

Deutsche Bank



# Deutsche Bank SAEU

## Mortgage Covered Bond - Cédulas Hipotecarias Cover Pool Update

Q4 2023

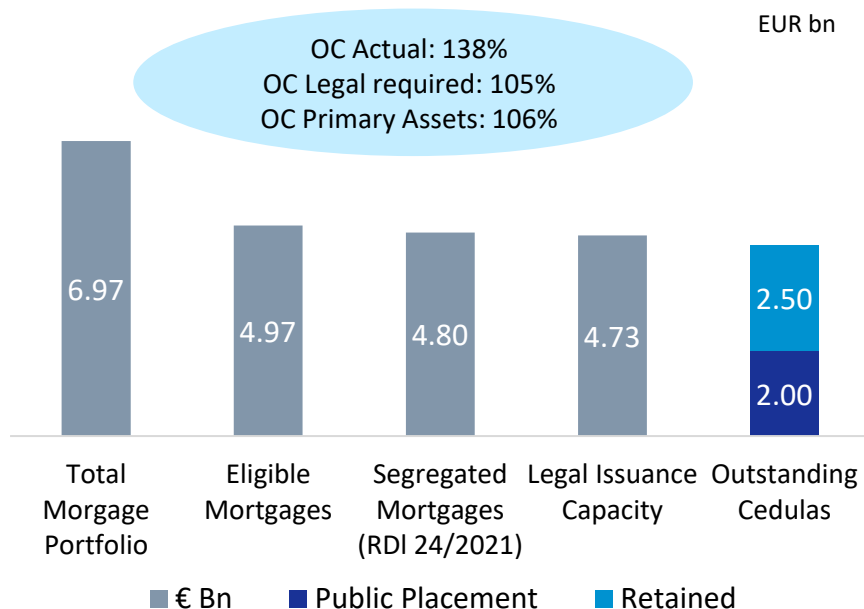
# Cover pool and issuance description under Royal Decree-Law 24/2021 (1/2)

DB S.A.E.  
Cédulas Rating

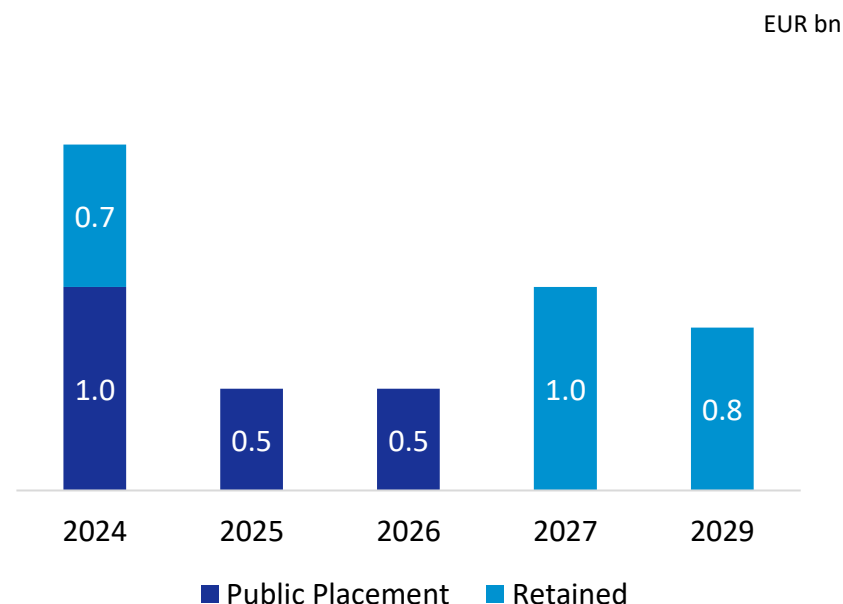


Moody's  
Aa1

## Cover Pool details (as of Q4 23)



## Outstanding Cédulas – Maturity profile



### Last activities:

- Last Issuances: €0.5bn market placed mortgage Covered bond with maturity Nov'26
- Early redemption: €0.3bn retained mortgage covered bond (ES0413320120) with initial maturity 4/12/24

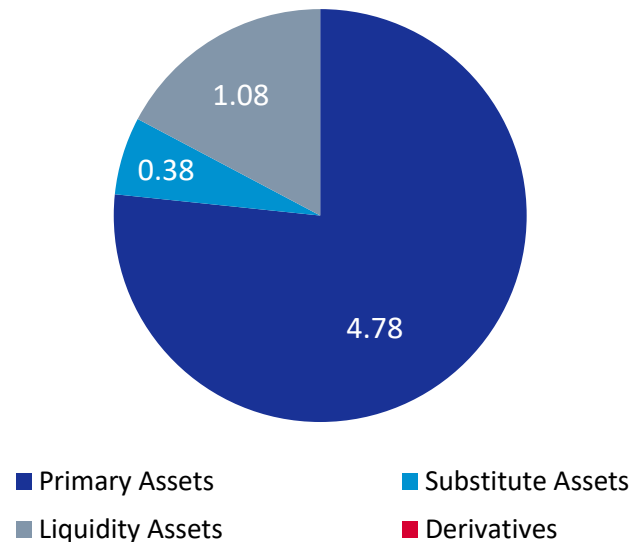
- Outstanding volume at € 4.5bn by end of Q4 2023
- Fixed rate cedulas outstanding: 44%
- Floating rate cedulas outstanding : 56%
- Extendable maturity: 0%



# Cover pool and issuance description under Royal Decree-Law 24/2021 (2/2)

## Segregated Cover Pool description

EUR bn



— Only Primary and Liquidity Assets in Cover Pool

## Cover Pool details (as of Q4 23) <sup>(1)</sup>

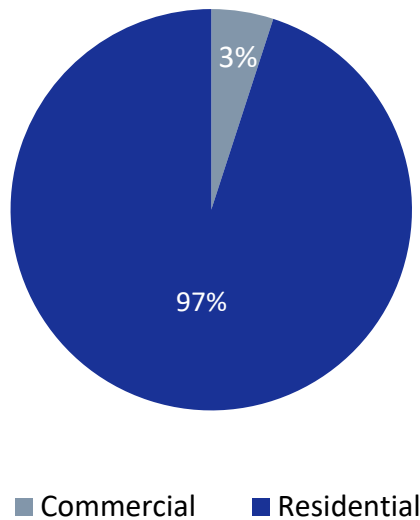
- Average outstanding eligible loan size: 88.10 k
- Number of Loans: 54,199
- Weighted avg. seasoning (years): 7.7
- Weighted avg. remaining maturity (years): 19.8
- Weighted avg. Loan to Value (LTV): 55.43%
- Interest rate type fixed: 23.5%
- Residential mortgages: 96.6%
- EUR denominated loans: 99.5%
- 1<sup>st</sup> residence mortgages: 91.2%
- Arrears >90 days past due: 0%

(1) Figures based on Primary Assets (Notional 4.78bn EUR), Liquidity Assets (Notional 1.08n EUR), Substitute Assets (Notional 0.38n EUR), thus segregated eligible mortgages according to Royal Decree-Law 24/2021

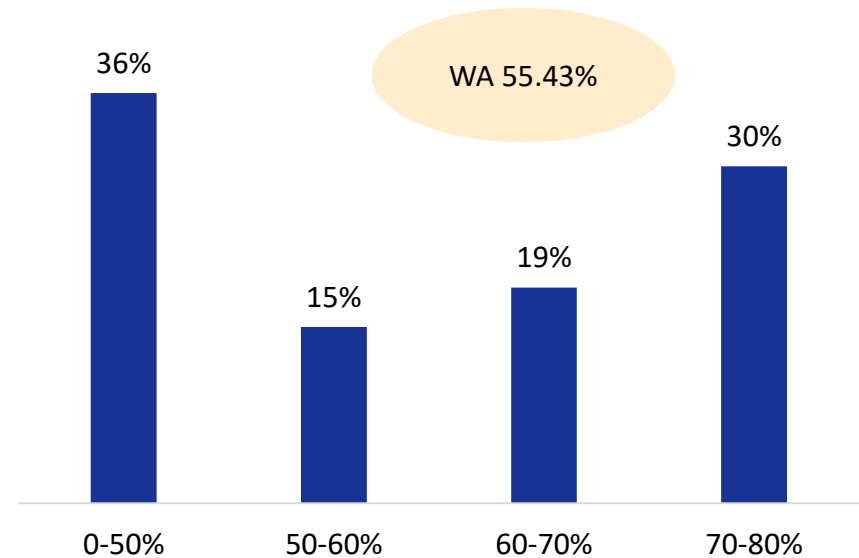


# Cover Pool Details<sup>(1)</sup> – Mortgage quality (1/4)

## Cover Pool by asset type



## Cover Pool by Loan-to-Value



- Focus on residential mortgages
- Marginal exposure to commercial mortgages
- Almost no exposure to real estate developers

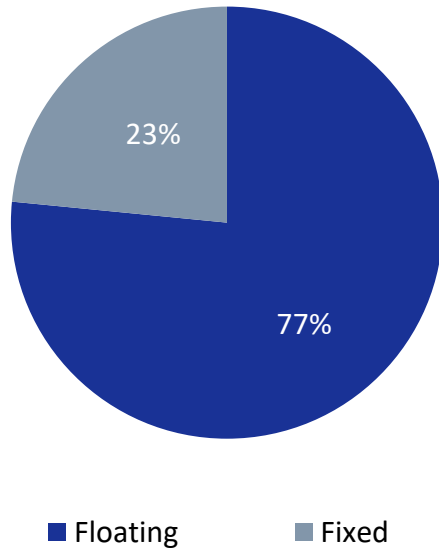
- Low Loan-to-Value portfolio due to prudent lending policy

(1) Figures based on Primary Assets (Notional 4.78bn EUR), thus segregated eligible mortgages according to Royal Decree-Law 24/2021

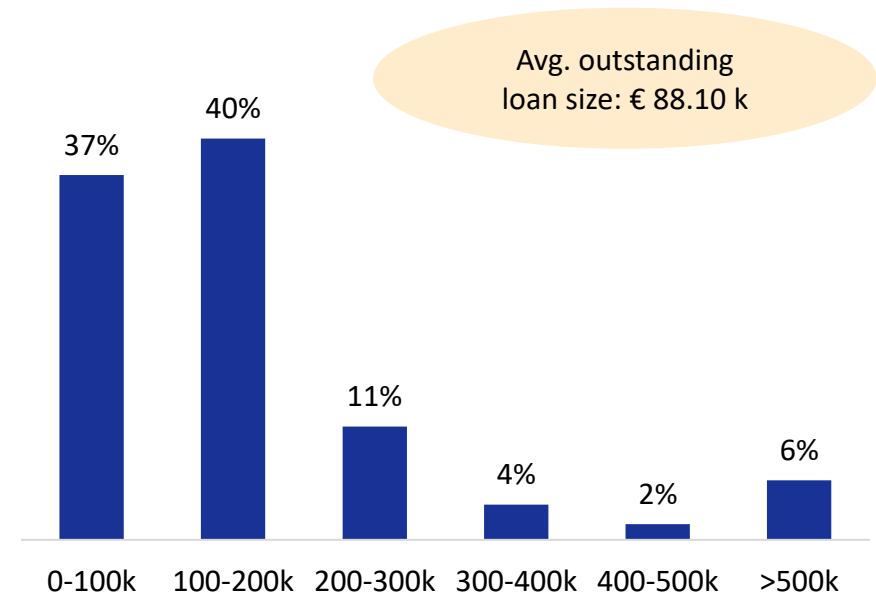


# Cover Pool Details<sup>(1)</sup> – Mortgage quality (2/4)

## Cover Pool by Interest Rate



## Cover Pool by avg loan size<sup>(2)</sup>



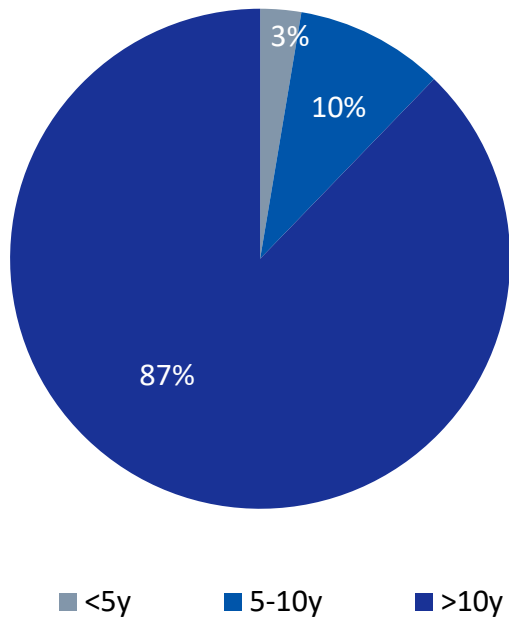
- Well diversified portfolio
- No large lending risk concentration

(1) Figures based on Primary Assets (Notional 4.78bn EUR), thus segregated eligible mortgages according to Royal Decree-Law 24/2021  
(2) Loan size at inception

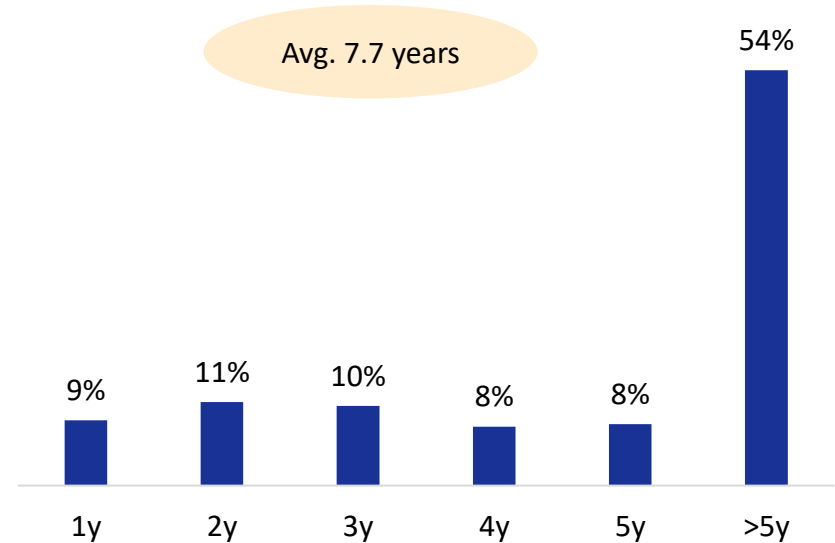


# Cover Pool Details<sup>(1)</sup> – Mortgage quality (3/4)

## Cover Pool by maturity profile



## Cover Pool by Seasoning

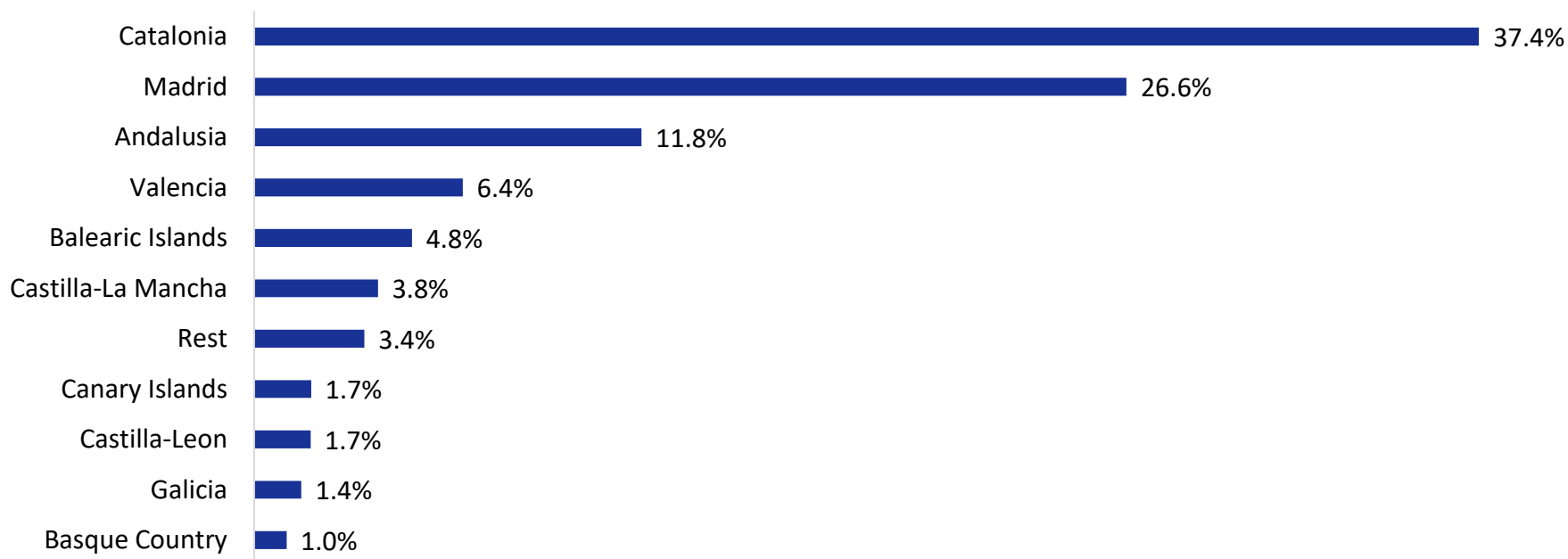


— Long-term mortgage portfolio

— High credit quality demonstrated by high seasoning score

(1) Figures based on Primary Assets (Notional 4.78bn EUR), thus segregated eligible mortgages according to Royal Decree-Law 24/2021

# Cover Pool Details<sup>(1)</sup> – Property Location (4/4)



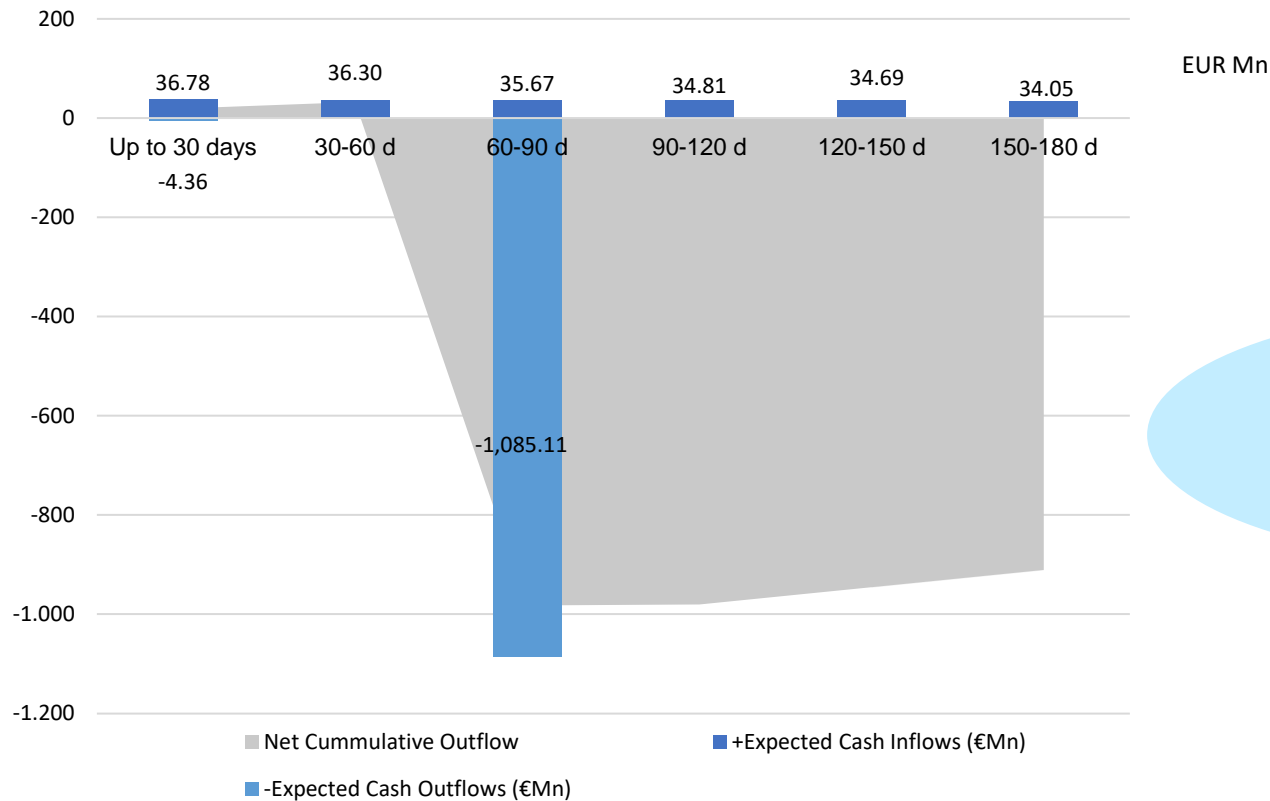
- Top 10 regions account for over 80% of DB S.A.E.'s mortgage portfolio
- Madrid and Catalonia represent over 50% of total mortgage portfolio:
  - Lower unemployment rate than the Spanish average
  - Highest contributors to Spanish GDP
  - Economically resilient regions

(1) Figures based on Primary Assets (Notional 4.78bn EUR), thus segregated eligible mortgages according to Royal Decree-Law 24/2021

# Liquidity buffer



Royal Decree-Law 24/2021 establishes that the cover pool shall at all times include a liquidity buffer composed of HQLAs<sup>(1)</sup> available to cover the maximum net cumulative outflow from the covered bond program over a 180-day horizon.



Liquidity Buffer Required:  
 € 982.41 m  
 Segregated Liquid Assets:  
 € 1,075 m

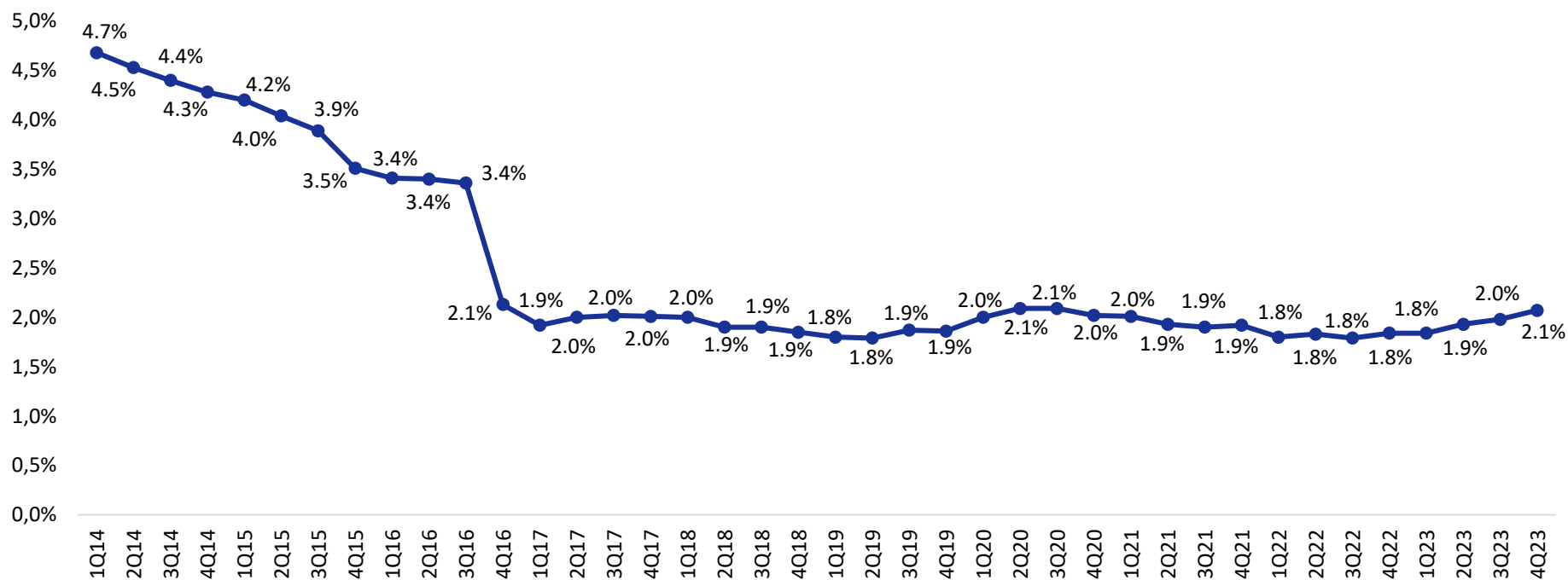
(1)Liquid Assets according to Royal Decree-Law 24/2021



# Other relevant information



## Historical development of NPL<sup>(1)</sup> ratio



— NPL ratio relatively stable at very low levels. Total mortgage portfolio € 6.97 bn

(1) Figures based on total mortgage portfolio of € 6.97m

# Other relevant information



## Outstanding Cédulas

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ISIN	Maturity Date	Nominal (Currency)	Interest Rate Type	Maturity extension
ES0413320096	11/03/2024	1,000,000,000 (EUR)	Fixed	No
ES0413320104	16/01/2025	500,000,000 (EUR)	Fixed	No
ES0413320120	04/12/2024	700,000,000 (EUR)	Floating	No
ES0413320138	08/03/2027	1,000,000,000 (EUR)	Floating	No
ES0413320146	21/03/2029	800,000,000 (EUR)	Floating	No
ES0413320153	23/11/2026	500,000,000 (EUR)	Fixed	No

(1) Figures based on total mortgage portfolio

# Cover pool monitor



In accordance with the provisions of RDL 24/2021, the covered bond issuer must appoint a control entity for cover pool programmes, which will act in the interest of the investors and whose function will be to permanently monitor the cover pool.

The Board of Directors of Deutsche Bank S.A.E.U held on March 31, 2022, agreed to appoint Intermoney Agency Services, S.A. as the external control entity for cover pool programmes for mortgage covered bonds.

## Requirements for extendable maturities

The article 19.2 of RDL 24/2021 requires a description of the circumstances that may drive to the extension of maturity for covered bonds. As of the date of this report, and notwithstanding potential circumstances that may arise, Deutsche Bank, S.A.E.U highlights the following:

- The existence of a certain risk of non-payment of the covered bonds due to liquidity problems in the cover pool or in the issuing entity. This is recognized when the liquidity buffer requirement of the cover pool, established in article 11 of this Law, is not complied with or when the Bank of Spain adopts any of the measures provided for in article 68 of Law 10/2014 relating to the liquidity of the entity, with the exception of that provided for in letter j) of section.
- Process of insolvency or resolution of the issuing entity.
- The declaration of infeasibility in accordance with article 8 of Law 11/2015, of June 18, on the recovery and resolution of credit institutions and investment services companies of the issuer.
- The existence of serious disturbances that affect the national financial markets, recognized by the Autoridad Macropudencial Consejo de Estabilidad Financiera (AMCESFI) through a communication in the form of an alert or recommendation, which is not confidential.

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