Credit Rating Report
Deutsche Bank AG

Morningstar DBRS
2 July 2025

Contents

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Credit Ratings

Debt	Credit Rating	Credit Rating Action	Trend
Long-Term Issuer Rating	A (high)	Upgraded June '25	Stable
Short-Term Issuer Rating	R-1 (middle)	Upgraded June '25	Stable
Intrinsic Assessment	A (high)	--	--

Credit Rating Drivers

Factors with Positive Credit Rating Implications

- Given the recent rating action, an upgrade of the credit ratings is unlikely in the short-term. An upgrade would require the Bank to demonstrate a longer-track record of recurrent profitability improvement whilst maintaining current levels of operating efficiency.
- It would also require the Bank to maintain solid asset quality and capital ratios.

Factors with Negative Credit Rating Implications

- Morningstar DBRS would downgrade DB's ratings in case of a significant deterioration in the risk profile or capital metrics.
- A substantial deterioration in profitability to levels far below medium-term targets would also lead to a downgrade.

Credit Rating Considerations

Franchise Strength (Very Strong/Strong)

- Global franchise in Investment Banking, Corporate Banking, and Asset Management combined with a sizable German Retail business and an international Private Banking business.

Earnings Power (Good/Moderate)

- Consistently improving core profitability through progress on the cost side, upward trend in revenues and contained cost of risk, albeit still somewhat higher than similarly rated peers. While profitability remains modest compared with other global investment banks, it is now more in line with the European average.

Risk Profile (Good)

- Highly diversified loan book with exposures across industries and geographies, supported by a large exposure to the resilient German home market that offsets riskier exposures such as U.S. CRE. The Bank is adequately provisioned against potential litigation issues.

Funding and Liquidity (Strong)

- The funding profile is diversified, underpinned by a substantial deposit base and solid and regular access to the wholesale forms of wholesale funding. The liquidity position is strong and well-managed.

Capitalisation (Strong/Good)

- Solid regulatory capital ratios, with ample buffers over regulatory requirements. Internal capital generation supported by earnings momentum and reliable access to equity markets.

Financial Data Through 2024	Scorecard Building Block Assessment	Grids Building Block Assessment	Combined Building Block Assessment
Franchise	VS	S	VS/S
Earnings	G/M	G/M	G/M
Risk	G/M	S/G	G
Funding & Liquidity	S/G	S	S
Capitalisation	G	S	S/G

Overall Assessment	Intrinsic Assessment Range (IAR)	Assigned IA
S/G	['AA (low)', 'A (high)', 'A']	A (high)

Financial Information

	For the Year Ended December 31 (IFRS)				
(In EUR million unless otherwise stated)	**2024**	**2023**	**2022**	**2021**	**2020**
Total Assets	1,387,177	1,312,331	1,336,788	1,323,993	1,325,259
Gross Loans to Customers	483,235	479,426	486,616	473,870	433,552
Income Before Provisions and Taxes (IBPT)	9,654	8,252	6,889	4,834	4,208
Net Attributable Income	3,366	4,772	5,525	2,365	495
Net Interest Margin (%)	1.16	1.29	1.29	1.22	1.42
Cost-to-Income Ratio (%)	67.89	71.39	74.30	80.97	82.53
LLP / IBPT (%)	18.96	18.24	17.80	10.65	42.59
Cost of Risk (%)	0.39	0.31	0.25	0.12	0.41
CET1 Ratio (%)	13.80	13.70	13.40	13.20	13.60

Source: Morningstar, Inc., company documents. Morningstar, Inc. data and Morningstar DBRS calculations based on company disclosure.

Note: Figures may not tie with reported data given Morningstar DBRS' standardised approach across global banks.

Issuer Description

Deutsche Bank AG (DB or the Bank) is a global financial services company with a significant international capital markets franchise, a corporate bank with a focus on German and multinational companies, an asset manager that maintains solid market positioning in Germany and across Europe, as well as a predominantly German retail and a more international private bank.

Credit Rating Rationale

On June 25, 2025, we upgraded the credit ratings on DB, including the Bank's Long-Term Issuer Rating to A (high) from "A" and the Bank's Short-Term Issuer Rating to R-1 (middle) from R-1 (low). At the same time, we changed the trends on all ratings to Stable.

The upgrade of DB's credit ratings reflects the continued progress the Bank has made in implementing its strategic transformation programme and meeting its medium-term profitability targets, something that was almost entirely achieved by Q1 2025. In our view, DB now benefits from a business mix allowing more predictable revenue sources, focusing on key growth areas. Despite the impact of one-off items in 2024, in our view, DB has continued to grow its core profitability. This was further evidenced in Q1 2025, with the Bank reporting its best quarter in 14 years. We note that despite the volatile market conditions, increased geopolitical tensions, and uncertainty surrounding the macroeconomic environment, DB still managed to post strong revenue growth and lower operating expenses, owing to further cost savings initiatives, which largely offset higher loan loss provisions related to the environment. In addition, we believe that the Bank is in a good position to maintain these trends throughout the year, despite the normalising interest rate environment and trade tensions, with the better economic outlook in Germany also providing comfort. Nevertheless, the current credit rating level also reflects that despite showing improved profitability, DB continues to lag other global peers on profitability, although it is closing the gap. At the same time, the Bank has maintained a conservative risk profile and a diversified loan book, which has so far mitigated potential asset quality deterioration, despite some issues in Commercial Real Estate that eased in Q1 2025.

The upgrade also reflects that we now consider corporate governance issues to be largely legacy items and that most of the litigation potential issues to be adequately provisioned. In our view, that the Bank now benefits from restored confidence in its franchise.

DB's credit ratings continue to be underpinned by its global franchise and leading position in Germany as well as its high degree of business diversification. In addition, DB continues to benefit from a sound funding profile, thanks to a large and stable deposit base mostly in Germany, supplemented by a diversified and moderate reliance on wholesale funding. On top of this, the Bank maintains strong liquidity cushions. Finally, the credit ratings reflect the Bank's solid capital levels, with ample buffers over regulatory requirements and supported by sound internal capital generation.

DB's IA of A (high) is now at the midpoint of the Intrinsic Assessment Range, as we view DB's credit fundamentals and performance as commensurate with those of similarly rated peers.

Franchise Strength

Scorecard Building Block Assessment	Grids Building Block Assessment	Combined Building Block Assessment
Very Strong	Strong	Very Strong/Strong

The franchise strength scorecard assessment is higher compared with the grids. The scorecard is mainly based on size, whereas the grids take into consideration certain qualitative aspects, including recent restructuring, former governance, and litigation issues.

With total assets of EUR 1.4 trillion at the end of Q1 2025, DB operates globally, but has a regional focus on Europe, and Germany in particular. The Bank offers a wide range of products and services across Investment Banking, Private Banking (including Retail), Corporate Banking, and Asset Management. After the successful implementation of a strategic transformation programme, we view DB as having returned to a growth path. In Q1 2025, DB has already or is well on track to reach most of the targets established for 2025. These include a post-tax return on tangible equity (ROTE) of at least 10% and a CIR of less than 65%. This is expected to be achieved mainly through revenue growth, as the Bank has regained financial flexibility to invest, but also cost containment through significant cost savings initiatives put in place.

The Bank's business mix results in about 40% of revenues generated within the Investment Bank (IB), 22% in the Corporate Bank (CB), 29% within Private Banking (PB), and 9% within Asset Management (AM). We note that IB revenues have benefitted from market volatility since 2019 which has continued in 2024 and Q1 2025. Asset Management has also benefitted from increased volatility, but also from market share gains. Corporate and Private Bank have generally benefited from higher rates although this is slowing down.

Exhibit 1 Net Revenues by Segment, 2022 – Q1 2025

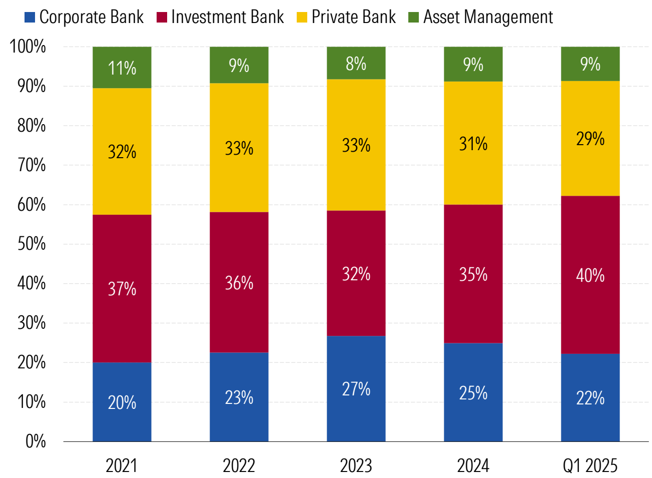
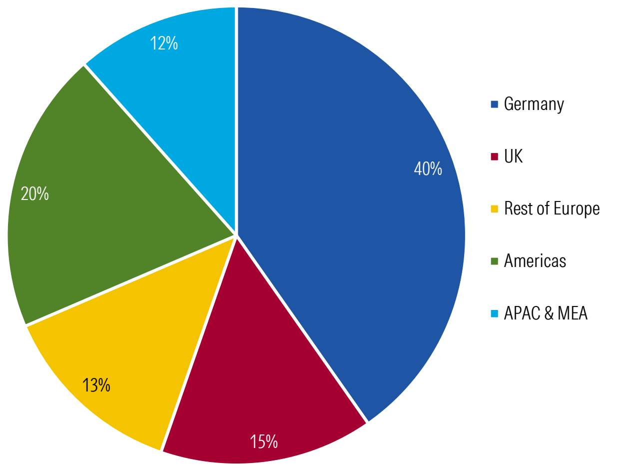


Exhibit 2 Geographic Distribution of Net Revenues, 2024



Sources: Morningstar DBRS, Company Reports.

Investment Bank (IB) – Net Revenues of EUR 10.6 billion in 2024; EUR 3.4 billion in Q1 2025

DB's global Investment Bank (IB) provides financing, market making/liquidity provision, risk management solutions, advisory, debt, and equity issuance with key strengths in Fixed Income and Currency (FIC) Sales & Trading as well as Debt Origination. Contributing 35% of 2024 net revenues (40% in Q1 2025), the IB represents a significant part of DB's business. To counter the high dependence on FIC revenues following the exit from the scale-driven Equity Sales & Trading business and the sale of its Prime Brokerage business, DB has made targeted hires in Origination & Advisory, which resulted in market share growth in the segment. In addition, the Bank acquired Numis in 2023, a boutique investment bank with significant market shares in the UK to further develop in the O&A franchise and ranks among the top 10 leading franchises in the segment. On top of this, the Bank is targeting a top-four position in FIC globally and a top-three position in EMEA.

Corporate Bank (CB) – Net revenues of EUR 7.5 billion in 2024; EUR 1.9 billion in Q1 2025

The Corporate Bank is a leading provider of cash management, trade finance, lending, and foreign exchange for German and multinational corporate clients. The division also provides correspondent banking, trust & agency, and securities services to financial institutions. In addition, business banking services are provided to small corporates and entrepreneurs. As part of its strategic initiatives, the Bank is growing all of its segments through deepening coverage relationships with sector-specific teams, capturing key clients in what the group has identified as key growth market and further developing foreign exchange and Escrow.

Private Bank (PB) – Net Revenues of EUR 9.4 billion in 2024; EUR 2.4 billion in Q1 2025

Within this segment, the Private Bank Germany offers retail and wealth management services under the Deutsche Bank and the Postbank brand. The Retail Bank has over 20 million retail clients in Germany, benefitting from scale and increased digital investments and had EUR 632 billion in assets under management (AUM) at the end of March 2025. The Bank focused on serving clients based under two distinct categories: Wealth Management & Private Banking, focusing on high and ultra-high-net-worth clients as well as some commercial clients in some specific international business, and Personal Banking, targeted at retail and affluent customers, as well as small businesses and corporates. DB has successfully transferred all Postbank customers to the DB IT platform, and reduced branches, bringing significant cost synergies. The International Private Bank offers private banking services to individuals and commercial clients. DB strives to further grow its franchise especially focusing on entrepreneurs, ultra-high-net-worth families, and globally affluent clients across Europe under a digitally led model.

Asset Management (AM) – Net Revenues of EUR 2.6 billion in 2024; EUR 0.7 billion in Q1 2025
DB has one of the leading asset management businesses globally with AUM of EUR 1.0 trillion at the end of Q1 2025, mainly managed by DWS Group GmbH & CO (DWS) in which DB holds a stake of around 80%. While asset management is attractive for banks due to its low capital needs, competition remains strong, and scale is key. DB focuses on efficiency gains through digitalisation, cost cuts, strategic alliances, and has been growing in the more profitable segments, Passive and Alternatives. This resulted in AUM growth and overall improvement in revenues.

2025 Financial Goals
DB has set specific targets for 2025, which include a post-tax ROTE of at least 10% and a CIR of less than 65% and a CET1 ratio in the range of 13.5-14.0%. DB plans to realise further cost savings of around EUR 2.5 billion to be partly reinvested in the franchise, of which 85% were already achieved at the end of Q1 2025. We believe the Bank is on track to deliver on further cost savings and achieved their target. In addition, DB had targeted a revenue CAGR for the 2021—25 period, of 5.5-6.5% which it already achieved (6.1% at the end of Q1 2025). In that context, and with our expectation that there will not be further one-off items such as the Postbank related one-off charge in 2024, we view the Bank as well placed to achieve its cost-to-income ratio target.

Earnings Power

Scorecard Building Block Assessment	Grids Building Block Assessment	Combined Building Block Assessment
Good/Moderate	Good/Moderate	Good/Moderate

The earnings power scorecard assessment is lower compared with the grids, as the scorecard incorporates a limited number of metrics and takes into account FY 2024, which was affected by one-off items. We factored into the grids the balanced revenue diversification, the successful implementation of cost savings initiatives, and the overall expectation that core profitability should improve going forward.

In our view, DB's core profitability has improved significantly over recent years driven by the restructuring programme implemented since 2019. While 2024 was affected by the Postbank one-off litigation provision, underlying results have proven to be solid. This has continued in Q1 2025 with DB reporting its highest quarterly profit in 14 years. The Bank achieved this through a combination of strong revenue growth and lower operating expenses, which largely offset higher loan loss provisions (LLPs). As a result, the Bank's return on equity was close to 12% in Q1 2025, much improved from previous levels and above 2025 targets. We expect continued revenue growth and previous cost optimisation efforts to improve the Bank's profitability this year and provide leeway to navigate the challenging geopolitical environment. In addition, this places DB in a good position to achieve its 2025 targets.

Annual Results

In 2024, DB posted a lower net profit at EUR 2,698 million for FY 2024, down 36% from EUR 4,212 million for FY 2023, reflecting the overall negative impact of litigation items on the full-year results; nonrecurrence of the positive DTA valuation adjustments, which occurred last year; and higher provisions for credit losses offsetting revenue growth. As a result, the return on tangible equity (ROTE) was 4.7% in 2024 compared with 6.7% in 2023. However, excluding litigation provisions, adjusted ROTE was 7.1%, which remains well above the run rate of 2021 and 2020.

Revenues stood at EUR 30.1 billion in 2024, up 4% year over year (YOY). This was mainly driven by the strong performances in Investment Banking (revenues up 15% YOY to EUR 10.6 billion), driven by overall market volatility and a strong Fixed Income & Currencies (FIC) revenue growth as well as Asset Management (revenues up 11% YOY to EUR 2.6 billion), due to AUM growth, exceeding EUR 1.0 trillion for the first time, notably driven by DB's growing franchise in passive investment products. This more than offset the decrease in Corporate and Private Bank revenues. Corporate Bank revenues were down around 3% YOY, albeit from a strong 2023 base, on deposit margin normalisation in the lower higher interest rate environment. The latter also affected Private Bank revenues, which were slightly down 1.9% YOY. Net interest decreased around 4% YOY at EUR 13.1 billion, due to lower interest rates, although partly offset by growth in deposit revenues; however, this was more than offset by a strong 13% growth in fees and commissions and again strong growth in trading income, up 24% YOY.

Exhibit 3 Profitability Evolution, 2021–24, Q1 2024–Q1 2025

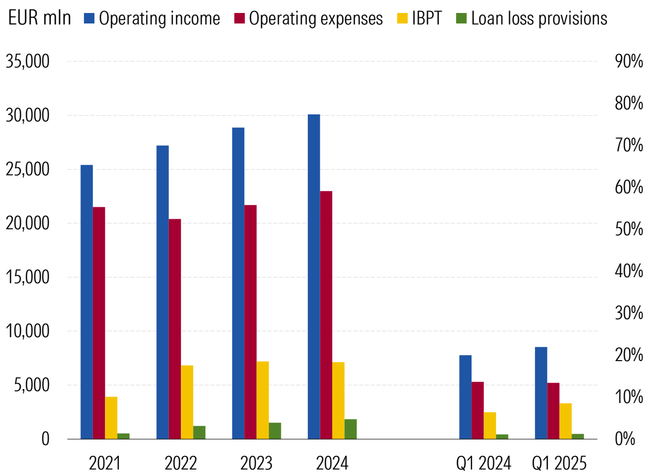
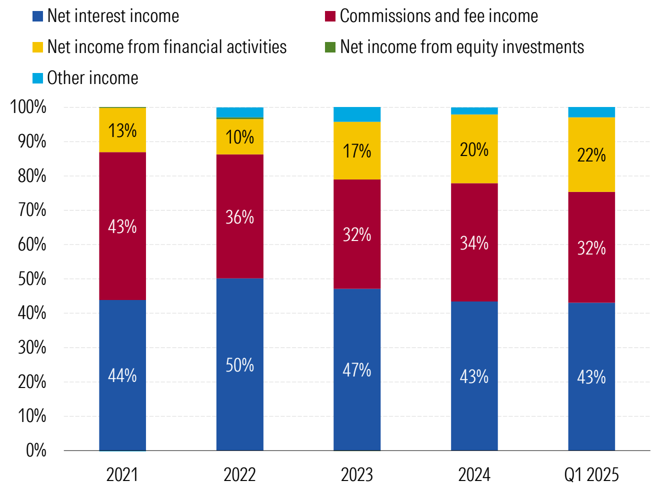


Exhibit 4 Operating Income Breakdown, 2021–Q1 2025



Sources: Morningstar DBRS, Company Reports.

The Bank was able to maintain its operational efficiency. Reported noninterest expenses were up 6% YOY to EUR 23.0 billion, on the back of higher nonoperating costs that included EUR 1.7 billion of litigation charges, including the EUR 900 million related to the Postbank's takeover. Excluding these items, adjusted operating costs were actually down 1% to EUR 20.4 billion, thanks to the successful cost savings measures implemented by the Bank. While the reported cost-to-income was slightly up to 76% in 2024, this is still improved compared with historical levels. In addition, the adjusted cost-to-income ratio as calculated by us stood at 67.7% compared with 71.2% in 2023, evidencing the successful delivery of the Bank's key objectives.

Provisions for credit losses stood at EUR 1.8 billion in 2024, up from EUR 1.5 billion in 2023, mostly due to Commercial Real Estate (CRE) exposures as well some corporate credit events and residual impacts from the Postbank integration in the Private Bank. Almost all provisions were related to Stage 3 loans. As a result, the cost of risk represented 38 basis points (bps) of average loans compared with 31 bps last year and at the higher end of the guidance provided by the Bank.

Q1 2025 Results

DB reported its highest quarterly profit in 14 years at EUR 2,012 million in Q1 2025, up from EUR 1,451 million in Q1 2024. The Bank achieved this through a combination of strong revenue growth and lower operating expenses, which largely offset higher LLPs. DB was also not affected by significant one-off items as in previous quarters. As a result, the Bank's return on equity was 11.9% in Q1 2025, much improved from 4.7% in 2024 and 7.4% in 2023 and above its target of 10.0% for 2025. Revenues grew 10% YOY as the Bank delivered EUR 0.7 billion of incremental revenues in Q1 2025 out of the total EUR 2.0 billion planned for the year. This was driven by strong dynamics in almost all business lines, with a robust Investment Bank performance, fuelled by Origination and Advisory (O&A); strong growth in Asset Management revenues; and a rebound in the Private Bank division while Corporate Bank revenues remained fairly stable YOY. In our view, this reflects solid momentum and previous efforts implemented to optimise its franchise, thanks to DB's strategy of leveraging strong fee-generating business lines over the years. We view this as key for the Bank to offset the pressure in net interest income from the lower interest rate environment. DB has continued to improve its operating efficiency with cost discipline supported by ongoing optimisation initiatives, notably branch closures and reductions in full-time employees. In line with its guidance for 2025, noninterest expenses were down 2% YOY while adjusted costs were up 2% YOY, mainly driven by higher compensation and benefits. As a result, the Bank's cost-to-income ratio was 61% in Q1 2025, below its target of 65% and much below 2023 and 2024 figures of 75% and 76%, respectively. This supports our view that DB has taken the necessary steps in terms of cost optimisation to improve its operating efficiency going forward. However, provisions for credit losses were up 7% YOY to EUR 471 million in Q1 2025. Stage 3 provisions further decreased, in line with previous quarters; however, Stage 1 and 2 provisions were higher because of overlays instituted to anticipate potential tariff-related impacts but also potential corporate defaults amid the current challenging environment. The cost of risk was 39 bps in Q1 2025, in line with levels reported in 2024.

Exhibit 2 2025 Targets vs. Q1 2025 Achievements

	Official 2025 Targets	Achieved Q1 2025
Revenue Compound Annual Growth Rate (%)	5.5 to 6.5	6.1
Cost-to-Income Ratio (%)	<65%	61.2
Risk-Weighted Asset Reductions (EUR billions)	25 to 30	28
Post-Tax ROTE (%)	>10	11.9

Source: Morningstar DBRS; company documents.

Risk Profile

Scorecard Building Block Assessment	Grids Building Block Assessment	Combined Building Block Assessment
Good/Moderate	Strong/Good	Good

The risk profile scorecard assessment is much lower compared with the grids assessment. In the grids, we reflect the high level of diversification of the overall portfolio, which mitigates more vulnerable parts of it.

We view DB's risk profile as sound, benefitting from a highly diversified loan book with exposures across industries and geographies. The Bank's credit quality stability is further supported by a large exposure to the resilient German home market, a low exposure to unsecured consumer loans, and robust risk management framework including hedging mechanisms and high levels of collateralisation. In our view, the high level of diversification greatly offsets the risks stemming from the Bank's presence in CRE, particularly in the troubled U.S. office market. Considering the current geopolitical events, the Bank has identified the implementation of U.S. tariffs as a key risk theme and implemented overlays accordingly. The breadth of export-oriented industries affected, including automotive, manufacturing, consumer goods, chemicals, and metals and mining, remain of good quality across the Bank's portfolios and the vulnerable exposures are well managed. In this context, an additional broader macroeconomic overlay has also been applied based on a more pessimistic outlook across U.S. macroeconomic variables.

Credit Risk

Deutsche Bank's loan portfolio is fairly diversified in terms of geographies, with significant exposures in Germany (45%), the Rest of Europe (23%), and North America (22%). The Bank also has exposures in the Asia Pacific region. In the U.S., the exposure stems mainly from the Investment Bank and from loans to large multinational corporations. Credit exposure is distributed between the Private Bank and the Corporate and Investment Bank.

DB benefits from its robust home market environment, with the German mortgage loan book within the Private Bank division accounting for 31% and contributing to a well-balanced portfolio mix in terms of revenue stability and credit risk. This is supported by the 12% loan book exposure to wealth management, which we also view as risk efficient. Overall, we consider DB's high reliance on the Private Bank business as a good balance to riskier business segments like the Investment Bank, which is exposed to market volatility.

Exhibit 5 Loan Book Composition by Geography, end-2024

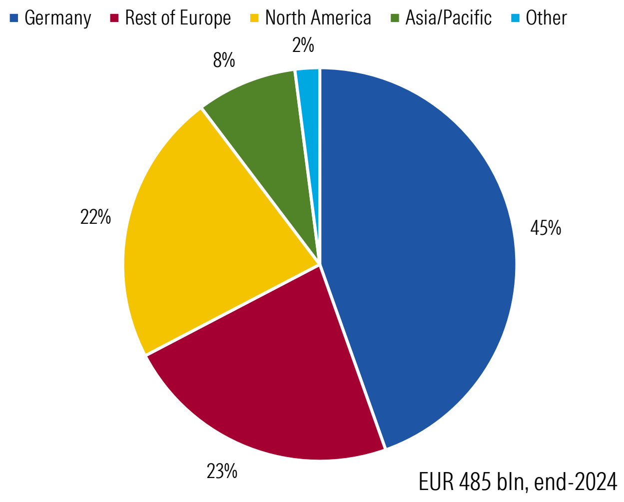
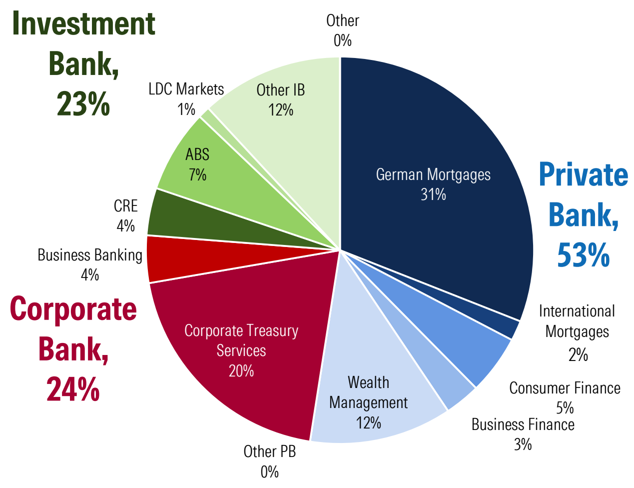


Exhibit 6 Loan Book Composition by Segment, end March-2025

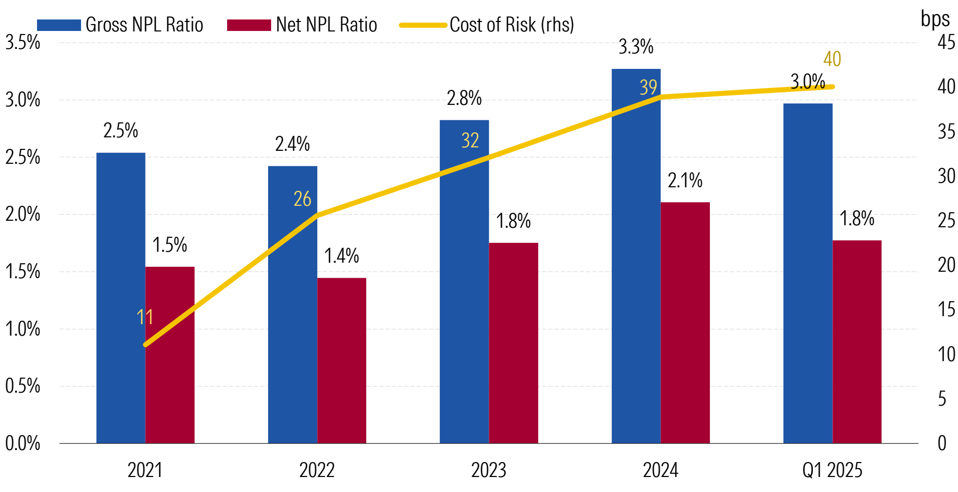


Sources: Morningstar DBRS, Company Reports.

Asset Quality Trends

The Bank's gross nonperforming loan ratio as calculated by us improved to 3.0% at end-Q1 2025 from 3.3% at year-end 2024 and 3.1% at end Q1 2024. In Q1 2025, the Bank booked EUR 471 million in quarterly loan loss provisions, compared with EUR 420 million in the previous quarter and EUR 439 million in Q1 2024. This is reflected in an annualised cost of risk (COR) as calculated by us of 40 bps in Q1 2025, up by 5 bps quarter over quarter (QOQ) and 3 bps YOY, and in line with international peers. Furthermore, Stage 1 and 2 provisions remained elevated at EUR 130 million in Q1 2025 and include overlays for potential tariff-related impacts, as well as other economic and geopolitical developments. Nevertheless, we note that the downward trend in Stage 3 provisions, which were down 27% YOY, indicate signs of normalisation. While we note that the levels of NPL coverage are moderate at 41% at end-March 2025, up from 36% at YE2024 as calculated by us, this is mitigated by adequate collateral backing.

Exhibit 7 Asset Quality Metrics



Sources: Morningstar DBRS, Company Reports.

Market risk

The Bank has demonstrated effectively managed market risk even during times of high market volatility in recent years; however, the Bank's large commercial real estate footprint in the U.S. attracted attention during the turmoil in the sector in Q4 2023 and Q1 2024. DB uses limits for value-at-risk (VaR), economic capital and portfolio stress tests to manage market risk in various trading books. In 2024, the average one-day trading value-at-risk decreased 23% YOY to EUR 31 million. This decline was mainly due to a roll-off effect if high market volatility in H1 2023, as well as a reduction in risk levels under fixed income and currencies trading business. Nevertheless, VaR continued to increase in Q1 2025, reflecting the heightened market volatility. Despite the heightened market volatility, the absence of significant losses underscores the robustness of DB's models and processes.

Commercial Real Estate

With a total CRE nonrecourse loan portfolio of around EUR 35 billion, comprising 7% of the Group's lending portfolio as at end-March 2025, DB's exposure to the sector is broadly in line with European peers. Moreover, the Group remains among the German banks with the least exposure relative to total loans, considering that the CRE lending scene in its home market is dominated by specialised banks and the public-owned Landesbanken. Nevertheless, among German banks, DB has the highest exposure to U.S. CRE as a proportion of total CRE loans. In particular, the U.S. CRE portfolio in scope of severe stress accounts for 54% of the Bank's total CRE lending at end-March 2025, of which 46% corresponds to offices. Since Q4 2023, the CRE sector, particularly the U.S. office segment, has faced elevated stress, primarily driven by remote work habits and rising interest rates, resulting in reduced office demand. However, we view this as manageable given the Bank's low exposure to this sector (1.4% of total loans), with a portfolio consisting of prime offices in the main U.S. financial hubs.

While we note that some signs of stabilisation are evident in some European CRE markets, including Germany, also supported by the interest rate cuts since mid-2024, the CRE market outlook remains uncertain and, in our view, a full recovery is unlikely in the short term. In the U.S., where 54% of DB's CRE portfolio is located, has also seen signs of stabilisation reflected in flattening valuation across subsegments, while offices are still facing value declines.
The Bank's CRE NPL ratio, as calculated by us, was relatively high at 9.5% at end-2024 up from a high level the year before 8.4% following a substantial NPL influx from the U.S. office segment in F2023.

Reflecting the elevated risks in the sector, and despite DB's relatively low exposure to the segment, we note that LLPs related to CRE made up around 27% of the total,

Exhibit 8 CRE Loans in Scope of Severe Stress by Sector, end-March 2025

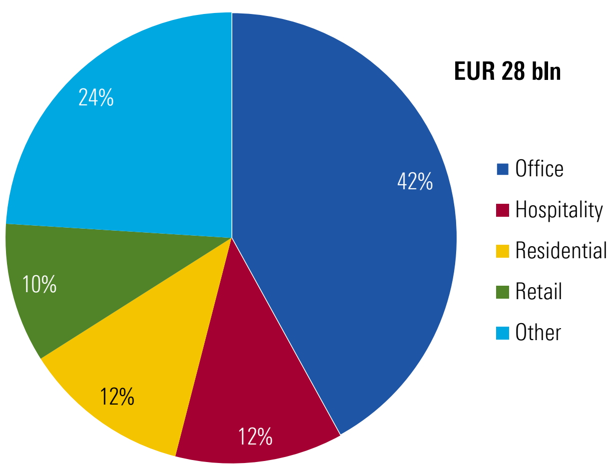
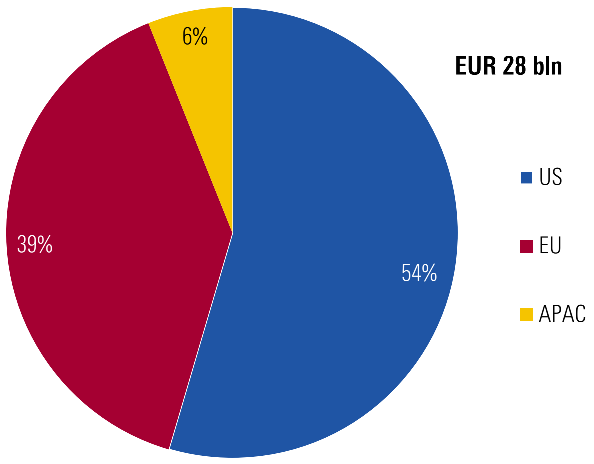


Exhibit 9 CRE Loans in Scope of Severe Stress by Geography, end-March 2025



Sources: Morningstar DBRS, Company Reports.

Operational Risk

DB has faced challenges related to conduct risk, affecting its finances and reputation. However, the Bank has made significant strides in addressing legal issues, reducing their financial impact. Additionally, ongoing efforts to enhance anti-financial crime processes remain under intense regulatory scrutiny. During the second half of 2024, DB faced significant challenges following the integration of Postbank's IT systems, which has resulted in service disruptions and customer lockouts. Despite assurances of a smooth transition, the migration of 12 million clients and 50 billion data sets has overwhelmed service centres and disrupted critical workflows. This prompted the German financial regulator BaFin to step in and increase oversight. We see, however, that most of the operational shortcomings involving the integration of Postbank have been resolved and consider that the Bank's related provisioning is adequate.

Litigation Risk

In 2024, DB had reported litigation charges of EUR 1.9 billion significantly up from EUR 676 million in the previous year, mainly driven by higher provision from civil litigation and external fraud charges due to two material litigation cases, with the remainder being nonlitigation cases.

We note that most of the litigation provisions stem from the ongoing Postbank costs, reflected in a net impact of EUR 906 million in FY 2024. In October 2025, the Higher Regional Court of Cologne rules against the Bank, as it found Postbank shareholders' claims valid. At the time, the Bank had settled with 70% of the plaintiffs representing 62% of the total claims value.

In addition to Postbank, the Bank has other litigation cases, including the foreign exchange mortgage case, which also affects other European banks, which resulted in an EUR 500 million impact in FY 2024. Furthermore, the RusChemAlliance litigation, also affecting other European banks, including DB's Corporate Bank, had an impact of EUR 262 million in Q4 2024, while other litigation charges across a number of less relevant cases were EUR 366 million in FY 2024.

Funding and Liquidity

Scorecard Building Block Assessment	Grids Building Block Assessment	Combined Building Block Assessment
Strong/Good	Strong	Strong

The funding and liquidity profile scorecard assessment is slightly lower compared with the grids assessment as the grids incorporate the solid liquidity profile, namely the high proportion of secured deposits, as well as the high level of funding diversification and extended maturity profile.

In our view, DB's funding profile as robust and prudently managed, underpinned by a well-diversified and stable deposit base and a moderate reliance on wholesale funding. The Group's primary funding stems from its extensive customer base, with consolidated customer deposits of EUR 665 billion at end-March 2025, up from EUR 666 billion at end-2024 , and accounting for approximately 50% of total liabilities. At end-March 2025, the Bank's loan-to-deposit (LTD) ratio of 72%, fairly stable from end-2024. We view the Bank's deposits as diverse and granular, primarily originating from the German home market. Most German retail deposits and approximately 40% of all customer deposits are insured by the statutory guarantee scheme, with additional protection from the voluntary guarantee scheme of German private banks.

The Bank's solid liquidity position also supports its credit profile. The Bank operates a comprehensive liquidity management framework and reported high quality liquid assets (HQLA) remained high at around EUR 231 billion at end-March 2025. The Bank already had completed the full repayment of TLTRO in Q1 2024. Also confirming a solid liquidity position, the Bank reported LCR and NSFR ratios well above the regulatory requirements of 134% and 119%, respectively, at end-March 2025. The Bank is planning to issue between EUR 15 billion and EUR 20 billion to meet its 2025 funding requirements. By end-April 2025, DB already completed more than a third of its yearly issuance plan, which provides more timing flexibility in the current times of heightened macroeconomic uncertainty.

Exhibit 10 Funding Mix, 2021–Q1 2025

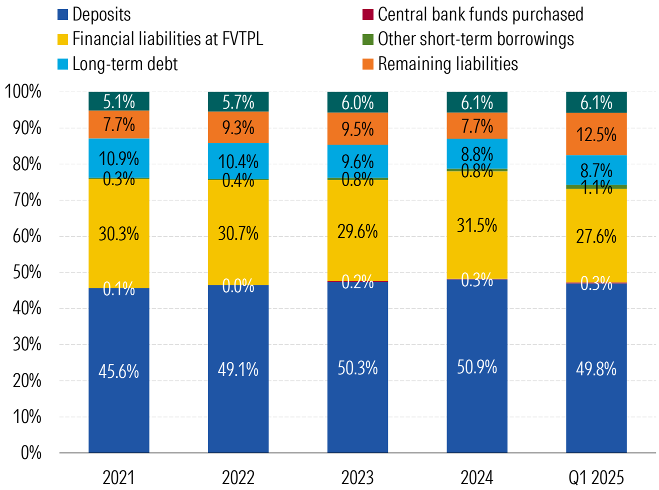
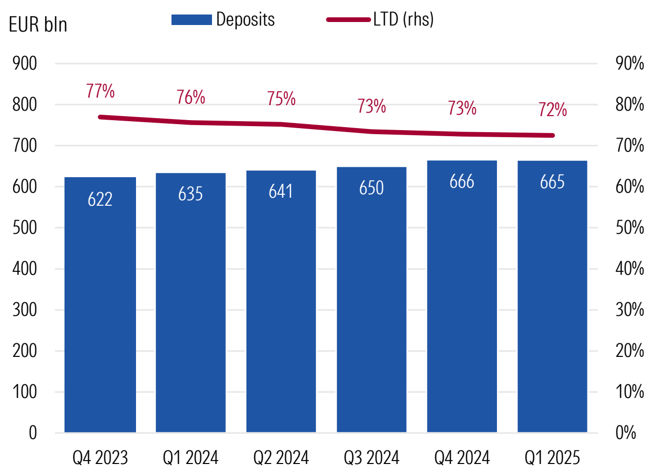


Exhibit 11 LtD Ratio Evolution, Q4 2023–Q1 2025



Sources: Morningstar DBRS, Company Reports.

Capitalisation

Scorecard Building Block Assessment	Grids Building Block Assessment	Combined Building Block Assessment
Good	Strong	Strong/Good

The capitalisation scorecard assessment is lower compared with the grids assessment as the grids incorporate the strong internal capital generation capacity as well as the frequent access to the wholesale capital markets, which has built up the high total loss absorption capacity.

We view DB's capital position as robust, driven by the Bank's strong earnings momentum and capital efficiency measures, which support internal capital generation. This is further strengthened by the Bank's reliable access to the wholesale capital markets. At end-March 2025, the CET1 capital ratio was 13.8% up from 13.4% in Q1 2024, as organic capital generation could offset the absorption of litigation items throughout the year and the capital deduction for the EUR 750 million share buyback. During Q1 2025, the CET1 ratio was down slightly by 2 bps as the strong first-quarter net income net of AT1 and dividend deductions was offset by equity compensation, the foreign exchange impact on account of the AT1 call and other capital changes. The leverage ratio remained broadly stable QOQ at 4.6% at end-March 2025, comfortably above the 3.85% requirement applicable since 1 January 2024. The total capital ratio was 19.2% at end-March 2025.

Exhibit 12 Capital Ratios (Phased-In) versus Requirements, end-March 2025

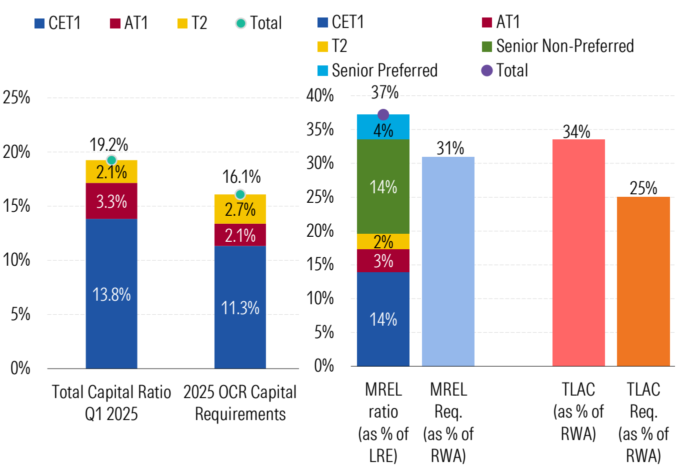
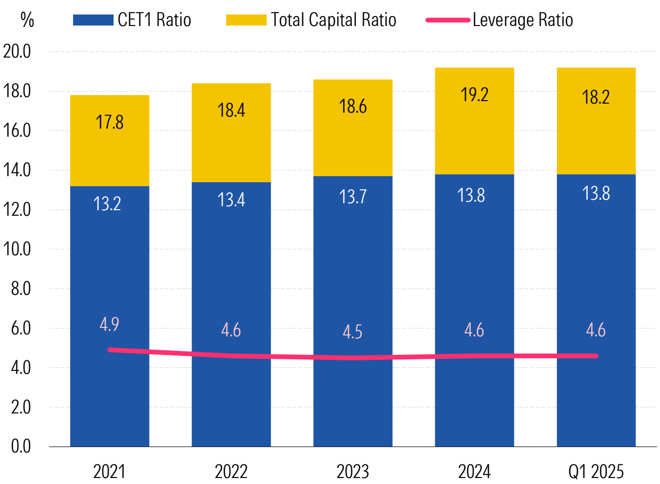


Exhibit 13 Capital Ratios Evolution, 2021 – Q1 2025



Sources: Morningstar DBRS, Company Reports.

As a result, the Bank maintained comfortable buffers over the minimum SREP CET1 capital ratio requirement of 11.32%, which includes a minimum Pillar 1 Capital Requirement of 4.5%, a Pillar 2 Requirement of 1.63%, a Capital Conservation Buffer of 2.50%, a 0.69% Countercyclical/Systemic risk buffer (CCyB/SyRB), and a Global/Other Systemic Institutions (G-SII/O-SII) buffer of 2.0%. The SREP requirement for Total Capital ratio is 16.09%. The Bank maintains its guidance for CET1 ratio at around 13% by end-2025 and to keep a similar payout ratio. In May 2025, DB requested permission to the ECB to conduct a share buyback in H2 2025 on top of its EUR 750 million programme started in April 2025. In addition, the Bank maintained its dividend guidance of EUR 1.00 per share for F2025, which is subject to a 50% payout ratio.

In addition, we note that DB comfortably meets the Minimum Requirement for Own Funds and Eligible Liabilities (MREL) standards. At end-March 2025, the Group's MREL ratio was 37% over risk-weighted assets (RWAs), well above the 31% requirement. Finally, DB's total loss-absorbing capacity (TLAC) is sound, at 33% compared with a requirement of 23% over RWAs.

ESG Factor		ESG Credit Consideration Applicable to the Credit Analysis: Y/N		Extent of the Effect on the ESG Factor on the Credit Analysis: Relevant (R) or Significant (S)*
Environmental		Overall:	N	N
	Emissions, Effluents, and Waste	Do we consider that the costs or risks for the issuer or its clients result, or could result, in changes to an issuer's financial, operational, and/or reputational standing?	N	N
	Carbon and GHG Costs	Does the issuer face increased regulatory pressure relating to the carbon impact of its or its clients' operations resulting in additional costs and/or will such costs increase over time affecting the long-term credit profile?	N	N
	Land Impact and Biodiversity	Is there a financial risk to the issuer due to the loss of biodiversity and/or the mitigation of such loss, including land conversion and rehabilitation?	N	N
	Climate and Weather Risks	In the near term, will climate change and adverse weather events potentially disrupt issuer or client operations, causing a negative financial impact?	N	N
		In the long term, will the issuer's or client's business activities and infrastructure be materially affected financially by physical and/or transition risks under key IPCC climate scenarios?	N	N
		Climate and Weather Risks	N	N
	Passed-through Environmental credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by environmental factors (see respective ESG checklist for such issuer)?	N	N
Social		Overall:	N	N
	Social Impact of Products and Services	Do we consider that the social impact of the issuer's products and services pose a financial or regulatory risk to the issuer?	N	N
		Do changes in consumer behaviour or secular social trends pose a financial or regulatory risk to the issuer?	N	N
		Social Impact of Products and Services	N	N
	Human Capital and Human Rights	Is the issuer exposed to staffing risks, such as the scarcity of skilled labour, uncompetitive wages, or frequent labour relations conflicts, that could result in a material financial or operational impact?	N	N
		Do violations of rights create a potential liability that can negatively affect the issuer's financial wellbeing or reputation?	N	N
		Human Capital and Human Rights	N	N
	Product Governance	Does failure in delivering quality products and services cause damage to customers and expose the issuer to financial and legal liability?	N	N
	Data Privacy and Security	Has misuse or negligence in maintaining private client or stakeholder data resulted, or could it result, in financial penalties or client attrition to the issuer?	N	N
	Community Relations	Does engagement, or lack of engagement, with local communities pose a financial or reputational risk to the issuer?	N	N
	Access to Basic Services	Does a failure to provide or protect with respect to essential products or services have the potential to result in any significant negative financial impact on the issuer?	N	N
	Passed-through Social credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by social factors (see respective ESG checklist for such issuer)?	N	N
Governance		Overall:	Y	R
	Bribery, Corruption, and Political Risks	Do alleged or actual illicit payments pose a financial or reputational risk to the issuer?	N	N
		Are there any political risks that could affect the issuer's financial position or its reputation?	N	N
		Bribery, Corruption, and Political Risks	N	N
	Business Ethics	Do general professional ethics pose a financial or reputational risk to the issuer?	N	N
	Corporate / Transaction Governance	Does the issuer's corporate structure allow for appropriate board and audit independence?	N	N
		Have there been significant governance failures that could negatively affect the issuer's financial wellbeing or reputation?	Y	R
		Does the board and/or management lack a formal framework to assess climate related financial risks to the issuer?	N	N
		Corporate / Transaction Governance	Y	R
	Passed-through Governance credit considerations	Does this rating depend to a large extent on the creditworthiness of another rated issuer which is impacted by governance factors (see respective ESG checklist for such issuer)?	N	N
		Consolidated ESG Criteria Output:	Y	R

* A Relevant Effect means that the impact of the applicable ESG Factors has not changed the rating or rating trend on the issuer.
A Significant Effect means that the impact of the applicable ESG Factors has changed the rating or trend on the issuer.

ESG Considerations

Environmental

We do not view the environmental ESG factor as affecting the Group's credit ratings or trends. Compared with global peers, the Bank has limited exposure to oil, gas, coal, and related industries. Also, the Bank has made efforts to improve its environmental impact, namely by setting out a new fossil fuel policy under which the Bank intends to end its coal mining related business activities by 2025 at the latest. We note that climate risk is incorporated into DB's overall risk management policies. The Bank is part of the Net-Zero Alliance and has signed up for the Task Force on Climate-Related Financial Disclosures, which has been taken over by the IFRS Foundation.

Social

The Social factor does not affect the credit ratings or trends assigned to Deutsche Bank. The Bank is making efforts to improve its social standing through the implementation of internal bank policies on social factors such as gender diversity and work/life balance. We note that since the invasion of Ukraine, there have been increased concerns of cybersecurity attacks, which could have serious effects on a bank's franchise and earnings in the event of a substantial data breach or security failure. However, we note that while DB has not reported any significant data breaches or cybersecurity attacks, these could have significant reputational and financial consequences for ING.

Governance

The Governance factor does not affect the ratings or trend assigned to Deutsche Bank. However, as a result of shortcomings in the Bank's Anti-Money Laundering (AML) framework and deficiencies in the Bank's internal control issues, the Corporate Governance subfactor is still considered as relevant. This has been reflected in the Bank's risk building block grades. The Bank has made progress regarding its internal controls and AML framework, but is still subject to regulatory scrutiny, which carries the potential for financial penalties. More recently, the Frankfurt Public Prosecutor's Office concluded its investigation on the Bank's asset manager DWS, which was fined EUR 25 million over "greenwashing" in the context of ESG assets. An outsized fine related to AML or other could have an impact on the ratings or the trend in the future. Finally, the unfavourable ruling related to the Postbank acquisition resulted in a significant provision affecting the Bank's FY 2024 profit.

A potential governance risk is related to the Russian invasion of Ukraine. EU banks need to ensure that they are blocking and identifying any potential illicit payments from sanctioned individuals and/or businesses, and any noncompliance with the imposed sanctions could lead to fines and reputational consequences over time.

Deutsche Bank AG

	1		2	3	4	5
Financial Data Through 2024	**Scorecard Indicator**	**Scorecard Indicator Data**	**Scorecard Indicator Assessment**	**Scorecard Building Block Assessment**	**Grids Building Block Assessment**	**Combined Building Block Assessment**
Franchise	Adjusted Assets	956	VS	**VS**	**S**	**VS/S**
	Sovereign Rating Category	20	VS			
Earnings	Return on Equity	5.62%	M	**G/M**	**G/M**	**G/M**
	Return on Assets	0.42%	G/M			
	IBPT/Avg.Assets	0.83%	G/M			
Risk	Net NPLs/Net Loans	1.80%	G/M	**G/M**	**S/G**	**G**
	Provisions/IBPT	19.28%	S/G			
Funding & Liquidity	Sovereign-Adjusted Funding Ratio	87.2%	S/G	**S/G**	**S**	**S**
Capitalisation	Sovereign-Adjusted Capital Ratio	13.65%	S	**G**	**S**	**S/G**
	NPL/[Equity + Loan Loss Reserves]	17.45%	S/G			
	5-Year Accumulated Net Income/Total Assets	1.70%	G/M			

6	7			8
Overall Assessment	**Intrinsic Assessment Range (IAR)**			**Assigned IA**
S/G	AA (low)	A (high)	A	**A (high)**

Notes: (1) based on financial data as of FY 2024. (2) For more information see “Global Methodology for Rating Banks and Banking Organizations” published on 23 May 2025. (3) IAR and IA refer to bank-level rating.

Annual Financial Information

	For the Year Ended December 31 (IFRS)				
	2024	2023	2022	2021	2020
Balance Sheet (EUR million)					
Cash & Cash Equivalents*	162,030	189,758	193,239	206,970	180,852
Investments in Financial Assets	496,138	437,110	451,975	451,180	525,392
Gross Loans to Customers	483,235	479,426	486,616	473,870	433,552
Loan Loss Reserves	(5,668)	(5,170)	(4,790)	(4,754)	(4,808)
Net Lending to Customers	477,567	474,256	481,826	469,116	428,744
Total Assets	1,387,177	1,312,331	1,336,788	1,323,993	1,325,259
Deposits from Customers	568,341	531,001	536,404	519,435	492,599
Debt & Capital Lease Obligations	151,777	144,506	146,879	156,717	161,386
Total Liabilities	1,307,745	1,237,514	1,264,460	1,255,962	1,263,062
Total Equity	79,432	74,817	72,328	68,031	62,197
Income Statement (EUR million)					
Net Interest Income	13,064	13,602	13,650	11,154	11,526
Non Interest Income	16,984	15,273	13,006	14,149	12,442
Equity Method Results	12	(38)	152	98	120
Total Operating Income	30,060	28,837	26,808	25,401	24,088
Total Operating Expenses	20,407	20,588	19,918	20,567	19,880
Income Before Provisions and Taxes (IBPT)	9,654	8,252	6,889	4,834	4,208
Loan Loss Provisions (LLP)	1,830	1,505	1,226	515	1,792
Irregular Income/Expenses	(2,533)	(1,069)	(69)	(929)	(1,395)
Net Attributable Income	3,366	4,772	5,525	2,365	495
Growth (%) - YOY Change					
Net Interest Income	(3.96)	(0.35)	22.38	(3.23)	(16.17)
Total Operating Income	4.24	7.57	5.54	5.45	4.01
Total Operating Expenses	(0.88)	3.36	(3.16)	3.46	(8.03)
IBPT	16.99	19.79	42.51	14.88	172.36
Net Attributable Income	(29.46)	(13.63)	133.62	377.78	(109.18)
Gross Loans & Advances	0.79	(1.48)	2.69	9.30	(0.49)
Deposits from Customers	7.03	(1.01)	3.27	5.45	(0.56)
Earnings (%)					
Net Interest Margin	1.16	1.29	1.29	1.22	1.42
Non-Interest Income / Total Revenue	56.50	52.96	48.52	55.70	51.65
Cost-to-Income Ratio	67.89	71.39	74.30	80.97	82.53
LLP / IBPT	18.96	18.24	17.80	10.65	42.59
Return on Avg Assets (ROAA)	0.26	0.37	0.41	0.19	0.05
Return on Avg Equity (ROAE)	4.51	6.66	8.12	3.73	0.81
IBPT over Avg RWAs	2.72	2.31	1.90	1.42	1.28
Internal Capital Generation	2.75	5.43	7.23	3.73	0.81
Risk Profile (%)					
Cost of Risk	0.39	0.31	0.25	0.12	0.41
Gross NPLs over Gross Loans	3.22	2.79	2.41	2.52	2.73
NPL Coverage Ratio	36.37	38.63	40.89	39.87	40.58
Net NPLs over Net Loans	2.08	1.73	1.44	1.53	1.64
NPLs to Equity and Loan Loss Reserves Ratio	18.66	17.11	15.55	16.78	18.11
Funding & Liquidity (%)					
Net Loan-to-Deposit Ratio	84.03	89.31	89.83	90.31	87.04
Liquidity Coverage Ratio	131.00	140.00	135.00	142.00	145.00
Net Stable Funding Ratio	121.00	121.00	120.00	121.00	n/a
Capitalisation (%)					
CET1 Ratio	13.80	13.70	13.40	13.20	13.60
Tier1 Ratio	17.00	16.10	15.70	15.70	15.70
Total Capital Ratio	19.20	18.60	18.40	17.80	17.80
Leverage Ratio	4.60	4.50	4.60	4.90	4.80
Dividend Payout Ratio	39.01	18.50	11.04	0.00	0.00

Source: Morningstar, Inc., company documents. Morningstar, Inc. data and Morningstar DBRS calculations based on company disclosure.

Note: Figures may not tie with reported data given Morningstar DBRS' standardised approach across global banks.

*Includes loans to banks.

Credit Rating Methodology

The applicable methodology is the *Global Methodology for Rating Banks and Banking Organisations* (23 May 2025), and *Morningstar DBRS Criteria: Approach to Environmental, Social, and Governance Factors in Credit Ratings* (16 May 2025), which can be found on our website under Methodologies.

Credit Ratings

Issuer	Debt Rated	Credit Rating Action	Credit Rating	Trend
Deutsche Bank AG	Long-Term Issuer Rating	Upgrade	A (high)	Stable
Deutsche Bank AG	Long-Term Senior Debt	Upgrade	A (high)	Stable
Deutsche Bank AG	Long-Term Deposits	Upgrade	A (high)	Stable
Deutsche Bank AG	Short-Term Issuer Rating	Upgrade	R-1 (middle)	Stable
Deutsche Bank AG	Short-Term Debt	Upgrade	R-1 (middle)	Stable
Deutsche Bank AG	Short-Term Deposits	Upgrade	R-1 (middle)	Stable
Deutsche Bank AG	Senior Non-Preferred Debt	Upgrade	A	Stable
Deutsche Bank AG	Long Term Critical Obligations Rating	Upgrade	AA	Stable
Deutsche Bank AG	Short Term Critical Obligations Rating	Upgrade	R-1 (high)	Stable

Ratings History

Issuer	Debt Rated	Current	2024	2023	2022	2021
Deutsche Bank AG	Long-Term Issuer Rating	A (high)	A	A	A (low)	A (low)
Deutsche Bank AG	Long-Term Senior Debt	A (high)	A	A	A (low)	A (low)
Deutsche Bank AG	Long-Term Deposits	A (high)	A	A	A (low)	A (low)
Deutsche Bank AG	Short-Term Issuer Rating	R-1 (middle)	R-1 (low)	R-1 (low)	R-1 (low)	R-1 (low)
Deutsche Bank AG	Short-Term Debt	R-1 (middle)	R-1 (low)	R-1 (low)	R-1 (low)	R-1 (low)
Deutsche Bank AG	Short-Term Deposits	R-1 (middle)	R-1 (low)	R-1 (low)	R-1 (low)	R-1 (low)
Deutsche Bank AG	Senior Non-Preferred Debt	A	A (low)	A (low)	BBB (high)	BBB (high)
Deutsche Bank AG	Long Term Critical Obligations Rating	AA	AA (low)	AA (low)	A (high)	A (high)
Deutsche Bank AG	Short Term Critical Obligations Rating	R-1 (high)	R-1 (middle)	R-1 (middle)	Stable	Stable

Previous Actions

- Morningstar DBRS Upgrades Deutsche Bank's Long-Term Issuer Rating to A (high), Changes Trend to Stable, 25 June 2025.
- Morningstar DBRS Changes Trend on Deutsche Bank AG to Positive from Stable, Confirms its Issuer Ratings, 26 June 2024.
- Morningstar DBRS Upgrades Deutsche Bank's Long-Term Issuer Rating to 'A', Stable trend, 29 June 2023.
- Morningstar DBRS Confirms Deutsche Bank's A (low) Long-Term Issuer Rating, Trend Changed to Positive, 1 July 2022.
- Morningstar DBRS Confirms Deutsche Bank's A (low) Long-Term Issuer Rating, Trend Changed to Stable, 1 July 2021.

Related Research

- European Banking: Earnings Trends and Outlook Amid Global Trade Tensions, 23 June 2025.
- European Capital Markets Revenues Reached Record Highs in Q1 Boosted by Elevated Volatility and Despite Global Uncertainty, 2 June 2025.
- CRE Lending Continued to Pressure German Banks' Asset Quality in 2024, 7 May 2025.
- Deutsche Bank Already on Track to Achieve 2025 Targets Following Record Q1, 29 April 2025.
- Stronger Capital Market Revenue Outlook for European Banks Amid U.S. Tariffs and Elevated Market Volatility, 22 April 2025.

- Higher Tariffs Could Increase European Banks' Low Cost of Risk, 15 April 2025.
- Deutsche Bank: Q4 2024 Results Affected by One-Off Legal Provisions Offsetting Solid Revenue Growth, 30 January 2025.

Previous Reports

- Deutsche Bank AG: Credit Rating Report, 2 July 2024.
- Deutsche Bank AG: Rating Report, 13 July 2023.
- Deutsche Bank AG: Rating Report, 19 July 2022.
- Deutsche Bank AG: Rating Report, 16 July 2021.

European Bank Ratios & Definitions

- Bank Ratio Definitions, 14 March 2022

About Morningstar DBRS
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