Deutsche Bank
Investor Relations

# Client & Creditor Overview

May 2023

# Our path from stabilization to industry leadership

**Stabilization and transformation**
(2019 – 2022)

- Client centric-setup
- Rightsizing and efficiency

**Sustainable growth**
(today – 2025)

- Strong competitive positioning
- Profitable growth and earning cost of capital

**Industry leadership**
(2025+)

- Leading Global Hausbank based in Europe
- Lasting shareholder value with excess returns

# Agenda

# Financial milestones achieved

In %

| | FY 2018 | FY 2021 | FY 2022 | 2022 guidance |
|---|---|---|---|---|
| Return on tangible equity (RoTE) | (0.1) | 3.8 | 9.4[1] | 8 |
| CIR | 92.7 | 84.6 | 74.9 | mid to low 70s |
| CET1 ratio | 13.6 | 13.2 | 13.4 | >12.5 |
| Leverage ratio | 4.1 | 4.9 | 4.6 | ~4.5 |

Note: Throughout this presentation totals may not sum due to rounding differences and percentages may not precisely reflect the absolute figures; for footnotes refer to slides 29 and 30

# Improved revenue growth and profitability

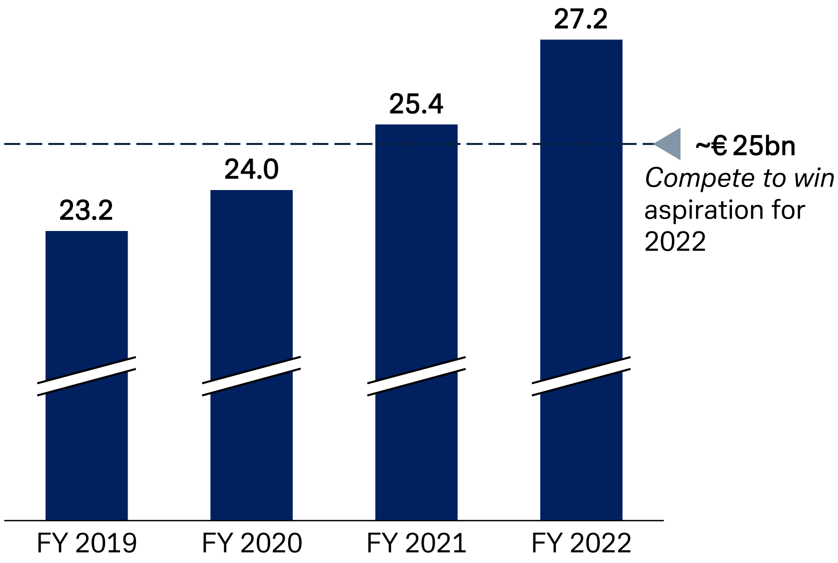
| | | Revenue CAGR | CIR 2021 | CIR 2022 | RoTE[1] 2021 | RoTE[1] 2022 |
|---|---|---|---|---|---|---|
| Corporate Bank | Enhanced value proposition, with global network and capabilities, and strengthened client franchise | 5% 2018 to 2022 | 88% | 66% | 4% | 11% |
| Investment Bank | Transformation of FIC business, with increased client activity has delivered market share growth | 7% 2018 to 2022 | 63% | 64% | 9% | 8% |
| Private Bank | Established franchise to serve changing client needs resulting in growing business volumes and increased efficiency | 2% 2018 to 2022 | 96% | 75% | (2)% | 9% |
| Asset Management | Strong progress towards establishing independent business platform with demonstrated resilience and increased cost efficiency | 5% 2018 to 2022 | 62% | 71% | 26% | 17% |

Note: For footnotes refer to slides 29 and 30

# Revenue performance has exceeded expectations

In € bn

## Group revenue development




Note: For footnotes refer to slides 29 and 30

## Achievements

- Group revenues at € 27.2bn are 9% higher than originally planned, 7% higher than in 2019
- Growth more than offsetting fore-gone revenues from discontinued businesses
- Divisional CAGRs[1] of businesses above original *Compete to win* aspirations
- Group revenues per employee have grown by 16% since 2018

# Disciplined risk management with strong balance sheet

- Strong and stable balance sheet and sound liquidity metrics, positioned to navigate uncertainty
- Investments in risk framework, controls and technology facilitate timely and proactive risk management
- Close monitoring of key emerging risks, through robust modeling, scenario analysis and consistent client dialogue

| | FY 2022 |
|---|---|
| CET1 ratio | 13.4% |
| Average Value-at-Risk | € 47m |
| Liquidity coverage ratio | 142% |
| Net stable funding ratio | 119% |

# Agenda

# Positioning as *Global Hausbank* enables sustainable growth

## Your Global Hausbank

Deep understanding of client needs

Long-term oriented partner through every cycle

Global network combined with local expertise

Digital channels and personal advice

Comprehensive and sophisticated product suite

Agile organization anticipating future client needs

The preferred "first call" partner for your financial needs

Prudent risk management and strong balance sheet

# *Global Hausbank* positioned to support our clients through every cycle

## Strategy aligned to trends

**Macro shifts**
- Equipped to navigate changed interest rate environment
- Deploy risk management expertise to support clients in volatile markets

**Sustainability**
- Ambitious book of work, working towards our 2025 business initiatives and sustainability goals
- Enhanced governance accelerates the transformation across all functions

**Technology**
- Investments in front-end and automation drive client experience, controls and efficiency
- Innovation supported by strategic partnerships

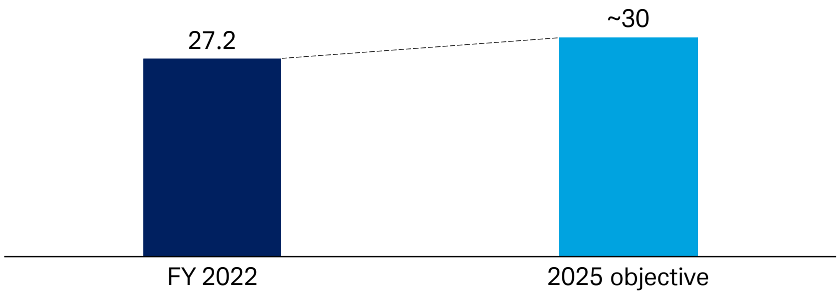
## Clear focus on clients

- Growth trajectory confirms set-up with four client centric businesses
- Targeted growth initiatives across divisions to increase market share
- Build out of advisory capabilities via selected hiring
- Continued investments to strengthen product platforms
- Strengthening cross-selling on the back of One Bank mindset

# Revenues planned to reach ~€ 30bn by 2025

In € bn

## Revenues




- Positioning as Global Hausbank enables growth on the back of key themes of this decade
- Volume growth particularly in low risk, stable businesses
- Strategic initiatives at low marginal CIR
- Interest rate tailwinds driving base book growth

## Key strategic growth measures by division

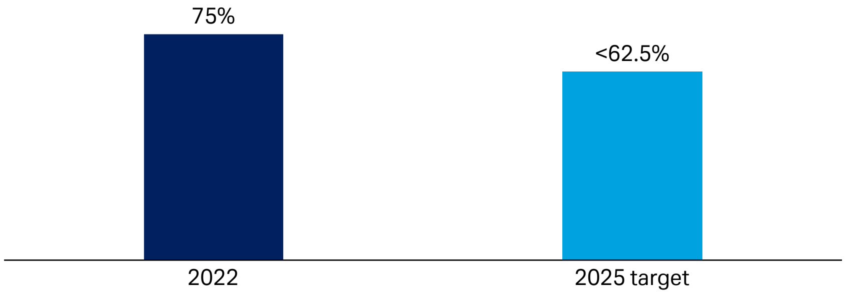
| | |
|---|---|
| Corporate Bank | Enhanced regional and industry coverage<br>Tech investments in platforms to increase scalability and cross selling |
| Investment Bank | Targeted investments in O&A with focus on strategic advisory<br>Deepening of FIC product offering across clients |
| Private Bank | Growth in capital light products with investments in digital and direct sales<br>Tapping of market opportunities with accelerated hiring in WM (>250[1] RM) |
| Asset Management | Expansion of areas of strength with growth in Passive and Alternatives<br>Strategic partnerships and product innovations |

**Revenue outperformance[2] driven by platform growth with balanced mix**

Note: RM – relationship manager; for footnotes refer to slides 29 and 30

# Focus on cost base supports further CIR reduction

## Cost/income Ratio

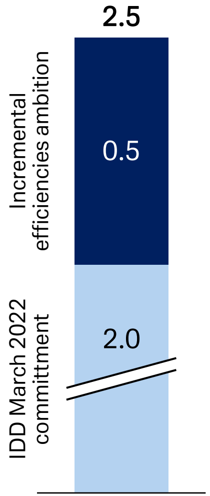



Significantly enhanced operating leverage driven by revenue growth and continued cost discipline

- ↓ Absence of transformation-related effects and lower CRU costs
- ↓ Targeted additional operational efficiencies (>€ 2bn efficiency measures)
- ↑ Reinvestment in business growth and buffer to combat inflation

## Efficiency measures

In € bn




- Strategic realignment and future proofing our workforce
- Streamlining mortgage platform
- Optimization of retail distribution network
- Improvements in operations and process automation, including leveraging AI / ML

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- Germany optimization
- Technology architecture
- Front-to-Back
- Infrastructure efficiency

**❯ Further efficiencies to drive incremental operating leverage**

# Increased capital efficiency driven by RWA reduction

**~€15-20bn**

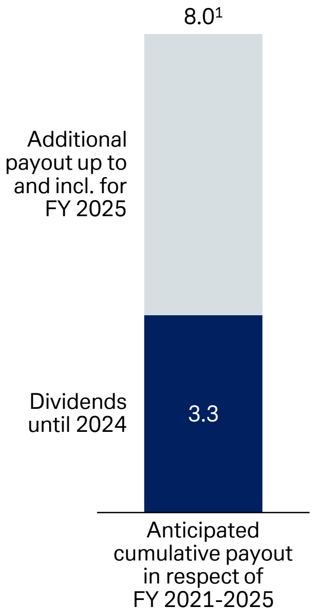
RWA reduction in lower yielding portfolios and other optimizations over time with limited revenue impact by 2025[1]

- Streamlining of mortgage business and reduction of sub-hurdle lending portfolios
- Optimized hedging and enhancement of risk models and processes across businesses
- Increased use of securitisation to reduce balance sheet intensity
- **Capital optimization to drive return on equity and distributions**

Note: For footnotes refer to slides 29 and 30

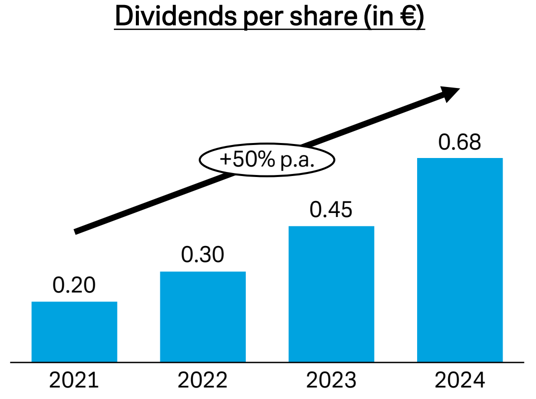
# Growing shareholder distribution over time

In € bn




## 2021 – 2024 payout guidance

**~€ 3.3bn**
anticipated total dividends for FY 2021-2024




## 2025+ payout guidance

**2025**

50% total payout ratio through a combination of dividends paid in respect of FY 2024 and share buy-backs executed in 2025

**Thereafter**

50% total payout ratio guidance for subsequent years

# Confirmation of 2025 targets

In € bn

## Financial targets

**>10%**

**Post-tax RoTE in 2025**

Confirm 2025 target based on sustained operating leverage over the period

**3.5-4.5%**

**Revenue CAGR 2021-2025**

Increased revenue momentum supported by **further balance sheet optimization** and **greater shift to capital light businesses**

**<62.5%**

**Cost/income ratio in 2025**

Reiterate CIR target, with continued focus on **further structural cost reductions**, via technology investments, process redesign and efficiencies in infrastructure

## Capital objectives

**~13%**

**CET1 ratio**

Aim to operate with a buffer of 200bps above MDA, as we build capital and absorb regulatory changes

**50%**

**Total payout ratio from 2025**

Confirm 2025+ payout guidance and **€ 8bn anticipated cumulative payout** in respect of FY 2021-2025; proposed dividend of 30 cents for FY 2022

Note: MDA - maximum distributable amount; € 8bn anticipated cumulative payout in respect of FY 2021-25 (including distributions in respect of 2025, payable in 2026) subject to meeting strategic targets and German corporate law requirements, AGM authorization and regulatory approvals

# Agenda

# Balance sheet strength in challenging conditions

## Capital & leverage

**13.6%**
CET1 ratio

From 12.8% in prior year quarter

**4.6%**
Leverage ratio

Leverage ratio increased YoY on like-for-like basis

## Liquidity & funding

**143%**
LCR

LCR stable QoQ with € 63bn above regulatory requirement

**> 50%**
2023 issuance plan completion

YTD issuance of € 8bn, incl. completion of 2023 capital instrument issuance plan

## Deposits & AuM

**41%**
Insured deposits excl. banks

Highly diversified portfolio across client segments, products and geographies

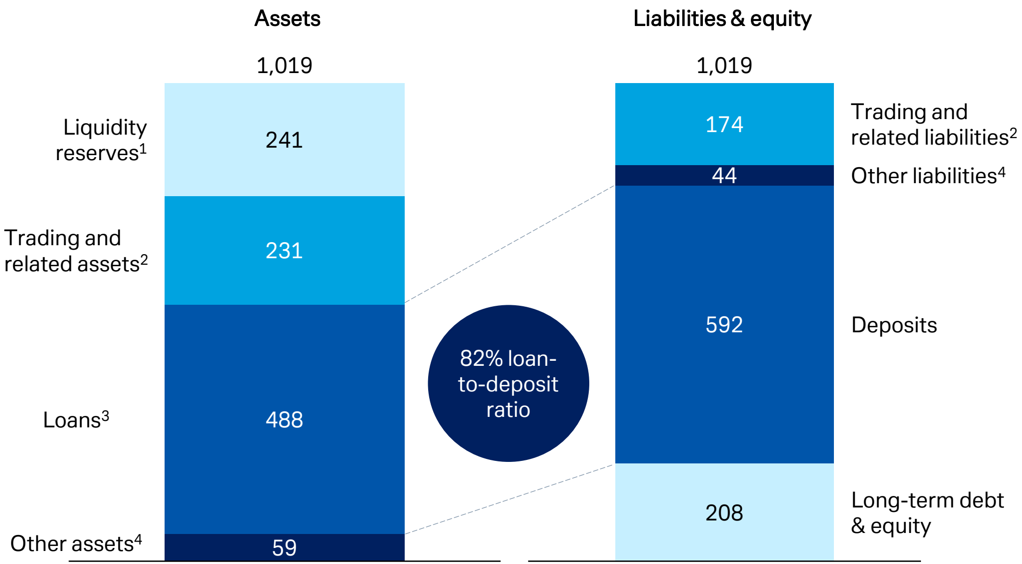
**€ 12bn**
PB/AM inflows

Strong client demand and deposit migration into higher-yielding products

Note: Q1 2022 leverage ratio calibrated in line with CRR2 legislation regarding central bank balance exclusion

# Conservatively managed balance sheet

Net in € bn, as of March 31, 2023

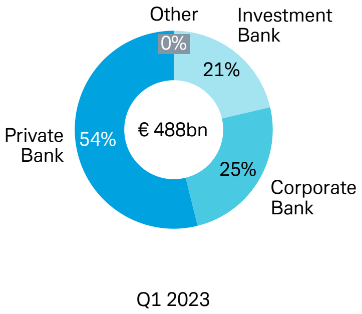


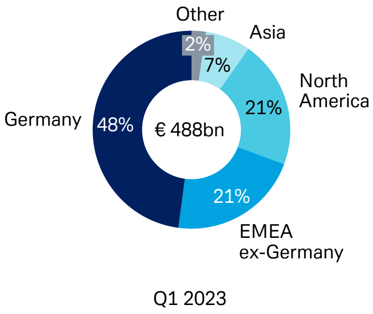

- Resilient balance sheet
- Liquidity reserves account around a quarter of net balance sheet
- Conservative loan-to-deposit ratio provides room for further growth
- Highly diversified and stable funding profile with 58% of net balance sheet funded via deposits
- Deposits include € 352bn demand deposits, € 159bn time deposits and € 81bn saving deposits

Note: Net balance sheet of € 1,019bn is defined as IFRS balance sheet (€ 1,307bn) adjusted to reflect the funding required after recognizing legal netting agreements (€ 187bn), cash collateral received (€ 35bn) and paid (€ 23bn), and offsetting pending settlement balances (€ 43bn); for footnotes refer to slides 29 and 30

# Well diversified loan book, CLP guidance unchanged

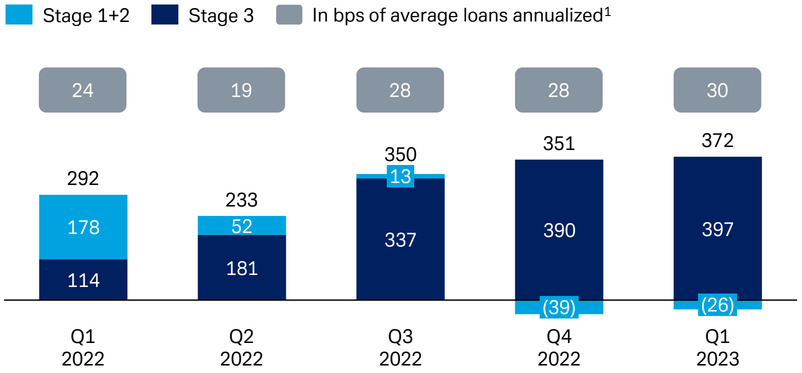
## Well-diversified loan book




- Loan book well diversified across businesses and regions; ~70% of the loan book either collateralized, supported by financial guarantees or hedged
- Well-positioned to withstand downside risks due to conservative underwriting standards, a robust risk appetite framework and risk mitigation through hedging

## Provision for credit losses (in € m)



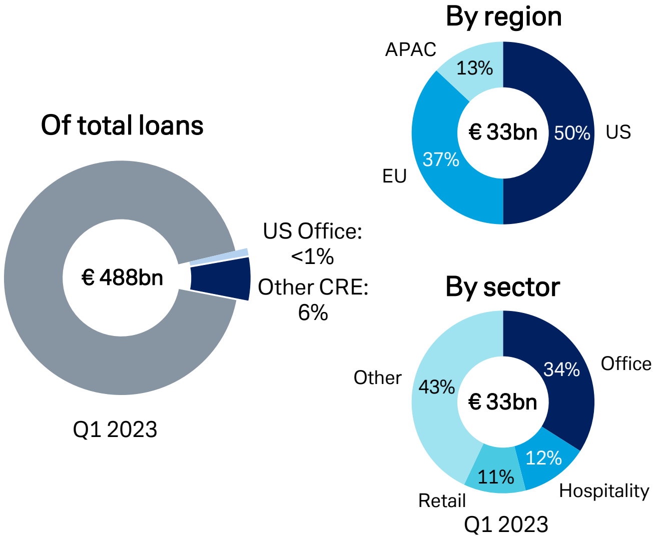

- Q1 provisions slightly ahead of the previous quarter
- Stage 3 provisions slightly increased, driven by idiosyncratic events in International Private Bank, while Corporate Bank and Investment Bank saw moderate bookings
- Stage 1+2 provisions saw minor releases, partially driven by improving macroeconomic outlook since Q4 2022
- FY 2023 guidance of 25-30bps of average loans remains unchanged

Note: For footnotes refer to slides 29 and 30

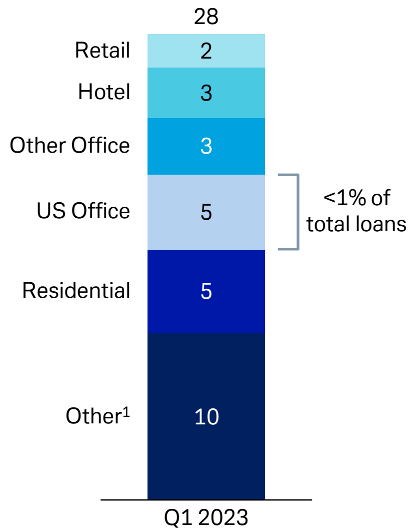
# Commercial Real Estate (CRE)

Focus portfolio comprised of IB and CB non-recourse CRE lending

## CRE portfolio: € 33bn




## IB CRE: € 28bn




## Risk management and mitigations

- Geographically diverse, well located institutional quality assets
- Strong institutional sponsors with significant cash equity invested
- Tight loan structures with moderate LTVs and maturity extensions subject to financial covenants
- Stress testing to identify loans with elevated refinancing risk; pro-active engagement with borrowers to achieve balanced loan extensions

**CRE portfolio accounts for 7% of total loans and remains well diversified across regions and sectors**

**Limited US Office exposure; ~80% in Class A properties**

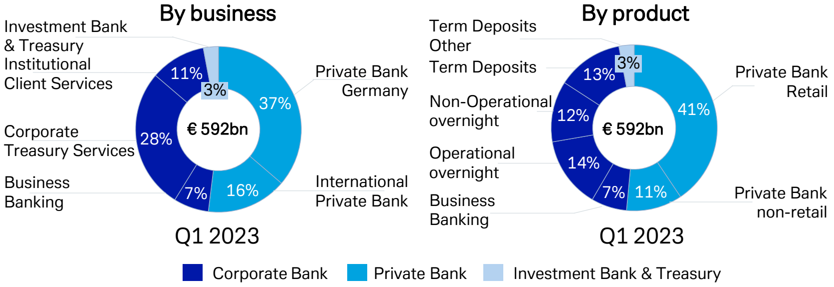
**Q1 2023 CRE CLP contained at € 33m for Stage 3, in line with prior quarters[2]**

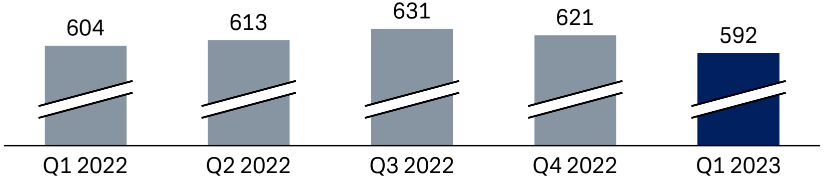
Note: For footnotes refer to slides 29 and 30

# Funding and liquidity

In € bn, unless stated otherwise

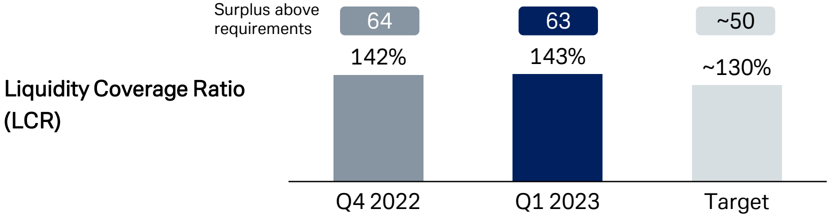
## Diversified deposit base

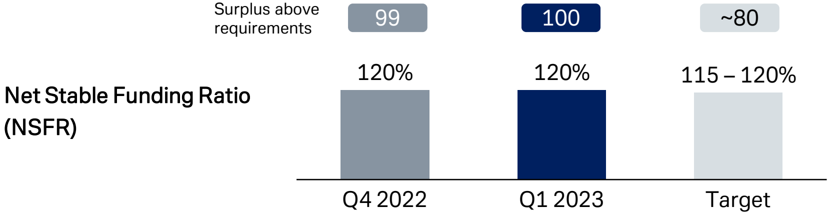



- Well-diversified portfolio across client segments and products with 73% in German home market, largely backed by protection schemes
- Normalized deposits compared to elevated levels in late 2022; stable-to-improving balances since quarter-end

## Strong liquidity




- LCR and NSFR stable at or above targeted level, reflecting prudent steering
- Well-diversified and stable funding continues to benefit from strong domestic deposit franchise, longer-dated capital market issuance and limited TLTRO funding reliance

# Agenda

# Current ratings

As of May 22, 2023

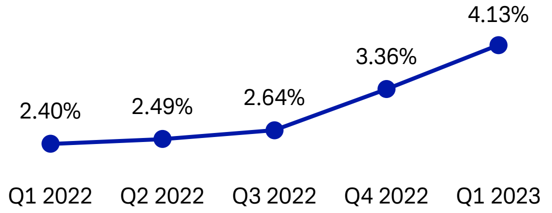
| | | Moody's Investors Services | S&P Global Ratings | Fitch Ratings | DBRS |
|---|---|---|---|---|---|
| Counterparty obligations (e.g. deposits/ structured notes/ derivatives/ swaps/ trade finance obligations) | | A1 | A-[1] | A- | A (high) |
| Long-term senior unsecured | Preferred[2] | A1 | A- | A- | A (low) |
| | Non-preferred | Baa1 | BBB- | BBB+ | BBB (high) |
| Tier 2 | | Baa3 | BB+ | BBB- | - |
| Additional Tier 1 | | Ba2 | BB- | BB | - |
| Short-term | | P-1 | A-2 | F2 | R-1 (low) |
| Outlook | | Stable | Positive | Positive | Positive |

Note: For footnotes refer to slides 29 and 30

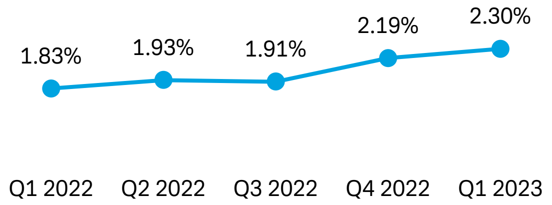
# Interest rates continued to support PB and CB NIM

## Divisional NIM development

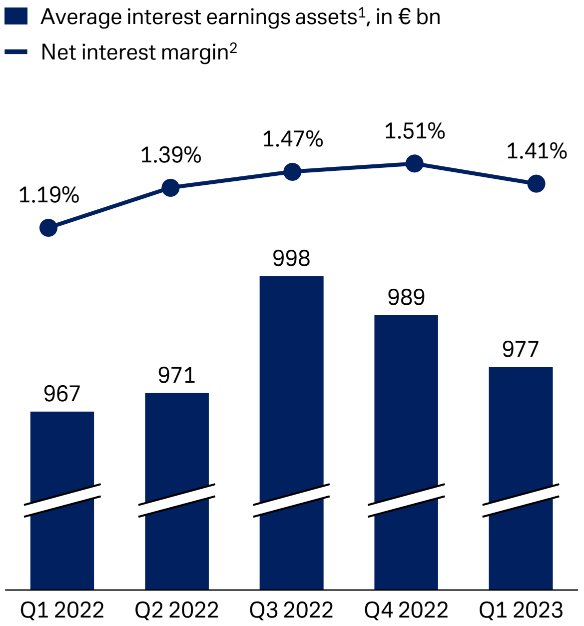
### Corporate Bank




### Private Bank




## Group NIM development

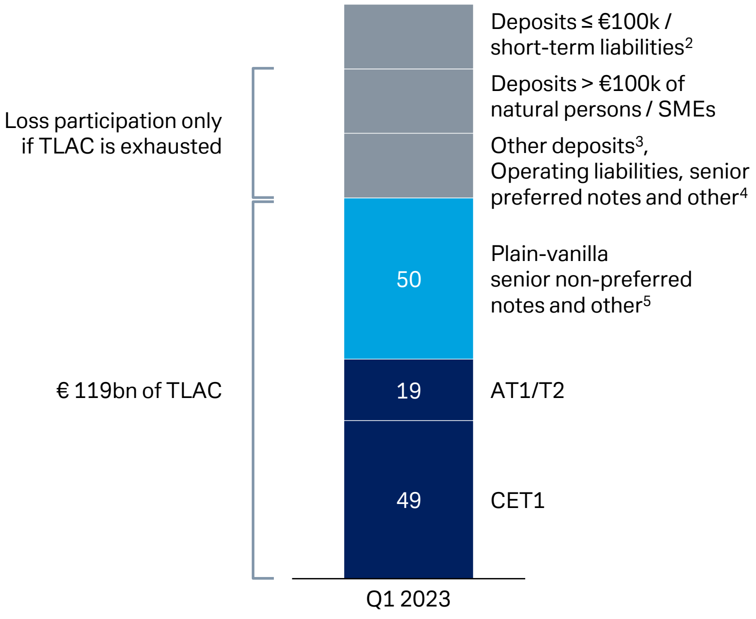



## Key highlights

- Corporate Bank and Private Bank NIM show continued favorable development due to rising rates and strong pricing discipline
- Group NIM shows a decline due to the accounting treatment of certain hedge positions in C&O which is fully offset by and increase in non-interest income
- Decrease in average interest earning assets driven principally by TLTRO prepayments
- Realized deposit betas remain favorable but are expected to continue to normalize as the pace of interest rate rises slows

Note: For footnotes refer to slides 29 and 30

# Depositors and counterparties are protected by € 119bn loss-absorbing capacity[1]

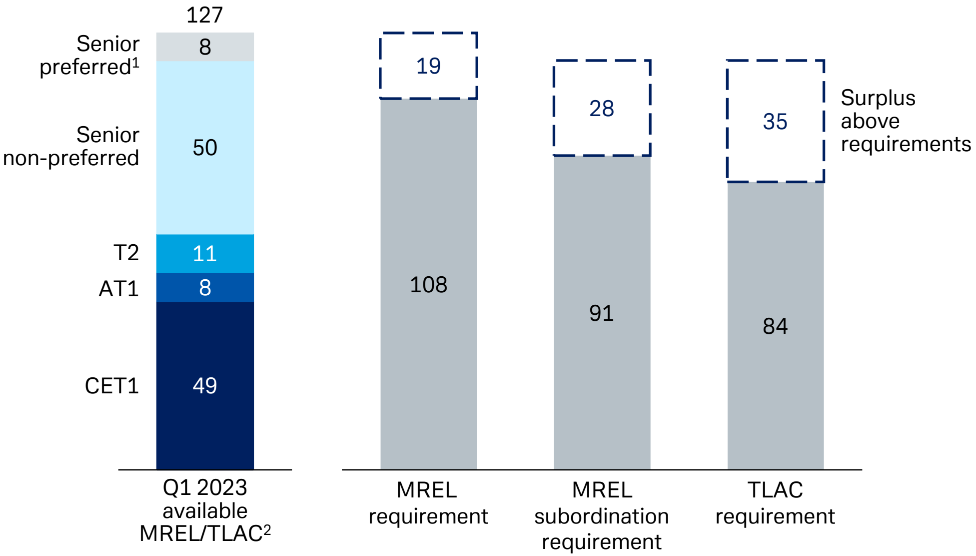



- Bank recovery and resolution framework was established after the 2008 financial crisis to safeguard the stability of the financial system
- Bail-in of liabilities as a key elements to transfer arising losses (*"failure or likely to fail" situation*) to investors (not taxpayers)
- Objective: restore capital to ensure continued operation of critical functions without impacting depositors / counterparties ranking superior in the hierarchy

Note: Grey boxes not to scale; for footnotes refer to slides 29 and 30

# Significant buffer over MREL/TLAC requirements

Loss-absorbing capacity, in € bn, period end

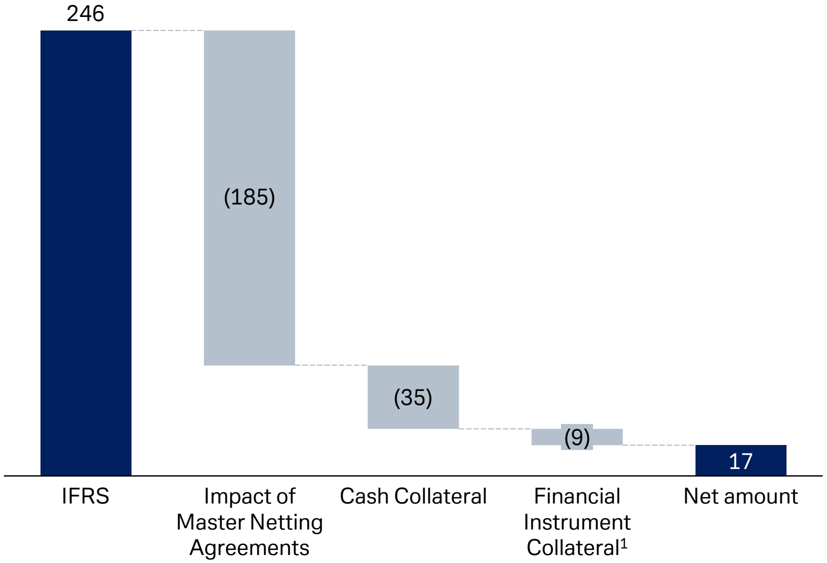



- Q1 2023 loss-absorbing capacity significantly above all regulatory requirements, with MREL remaining most binding constraint
- € 19bn MREL surplus up by € 1bn quarter on quarter
  - € 2bn higher requirement from introduction of German countercyclical buffer and systemic risk buffer in Q1 2023
  - More than offset by higher available MREL/TLAC[2] principally from ~€ 2bn net new senior non-preferred issuances and ~€ 1bn higher CET1 capital
- ~€ 3bn lower surplus ceteris paribus expected in Q2 2023 from a higher MREL requirement and general prior permissions becoming subject to deduction

Note: For footnotes refer to slides 29 and 30

# Derivatives bridge

Q1 2023, IFRS derivative trading assets and the impact of netting and collateral, in € bn



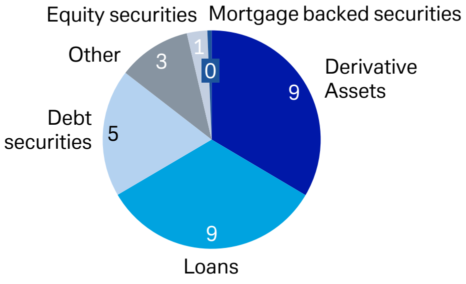

- Gross notional derivative exposure amounts are not exchanged and relate only to the reference amount of all contracts; it is no reflection of the credit or market risk run by a bank
- On DB's IFRS balance sheet, derivative trading assets are reported with their positive market values, representing the maximum exposure to credit risk prior to any credit enhancements
- Under IFRS accounting, the conditions to be met allowing for netting on the balance sheet are much stricter compared to US GAAP
- DB's reported IFRS derivative trading assets of € 246bn would fall to € 17bn on a net basis, after considering legally enforceable Master Netting Agreements[2] in place and collateral received
- In addition, DB actively hedges its net derivatives trading exposure to further reduce the economic risk

Note: For footnotes refer to slides 29 and 30

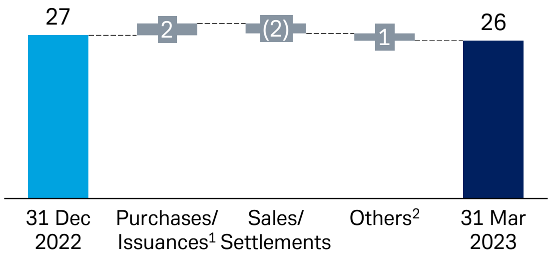
# Level 3 assets and liabilities

As of March 31, 2023, in € bn

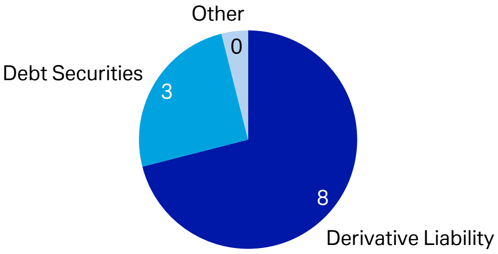
## Assets: € 26bn



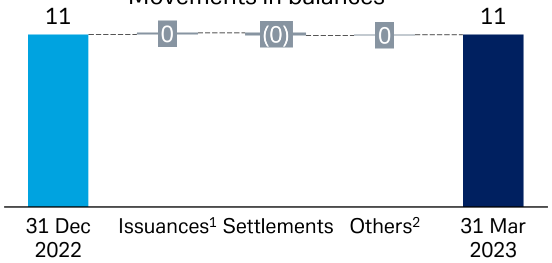

Movements in balances




## Liabilities: € 11bn




Movements in balances




- Level 3 is an indicator of valuation uncertainty and not of asset quality
- The Group classifies financial instruments as Level 3 if an unobservable element impacts the fair value by 5% or more
- The movements in Level 3 assets reflect that the portfolios are not static with significant turnover during the period
- Variety of mitigants to valuation uncertainty
  - Uncertain inputs often hedged, e.g. in Level 3 liabilities
  - Exchange of collateral with derivative counterparties
  - Prudent Valuation capital deductions[3] specific to Level 3 balances of ~€ 0.8bn

Note: For footnotes refer to slides 29 and 30

# Sustainability at Deutsche Bank

Q1 2023 highlights

## Recent achievements

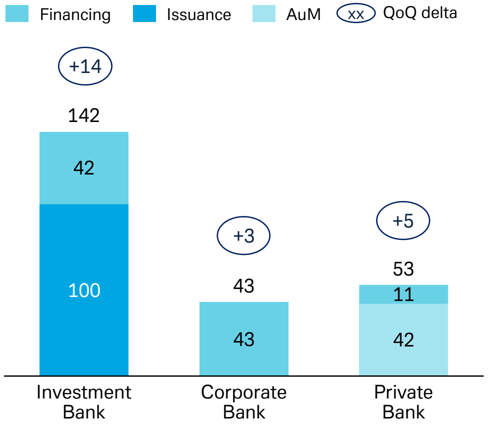
| | |
|---|---|
| Sustainable Finance | 〉Increased Sustainable Finance volumes by € 22bn QoQ to € 238bn[1] (cumulative since 2020)<br>〉Signed agreement between DB Private Bank and WWF Germany for advisory service to advance sustainable finance offering<br>〉Invested into Berlin start-up Plan A which offers carbon measurement solutions/services<br>〉Acted as Sole Mandated Lead Arranger and Sustainability Coordinator in a 5-year, € 120m Senior Secured Sustainability-Linked Term Loan to Beontag Ltd. (Investment Bank FIC) |
| Policies & Commitments | 〉Tightened thermal policy effective May 2023<br>〉New ambition that at least 90% of high emitting clients in most carbon intensive sectors that engage in new lending transactions shall have a net zero commitment from 2026 onwards<br>〉Published updated Human Rights Statement |
| People & Own Operations | 〉Offered comprehensive training for client facing staff[2]<br>〉Initiated vendor engagement program to address scope 3 carbon emissions focusing on Purchased Goods and Services (Scope 3 category 1)<br>〉Implemented digital delivery program for financial magazines resulting in ~3m sheets of paper saved<br>〉Completed relocation project in Tokyo, re-using 90% of furniture<br>〉Signed green contract for electricity consumption in Australia |
| Thought Leadership & Stakeholder Engagement | 〉Hosted 2nd Sustainability Deep Dive in Mar 2023<br>〉Hosted Deutsche Bank's 3rd dbAccess Global ESG Conference in Mar 2023, facilitating interviews and panel discussions as part of a dedicated Climate and Security Day<br>〉Donated ~€ 500k for earthquake victims in Turkey and Syria in Q1; and so far employees donated ~€ 280k across regions to support the work of Red Cross organisations |

## Sustainable Finance[1] volumes

€ 238bn
Cumulative volumes

€ 500bn
Target by 2025

Reported volumes by business and product type, € bn




Note: For footnotes refer to slides 29 and 30

# Footnotes 1/2

Slide 3 – Financial milestones achieved
1. Includes € 1.4bn tax benefit from a deferred tax asset valuation adjustment driven by strong US performance

Slide 4 – Improved revenue growth and profitability
1. Divisional post-tax return on average tangible shareholders' equity (RoTE) calculated applying a 28% tax rate

Slide 5 – Revenue performance has exceeded expectations
1. Compound Annual Growth Rate

Slide 10 – Revenues planned to reach ~€ 30bn by 2025
1. In 2023 and 2024
2. Outperformance until 2025 vs. March 2022 IDD

Slide 12 – Increased capital efficiency driven by RWA reduction
1. Before increase in OR RWA and allocation to higher returning growth opportunities

Slide 17 – Conservatively managed balance sheet
1. Liquidity reserves comprise of total stock of high-quality liquid assets (HQLA), including assets subject to transfer restrictions and other central bank eligible securities
2. Trading and related assets along with similar liabilities, includes debt and equity securities (excluding highly liquid securities), derivatives, repos, securities borrowed and lent, brokerage receivables and payables, and loans measured at fair value
3. Loans at amortized cost, gross of allowances
4. Other assets include goodwill and other intangible, property and equipment, tax assets, cash and equivalents which are not part of liquidity reserve and other receivables. Other liabilities include accrued expenses, investment contract liabilities, financial liabilities designated at fair value through P&L excluding those included in trading and related asset

Slide 18 – Well diversified loan book, CLP guidance unchanged
1. Quarterly provision for credit losses annualized as basis points of average loans gross of allowance at amortized cost

Slide 19 – Commercial Real Estate (CRE)
1. Other includes Industrial/Logistics, Mixed Use, Data Centers, Studios, Condos, and other property types
2. Driven by IB CRE; net CLP of € 26m across Focus Portfolio

Slide 22 – Current ratings
1. The Issuer Credit Rating (ICR) is S&P's view on an obligor's overall creditworthiness; it does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation
2. Defined as senior unsecured debt rating at Moody's and S&P, as preferred senior debt rating at Fitch and as senior debt at DBRS

Slide 23 – Interest rates continued to support PB and CB NIM
1. Reported net interest income expressed as a percentage of average interest earning assets
2. Average balances of interest earning assets for each quarter are calculated based on month-end balances

# Footnotes 2/2

Slide 24 – Depositors and counterparties are protected by € 119bn loss-absorbing capacity

1. Total loss-absorbing capacity (TLAC) is the amount of equity and bail-in debt available to absorb losses in order to protect counterparties and depositors
2. Insured deposits and deposits by credit institutions and investment firms with original maturity <7 days are excluded from bail-in
3. Deposits >€ 100k of large caps, all remaining deposits of financial institutions and the public sector
4. Other includes structured notes money market instruments and LOC's
5. Other includes Schuldscheine >1 year (unless qualified as preferred deposits)

Slide 25 – Significant buffer over MREL/TLAC requirements

1. Plain vanilla instruments and structured notes eligible for MREL
2. Includes adjustments to regulatory Tier 2 capital; available TLAC/subordinated MREL does not include senior preferred debt; values reflect amounts determined in line with applicable regulatory measurement rules

Slide 26 – Derivatives bridge

1. Excludes real estate and other non-financial instrument collateral
2. Master Netting Agreements allow counterparties with multiple derivative contracts to settle through a single payment

Slide 27 – Level 3 assets and liabilities

1. Issuances include cash amounts paid on the primary issuance of a loan to a borrower
2. Includes other transfers into / out of Level 3, including methodology refinements on opening balance and mark-to-market adjustments
3. Additional value adjustments deducted from CET1 capital pursuant to Article 34 of Regulation (EU) No. 2019/876 (CRR)

Slide 28 – Sustainability at Deutsche Bank

1. Cumulative figures include sustainable financing and investment activities as defined in DB's Sustainable Finance Framework and related documents, which are published on our website
2. Affected divisions under the Sustainable Finance Framework are: Investment Bank, Corporate Bank and International Private Bank lending (part of the Private Bank organization)

# Contacts and key additional materials

**Investor Relations contact details**

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**Links to key investor presentations:**

- **Q1 2023 results** (27 April 2023):
  Q1 2023 results – Deutsche Bank (db.com)
- **Investor Deep Dive** (10 March 2022):
  Investor Deep Dive 2022 – Deutsche Bank (db.com)
- **Annual Report 2022** (17 March 2023):
  Annual Report 2022 – Deutsche Bank (db.com)
- **Sustainability Deep Dive** (2 March 2023):
  Sustainability Deep Dive 2023 – Deutsche Bank (db.com)

# Cautionary statements

**Forward-looking statements**

This presentation 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 SEC Form 20-F of 17 March 2023 under the heading "Risk Factors." Copies of this document are readily available upon request or can be downloaded from investor-relations.db.com

**Non-IFRS financial measures**

This presentation also contains non-IFRS financial measures. For a reconciliation to directly comparable figures reported under IFRS, to the extent such reconciliation is not provided in this presentation, refer to the Q1 2023 Financial Data Supplement, which is accompanying this presentation and available at investor-relations.db.com

**EU carve out**

Results are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union ("EU"), including application of portfolio fair value hedge accounting for non-maturing deposits and fixed rate mortgages with pre-payment options (the "EU carve-out"). Fair value hedge accounting under the EU carve-out is employed to minimize the accounting exposure to both positive and negative moves in interest rates in each tenor bucket thereby reducing the volatility of reported revenue from Treasury activities. For the three-month period ended March 31, 2023, application of the EU carve-out had a negative impact of € 97million on profit before taxes and of € 70 million on profit. For the same time period in 2022, the application of the EU carve-out had a positive impact of € 139 million on profit before taxes and of € 106 million on profit. The Group's regulatory capital and ratios thereof are also reported on the basis of the EU carve-out version of IAS 39. For the three-month period ended March 31, 2023, application of the EU carve-out had a negative impact on the CET1 capital ratio of about 2 basis points and a positive impact of about 3 basis points for the same time period in 2022. In any given period, the net effect of the EU carve-out can be positive or negative, depending on the fair market value changes in the positions being hedged and the hedging instruments

**ESG Classification**

We defined our sustainable financing and investment activities in the "Sustainable Financing Framework – Deutsche Bank Group" which is available at investor-relations.db.com. Given the cumulative definition of our target, in cases where validation against the Framework cannot be completed before the end of the reporting quarter, volumes are disclosed upon completion of the validation in subsequent quarters.

In Asset Management DWS introduced its ESG Product Classification Framework ("ESG Framework") in 2021 taking into account relevant legislation (including Regulation (EU) 2019/2088 – SFDR), market standards and internal developments. The ESG Framework is further described in the Annual report 2021 of DWS under the heading "Our Product Suite – Key Highlights / ESG Product Classification Framework" which is available at group.dws.com/ir/reports-and-events/annual-report/. There is no change in the ESG Framework in Q1 2023. DWS will continue to develop and refine its ESG Framework in accordance with evolving regulation and market practice