



Non-Group Policy

Capital Markets Allocation Policy – Investment and Corporate Bank – EMEA (incl. UKI and Germany) and APAC

Breaches of provisions within this document may result in disciplinary action, up to termination of employment. Concerns regarding violations of the provisions are to be escalated according to the “Raising Concerns (including Whistleblowing) Policy – Deutsche Bank Group”.

Template version: V3.03

Capital Markets Allocation Policy – Investment and Corporate Bank – EMEA (incl. UKI and Germany) and APAC

Contents

- 1. Scope..... 3
- 2. Objective & Applicability..... 3
 - 2.1. Objective 3
 - 2.2. Applicability 3
- 3. Investor Selection for Marketing and Allocations 3
 - 3.1. Investor Selection Criteria 3
- 4. Allocation Process 4
 - 4.1. Allocation Process Steps 5
 - 4.2. Other Factors such as Price and Timing of the Offering..... 5
- 5. Restricted Allocations 5

Capital Markets Allocation Policy – Investment and Corporate Bank – EMEA (incl. UKI and Germany) and APAC

1. Scope

This Policy sets out the processes undertaken by Deutsche Bank (the Bank) for the marketing and allocation of capital markets transactions.

The Bank carries out marketing and allocation activities for and on behalf of the issuer or selling security-holder (offeror) Client, with their interests foremost. This policy describes the approach the Bank must adopt in order to conduct the marketing and allocation process in a fair and proper manner, taking into account the legitimate interests of investors (subject always to the Bank's duties to the issuer or offeror Client).

To the extent that the Bank provides a backstop or otherwise transacts with Clients "on risk", the Bank will take steps in the allocation process as are considered necessary or appropriate to manage its risk.

2. Objective & Applicability

2.1. Objective

This Policy is designed to meet the below objectives:

- Ensure relevant Bank staff are aware of the Bank's marketing and allocation process and the nature of the Bank's relationships with issuer / offeror Clients and investors in the context of marketing and allocation activities for capital markets transactions.
- Promote sound business practices and help maintain an orderly market.
- Aid management of conflicts of interest.
- Ensure compliance with regulatory requirements.

2.2. Applicability

This policy applies to all Investment Bank (IB) and Corporate Bank (CB) Employees in EMEA (including Germany, the UK and Ireland) and APAC or any employees globally involved in the book-building of EMEA or APAC capital markets transactions from any Deutsche Bank AG branch or subsidiary, and constitutes the minimum requirements which may be supplemented by additional regional, divisional or local policies or procedures. Where local legal or regulatory requirements impose a higher standard, this standard must be adhered to.

3. Investor Selection for Marketing and Allocations

3.1. Investor Selection Criteria

Below is a summary of the investor selection factors the Bank will take into account for the purposes of the marketing and allocation process. However, this list is non-exhaustive and no single factor will typically be determinative.

- Issuer / offeror Client preference (including investor type size, style or mandate, geography and the treatment of existing security holders);
- The nature and level of interest shown by the investor in the transaction (e.g. involvement in market sounding, roadshow meetings, provision of feedback to management, provision of constructive feedback on the deal, early orders or early pricing color etc.);
- The investor's interest, and past participation, in issuances generally or other securities of the issuer and/or sector;

Capital Markets Allocation Policy – Investment and Corporate Bank – EMEA (incl. UKI and Germany) and APAC

- The extent to which the investor’s expressed interest and the size of order appears consistent with the investor’s past investment strategy in comparable securities or the issuer’s industry/ product sector in the primary and/ or secondary markets;
- Any indication, evidence or belief that the investor has exaggerated the true extent of its interest in the expectation of being scaled back;
- The timing of the investor’s interest and size of order, especially if interest is expressed at a late stage;
- Overall level of demand;
- The investor’s anticipated holding time horizon;
- Anticipated aftermarket performance (i.e. the extent to which an issuer/ offeror Client is focused on aftermarket performance as a priority over maximum Day 1 valuation/price or vice versa);
- Any applicable selling restrictions in jurisdictions with which the investor is connected;
- Any “free float” or similar requirements of any relevant listing, trading or indexation regime;
- Concentration (i.e. preferences as to size and number of large holdings, medium and/ or smaller ones);
- Avoiding allocations in inconvenient or uneconomic amounts;
- Any protected orders.

4. Allocation Process

The Bank is deemed to act solely for the issuer/ offeror Client in managing the allocation process and selecting investors for capital markets transactions. As a general matter, the Bank will follow the instructions and preferences of the issuer/ offeror Client (if any).

In undertaking marketing and investor selection, including in organizing market sounding, arranging roadshows and in the allocation process, the Bank has the obligation to manage its conflicts of interests appropriately and to conduct its processes in a fair and orderly manner and on a reasonable basis.

The Bank has systems and controls in place to prevent or manage conflicts of interest in relation to the development of allocation proposals and the under- or over-pricing of an offer of securities. The Bank’s main guiding principle is to achieve optimal investor distribution and price available to the issuer/ offeror Client within the limits of the agreed timing and sizing of the offering.

The allocation process is a matter of judgment, based on the Bank’s experience in distributing offerings of securities. Normally, no single factor from the criteria listed in section 3.1 above will be determinative in the process and the particular facts and circumstances of the issuer/ offeror Client and the investors in question will also greatly influence the allocation process.

By following the steps in section 4.1 below, the Bank’s objective is to achieve a final schedule of allocations at a price and issue size that has been agreed with the issuer/ offeror Client, which puts the Client’s interests in this respect ahead of those of investors (who may or may not also be Clients of the Bank), or the Bank itself.

Additionally, in following the steps in section 3.1 on investor selection centered on achieving agreed Client objectives in the allocations process and complying with the steps in section 5 on restricted allocations, the Bank further aims to avoid any potential for promoting the interests of other Clients, investors or its own interests in a way that might conflict with those of the issuer/ offeror Client.

Separately, a substantiated view of pricing taking into account the Client’s interests and all relevant factors is arrived at through the price discovery process in section 4.2.

4.1. Allocation Process Steps

The Bank's process for arriving at a final book of allocations is as follows:

- The Bank must send a current copy of the Allocation Policy to the issuer/ offeror Client before the commencement of the book-building process.
- The Bank will have initial discussions with the issuer/ offeror Client and agree the proposed allocation per type of investor.
- The Bank will note any further discussion and instructions or preferences in relation to the allocation process provided by the issuer/ offeror Client, other members of the syndicate, or the Bank itself, including in light of feedback and allocation requests ("bids") received from investors.
- On completion of the book-building process, the Bank will then provide the issuer / offeror Client with an allocation recommendation (including information about the bids submitted, the investors who have submitted these bids and the rationale for the recommendations). The final allocations will be confirmed with the issuer/ offeror Client.
- Where a number of book-runners are acting for an issuer/ offeror Client, the Bank will only owe the Client duties relating to pricing and allocation if the Bank is responsible for the pricing and allocation of the offering (whether solely or jointly).
- Where it is consistent with the allocation objectives of the issuer/ offeror Client, the Bank may allocate securities with institutional accounts and other investors who are clients of the Bank from whom the Bank may receive commissions and other revenues, to the trading and other proprietary accounts of the Bank and to asset management companies affiliated with the Bank. Such allocations may give rise to a potential conflict of interest for the Bank which will be managed in accordance with applicable laws and regulations and the Bank's policies and procedures. Accordingly, Sales or other staff interacting with investor clients of the Bank in situations outside of the book-building process for the transaction must not request specific allocations for individual investors or otherwise seek to influence allocation decisions.
- Subject to any relevant duties of confidentiality, the Bank will update the market on the level of investor interest identified in the book-building process as frequently as required.

4.2. Other Factors such as Price and Timing of the Offering

To establish the price of an offering, the Bank will consider the relevant factors, which could include known investor demand, size of stake to be sold in relation to the size and liquidity of the issuer and its securities, current price, internal views on fair value and market conditions, price trend, volatility, and the pricing of previous or similar offerings. To establish a well substantiated view of pricing, the Bank may suggest that market sounding is undertaken with the consent of the issuer/ offeror Client. The Bank will update the issuer/ offeror Client as necessary in regard to pricing throughout the offering process.

The Bank will also share its views with the issuer/ offeror Client on the best timing for an offering. Views will be based on Client requirements, market conduct factors and taking into account current and expected market conditions. If any hedging or stabilisation is expected to be undertaken in relation to the transaction, the Bank will also discuss this with the issuer/ offeror Client.

5. Restricted Allocations

The Bank prohibits making agreements or quid pro quo arrangements of any kind with investors in return for allocations. Allocations will not be made on the basis of any of the following:

Capital Markets Allocation Policy – Investment and Corporate Bank – EMEA (incl. UKI and Germany) and APAC

- Profit-sharing agreement with the investor, relating to the trading of new issue securities;
- Agreements with the investor to direct future business to the bank or its affiliates;
- Incentivisation via payment of a large amount of fees for unrelated services provided by the bank ('laddering');
- 'Spinning' – allocations to senior executives or corporate officers of an existing or potential issuer/ offeror Client in consideration for future or past award of corporate finance business;
- Understandings that the allocation is made as compensation for customer complaints and/or prior losses suffered by the investor;
- Soliciting or accepting secondary market orders from investors prior to completion of the distribution of the offering (i.e. breaking syndicate);
- Agreements to consider the investor for future allocations in return for subscription to a current offering;
- Soliciting at what prices and in what quantities investors will purchase securities in the immediate aftermarket;
- Agreements to purchase securities in the aftermarket at escalating prices or in exchange for a commitment to engage in after-market buying;
- Passing on rebates to investors; or
- Any orders not representing bona fide demand.

The above list is illustrative and does not constitute an exhaustive list of prohibited allocation arrangements.