Financial Report 2010 (German and English)
- Annual Report 2010 on Form 20-F (English)
- Annual Financial Statements and Management Report of Deutsche Bank AG 2010 (German and English)
- List of Advisory Council Members (German)

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