

Deutsche Bank



# Deutsche Bank's strategic evolution to 2025

#PositiveImpact

Christian Sewing  
Chief Executive Officer

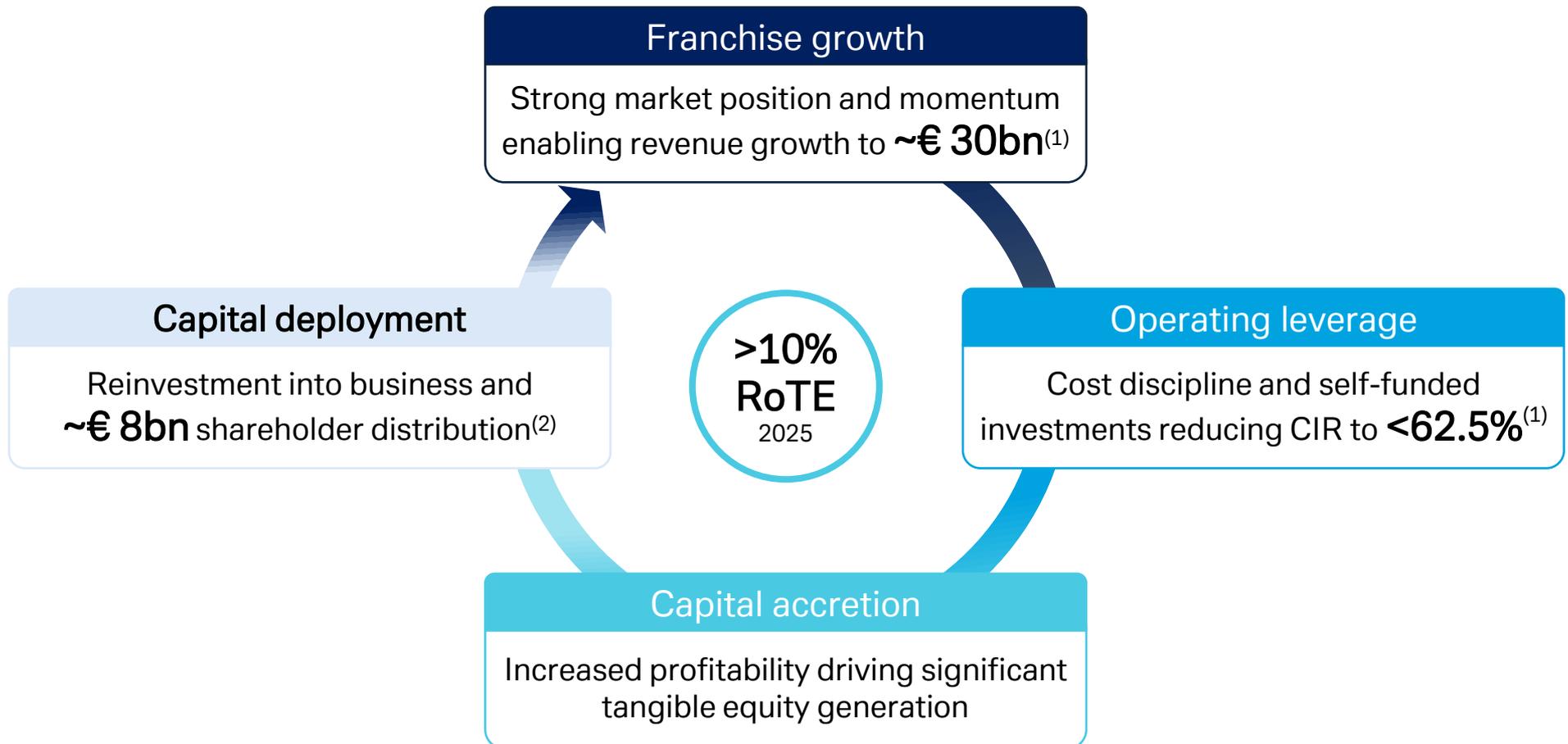
10 March 2022

# Differentiated strategy to deliver sustainable growth



- Strong and resilient foundation across four leading **client-centric** business divisions
- **Positioned to grow** on the back of robust balance sheet and key themes of the coming decade
- Continued **efficiency and self-funding** of investments
- Clear path to drive **shareholder value creation**

# Driving solutions for our clients and value creation for shareholders



Note: Throughout this presentation totals may not sum due to rounding differences and percentages may not precisely reflect the absolute figures

(1) Targeted by 2025

(2) Anticipated cumulative payout in respect of FY 2021-2025 (i.e. including distributions in respect of 2025, payable in 2026) subject to meeting strategic targets and German corporate law requirements, AGM authorization and regulatory approvals



## Your Global Hausbank



The preferred “first call” partner for your financial needs

Prudent risk management and strong balance sheet

# Anchored in one of the strongest economies globally



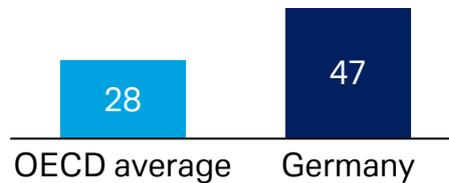
## Growing and stable market

Strongest economy in Europe

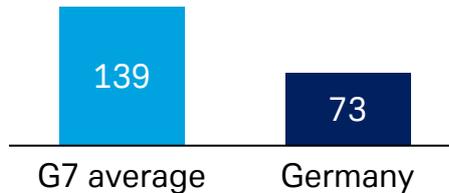
Low debt levels

Highly competitive corporate sector

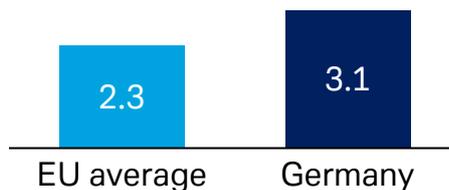
Exports as % of GDP in 2021<sup>(1)</sup>



Government debt as % of GDP in 2021<sup>(2)</sup>



R&D expenditure as % of GDP in 2020<sup>(3)</sup>



## Unique Global Hausbank positioning



Serving the global needs of export-oriented corporates



Intermediating financing, investments and risk management for corporates and institutions



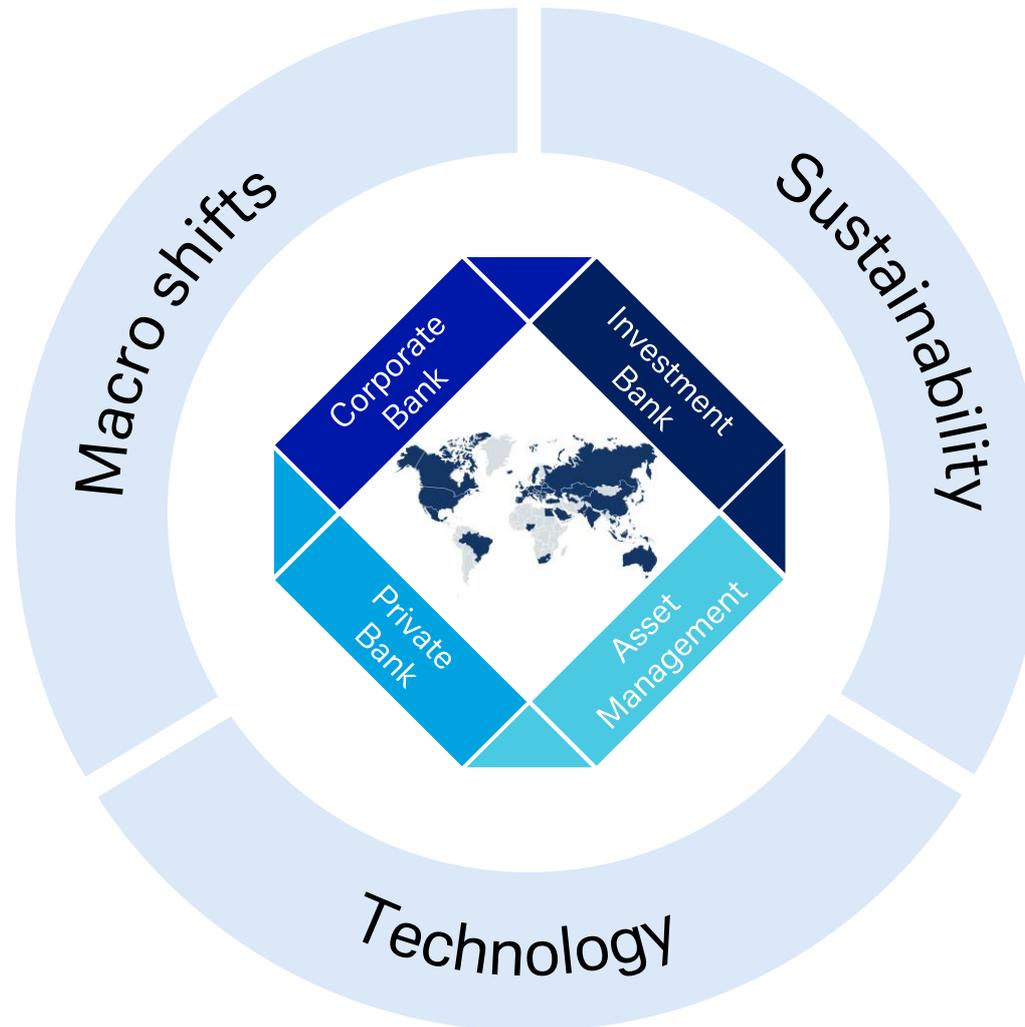
Leading advisory and investment proposition



Global view of investment opportunities

(1) Source: OECD  
(2) Source: IMF  
(3) Source: eurostat

# Key themes of this decade playing to our strengths



# We help our clients navigate a volatile world



Macro shifts

Geopolitics and trade

Monetary policy and inflation

Demographic change

Client needs

Our offering

Our actions to drive growth

Risk Management



- › Advice across global network with local strength and depth
- › FX, Credit, Rates hedging

Further deploy risk management expertise to clients

Financing



- › Strong partner through the cycle
- › Trade and supply chain financing

Continue to strengthen advisory propositions across businesses

Investments



- › Inflation-beating returns
- › Alternative asset classes
- › Private pension provision

Expand lending and financing capacity

Invest in global network, particularly in APAC



# Accelerating our clients' sustainability transition



Transition to Net Zero

Europe as sustainability leader

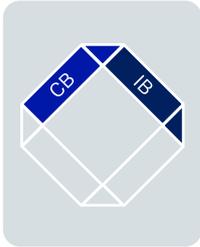
Redistribution of market share

## Client needs

## Our offering

## Our actions to drive growth

Financing



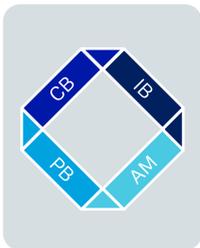
- > ESG DCM and ECM
- > Green lending and project finance
- > FIC Hedging and Emerging Markets

Investments



- > ESG investment advice and discretionary portfolio management
- > Active and passive products

Dialogue



- > Global ESG network
- > ESG advisory
- > Data, ratings and reporting

Further invest into data and advisory capabilities

Build out transition dialogue and financing capabilities

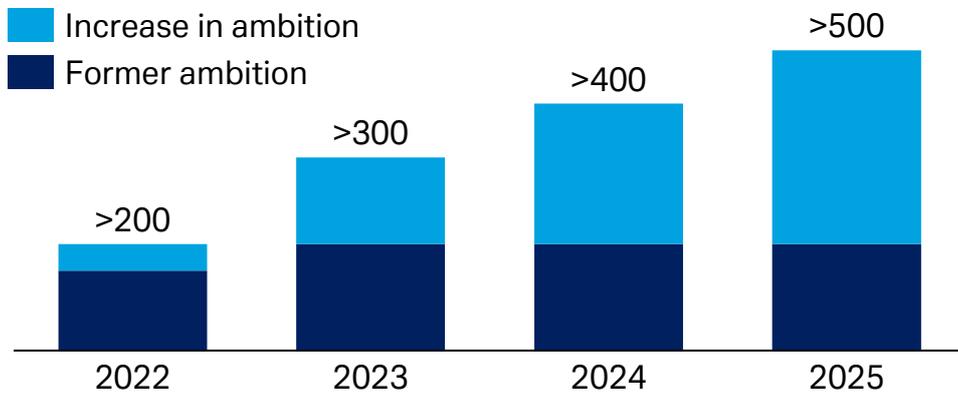
Broaden and deepen product suite across divisions



# Set to become a significant value driver for the bank



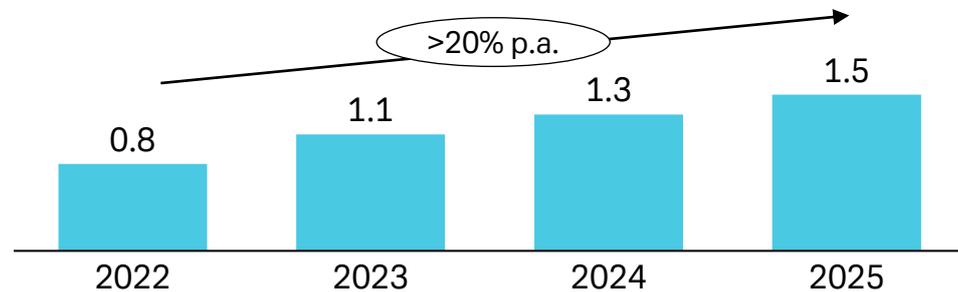
### ESG volume aspiration (excl. DWS)<sup>(1)</sup> (in € bn)



➤ On track to achieve € 200bn volume target already in 2022 instead of 2023 (following € 46bn by 2020 and € 157bn by 2021)

➤ Additional volume target of > € 100bn p.a. from 2023

### ESG revenue aspiration (excl. DWS)<sup>(2)</sup> (in € bn)



➤ Modelled revenues of > € 1.5bn by 2025<sup>(2)</sup>, with a CAGR of >20%

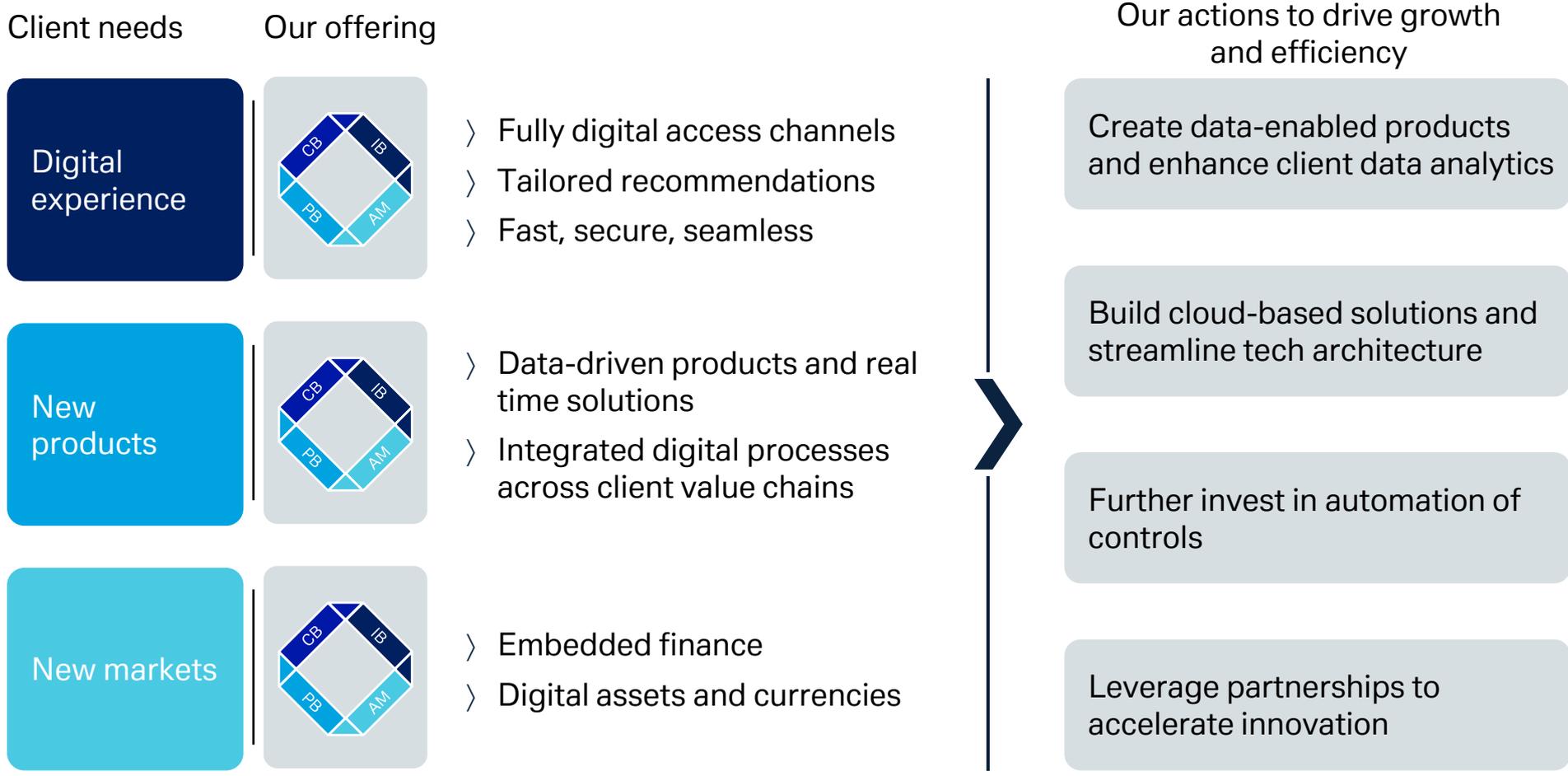
➤ Further growth potential linked to transition finance<sup>(3)</sup> and project / infrastructure financing

(1) Cumulative sustainable financing and investing volumes. Defined in Deutsche Bank's Sustainable Finance Framework, which is published on our website  
 (2) Modelled revenues are based on margin assumptions on product level and are not intended to be seen as officially reported revenues  
 (3) Sustainable finance ambition not yet accounting for transition finance, as transition finance framework is being developed by year-end 2022



Techno-  
logy

# Leveraging technology to create value for our clients



# Summary: Strong basis for sustainable growth



# Set to deliver continued profitable growth



Drive focused  
revenue growth

Deliver efficiencies  
and self-fund  
investments

Generate attractive  
capital return above  
cost of capital

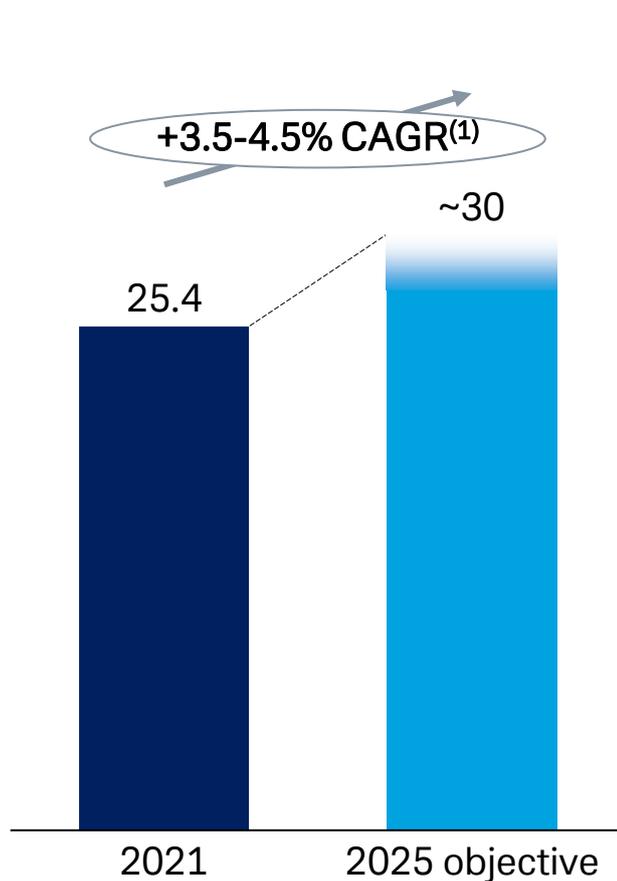


Supported by clear management agenda committed to disciplined execution, conduct and controls, and changing how we work

# Revenues: Objective to reach ~€ 30bn by 2025



Revenues, in € bn, unless stated otherwise



Positioning as Global Hausbank enables growth on the back of key themes of this decade

Volume growth particularly in low risk, stable businesses

€ 2.0bn - € 2.5bn

Strategic initiatives at low marginal CIR

€ 1.5bn - € 2.0bn

Interest rate tailwinds driving base book growth

~€ 1.5bn

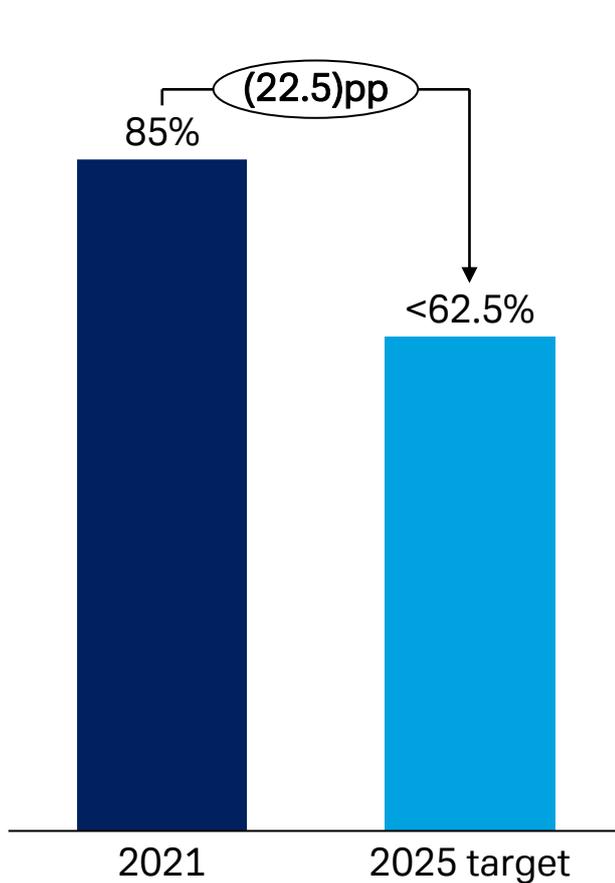
Note: Does not include impacts from other revenues of € (1.0)bn to € (1.5)bn

(1) Group CAGR based on 2021 reported net revenues

# Stable cost base supporting higher revenues



Cost/income Ratio



Significantly enhanced operating leverage driven by revenue growth and continued cost discipline



Absence of transformation-related effects and lower CRU costs

~€ (2.7)bn



Targeted additional operational efficiencies

~€ (2.0)bn



Reinvestment in business growth and buffer to combat inflation

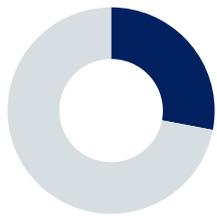
~€ 1.5bn - ~€ 2.0bn

# Targeted initiatives to drive operational efficiencies



~€ 2.0bn

Total savings targeted through operational efficiencies p.a. by 2025



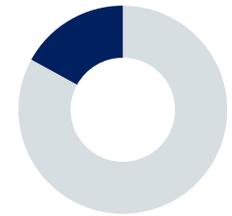
Germany optimization



Technology architecture



Front-to-back process re-design



Infrastructure efficiencies

# Disciplined resource allocation driving profitability



## Strict resource allocation approach

Detailed assessment of strategic and financial attractiveness on business unit level

Resource allocation across capital and investments based on transparent criteria

Shift towards RoTE accretive growth opportunities

Business units not meeting hurdles will be reduced, restructured or exited over time



2021



2022  
Target



2025  
Target

## Selected high RoTE growth opportunities

CB

- › Corporate Cash Management
- › Trust and Agency Services

IB

- › O&A – Mergers & Acquisitions
- › FIC – Financing & Risk Solutions

PB

- › Affluent, entrepreneur and UHNW advisory business

AM

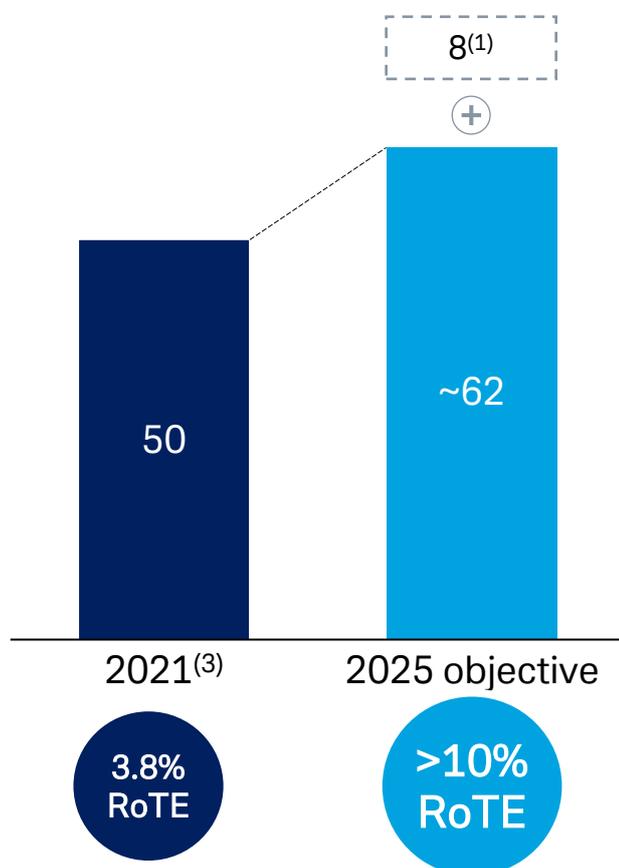
- › Capital light growth across Active, Passive and Alternatives
- › Selective M&A and partnerships

(1) Return on average shareholders' equity (RoE) 2021: 3%

# Material tangible equity increase envisaged



Average tangible equity, in € bn,  
unless stated otherwise



Increased profitability would lead to significant tangible equity generation

Reinvestment<sup>(2)</sup> into RoTE accretive businesses

~€ 8bn shareholder distributions targeted<sup>(1)</sup>

- (1) Anticipated cumulative payout in respect of FY 2021-2025 (i.e. including distributions in respect of 2025, payable in 2026) subject to meeting strategic targets and German corporate law requirements, AGM authorization and regulatory approvals
- (2) Includes tangible equity deployed to cover business growth and Basel III compliance
- (3) Average shareholders' equity with respect to FY 2021: € 56bn

# Corporate Bank

Grow with differentiated Global Hausbank client proposition



## Strategic and financial objectives 2025

- › Be the “first call” for Global MNCs
- › Trusted partner for German economy
- › Connecting Financial Institutions



2021-2025



2025

## DB strengths

True global partner across 151 countries

#1 Corporate Bank in Germany<sup>(2)</sup>

Leadership in institutional client segment

DB with long history of innovation DNA

## Strategic pillars and initiatives

Growth

- › Increase revenues with corporate clients across cash management / payments
- › Grow fee based institutional business
- › Expand lending and enhance ESG transition offering

Efficiency

- › Optimize technology spend through agile delivery
- › Decommission legacy infrastructure
- › Optimize KYC processes through automation
- › Focus on F2B processes & location optimization

(1) Divisional CAGRs based on 2021 revenues excluding specific items

(2) Source: Finance Magazine, Finance Survey, Jul 2021

# Investment Bank

Consistent strategy delivery and targeted growth initiatives



## Strategic and financial objectives 2025

- › Leading Global Investment Bank
- › Navigating clients through rapidly evolving global markets



2021-2025



2025

## DB strengths

Joint-#1 EMEA, #2 APAC FIC franchise<sup>(2)</sup>

Top 3 ranked global Financing business<sup>(2)</sup>

Top 3 EMEA Debt origination<sup>(3)</sup>

Unique equity research and sales offering, supported by Advisory capability

## Strategic pillars and initiatives

Growth

- › Build on strength of global and regional franchises
- › Controlled and targeted investment; M&A, Financing, Risk solutions, FIC Flow

Efficiency

- › Capital efficiency, mitigating regulatory RWA inflation
- › Continued automation and consolidation of technology and processes

(1) Divisional CAGRs based on 2021 revenues excluding specific items

(2) Source: Coalition Greenwich Competitor Analytics, FIC ex. Listed Derivatives & Clearing, 3QYTD 2021, DB rank vs. leading 12 Coalition Index banks revenues in DB's product taxonomy

(3) Source: Dealogic FY 2021

# Private Bank

Efficiency in retail, growth in affluent and wealth



## Strategic and financial objectives 2025

- › Largest European Private Bank<sup>(1)</sup>
- › #1 Mass Retail, Affluent Bank in Germany<sup>(2)</sup>
- › #1 Wealth Manager in Germany<sup>(3)</sup>

4-5%  
Revenue  
CAGR<sup>(4)</sup>

2021-2025

60-65%  
CIR

2025



## DB strengths<sup>(5)</sup>

>20m client relationships allowing for scale effects

~€ 550bn of Assets under Management

Leading advisory and investment proposition

Comprehensive sustainable finance offering

## Strategic pillars and initiatives

Growth

- › Transform Retail distribution channels in GER and EU
- › Grow digital investment advisory for affluent clients
- › Hiring of RMs for UHNW individuals / entrepreneurs
- › Accelerate ESG strategy to reach > € 150bn volume

Efficiency

- › Finalize IT platform consolidation in Germany
- › Streamline and digitize F2B processes
- › Normalized regulatory expenses
- › Increase savings from infrastructure measures

(1) Refers to Private Banks with a Eurozone home market

(3) Market position in Germany based on Assets under Management

(2) Market position in Germany based on the number of clients

(4) Divisional CAGRs based on 2021 revenues excluding specific items

(5) As of year-end 2021

# Asset Management

Continuation of strong trajectory with organic and inorganic growth



## Strategic and financial objectives 2025

- › Leading European asset manager – global reach
- › Building the best foundation for our clients' future



2021-2025



2025

## DB strengths

#1 Retail fund manager in Germany<sup>(2)</sup>

#2 ESG fund manager in Germany<sup>(2)</sup>

Top 3 European ETF provider<sup>(3)</sup>

#4 Global ESG ETF manager<sup>(4)</sup>

## Strategic pillars and initiatives

Growth

- › Deliver ESG capabilities to clients and embed into corporate DNA
- › Foster growth along client-centric barbell strategy<sup>(5)</sup>
- › Acquire complementary strengths, distribution access and geographical footprint

Efficiency

- › Create stand-alone and modernized infrastructure
- › Identify opportunities from emerging technologies to increase operational efficiency

Note: Rankings based on AuM

(1) Divisional CAGRs based on 2021 revenues excluding specific items

(4) Broadridge, as of Dec 2021

(2) BVI, as of Dec 2021

(5) Focuses on efficient mass market and high margin strategies

(3) ETFGI, as of Jan 2022

# Further enhance risk management and controls



## Risk framework evolution

- › Building on strong risk culture and enriching non-financial risk framework
- › Evolution of ESG / climate framework per regulatory and industry practices
- › Increasing vigilance over escalating risks (including cyber)

## Further front-to-back alignment

- › Further shifting to preventative 'at-source' controls
- › Heightening front office ownership (including data)
- › Leveraging front office platforms to improve controls

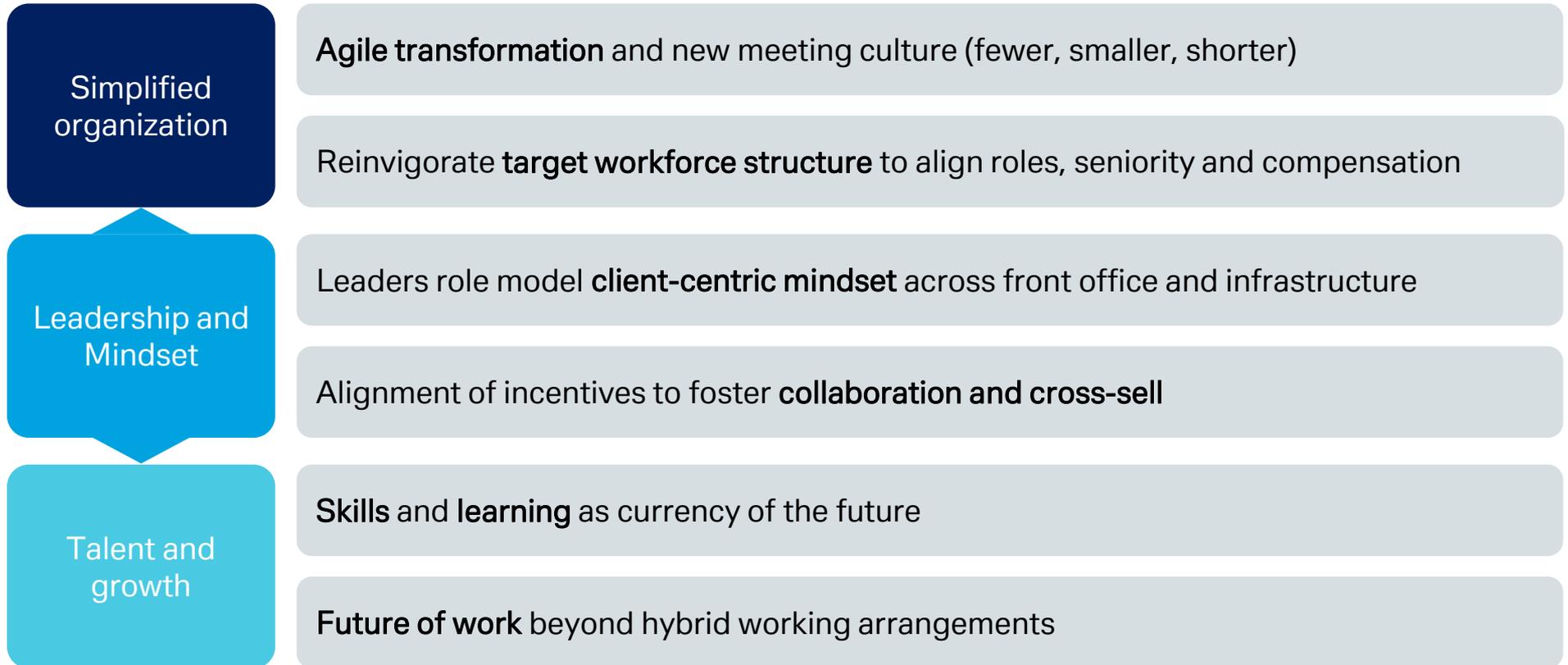
## Sustained investment

- › Investing in core platforms to improve risk measurement and detection
- › Increasing use of 'next gen' technologies (e.g. AI / ML)
- › Optimizing adoption of new regulations (e.g. FRTB)



Culture and Conduct as an integral part of our strategy to achieve sustainable profitability

# Transforming the way we work



 A truly diverse and client-centric organization offering attractive growth opportunities for employees

# Financial targets and capital objectives



## Our financial targets to 2025

>10%

Post-tax RoTE  
in 2025

3.5-4.5%

Revenue CAGR  
2021-2025

<62.5%

Cost/income ratio  
in 2025

## Capital objectives

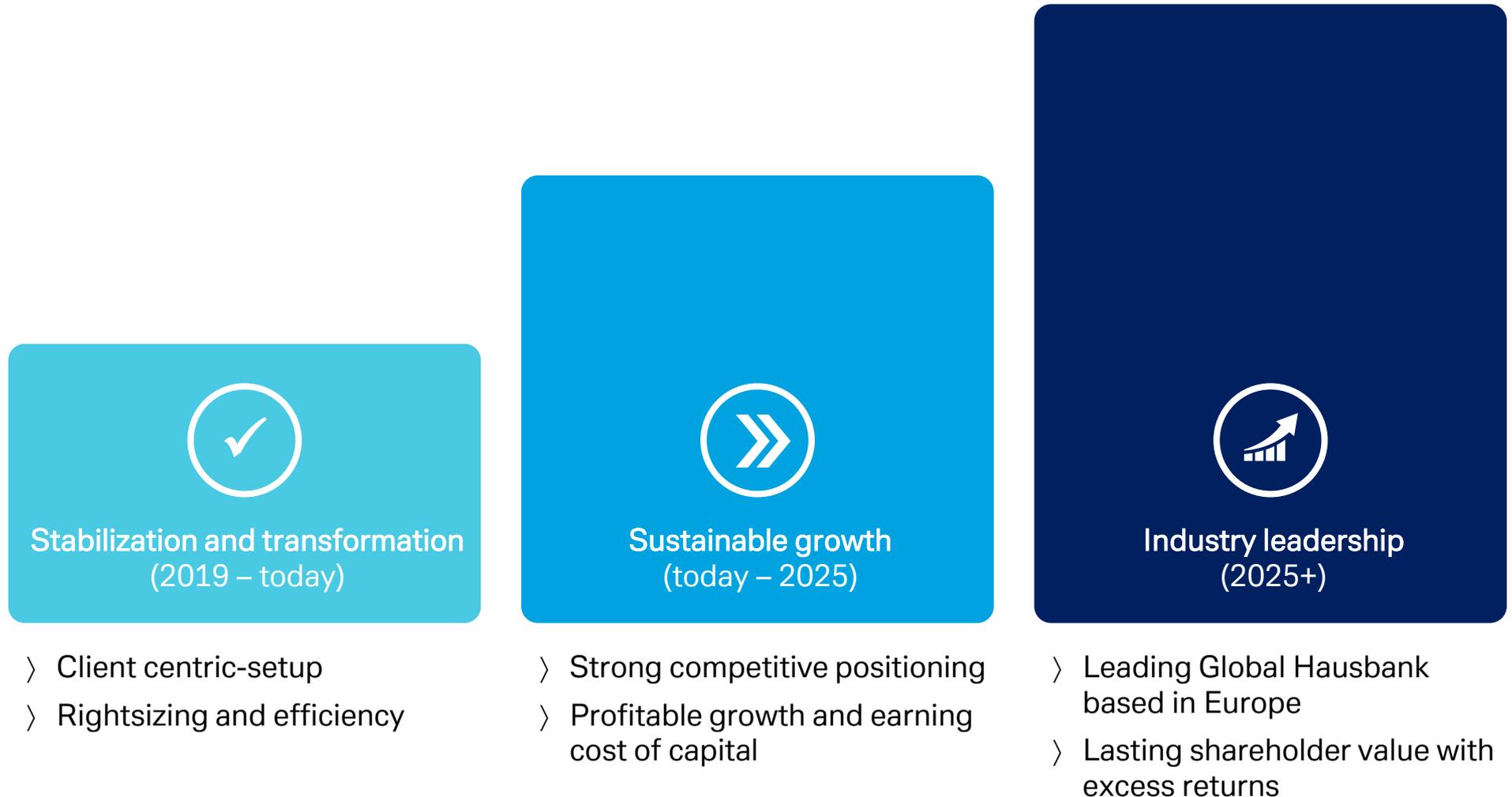
~13%

CET1 ratio

50%

Total payout ratio  
from 2025

# Our path from stabilization to industry leadership



# Cautionary statements



## Non-IFRS Financial Measures

This document contains non-IFRS financial measures. For a reconciliation to directly comparable figures reported under IFRS, to the extent such reconciliation not provided herein, please refer to the Financial Data Supplement which can be downloaded from [www.db.com/ir](http://www.db.com/ir).

## Forward-Looking Statements

This document contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our revenues and in which we hold a substantial portion of our assets, the development of asset prices and market volatility, potential defaults of borrowers or trading counterparties, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and methods, and other risks referenced in our filings with the U.S. Securities and Exchange Commission. Such factors are described in detail in our most recent SEC Form 20-F under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from [www.db.com/ir](http://www.db.com/ir).