



**Dr. Henning Schulte-Noelle**

## Report of the Supervisory Board

The Supervisory Board performed its duties in accordance with the law and the Articles of Association and continuously supervised the activities of the Bank's management. It was regularly informed in writing and verbally by the Board of Managing Directors on the business policies being considered, fundamental issues concerning the future management of the Bank and corporate planning, the position and development of the Bank and the Group, and key transactions. The Supervisory Board also regularly discussed these matters with the Board of Managing Directors.

In fiscal year 2001, the Supervisory Board met on February 20, April 1, April 3, September 18, and November 27. In its meetings, the Supervisory Board was informed by the Board of Managing Directors with regard to the course of business, significant lending commitments and investments, and other matters of material importance to the Group. This included Allianz AG's share purchase offer to Dresdner Bank AG shareholders, which the Supervisory Board discussed in detail at its extraordinary meeting on 1 April. The Supervisory Board approved the Board of Managing Directors' resolution to recommend to its shareholders that they accept the offer. Later in the fiscal year, the Supervisory Board reviewed the Dresdner Bank Group's development programme, which entails a restructuring around two newly formed divisions, Corporates & Markets and Private and Business Clients. The cost reduction programme instituted by the Board of Managing Directors, with the aim of reducing the workforce by 7,800, and the planned merger of the mortgage bank subsidiaries of Commerzbank AG, Deutsche Bank AG and Dresdner Bank AG were the subject of discussion at the meeting on November 27. The Supervisory Board approved the planned merger of the mortgage bank subsidiaries.

As part of its regular reports, the Board of Managing Directors informed the Supervisory Board about the extent to which Group risk exposure limits had been utilised. The Supervisory Board also conducted an in-depth examination of aspects of risk controlling throughout the Group and dealt with fundamental corporate planning issues, in particular the key figures used for long-term planning.

In accordance with section 27 (3) of the Mitbestimmungsgesetz (German Co-determination Act), the Supervisory Board has formed the following committees: the Executive Committee, the Credit Committee, the Operations Committee, the Accounts Committee, and the Mediation Committee.

The Executive Committee met on five occasions in fiscal year 2001 to discuss human resources issues concerning the Board of Managing Directors and the preparation of individual agenda items for forthcoming Supervisory Board meetings. The Credit Committee met three times to address lending issues and business transactions falling within its area of responsibility as defined by the law and the Articles of Association; decisions on such issues were also taken by circulating documents and by passing resolutions outside meetings. Additional discussions were held with the Board of Managing Directors on the Bank's loan portfolio structure, risk management, and exposures subject to particular risks. The Operations Committee of the Supervisory Board met three times during fiscal year 2001 to consider structural, organisational, social, and other internal issues. At the 2001 meeting of the Accounts Committee, the Dresdner Bank single-entity and consolidated financial statements as at December 31, 2000 were discussed. A meeting of the Mediation Committee was not required.

The Chairman of the Supervisory Board reported regularly to the plenary meeting on the work of the Supervisory Board Committees. In addition to the meetings of the Supervisory Board and its Committees, the Chairman of the Supervisory Board also met frequently with the Board of Managing Directors as a whole, as well as individual members of the Board of Managing Directors, in particular the Chairman of the Board of Managing Directors. These meetings served to discuss business policy issues as well as the position and development of the Bank.

The financial statements and management report of Dresdner Bank AG, prepared in accordance with HGB (German Commercial Code), and the consolidated financial statements and group management report of the Dresdner Bank Group, prepared in accordance with IAS, were audited by PwC Deutsche Revision Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, the auditors appointed by the Annual General Meeting. They granted an unqualified audit opinion.

The auditors' reports were distributed to all members of the Supervisory Board in good time before the meeting of the Supervisory Board convened to adopt the accounts. The reports were discussed during this plenary meeting as well as during the preparatory meeting of the Accounts Committee. The auditors who signed the single-entity and consolidated financial statements were present at both meetings. They gave an account of both their audit as a whole and of major individual items which were specified previously, at the time they were engaged to carry out the audit, and also provided

detailed answers to questions from the members of the Supervisory Board. The Supervisory Board duly noted and approved the auditors' reports. The Supervisory Board examined the single-entity and consolidated financial statements, the management report and the group management report as at December 31, 2000, as presented by the Board of Managing Directors, as well as their proposal for the appropriation of the distributable profit. The final results of this examination did not result in any objections. At its meeting on April 9, 2002, the Supervisory Board therefore approved the financial statements and the management report. The financial statements are thereby approved. The proposal of the Board of Managing Directors for the appropriation of the distributable profit has been approved by the Supervisory Board.

In addition, the Board of Managing Directors presented the Supervisory Board with the report on relations with connected enterprises in accordance with section 312 of the Aktiengesetz (German Public Companies Act) and with the auditors' report on the report on relations with connected enterprises. The auditor issued the following opinion on the basis of the audit, which did not result in any objections:

"On the basis of our audit performed in accordance with professional standards, we confirm that

1. the factual statements in the report are correct,
2. the consideration given by the company in relation to the transactions specified in the report was not unreasonably high,
3. there are no circumstances which would justify, in relation to the acts specified in the report, a materially different opinion than that of the Board of Managing Directors."

The Supervisory Board examined the report on relations with connected enterprises and approved both the report and the audit report on it.

The final results of the Supervisory Board's examination did not give rise to any objections to the declaration made by the Board of Managing Directors at the end of the report on relations with connected enterprises.

The following changes to the composition of the Supervisory Board took place in the course of fiscal year 2001: Mr Klaus Carlin retired from his position as an employee representative at the close of the Annual General Meeting held on May 11, 2001. He was succeeded by Mr Uwe Spitzbarth, who was appointed to the Supervisory Board by way of a court ruling on May 18, 2001.

Mr Meinhard Carstensen retired from the Supervisory Board with effect from December 31, 2001. He was succeeded by Dr. Bernd W. Voss, who was also appointed to the Supervisory Board by way of a court ruling on January 3, 2002. The Supervisory Board would like to thank Mr Carlin and Mr Carstensen for their constructive participation. Dr. Alfons Titzrath retired from his position as Chairman of the Supervisory Board with effect from July 23, 2001. The Supervisory Board elected Dr. Henning Schulte-Noelle as his successor as Chairman of the Supervisory Board. The Supervisory Board would like to thank Dr. Titzrath for his valuable service as Chairman.

The following changes to the Board of Managing Directors took place in fiscal year 2001: The Supervisory Board elected Prof. Dr. Bernd Fahrholz as Chairman of the Board of Managing Directors of Dresdner Bank AG with effect from November 27, 2001. The Supervisory Board also complied with the requests of Prof. Dr. Gerhard Barth and Dr. Joachim v. Harbou to be relieved of their duties as members of the Board of Managing Directors with effect from December 31, 2001. Dr. Bernd W. Voss stepped down from the Board of Managing Directors of Dresdner Bank AG with effect from December 31, 2001, and retired. The Supervisory Board would like to thank all members of the Board of Managing Directors who left the Board during fiscal year 2001 for their contribution to the bank's success.

The Supervisory Board appointed Mr Heinrich Linz as a member of the Board of Managing Directors with effect from April 1, 2001, Mr Klaus-Michael Geiger as a member of the Board of Managing Directors with effect from December 1, 2001, and Mr Klaus Rosenfeld as a member of the Board of Managing Directors with effect from November 1, 2002.

The Supervisory Board would like to thank all employees for their hard work and dedication.

Frankfurt/Main, April 9, 2002

THE SUPERVISORY BOARD



Dr. Henning Schulte-Noelle  
Chairman