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– Check against delivery –

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Christian Sewing Remarks, Part 1

Dear journalists,

last year was another difficult one. The war in Ukraine is still being waged with undiminished ferocity two years in, and in Israel and Gaza another armed conflict has broken out and threatens to destabilise the entire Middle East. The war has already cost tens of thousands of lives, and it has also sent ripples through the economy. This is further dampening the economic outlook, after the German economy had already shrunk last year.

Don't get me wrong: I don't want to paint a picture of doom and gloom here. On the contrary, as I have repeatedly emphasised, I believe this crisis-marked time can be an opportunity to retool our economy, if we plot a course that fosters innovation and stimulates growth.

As Deutsche Bank, we stand ready to support the economy on this path. With our strategic realignment in 2019 and our subsequent transformation, we have steered our bank into a position where we can be fully committed to our clients. At the same time, we have laid the foundation for growth and sustainable profitability.

In 2023, we took another step forward. We have played to the strengths of our business model and achieved a lot:

- Once again, we have significantly increased our revenues – compared to an already very strong previous year.
- We strengthened the dialogue with our clients and supported them in a difficult environment. This has been well received: we have won important mandates, gained market share in key regions and recorded high net inflows.
- We made progress with our efficiency programme despite increased investment in our day-to-day business, technology and controls.
- We showed resilience under turbulent conditions.
- And we significantly increased our shareholder distributions while continuing to strengthen our capital base.

We owe all this to the tremendous achievements of everyone at Deutsche Bank. Once again, our employees have shown what they are made of, just when our clients need us most. The achievements of the past years, the team's undiminished commitment to our clients and their positive feedback give us every confidence that we can even accelerate our growth course in the coming years. That's why we lifted our revenue growth targets this morning and feel further encouraged by a strong start to this year in January. And we also want our shareholders to share in our success through higher distributions.

Sustainable profitability underpinned

Before we talk about what's ahead, let me tell you a little more about why 2023 was such an important year for us and about what we accomplished in that pivotal year.

We ended 2023 with a pre-tax profit of 5.7 billion euros. This is a slight increase, of 2%, compared to the previous year. We'll talk about the extraordinary – and quite deliberate – investments we made in 2023 in a moment. Without these and the special factors associated with them, our pre-tax profit would have been well over 6 billion euros.

Our post-tax profit decreased compared to 2022, but this comparison is of limited use as 2022 was marked by a significantly higher tax credit.

The key point is that our businesses have underpinned our bank's sustainable profitability and once again managed to increase our year-on-year pre-tax profit – the best result for 16 years.

Business growth stays strong

At the same time, we are seeing continued momentum in our business. Last year, we increased our revenues by 6% to almost 29 billion euros, once again growing faster than expected.

Of course, we have benefited from rising interest rates. The Private Bank and the Corporate Bank both significantly increased their interest income last year. However, it is important to us that in this phase, too, our business is broadly-based. Net interest income represents less than half of our revenues. This is what sets us apart from many other banks, and we feel very comfortable with this ratio. As a result, we are well diversified and also better equipped if the positive effects in the interest business start to wear off.

It is precisely this balance and stability that we have been striving for with our transformation since 2019. Our revenue mix shows how far we have come here: almost four-fifths of our revenues last year came from business areas that generate predictable income. And what you can also see is that the revenues are very well distributed across our four divisions, with each of them making an important contribution.

To ensure that this remains the case, in 2023 we strengthened the areas in all divisions that generate regular fees and commissions:

- In the Corporate Bank, we laid the foundation for long-term business relationships with our clients by launching new, innovative products. The partnership with Miles & More in payment transactions is certainly the most prominent example of this but is just one of many. At the same time, we hired new client advisers in growth areas, first and foremost to further deepen our relationships with large international corporations. This is already paying off. In the second half of the year, we were able to fully compensate for a slight normalisation in net interest income by generating other forms of revenue.
- In the Investment Bank, we have taken an important step towards improving our competitive position in the Origination & Advisory business with the acquisition of Numis in the UK and additional hires. And our pipeline of mandates makes me very confident here.
- We also further expanded our advisory capacity in growth markets in our wealth management business.

We are already seeing that these efforts are yielding results. We are winning more new mandates and doing more business with our existing clients. We are also seeing a sharp rise in demand in the investment business in the Private Bank and our Asset Management business. In 2023, we saw a net inflow of 57 billion euros here. This is clear proof of the satisfaction of our clients – and creates the basis for additional fee income in the future.

When I talk about client satisfaction, I can't ignore the fact that we disappointed our clients in one area last year. Some of them faced significant delays and restrictions after the migration of Postbank's IT to a common platform, and this experience was a bitter lesson for all of us. I can only reiterate that in this instance we failed to live up to our own standards and to our clients' expectations.

That's why our focus over the past few months has been to resolve all problems as quickly as possible. We have made important progress in this area and are working hard to complete the final remediation work.

At the same time, we are taking precautions to ensure that nothing like this happens again. We have been working hard on eliminating errors and adapting our processes to gain more control and create clear responsibilities. As part of this, we have invested in IT and automated processes.

We will continue on this path. Last autumn, the Private Bank's management team issued a new strategy that focuses on the client experience. It applies to all channels, including advice in our branches. Consistent digitalisation is, however, at the heart of these plans – because that's what our clients expect from us.

Costs remain well under control despite increased investments

Let's turn from revenues to expenses, and again, investment was an essential element last year. We made increased investments because we are convinced that this will enable us to accelerate our growth trajectory and take advantage of opportunities in the market.

In doing so, we focused on three key areas:

- First, as in previous years, we invested in technology and in more rigorous processes and platforms. This includes the migration of Postbank's IT systems, which, despite the problems I mentioned, was successful from a technical point of view and is an important step forward.
- Second, we strengthened our control functions – in terms of personnel, technology and processes.
- Third, with our competitive position in mind, we specifically recruited staff, with a primary focus on capital light businesses. This includes our Wealth Management business, but also Corporate Bank client coverage and Origination & Advisory in the Investment Bank.

While the latter will have a positive impact on our earnings in future, the investments in better systems, controls and a more efficient infrastructure will provide relief on the cost side in coming years.

The same applies to the restructuring and severance costs in the Private Bank and costs associated with reducing the number of management positions in many infrastructure areas.

All in all, this led to an increase in costs for 2023, which was exacerbated by inflation-related additional spending. At the same time, we implemented further efficiency measures last year, which are already generating cost savings. This meant we could self-fund investments in our businesses last year and allowed us to limit the increase in adjusted costs to 3%.

Let me stress that cost discipline continues to be our top priority. We are convinced that our deliberate investments will have a very positive impact on our cost/income-ratio as early as this year – and we are working in parallel on measures that will make us even more efficient. I'll come back to this in a moment.

Impressively demonstrated resilience

The positive development in the past year would not have been possible without the stability and resilience that we have gained over the past few years. This was put to the test in 2023 when the global banking sector suddenly came into focus and markets became unsettled. After regional banks in the United States collapsed and Credit Suisse was absorbed by UBS, for a short time our bank also came under pressure. But we withstood that pressure because we were able to make it clear that our bank is unquestionably stable and resilient – even if some people tried to cast doubt on this fact.

These were unsettling days, but they have not left any lasting marks – not in our liquidity, not in our deposit base and not in the market. Take a look at our credit default swaps and you'll see that they are today back to a similar level as before March 2023. And we are sure that we can improve here further.

The difficult economic environment of the past year had little effect on our businesses either. On the contrary: our risk managers have once again lived up to their first-class reputation. Building on our high-quality and well-diversified loan book, we were able to keep loan losses and loan loss provisions within a very tight range. And we are also well prepared for a continued bumpy economic ride, which – unfortunately – we should expect.

Capital accumulation means higher pay-outs

There is one point that cannot be omitted here when I talk about resilience – and that is our capital base. It wasn't so long ago that the market doubted our capital strength. Although we had clearly stated on July 7, 2019, that we would finance our transformation using our own resources, speculation that we would have to raise fresh capital at some point persisted for quite some time.

That's over, the doubts are gone. In 2023, we reached a new level of capital strength. And we don't just owe this to our continued capital discipline. Our businesses are now generating so much capital organically that we were able to increase our distributions to shareholders by half last year while continuing to meet stricter capital requirements from regulators and invest in further growth – and still have a higher capital ratio at the end of the year than at the end of 2022.

This gives us leeway for our future path; we're not just aiming for accelerated growth, but for continually growing pay-outs to our shareholders, to whom we have just as much responsibility as to our clients.

James von Moltke Remarks

Thank you Christian, and a warm welcome from me too!
Let’s now look in more detail at our financial performance.

Profit before tax

Our profit before tax grew for the fourth year in a row to 5.7 billion euros, up 2% year on year, despite the headwinds of a more challenging macro-economic environment.

We also delivered profit growth despite a substantial increase in nonoperating costs which were related to the execution of our *Global Hausbank* strategy, and higher credit provisions which reflect headwinds in the global economy.

As Christian has indicated, profit growth in 2023 was driven by business growth, with revenues growing significantly ahead of targets, and discipline on operating costs.

Post-tax profit

Post-tax profit was down 14%, driven by a couple of specific tax effects.

First, as with last year, our strong operating performance resulted in positive valuation adjustments on Deferred tax Assets or ‘DTAs’ at year-end. However, in 2023, DTAs were around 1 billion euros, compared to about 1.4 billion euros in 2022.

Second, our tax rate, adjusted for these DTA effects, was around 32%, up from 24% in 2022, which benefited from a favorable geographical mix of income.

Group revenues

Revenues were just under 29 billion euros in 2023, up 6% over 2022 and marking four consecutive years of growth.

This is well ahead of our target growth rate of between 3.5 and 4.5%, but still understates the underlying growth dynamic of our business. In 2022, revenues were positively impacted by some one-time specific items, notably a gain on the sale of our Deutsche Bank Financial Advisors business in Italy, of more than 300 million euros.

Adjusted for these specific items, revenue growth was 8% in 2023 - approximately double our target annual growth rate for the years 2021 to 2025. Today we have increased our growth target, as Christian will explain in further detail.

Cost development

Noninterest expenses were 21.7 billion euros in 2023, up 6% over 2022.
The increase was driven predominantly by nonoperating costs related to the execution of our strategy I just mentioned; these were 1.1 billion euros, more than double over 2022.

We recognised a goodwill impairment charge of 233 million euros relating to the acquisition of Numis in the UK, which we completed in the fourth quarter. To be clear: this impairment was driven by accounting rules and is not related to the business outlook for Deutsche Numis. We also absorbed nearly 600 million euros in restructuring and severance charges relating to efficiency measures.

Adjusted costs, which exclude nonoperating cost items, were up 3%, below the rate of inflation in leading economies, and after absorbing the costs of investments in business growth, controls and operational efficiency.
Excluding bank levy charges, adjusted costs were essentially flat compared to 2021 at around 20 billion euros per year, or 5 billion euros per quarter.

Cost/income ratio

Our cost/income ratio was 75% in 2023, in line with 2022, and thus remained nearly 20 percentage points below the pre-transformation level of 2018.

As Christian has indicated, we see a clear path toward our 2025 cost/income ratio target, driven by sustained revenue growth and the reduction or non-repeat of some cost items.

Provision for credit losses

Now let me turn to a key dimension of our performance in 2023: our resilience.
In 2023, we faced a more challenging credit environment, with an economic slowdown, higher inflation and higher interest rates.

Despite this, our provision for credit losses remained contained, at around 1.5 billion euros or 31 basis points of average loans – only fractionally above the guidance we published early in the year.

This partly reflects higher provisioning in the commercial real estate sector in the Investment Bank, and a small number of one-time provisions earlier in the year in the International Private Bank.

The contained level of provisioning reflects disciplined risk management and a high-quality loan book, of which a substantial portion is in relatively low-risk German mortgages, and multiple risk mitigants including hedging and collateral.

Capital

Turning now to capital:
Our Common Equity Tier 1 or 'CET1' ratio was 13.7% at the end of 2023, up from 13.4% at the end of 2022, well ahead of our goal of around 13% for the period through 2025.

During the year, we have absorbed the combined impacts of deductions for dividends and share buybacks, both of which were 50% higher than in 2022, and AT1 coupons.

Moreover, model changes driven by regulation led to higher risk weighted asset or RWA. We also invested capital in business growth.
These were more than offset by our strong organic capital generation through profitability which resulted in an increase of our CET1 ratio year on year.
We also made significant progress on capital efficiency – one of the pillars of our accelerated execution of our *Global Hausbank* strategy.

In the third quarter, we raised our target for RWA reductions by 2025 to 25-30 billion euros – this was an important element in our raised capital outlook.

By the end of 2023, we had already delivered around 13 billion of these reductions, roughly halfway to our 2025 target.

All of this gives us confidence that we can raise capital distributions to our shareholders, while simultaneously deploying capital to support growth in our businesses and maintaining a strong capital ratio.

Deposit development

Our balance sheet is robust; liquidity and stable funding ratios are strong, and give us a substantial 'buffer' above required levels.
We also proved our resilience through the turbulence in March of last year.

Deposits declined in the first quarter, partly reflecting market turbulence, together with clients deciding to shift some of their deposits to higher-yielding assets.
After stabilizing in the second quarter, deposits rebounded by 29 billion euros in the second half of the year and are now at 622 billion euros, slightly above the level of year-end 2022, reflecting confidence in Deutsche Bank.

Let's now discuss revenue performance in each of our businesses.

Corporate Bank

In the Corporate Bank, revenues grew 22% to 7.7 billion euros in 2023.

All segments delivered double-digit growth thanks to strong net interest income. But we also saw the benefits of innovative product development in key areas, and invested in business-generating capacity for the future.
We have also enhanced relationship management in core markets and growth areas.

In the final quarter, we saw the benefits of investments in the businesses, as revenues increased compared to the third quarter thanks to both net interest income and higher fee income.

Investment Bank

In the Investment Bank, revenues were 9.2 billion euros, down 9%, from the very strong levels of 2022.

Origination & Advisory revenues were up 25%, driven primarily by Debt Origination, where revenues were significantly higher in 2023, thanks in large part to a non-repeat of 2022's mark-to-market losses in Leveraged Debt Capital Markets.

As mentioned, we successfully completed the acquisition of Numis, the leading UK corporate broker, and invested in client-facing personnel. All of this is expected to boost fee income in the future.

Revenues in Fixed Income & Currencies were down 11%, from last year's high levels, benefiting from our diversified business portfolio where revenue streams can counterbalance each other. Strong growth in Credit Trading partly offset declines in Foreign Exchange, Rates and Emerging Markets revenues.

Private Bank

In the Private Bank, revenues were up 5% to 9.6 billion euros.

Adjusted for the non-repeat of specific revenue items in 2022, primarily the gain on the sale of our Deutsche Bank Financial Advisors business in Italy, underlying revenue growth was 10%, driven by strong revenues in deposit products arising from strong net interest margins.
Growth was driven above all by the Private Bank Germany, which delivered revenues 14% higher than in 2022.

The International Private Bank delivered growth of 3% if adjusted for the non-repeat of the specific revenue items in 2022 I just mentioned.
Assets under management rose to about 560 billion euros during the year, including 29 billion euros of net inflows of client money.

We expect this to support fee income growth in the future.

Asset Management

Turning finally to Asset Management which mainly consists of our stake in DWS: Revenues declined by 9% to 2.4 billion euros, driven by lower management fees due to negative market impact and slight margin compression. Revenues were also impacted by lower investment income and higher funding charges.

However, the business grew assets under management by 75 billion euros in the year, including net inflows of 28 billion euros, driven by Passive, Cash, and Multi-Asset products.

And as you will have seen last week, DWS management is planning to distribute about 1.2 billion euros to shareholders this year, including an extraordinary dividend. As DWS's major shareholder, we support this proposal.

Christian Sewing Remarks, Part 2

Let me recap: in 2023, we underlined that we are sustainably profitable, we have once again achieved strong business growth, we have our costs under control, we are resilient across the board, and we are more attractive to our shareholders with higher pay-outs.

The feedback we get from external stakeholders reflects this:

- Our share price has risen by a good 15% over the past year, despite a severe setback in March.
- Two more rating agencies upgraded us in 2023, DBRS Morningstar and Standard & Poor's.
- We receive a lot of positive feedback from our clients. They seek our advice and are grateful that we can be part of the solution for them in a complicated environment. They see us as the European alternative to the big US banks.

Outlook: all targets in sight

This gives us a good tailwind for our business and encourages us to be even more ambitious. We know we can achieve much more. That is why we have confirmed our cost and return targets today. And as far as revenues and distributions to our shareholders go, we are now – as I mentioned earlier – even more confident of achieving more than we had originally planned.

Higher fee income to drive revenue growth

Let's go through these items one by one, starting with **revenues**:

As we have just shown, we have increased net revenues by a compound annual rate of close to 7% since 2021, which is significantly stronger than predicted. And we are confident that we will continue to exceed the original target in the years to come. Of course, we have to expect interest income to normalise to a certain extent. However, this does not affect us as much as some of our competitors – because some of the positive interest rate effects in our portfolio will materialise this year and, above all, next year. And because we can offset normalised levels of interest income with stronger growth in non-interest income. We have laid the foundation for this:

- In the **Corporate Bank**, we are well positioned to capture market share and win new clients in key markets thanks to our greater market coverage and our innovative solutions.
- In the **Investment Bank**, as already mentioned, we have positioned ourselves for a recovery in the Origination & Advisory business – an area in which we see considerable growth potential. And, of course, we want to further expand our leading position in the fixed income and currency business. The feedback from our clients is clear: they want to do more business with us, and our upgraded ratings give us additional tailwind. It is precisely here that we are *the* alternative to US banks.
- As I already touched upon, we have laid the foundation for additional revenue growth in the **Private Bank** and in **Asset Management** with the high inflows of recent quarters. In addition, we expect an increase in revenues in the Private Bank as a result of our improved advisory services. This applies not only to the private client business in Germany, but in particular to our International Private Bank, where we have focused on strengthening our core regions and adapted the structure, tailoring it even closer to the needs of our clients.
- And at **DWS**, we are set to benefit from a market recovery, especially in passive and alternative investment products, where we have significantly expanded in recent years.

All of this gives us confidence that we will be able to achieve compound annual revenue growth of between 5.5% and 6.5% for the years 2021 to 2025. By the end of 2025, this would bring us to a revenue level of around 32 billion euros. And once again – even if it is a very early indicator: the new year has started very strongly.

Austerity and investments are having an effect on costs

In terms of **costs**, we have also steered ourselves into a position to reap the rewards of our intensive efforts over the past few years.

Having deliberately increased investments and eliminated some major cost blocks related to our strategy in 2023, we are now at an inflection point. In the next two years, we expect costs to decline significantly – both in non-operating and adjusted costs:

- Non-operating costs will decrease because costs related to our transformation, as well as some other extraordinary items, will be eliminated. This includes the impairment of goodwill at Numis, which amounted to 233 million euros in 2023. Overall, we expect to be able to reduce annual non-operating costs by around 700 million euros by 2025.
- We also see further savings potential in adjusted costs. We expect our expenditure on bank levies to fall by up to 400 million euros compared to 2023.
- In addition, we are gradually seeing the positive impact of our investments. Specifically, the efficiency measures we implemented are having increased effect – as are our investments in IT and in improved processes. To give you just three examples: we have managed to streamline front-to-back processes quite significantly. We also continued to optimise our branch network in 2023 and already determined the next steps for this year and 2025. And overall, we have launched a programme to cut around 3,500 roles, predominantly in non-client-facing areas.

So, here too, we are on the right track, and will stay on it with the same high level of discipline. That is why we continue to work resolutely to increase our efficiency. As announced, we aim to save around 2.5 billion euros, around half of which we have already executed or initiated, and we have clear plans in place for the rest.

In addition, we have identified further measures to respond to a potential deterioration in the market environment. This will enable us to further reduce our cost base if necessary. In other words, our cost path is stable and resilient – and it is more flexible than many people might think.

What does this mean in concrete figures? We expect to be able to reduce non-interest expenses from the current 21.7 billion euros to around 20 billion euros per year by 2025 – i.e. to the level we reached at the end of 2022. Based on our expected revenue growth, this would put us on track for a cost-income ratio of below 62.5%.

This automatically brings me to a third target: our return on equity. Here I can be very brief: if we deliver what we have set out to do in terms of revenues and costs, we will achieve our target of more than 10% post-tax return on tangible equity. So, we are clearly on track here as well.

Higher capital distributions

This is important for two reasons: first, with a higher return on tangible equity, we can continue to generate capital organically, which we can then reinvest in our business. In this way, we create a virtuous circle that keeps us continuously on course for growth.

On the other hand, as profitability grows, we can better serve the demands of our shareholders. And these demands have grown in recent months because our peers have increased their distributions, in some cases significantly.

We are very confident that the bank's very positive development will allow us to grow here as well, both in terms of the pace and volume of distributions.

We adjusted our capital plan in October because we expect to have around 3 billion euros more in free capital available by 2025. A key part of this capital is earmarked for our shareholders. They have remained loyal to us for years. Now it's time to reward them for their loyalty.

Today we announced the next step on our path: We received approval from our regulator for share repurchases of 675 million euros.

This is already 50% higher than the buyback volume of 2023. And we will also increase the dividend by half to 45 cents per share, provided the Annual General Meeting approves this in May.

For the next two years, we have set ourselves the goal of maintaining this course and increasing both buybacks and dividends by at least 50% every year. All in all, we intend to pay out a total of well over 8 billion euros by 2025. And we plan to propose a dividend of one euro per share for 2025 – subject to us achieving our distribution rate goal of 50% and our earnings targets. Rewarding our shareholders for their support is our top priority.

Global Hausbank – the right aspiration in uncertain times

This brings me to look beyond the year 2025. Because, of course, we are not only planning for two years, but beyond. And we also see a plenty of cause for optimism in the long term. We have worked our way into a market position that offers us great growth potential. We are determined to use this potential to maintain our growth trajectory and re-establish our position as one of the leading European banks.

The reason for this optimism is the great progress made in recent years, the great achievements of our team, but above all the partnership with our clients, their feedback and their ever-growing need for our services.

In 2022, I formulated our ambition to become the leading *Global Hausbank* in Europe. I said at the time that our clients need an integrated bank – a partner, adviser and risk manager who can take care of all their financial needs in a world that is becoming increasingly complex and uncertain – globally and in the long term.

Little did I know then how uncertain the world would become in the coming years. But this phase, as challenging as it is, has confirmed that we are on the right track.

All over the world, our clients' demand for our products and services is increasing. They are looking for a strong partner who can navigate them through uncertain times and give them the financial security that only a *Global Hausbank* can offer. And they are looking for the expertise of a bank that will work with them to develop the concepts to successfully master the digital and sustainable transformation of the economy.

In order to meet these needs, we have changed a lot in recent years:

- We have sharpened our business model and placed it on four strong pillars that complement each other excellently and deliver reliable, balanced, high-quality and, above all, growing revenues.
- We have invested in our product offering and our global network to be there for our clients across the world.
- We have expanded our advisory services and strengthened our capital light businesses.
- We have invested in technology and are now reaping the rewards of our digitalisation, especially in the field of digital investment solutions for wealthy clients and private clients in Germany.
- And we have pursued our growth course in a disciplined manner, optimising our use of capital and continuously increasing efficiency.

In this way, we have created the basis for us to be successful as a bank in the long run. And we are successful when we serve our clients. We are dedicated to their financial security and long-term success. At home and abroad. This is at the heart of our *Global Hausbank* approach. It tells you what we stand for and what drives us forward.