

Fueling Microfinance In Mexico



Miguel Noriega and Gary Hattem of Deutsche Bank join with FinComun CEO Vincente Fenoll Algorta, President Juan Murguía Pozzi, and members of the FinComun Board of Directors prior to signing the Deutsche Bank Microcredit Development Fund loan agreement.

Miguel Noriega, CEO for Deutsche Bank in Mexico, and Gary Hattem, president of the Deutsche Bank Microcredit Development Fund (DB MDF), recently signed an agreement for \$100,000 in equity-like subordinated financing to Services Financieros Comunitarios, S.A.C.V. (FinComun), a credit union engaged in microcredit lending in Mexico City. Loan proceeds will be utilized to leverage twice their amount in pesos from a local commercial bank, Grupo Financiero Bital. In turn, these funds will be used to provide loans to low-income entrepreneurs. This credit facility represents the Deutsche Bank Microcredit Development

Fund's commitment to continuing worldwide efforts to create links between local financial institutions and leading microcredit programs.

Established by the Deutsche Bank Community Development Group and Bankers Trust Private Banking, the DB MDF combines the interests, abilities, and resources of Deutsche Bank and Private Banking clients in order to fuel the growth of microcredit programs worldwide, building a unique bridge between the very poor and the very wealthy. The funds provide equity-like debt that is used as collateral to obtain loans from local financial institutions on a leveraged basis. The minimum

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Deutsche Bank Joins Global Compact

Under the leadership of Kofi Annan, secretary-general of the United Nations, the Global Compact has been conceived as a bold initiative to engage the private sector in ensuring that globalization results in the broadest benefits possible for the world's people. In introducing the Compact, Annan defined his vision: "Let us choose to ignite the power of the markets with the authority of universal ideals. Let us choose to reconcile the creative forces of private entrepreneurship with the needs of the disadvantaged and the requirements of future generations."

The Global Compact is founded on the common ground shared by the United Nations and the global business community. It recognizes the volatility of global markets and understands how the negative effects of globalization threaten to create a backlash against liberalization. The hope is that by helping to promote and protect universal values, the private sector can work with the United Nations to make a persuasive case for the open global market.

Deutsche Bank participated in the launch of the Global Compact at the United Nations on July 26 and has embraced the Nine Principles that define its core values regarding human rights, labor, and the environment. "Much of Deutsche Bank's work in addressing environmental topics and supporting microfinance programs is consistent with the Global Compact platform of expectations," said Michael Hoelz, Deutsche Bank global head of Philanthropy and Environmental Coordination. "Many of these efforts are undertaken in cooperation with various United Nations agencies, and we look forward to playing a leadership role in ensuring that the Compact succeeds in enlisting additional corporate participation."

"Outstanding"

In its first Community Reinvestment Act (CRA) examination since its merger with Deutsche Bank, Bankers Trust earned "Outstanding" CRA ratings from both the Federal Reserve Bank of New York and the New York State Department of Banking. The ratings were determined after thorough evaluation of the Bank's loans, investments, grants, and services provided to low- and moderate-income communities. In its written evaluation, the Federal Reserve

cited Deutsche Bank for "a high level of community development loans, qualified investments and community development services"; "extensive use of innovative or complex qualified investments, community development loans, and community development services"; and "excellent responsiveness to credit and community development needs in its assessment area."

"We are very proud of these ratings. They reflect the seriousness of Deutsche Bank's commitment to

good corporate citizenship and our desire to play a meaningful role in helping distressed communities to rebuild themselves," said John A. Ross, CEO of Deutsche Bank Americas.

Bankers Trust Company, which continues to exist as the U.S. bank chartered entity with the Deutsche Bank Group, has maintained an "Outstanding" CRA rating from both the federal and state regulators since 1992. It was the first wholesale bank to achieve this recognition.

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Thomas Krens, director of the Solomon R. Guggenheim Museum, leads Nani Annan, Kofi Annan, secretary-general of the United Nations, and Vladimir Putin, president of the Russian Federation, on a tour of "Amazons of the Avant-Garde."

Deutsche Bank Sponsors Russian Modernist Art Exhibit

For many years Deutsche Bank has sponsored exhibitions at major museums around the world. In 1997 Deutsche Bank and the Solomon R. Guggenheim Museum embarked on a joint venture to create Deutsche Guggenheim Berlin, a branch of the museum located on the ground floor of the Bank's office near the historic Brandenburg Gate.

This fall Deutsche Bank is serving as lead sponsor for the traveling exhibition "Amazons of the Avant-Garde." Organized by the Solomon R. Guggenheim Foundation for Deutsche Guggenheim Berlin, the exhibition traveled to the Royal Academy of Arts in London and the Peggy Guggenheim Collection in Venice. The opening at the Guggenheim Museum in New York on September 8 was attended by Vladimir Putin, president of the Russian Federation, and Kofi Annan, secretary-general of the United Nations.

Modernism in Russia drew on indigenous traditions of folk and "primitive" art. In addition to painting, many artists created designs for the applied arts, theater, film, textiles, and graphic arts. The exhibition features more than

70 paintings and drawings by six Russian women—Alexandra Exter, Natalia Goncharova, Liubov Popova, Olga Rozanova, Varvara Stepanova, and Nadezhda Udaltsova—drawn from 30 public and private collections. Many of the works are being shown for the first time in the West.

Deutsche Bank has a long history of supporting Russian art—as well as the arts in Russia. As early as 1966, the Bank sponsored a comprehensive exhibit of Wassily Kandinsky at the Lenbachhaus in Munich. A German-Soviet exchange was forged when the Bank organized the "Costakis Collection of the Russian Avant-Garde" in West Germany in 1977 and "Figure and Landscape" in 1983. Both shows traveled to Moscow and St. Petersburg. The Bank's Russian art connection continued into the era of the new Russia with a show of Georg Baselitz, whose work the Bank exhibited in Moscow to mark that city's 850th anniversary.

"Amazons of the Avant-Garde" will be on display at the Guggenheim Museum in New York through January 7, 2001.

ACCION Texas Wins Deutsche Bank Microenterprise Self-Sufficiency Award

To recognize the success of microcredit programs within the U.S. that are moving toward self-sufficiency, Deutsche Bank partnered with the Association for Enterprise Opportunity (AEO), a national organization with more than 400 member organizations throughout the country devoted to microenterprise. Through this joint effort, the Bank was able to establish the Deutsche Bank Microenterprise Self-Sufficiency Award.

This is the first year of the award, which was designed to showcase and reward a microcredit institution making the most progress toward self-sufficiency. The award consists of a \$12,000 cash payment, \$2,000 of which is designated as a bonus to the individual most responsible for moving the organization toward the goal of self-sufficiency.

The first Deutsche Bank Microenterprise Self-Sufficiency Award was presented at the AEO's annual conference in Lowell, Mass., where Senator John Kerry was the keynote speaker. The winner was ACCION Texas, a microcredit institution founded in San Antonio in 1994. Under the leadership of Janie Barrera, an ex-marine, ACCION Texas has grown rapidly. It has developed into a high-volume lender providing loans of under \$25,000 to individuals and groups of micro-entrepreneurs in ten cities across Texas. As a result, the self-sufficiency of its largest office, in San Antonio, grew from 27 percent in 1995 to 80 percent in 1999.

The entire ACCION U.S. network is very impressive, making significant progress toward self-sufficiency in low-income communities.

Private Bank Hosts Summit on Microcredit in India

"A developing country like India is seen as an important contributor to Deutsche Bank's global revenue," DB board member Thomas R. Fischer told *Dow Jones Newswires* in a recent interview. With technological expertise and experienced manpower in cities like Bangalore—the Silicon Valley of India—the Asian subcontinent has become one of the main targets of the Bank's efforts to expand and launch more specialized products in the developing world.

But Deutsche Bank focuses on more than the immediate winners in the new global economy, which has transformed world markets and made regional economic miracles like Bangalore possible. The Deutsche Bank summit on "Microcredit in India—Past, Present and Future," held on

June 27 at the Rockefeller family estate in Pocantico Hills, was proof of the Bank's commitment to help bridge the growing disparity between the resource rich and the resource poor in that country. "I think microcredit extends a helping hand to liberate the human potential at a very basic level," said Lisa Greenberg, who, together with her husband Jim, raised half a million dollars in matching funds for three replications of the Grameen microcredit model in India.

"When it came to focusing this meeting on a single country, India was an obvious choice," Alex Counts, president of the Grameen Foundation USA, told an audience of 40 invited guests of Private Banking and the Grameen Foundation. While India is a hub for information technology, eighty-eight

percent, or almost 900 million people, have a daily income of under two dollars. "If microcredit is really to deliver on its promise to reduce poverty, India is where it begins and probably where it ends," said Counts.

The concept of microcredit is based on the belief that the poor are bankable. Udaia Kumar, managing director of SHARE, a Grameen-sponsored initiative, and representative of one of the microcredit organizations present at the meeting, cited the example of Mabel B. from Andhra Pradesh, India. At a SHARE presentation in her village, she learned about the possibility of obtaining a small, collateral-free loan that would allow her to start her own kerosene distribution business. She now earns the equivalent of nearly \$60

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Sustainability: Business and the Environment



Christopher Anderson

Dear Friends and Colleagues,

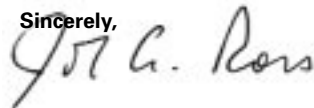
This issue of *Community Focus* provides an overview of Deutsche Bank's commitment to "sustainability." As a business concept, protecting and managing natural resources to ensure long-term sustainable growth has, up to now, been more broadly recognized in Europe than in the Americas. I believe, however, that a global standard is emerging that will require companies, governments, and civil society organizations, wherever they might be, to consider the impact of their activities on the planet.

During "Sustainability Week: Business and the Environment," a series of events is planned for the U.S. staff of Deutsche Bank in order to learn more about the implications of sustainability for their businesses and clients. Colleagues from Frankfurt will lead the discussions. They will be joined by academic experts, United Nations representatives, and the management of Fortune 500 industrial companies that have outstanding records on the issue. We are encouraging the active involvement of all staff with a special philanthropic grants program through the Deutsche Bank Americas Foundation, which supports local environmental projects and includes the volunteer participation of our employees.

I am also pleased that as a result of our sponsorship of the recently held conference "Beyond Brownfields," we have been able to help bring European ideas and insights to local community efforts that address environmental issues. This gathering of grassroots leaders—with the help of experts from the German state of North Rhein–Westphalia who have successfully revitalized once polluted and blighted areas—provided the opportunity to consider sustainable development alternatives for environmentally burdened urban areas.

As Deutsche Bank is recognized for its global leadership on environmental issues, we in the Americas must contribute to this important role. I look forward to the involvement of all Bank staff in ensuring that Deutsche Bank succeeds in fostering a broad understanding and commitment to the goal of sustainability.

Sincerely,



John A. Ross

Beyond Brownfields: Deutsche Bank Sponsors Conference on Sustainable Development

Deutsche Bank's unique relationship to sustainability and the environment has brought it into contact with a remarkable group of European planners and community development professionals. These experts earned their reputations on one of the more entrenched challenges facing urban revitalization: the remediation and reclamation of contaminated former industrial sites. Also known as "brownfields," these properties make redevelopment particularly complex in places like former East Germany, Northern Ireland, and the Netherlands, where buildable land is scarce.

Here in the U.S., the Deutsche Bank Community Development Group has been active in shaping initiatives to help support planners and local community developers facing similar challenges, particularly along former industrial waterfronts in Queens, Brooklyn, and Staten Island.

In partnership with the Pratt Institute Center for Community and Environmental Development (PICCED), the German State of North Rhein–Westphalia and the U.S. Environmental Protection Agency, Deutsche Bank recently hosted the New York region's first major conference on the topic. "BeyondBrownfields: Visions of Equitable and Sustainable Development" convened development experts, grassroots activists, policy makers, and interested citizens to learn best practices and creative solutions to this complex issue.

"The conference achieved its goal of showcasing innovative revitalization approaches from abroad as a catalyst for local dialogue and action," says Ron Shiffman, director of PICCED. "We were able to walk away with stronger sustainable development strategies, a broader vision for our communities, and a greater diversity of voices being heard on the topic."



PHOTO CREDIT: Joan Byron / PICCED

The Bronx River is the only freshwater river in New York City. It runs for 25 miles and empties into East Flushing Bay, near the Whitestone Bridge. Clean-up efforts are underway, but much still needs to be done. Above, the river's edge teems with foliage and wildlife despite illegal dumping.

Sustainability – A Global Effort



Deutsche Bank has focused on environmental issues since the late 1980s. During this time, the Bank's efforts have made it one of the leading financial institutions in the world in the area of sustainable development. In order to understand the issues surrounding sustainability, Community Focus recently asked Michael Hoelz, global head of Philanthropy and Environmental Coordination, to explain this concept as it relates to the Bank's activities worldwide. Here is what he said:

CF: Sustainability is a term that is still being explored and defined. What does it mean for Deutsche Bank?

HMH: For the Bank, sustainability means the responsible maintenance of the resources and bounty of our planet so that they will remain available for future generations. In banking terms it means living off the interest the earth provides and not its capital. This concept is important for fostering synergies between economic viability, social responsibility, and environmental protection in order to make development opportunities possible for all areas of society around the world and to preserve the natural basis of life for future generations.

CF: Why would a financial services provider, particularly a Bank, involve itself with this issue?

HMH: As an institution that has traditionally been active internationally, Deutsche Bank recognizes the importance of dealing with environmental issues and has been doing so since the beginning of the debate on sustainable development. For over a decade, we have been concerned about the environment, and we are doing something about it. This is reflected in our business policy and in our emphasis on in-house environmental protection and social responsibility.

I should add that, over the last few years, there has been a growing tendency at Deutsche Bank and elsewhere to view all aspects of a company as an integral whole. The ability to link together profitability, business, and a strong commitment to society is becoming an increasingly important factor for corporate success.

CF: How does sustainability impact business?

HMH: Since 1997 we have been developing an environmental management system based on International Standard Organization 14001 for our affiliates in Germany. Implementing this system involves three basic elements: The first enables us to systematize environment friendly management within Deutsche Bank.

As an issue that affects all areas of the Bank, environmental protection is something that must be taken into consideration by all corporate divisions and service departments. Second, we continuously strive to improve the Bank's environmental performance. Environment friendly management begins and ends with the knowledge, awareness, and motivation of all staff members. On a daily basis, this requires new ideas and innovations, which occasionally can be contradictory. On a case-by-case basis, they must be evaluated to produce the most efficient solutions. The third point is that we present, implement, and integrate sustainability in a clear and precise manner. Certified environmental management makes it possible, and necessary, to provide clear documentation. For the Bank, environmental protection is not a phenomenon in the context of individual initiatives and special projects, but an integral part of our strategic business management.

CF: Can you elaborate on which activities and areas of focus are most important?

HMH: Integrated environmental management is a wide-ranging issue that includes all divisions and affects daily practices, both in-house and worldwide. This means in-house activities such as purchasing, logistics, travel policy, and facility and waste management. At the same time we realize that environmental protection plays an important role in our clients' business policy decisions. This is why Deutsche Bank helps customers recognize environment-relevant opportunities and risks. Issues affecting the environment are systematically incorporated into the new and continued development of the products and services Deutsche Bank offers its corporate and private customers.

CF: You mentioned social responsibility in the context of sustainable practices. On what specific points does Deutsche Bank place emphasis, and could you provide some examples?

HMH: Our understanding of social responsibility also includes measures to promote environmental awareness. Additionally, we feel it is our duty to take sustainable development thinking a step further by supporting and

strengthening international partnerships and initiatives, promoting general dialogue on environmental issues, and making practical contributions to solving environmental problems.

Deutsche Bank's \$5 million investment in a World Bank initiative called the Prototype Carbon Fund is a good example. Described as innovative and forward-looking, the fund's goal is to support projects in Asia, eastern Europe, Latin America, and Africa that contribute to the reduction of gases that cause global warming. Despite the fact that the 1997 Kyoto Protocol, which was intended to reduce global greenhouse gas emissions, has not yet been ratified, this limited group of nations and corporations is taking the first step in establishing the practices that directly address the problems and solutions of carbon emission reduction. We are, thus far, the only financial institution to have made this commitment.

In another important development, we have established a strong partnership with UNEP (United Nations Environmental Program). This U.N. program is responsible for the complex issues surrounding sustainable development and plays an increasingly important role as an international contact partner for governments, non-governmental organizations, businesses, and industries. We are especially proud to have helped draft, in 1992, the "Statement by Banks on the Environment and Sustainable Development," which represents the current environmental code recognized by the banking industry.

CF: Can you sum up Deutsche Bank's goals in the area of sustainability?

HMH: Over the next few years we will strive to improve our environmental practices in-house and instill greater awareness in our co-workers. Worldwide, we plan to strengthen Deutsche Bank's position and reputation among the "Sustainability Leaders." To achieve this, our efforts must be truly global, with the Americas playing a significant role.

Deutsche Bank Partners in Sustainability



World Business Council for Sustainable Development
<http://www.wbcsd.org>



United Nations Environmental Program Financial Services Initiative
<http://www.unep.org>



Prototype Carbon Fund
<http://www.prototypecarbonfund.org>



The Bellagio Forum for Sustainable Development
<http://www.bfsd.org>



United Nations Global Compact
<http://www.unglobalcompact.org>



Federation of German Industry Sustainable Development Forum
<http://www.bdi-online.de>



The first world championship for young environmental scientists was held in Hanover, Germany, from 16 to 22 October, within the framework of EXPO 2000.

Live WYREs: Shocking Results from Young Environmental Researchers

So you want to do something to protect the environment, and reducing acid rain seems like a good place to start. You probably go out to the local electronics shop, purchase a few 3-electrode thick-film microsensors, and begin dabbling with different sulfur dioxide concentrations, right? And before you know it, you've got a very inexpensive, brand-spanking-new way of using inverse resistivity to measure sulfur dioxide concentration levels. After all, it's not rocket science.

At least not to 16-year-old Ann Lai of Beachwood, Ohio. She's one of more than 140 young environmental researchers involved in WYRE (Worldwide Young Researchers for the Environment). These young scientists from approximately 70 countries are converging on EXPO 2000 in Hanover, Germany, to take part in the WYRE Competition, the first world championship competition for young environmental researchers. Armed with science and their own innovative talents, these 14- to 20-year-olds have developed dynamic investigative methods to produce profound results in the science of phytology, metallurgy, chemistry, and limnology—to name just a few. With working titles such as “Analysis of Monoterpenoids as Possible Controls for the Varroa Jacobsoni” (a study of the use of a natural pesticide to eliminate a particularly vicious honeybee mite) and “Refuse-derived Plastics from Waste Polystyrene Foam and Recovered Oil from Stove Ventilators” (which involves “refining” waste styrene and old frying fat into a newer, stronger polystyrene), these young men and women from around the world are making a significant

contribution to sustainable industries, regional health, and the global environment.

Sponsored by Stiftung Jugend Forscht and Deutsche Bank, the WYRE Competition provides an excellent opportunity for young environmentalists to share their ideas and enthusiasm with each other and with senior environmental researchers on the international level. The goal of the competition is to strengthen the dedication of young people to the study of the environment, support excellent up-and-coming scientists, and contribute to the implementation of Agenda 21 (a global sustainable development program sponsored by the United Nations). In addition to international competitions, WYRE hosts research camps and colloquia, arranges international scholarships and practical scientific training for the young, and raises public awareness of environmental issues by publicizing the results of young scientists' work.

The organizers—Dr. Uta Krautkrämer-Wagner, general manager of Stiftung Jugend Forscht, and Michael Hoelz, Deutsche Bank global head of Philanthropy and Environmental Coordination—emphasize how much they appreciate the environmental commitment of these talented young scientists: “All over the world gifted junior scientists are standing up for sustainable development in the next millennium. We want to support them in reaching their goals and encourage further ambition. Together with the young researchers and the millions of visitors to the Hanover World Fair, we are looking forward to the first WYRE Competition.”

Environmental Milestones

Deutsche Bank has recognized the importance of environmental issues for more than a decade. The Bank continues to be concerned with these issues, as reflected in its business, social, and in-house environmental protection policies.

The Bank is also committed to sustainable development. It has cooperated with international organizations, established internal management systems, and supported other organizations. A short summary of these milestones follows:

1990

- The Bank co-launched the largest private European initiative for promoting environmental research by youth, now called Worldwide Young Researchers for the Environment (WYRE).

1992

- The Bank co-drafted “A Statement by Banks on the Environment and Sustainable Development,” a United Nations environmental declaration that is now widely accepted, with more than 144 banks as signatories.

1993

- The Bank integrated the consideration of environmental issues in its own credit policy.

1995

- The Bank produced an “Eco-audit” brochure for mid-sized firms, outlining the process and benefits of obtaining an environmental audit.

1997

- The Bank adopted and published its environmental policy.
- The Bank launched the “Panda Return Fund DWS” in cooperation with the World Wildlife Fund for Nature.

1998

- The Bank established the “Environmental Technology Innovation Team” to provide customers with project support by financing models for environmentally related capital investments.

1999

- The Bank formally based its environmental management on International Standards Organization 14001 and was certified under this standard.
- The Bank was selected for inclusion in the Dow Jones Sustainable Development Group Index.

2000

- The Bank co-hosted the Worldwide Young Researchers for the Environment (WYRE) competition in Hanover, Germany. More than 140 projects worldwide were considered.
- The Bank invested \$5 million in the World Bank's Prototype Carbon Fund, the first multilateral fund dedicated to the reduction of greenhouse gases. The Bank was the first financial institution to make this commitment.

Deutsche Bank will host the United Nations Environmental Program's round-table this November at the Bank's global corporate headquarters in Frankfurt.

Breathe Easier: Award-Winning Air

On November 15, New York State Indoor Air Quality Day, Deutsche Bank's building at 31 West 52nd Street will be recognized by the Sheet Metal Air Conditioning Contractors National Association (SMACNA), an association of ventilation contractors, for the high quality of its systems.

Created in 1999 and celebrated statewide, New York State Indoor Air Quality Day focuses public attention on indoor air quality as a major factor in maintaining health, welfare, and productivity in public and private work places. On November 15, about 40 members of SMACNA will visit the 52nd Street building to learn about the exemplary practices utilized there. The building has about 3,500 occupants and 500 visitors each day.



© Photo: Stiftung Jugend Forscht e.V. / Deutsche Bank AG

Deutsche Bank Volunteers Revitalize School Grounds

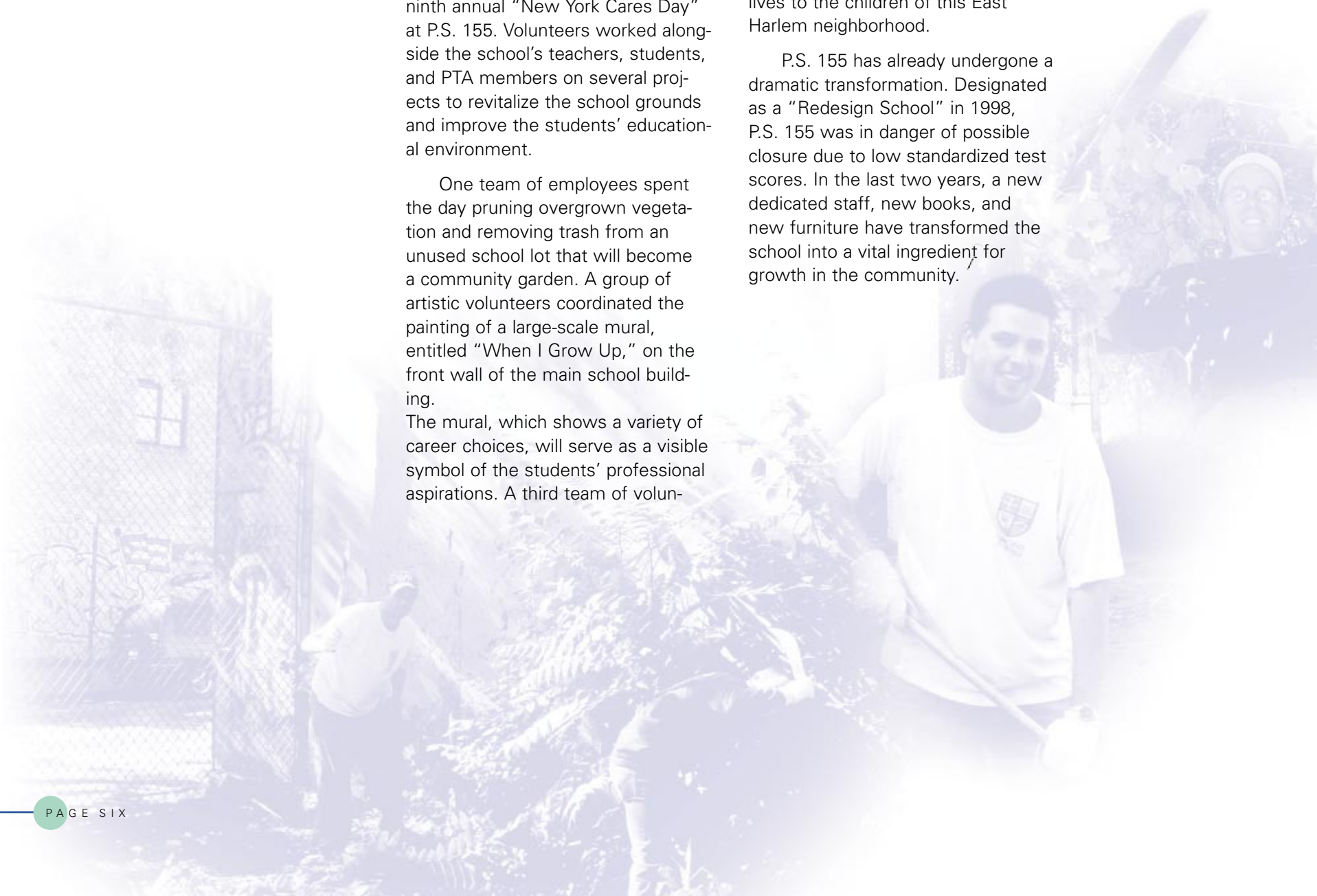
More than one hundred Deutsche Bank employees devoted Saturday, October 14, to the children of East Harlem by participating in the ninth annual "New York Cares Day" at P.S. 155. Volunteers worked alongside the school's teachers, students, and PTA members on several projects to revitalize the school grounds and improve the students' educational environment.

One team of employees spent the day pruning overgrown vegetation and removing trash from an unused school lot that will become a community garden. A group of artistic volunteers coordinated the painting of a large-scale mural, entitled "When I Grow Up," on the front wall of the main school building.

The mural, which shows a variety of career choices, will serve as a visible symbol of the students' professional aspirations. A third team of volun-

teers spent their day painting and redecorating the teacher's lounge—creating a special tribute to the hard-working teachers who dedicate their lives to the children of this East Harlem neighborhood.

P.S. 155 has already undergone a dramatic transformation. Designated as a "Redesign School" in 1998, P.S. 155 was in danger of possible closure due to low standardized test scores. In the last two years, a new dedicated staff, new books, and new furniture have transformed the school into a vital ingredient for growth in the community.



City Kids Become Artists and Architects

Recently, Deutsche Bank teamed up with Doing Art Together—an arts organization working with New York City public schools and social-service organizations that target at-risk families—to sponsor “Art and Architecture,” a week-long cultural arts program for children living in temporary housing.

The program—led by a team of architects, preservationists, artists, and motivational role models—consisted of walking tours, map reading, journal writing, museum trips, and hands-on studio projects.

During the last week of July, thirty children between the ages of eight and 11 were transported from the Bronx to Greenwich House in



New York City children spent a week touring city neighborhoods and meeting local artists. Above, program participants learn about the city's bridges, after which they designed their own models.

Manhattan, their working site for the week. After breakfast each day, they became young architects, learning how to read city maps and blueprints, including place names and building terms, and use their math skills. On

guided tours of the West Village, the children kept journals and drew architectural elements. In art workshops after lunch, they made 3-D building constructions, designed gargoyles, and created group murals.

The World of Finance and You

In keeping with its ongoing commitment to financial literacy, Deutsche Bank—along with American Express, Chase Manhattan Bank, Citigroup, Merrill Lynch, the Federal Reserve Bank of New York, and the New York State Education Department—sponsored a five-day summer institute, “The World of Finance and You: A Financial Literacy Institute for New York State Educators,” during the week of August 14–18. The Institute was organized as a result of the decision by the New York State Commissioner of Education and the New York State Consortium for Financial Literacy to expand the twelfth-grade economics course and make it comprehensive and relevant in today's world. The revised course will include finance, personal financial literacy, and entrepreneurship.

The Federal Reserve Bank of New York acted as the coordinating agency for the Institute, and Merging Business & Academics (MBA) served as the educational consulting firm that organized the program, conducted the evaluations, and prepared the reports and a three-year action plan. During the week, New York State educators were introduced to the world of finance in preparation for the new financial literacy section, the development of instructional activities, and the teacher training for the new curriculum.

Formal presentations included “An Introduction to Financial Markets, Instruments, and Institutions,” “Retail Banking and Credit,” “Personal Financial Planning,” and “The Role of the New York Stock Exchange.” On August 15, the Deutsche Bank Americas Foundation hosted a work-

shop entitled “Wholesale Banking and Global Finance.” The speakers included Ted Virtue, president of Deutsche Banc Alex. Brown and Deutsche Bank Securities; Abraham Gulkowitz, chief global strategist for the Investment Bank at Deutsche Banc Alex. Brown; Gary S. Hattem, president of the Deutsche Bank Americas Foundation/Community Development Group (DBAF/CDG); Mona Lau, head of global diversity; and Asad Mahmood, vice president, DBAF/CDG. They spoke on a variety of topics including corporate social responsibility and investment banking and global finance.

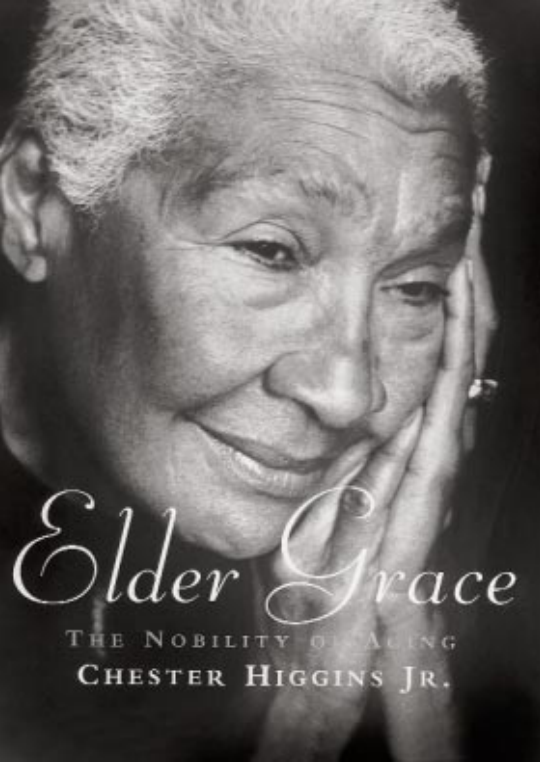
Concluding his presentation on critical economic events affecting banking, Gulkowitz stated: “It is important for students to become acquainted with the economic concept of

risk/return trade offs. It's at the heart of all decision-making and affects all aspects of our lives. Decisions are based on assessing potential upside or return versus likely costs and risks—concepts that can be applied to many aspects of daily life.” At the conclusion of the conference, one participant commented: “Every teacher of economics should be exposed to these ideas. We often get so ‘locked into’ our classrooms that we disassociate ourselves from the real world.”

In 1999 Deutsche Bank began its commitment to introduce financial literacy into the curriculum of the New York City public schools by spearheading Banking on the Future—New York, a program that teaches youth about the importance of banking, checking and savings accounts, and credit and investment.



During the week-long “World of Finance and You” Institute, New York State educators were provided with an in-depth view of Wall Street – from the perspective of the banks, the markets, and financial professionals – in order to help them prepare a viable economics and financial curriculum relevant in the real world.



The New-York Historical Society Welcomes "Elder Grace"

On November 7, the New-York Historical Society and Deutsche Bank will celebrate the opening of "Elder Grace/The Nobility of Aging," a collection of photographs by Chester Higgins, Jr.

The exhibit, which is sponsored by the Deutsche Bank Americas Foundation, features 40 portraits of

African American elders and their thoughts about the experience of aging.

"Elder Grace/The Nobility of Aging" will be on exhibit at the New-York Historical Society from November 7, 2000, through March 4, 2001.

DB Employees Devote Last Hour's Wage to Kids

To mark the new century, Deutsche Bank was proud to serve as the founding sponsor and underwriting partner of the Children's Hour, the Bank's first global corporate citizenship initiative. The campaign called upon every working person to donate his or her last hour's wage of the millennium in order to create a better life for children in the next century.

This global effort was organized by the International Youth Foundation, a non-profit organization that has raised more than \$130 million to benefit children around the world. Two thirds of the funds raised through the Children's Hour in the U.S. were directed to domestic programs, and one third

was earmarked for organizations serving children in developing countries. Local community beneficiaries included Big Brothers Big Sisters of America, Volunteers of America, Boys and Girls Clubs of America, and the National 4-H.

The Deutsche Bank campaign was a success. Although global figures have not yet been tallied, 1,516 employees in the U.S. contributed more than \$175,000 to help create a future of opportunity for disadvantaged children throughout the world. Additionally, the Bank underwrote the administrative costs associated with the worldwide campaign so that *all of the funds* raised through employee contributions will be used to benefit

Private Bank Hosts Summit On Microcredit in India

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a month and, consequently, has become a respected member of her family and her community.

Deutsche Bank's Microcredit Development Fund alone has contributed \$75,000 to SHARE's efforts to effect social change via microcredit lending. SHARE, in turn, has leveraged \$750,000 from local community banks to on-lend to micro-entrepreneurs. In supporting the long-term sustainability of microcredit institutions, like SHARE, and by combining the interests, abilities, reach, and resources of Deutsche Bank and its Private Banking clients, the Bank continues its commitment to comprehensive community development.

Fueling Microfinance in Mexico

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leverage ratio on a DB MDF loan is two to one. Microcredit institutions in turn use the commercially borrowed funds to expand their lending to the poor. The DB MDF enables microcredit programs to grow to scale with the goal of achieving economic self-sufficiency.

FinComun began its activities in 1994 as a for-profit organization with a strong social mission. Its aim is to combat the structural causes of poverty by acting as a financial intermediary, providing community financial services, and linking deposits with the credit needs of the community. It promotes

a savings as well as a solidarity culture that benefits the poor and contributes to family life. While operating a very innovative program, FinComun has maintained a high-quality portfolio with repayment reaching 97 percent. It is one of the first microcredit lenders to establish paperless loan applications and transaction controls through the use of hand-held personal digital assistants. FinComun's largest block of shareholders (42 percent) consists of not-for-profit organizations, and 18 percent of the shareholders are member clients, most of whom are poor.

"We are very pleased to continue

supporting innovative, community-focused financial institutions, such as FinComun, that contribute to Mexico's development," stated Miguel Noriega.

FinComun's general director, Vincente Fenoll Algorta, highlighted the significance of this loan: "We are committed to offering the best financial products to individuals with limited resources in order to aid in their economic development. We are very enthusiastic about the trust that Deutsche Bank brings to us through this loan, and it propels us to continue our efforts."



Newsletter of the Deutsche Bank Americas Foundation and Community Development Group

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