INTRODUCTION

“Frankfurt School’s digitisation strategy was launched back in 2018 and continued to evolve throughout 2019. The AI Lab was officially opened at the 2019 New Year’s Dinner and has since established itself as the “place to be” for the AI community. Our Blockchain Centre has further expanded its flagship status in the course of the year. In particular, I am delighted by the success of our continuing efforts to develop and improve everything we do – by setting up, for example, new programmes such as the Master in Corporate Performance & Restructuring, as well as Executive Education courses covering the latest business and management priorities. This steady progress, coupled with the attention the media has been paying to our experts on topical issues such as blockchain or Thomas Cook’s insolvency, has once again highlighted the breadth of academic expertise available here at Frankfurt School. In national and international rankings, we have yet again succeeded in reasserting our credentials as a research-led business school. And finally, our success in fulfilling our key objective – to tackle relevant, urgent issues in our research, teaching and advisory work – has made me very proud.

In this annual report for 2019, we review some of the year’s highlights. As you read it, I hope you will become even more curious about Frankfurt School and what we do here.”

Professor Dr Nils Stieglitz
President of Frankfurt School of Finance & Management
Playground for artificial intelligence: Frankfurt School opens AI Lab

At the New Year reception held in January 2019, Frankfurt School opened our new AI Lab in collaboration with benefactors and business partners. The new AI Lab is intended to act as a central hub for artificial intelligence and digital transformation. It forms part of the business school’s AI Initiative, which also includes the Master in Applied Data Science (MAADS) degree programme, the Centre for Human and Machine Intelligence (HMI), and Executive Education courses on artificial intelligence and digitisation. The AI Lab hosts all kinds of events, including training courses and hackathons.

Alumni come home – Homecoming on the new campus

In September, Frankfurt School celebrated the biggest Homecoming event to date. Held over a weekend, the great reunion attracted alumni from near and far. This year’s event also celebrated the anniversaries of the Classes of 1999 and 2009, who were invited to an exclusive “Reunion Breakfast” hosted by Frankfurt School President Professor Dr Nils Stieglitz. The business school’s Alumni Management team organised various workshops by FS faculty staff, trainers and coaches, and the event’s keynote speaker was Olympic and World fencing champion Britta Heidemann.

Green and Sustainable Finance Cluster Germany in review: State Secretary Kukies at Frankfurt School

In its teaching, research and advisory activities, Frankfurt School addresses the whole field of sustainable finance. This is also why the business school hosts and advises the Green and Sustainable Finance Cluster Germany – a joint venture by Deutsche Börse (the German stock exchange) and the Hessian Ministry of Economics. In August 2019, the Cluster’s steering committee met at Frankfurt School to take stock of developments to date. The meeting was also attended by Dr Jörg Kukies, State Secretary at the Federal Ministry of Finance. On behalf of the German government, he delivered an extremely positive assessment of the Cluster’s efforts and initiatives to progress the development of sustainable financial structures.

Benefactors fund 38 Deutschlandstipendium scholarships for FS students

For the 2019/2020 academic year, our Strategic Relations department has attracted sufficient funding for 38 Deutschlandstipendium scholarships to be awarded to Frankfurt School students – well over the department’s 30-scholarship target. For a scholarship to be awarded, a benefactor must donate a minimum annual amount of EUR 1,800, at which point the federal government will match-fund the scholarship with an additional EUR 1,800, so that each scholarship holder can be paid a monthly amount of EUR 300 over a 12-month period. In addition to the regular monthly EUR 300 payment, the Deutschlandstipendium programme encourages scholarship holders to build valuable personal relationships with their benefactors, who include FS graduates, patrons and philanthropists as well as foundations and company representatives.

Adidas CEO Kasper Rørsted speaks at Frankfurt School

Producing more than 900 million products every year, including 11 million sneakers made out of plastic recovered from the world’s oceans, Adidas also processes more than one million job applications annually. In other words: three stripes and a global brand equals several hundred students all waiting attentively in the Audimax auditorium at 8:00 in the morning of September 17, 2019 for Kasper Rørsted, CEO of Adidas. The Dane has headed the global group since 2016, and while his talk covered strategy, markets and marketing, he also gave his audience some fascinating insights into the everyday life of a CEO: “I’ve always had great bosses, and I’ve always been ready to tackle new, international challenges.” With a generous portion of luck, a willingness to take risks and a positive attitude, he explained, anyone can make a professional success out of their career.

Discussing blockchain and IoT: Expert panel includes Sanjay Brahmawar, CEO of Software AG

In September 2019, Sanjay Brahmawar, CEO of Software AG, was a keynote speaker at an event entitled “The Machine Economy – Blockchain and the Internet of Things.” Together with Dr Carsten Stöcker, founder of startup Spherity, and Professor Dr Philipp Sandner, Director of Frankfurt School’s Blockchain Centre, he discussed the potential of new technologies such as blockchain. The event also focused on the opportunities for digital transformation offered by smart, networked devices, and the potential benefits associated with ever-increasing quantities of data. Using customer examples, Sanjay Brahmawar demonstrated how to generate business-relevant added value from data. The Internet of Things, for example, enabled a mechanical engineering firm to develop a new business model. Sanjay Brahmawar also emphasised that digital transformation is not simply a matter of finding the “right” technologies. “Digital transformation must be preceded by a fundamental rethink. Companies and their employees must review everything they do and find alternative approaches to tasks and processes.”
FRANKFURT SCHOOL AT A GLANCE – FACTS & FIGURES

December 2019

Our locations
- Main campus – Frankfurt am Main
- Two study centres – Hamburg and Munich
- Seven project offices – Ankara, Amman, Dubai, Brussels, Istanbul, Nairobi and Beijing
- Project offices around the world and advisory mandates in emerging and developing nations
- International education projects such as the Kinshasa EMBA in the Democratic Republic of the Congo

Subsidiaries
- efiport GmbH (digital media and campus learning management – CLM – systems)
- Frankfurt School Financial Services GmbH (responsible finance asset management)
- Frankfurt School Student Consulting GmbH

Students (academic year 2018/2019)
- 2,462 Total
- 797 of whom are international students
- 887 Graduates

Our employees
- 469

Revenues 2019 (excluding subsidiaries)
- € 80.5 MILLION

Our faculty
- 67 Professors
- 8 Lecturers
- 63 Doctoral candidates

Rankings
- QS Global EMBA Ranking 2018
  #3 in Germany, #20 in Europe
- QS Global World University Rankings – Master in Management 2019
  #4 in Germany, #47 worldwide
- QS Global World University Rankings – Master of Finance 2019
  #3 in Germany, #43 worldwide
- FT Master in Management Ranking 2019
  #5 in Germany, #36 worldwide
- FT European Business School Ranking 2019
  #4 in Germany, #32 in Europe
- FT Executive MBA Ranking 2019
  #3 in Germany, #80 worldwide

Accreditations
Frankfurt School continued to expand its faculty during 2019. By December 2019, 67 tenure-track and tenured professors and eight lecturers were working at the business school. This makes Frankfurt School one of the largest Business Administration faculties in Germany.

Frankfurt School receives financial support from alumni, friends, companies and foundations. Every donation assists and is spent directly on the business school's efforts to become one of Europe's leading business schools. In 2019, numerous alumni, private individuals, foundations and companies continued to support Frankfurt School with their donations. Total donations to the Frankfurt School of Finance & Management foundation and Frankfurt School of Finance & Management gGmbH exceeded EUR 643,935.

The largest single donations in 2019 were:
- €250,000: Commerzbank Foundation
- €80,000: Dr. Werner Jackstädt Foundation
- €47,664: Frankfurt School Alumni e.V.
Frankfurt School regularly takes top spots in national and international university rankings, making it an attractive centre of higher education for students and educators alike. In the latest Financial Times ranking, Frankfurt School’s Master of Finance degree course was the highest placed of any German university. According to business magazine Wirtschaftswoche, Frankfurt School is also one of the ten highest-performing universities engaged in Business Administration research in the German-speaking world. In their research, faculty staff address the very latest high-relevance topics such as central banks’ monetary policy. Together with colleagues from other universities, Professor Dr Sascha Steffen published a research paper entitled A capital structure channel of monetary policy in the world-famous Journal of Financial Economics. The paper’s authors examined the impact of the monetary policy-driven decision by central banks to buy corporate bonds on a large scale. Their conclusion: This initiative is causing commercial banks to lose their lending business with eligible companies; consequently they are replacing it by making loans to other companies. Professor Steffen and his colleagues describe this as the “capital structure channel” of monetary policy. According to the researchers, the positive impact of this monetary policy-based channel lies in reducing restrictions on the granting of new loans to private companies and boosting investment. On the downside, banks are consequently focusing their activities on riskier segments of the economy.

Professor Dr Tobias Berg and a Frankfurt School graduate examined in their study (“Digitale Fußabdrücke im Kredit-Scoreing – Ein Vergleich von traditionellen statistischen und Machine Learning Verfahren”) “digital footprints” in credit scoring. The term “digital footprints” describes the traces constantly left behind by people in cyberspace. The conclusion: Even simple, easily accessible “digital footprint” variables left behind by the simple act of accessing or registering on a website are valuable for predicting consumers’ payment behaviour. These “digital footprint” variables are thus a valuable alternative data source for classifying risks in retail banking.

In business journal Wirtschaftsdienst, Professor Dr Philipp Sandner commented on the German government’s blockchain strategy published in September 2019. From a researcher’s perspective, the Head of Frankfurt School’s Blockchain Centre regards this national strategy as a good basis for corporate planning and investment, due to the new legal framework proposed.

In a study commissioned by Deutsche Börse, (“Zur Rätsel der Aktienmarktteilnahme in Deutschland”), Professor Dr Michael Grote, Professor Dr Sebastian Eckert and colleagues found that Germans consider their financial knowledge to be too limited for making investments on the stock market and are extremely risk-averse. Over 50 percent of Germans who do not hold shares rate the statement “I don’t have sufficient knowledge to invest on the stock market” as accurate.

Frankfurt School offers students excellent teaching, individual support and personal contact with faculty staff on a campus with cutting-edge infrastructure. In 2019, the business school ran the following academic programmes:

Bachelor of Science in Business Administration with the following concentrations:
- Auditing and Consulting (KPMG)
- Finance (Business Administration)
- Digital Business (Business Information Systems)
- International Management
- Management, Philosophy & Economics
- Marketing & Innovation Management
- Corporate Governance & Regulation

Bachelor of Arts – study programme for professionals with concentrations as follows:
- Bachelor in Business Administration
- Bachelor in Finance & Management (lateral entry)

Master programmes
- Master in Auditing (part-time)
- Master in Applied Data Science
- Master in Corporate Performance & Restructuring (part-time)
- Master of Finance
- Master of Financial Law (part-time)
- Master in Management
- Master of Mergers & Acquisitions (part-time)
- Master of Leadership in Development Finance (online) (part-time)

MBA and EMBA programmes
- Executive MBA
- MBA in International Healthcare Management
- The Frankfurt MBA (full-time)
- The Frankfurt MBA (part-time)
- MBA for Executives, Kinshasa

Doctoral programmes
- Accounting
- Finance
- Management
**PROFESSIONAL & EXECUTIVE EDUCATION**

In addition to academic programmes, Frankfurt School offers programmes and professional as well as executive education for professionals. These include executive education for executives tailored to the specific needs of participants and companies ranging from automotive manufacturers to pharmaceutical companies, IT firms to financial institutions. Frankfurt School’s executive education continued to enjoy very high attendance levels in 2019, and the business school developed a number of new, highly topical programmes.

## 2019: Year in review

<table>
<thead>
<tr>
<th>25,004</th>
<th>Participants in total</th>
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<tbody>
<tr>
<td>573</td>
<td>Open seminars (7,178 participants)</td>
</tr>
<tr>
<td>43</td>
<td>Open e-learning programmes</td>
</tr>
<tr>
<td>60</td>
<td>Open online-seminars</td>
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### Graduates of the study programmes for professionals

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<th>734</th>
<th>Bankfachwirt</th>
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<tr>
<td>353</td>
<td>Bankbetriebswirt</td>
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<tr>
<td>184</td>
<td>Management Studies</td>
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</tbody>
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### Noteworthy projects in 2019

**Making the most of digital transformation**

Digital transformation is having a massive impact on products, services, processes and business models. This is why it is so important to focus on making the most of the potential for innovation inherent in the accompanying changes. Frankfurt School has set up a new concentration, “IT & Digitalisation”, for helping companies and their employees to develop their skills in this area. The new concentration includes certification courses on “Digital Business”, “AI for Business”, “Data Science and Artificial Intelligence”, “Blockchain” and “Cybercrime”.

**Doctors who are also managers: hospital’s leading doctors**

In Germany, doctors are trained with enormous, professional care to meet exceptionally high medical standards. At the same time, however, they are given scarcely any training in the arduous duties involved in running an entire hospital or hospital department. And yet hospital business management—including key soft skills—from an integral part of the daily lives of leading hospital doctors. In view of the economic situation of Germany’s healthcare system, a mix of different skills is vital for successfully managing hospitals and hospital departments. Consequently, in 2019, Frankfurt School joined with leading medical experts to set up a training programme on the topic of hospital leadership and management, which is now recognised by the Wise State Medical Association.

**Compliance — more important than ever**

To cope with the growing complexity of national and international requirements relating to compliance, consistent, high-quality training courses for compliance officers are more important than ever before. Companies must, after all, be able to rely implicitly on their compliance specialists to be knowledgeable and proactive at international level. Any non-compliances could have a long-term impact on a company’s reputation, effectively representing a major operational risk. The aim of Frankfurt School’s European Certified Compliance Professional (ECCP) programme, launched in 2019, is to provide a group of international participants with the expertise they need, together with the opportunity to learn and work together across national boundaries. Consequently, the new Frankfurt School programme combines e-learning, scheduled online-sessions and online case studies with classroom training sessions that facilitate on-campus discussions with the business school’s specialist lecturers and practitioners.

## INTERNATIONAL ADVISORY SERVICES

**IAS Beratungsgeschäft**

Frankfurt School signs agreement to assist in establishing a National Development Bank in Tunisia

To boost sustainable economic growth in Tunisia and ensure the stability of the country’s financial sector, Frankfurt School signed a landmark agreement to provide assistance with the establishment and operation of a new National Development Bank (Banque des Régions – BdR) in Tunisia. A technical assistance (TA) programme has initiated the legal, regulatory, strategic and organisational development of the BdR. Once the BdR has been set up, Frankfurt School will take care of staff training and development, and of ensuring the long-term sustainability of BdR operations. The development bank will support the country’s SME sector by providing financial and non-financial services. The project has a budget of approximately EUR 4.5 million and is scheduled to run for 36 months; it was commissioned by KfW (Germany’s national development bank) and the Tunisian Ministry of Finance.

**FS-UNEP Collaborating Centre for Climate & Sustainable Energy Finance**

In 2019, the FS-UNEP Centre organised a broad range of successful projects around the world, expanding the Centre’s strategic position as a leading climate-finance think tank with a high level of visibility both in Germany and internationally. The Centre’s sustainable finance activities showed particularly strong growth.

**Finance fit for Paris (FIP) tracker**

Working together with WWF Germany, the FS-UNEP team developed an analytical tool for measuring the compatibility of regulatory regimes governing national financial markets with the Paris Climate Convention. This should result in greater transparency concerning the implementation of Article 2.1c of the Convention. So far, the FIP tracker has been used at EU level, but also for individual countries including Germany, France, Italy, Spain, the Netherlands and Brazil. The results have been discussed with the respective national financial industry regulators and NGOs in a series of bilateral talks and launch events. The FIP tracker has, for example, helped the French Autorité des Marchés Financiers (AMF) to expand the scope and ambition of its Green Finance approach.

**TCFD Think Tank**

In the future, financial institutions will be required to systematically disclose the extent to which they are exposed to climate risks and opportunities, and how they are dealing with them strategically. The recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) provide a solid framework for making climate-related disclosures, although operational implementation is largely left to the financial institutions themselves. In a joint initiative with Green and Sustainable Finance Cluster Germany e. V., the FS-UNEP Centre has founded the TCFD Think Tank. The think tank’s objective is to overcome the challenges involved in putting the TCFD recommendations into operation by working together with financial players in Frankfurt. A series of workshops and publications have already laid the groundwork for enabling Frankfurt’s financial institutions to initiate this operationalisation. Further exploration of the issues involved is planned for a follow-up project in 2020.

**Afreximbank – technical assistance programme for climate finance**

The FS-UNEP Centre has started a three-year joint venture with the Africa Export Import Bank (Afreximbank) with the aim of developing and implementing the bank’s new climate finance strategy. Afreximbank is a leading multilateral financial institution that provides financial services across the continent in support of intra- and extra-African trade flows. The FS-UNEP team will advise Afreximbank on the best ways to expand its investments and provide additional resources to build and diversify low-carbon, climate-resilient growth and trans-African trade. Other features of the project include the subsequent development of suitable instruments, the redesign of processes, and the provision of training, all of which will be carried out by the FS-UNEP team in close collaboration with the bank.

**Noteworthy projects in 2019**

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- Doctors who are also managers: hospital’s leading doctors
- Compliance — more important than ever

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