Deutsche Bank Group
Remuneration Report 2009

Disclosure as per the voluntary self-commitment referencing the BaFin Circular 22/2009
and the Financial Stability Board (FSB) Principles for Sound Remuneration

Deutsche Bank releases the following Group Remuneration Report for the financial year 2009:

Compensation Structures and Practices

Total Compensation Philosophy

In 2009 Deutsche Bank performed a full review of the Bank's compensation arrangements and practices. The focus of this review was to ensure that the Bank's Reward Strategy supported the achievement of business objectives, rewarded the right behaviours, delivered value to shareholders, and was compliant with regulatory recommendations,.

The objectives of DB's compensation structures and practices are established at a global level and are based on the Bank´s core remuneration principles, which are:

- Align compensation to profitability, risk and capital
- Maximize employee and Bank performance
- Attract and retain the best talent
- Calibrate to differing divisions and levels of responsibility
- Simple and transparent compensation design

These core remuneration principles form the foundation upon which we align to regulatory requirements and achieve balance in compensation arrangements. The Bank upholds these principles not only to balance the interests of the employees, management and shareholders but also to motivate employees to continue to act in the best interests of the Bank and perform at their highest potential.

We are committed to full compliance with the G20 compensation principles and regulatory requirements.

Pay mix

Given the regulatory sentiment that there must be an appropriate balance of fixed pay (salary plus certain allowances) to variable pay (bonus), we reviewed the "pay mix" balance for senior employees (generally VPs and above). The purpose of this review was to achieve a more balanced distribution of Total Compensation and does not represent an automatic increase in Total Compensation. Individual levels of Total Compensation will continue to depend on a number of factors, including Group, Division and individual performance. Any change in the 'pay mix' only applied in those cases where an employee's mix of pay was not appropriate to their function, seniority and performance. Pay mix adjustments were effective from 1 January 2010.

Performance-based Incentive Compensation

At Deutsche Bank, incentive compensation is performance-based and linked to a combination of Bank performance, divisional contributions and individual performance. Deutsche Bank utilizes both quantitative and qualitative measures to assess employees' performance and, by extension, determine appropriate levels of discretionary incentive compensation. These measures are divisionally developed and specific to each business' activities, strategies, and goals. Incentive compensation also is values-oriented and dependent upon adherence to the Bank's values, Leadership Standards, and the established Code of Conduct. It is also market-driven and regularly benchmarked by market segment against compensation levels at leading competitors (for more detailed information please see section on Compensation Disclosure).

Deutsche Bank has mechanisms in place to allow it to mitigate risk and adjust compensation for risk-related outcomes. Deutsche Bank uses both deferred compensation and clawbacks to make its incentive compensation arrangements more sensitive to risk. Incentive compensation is also aligned with shareholder interest by delivering a significant portion of annual total compensation in deferred equity-linked awards. The alignment of interests between employees and shareholders is a fundamental part of DB's compensation philosophy.

In 2009, all employees who were awarded an annual discretionary incentive of €100,000 or greater (less than 10% of the population) received a significant portion of this incentive in the form of a deferred award under the DB Equity Plan (Restricted Equity Award) and the DB Restricted Incentive Plan (Restricted Incentive Award). Deferred awards are split between these two vehicles with 75% of the award granted as restricted equity awards and 25% as restricted incentive awards.

We had already introduced two specific clawbacks in 2008 one on Group performance (which only applied to approximately one hundred of our senior-most Managing Directors ("MDs") and an individual policy/regulatory breach clawback, which applied to all employees in 2009, we significantly enhanced the clawback provisions in our 2009 compensation structure to address the time horizon of risk, allow proper consideration of risk outcomes, and achieve even further balance.

The 2009 awards will include the following clawback provisions: (1) the Group clawback, which now applies to all Managing Directors, (2) the policy/regulatory breach clawback, which remains applicable to all employees, and (3) an individual financial impairment clawback, which is new for 2009 and which will apply to all employees

Reward Governance Structure (Remuneration Committees)

In accordance with the German Stock Corporation Act, Deutsche Bank has a German Two Tier Board Structure made up of a Supervisory Board, which is an independent control body, and a Management Board. The members of the Management Board are the executive officers of the Bank. The Management Board is responsible for managing the Bank, representing DB in dealings with third parties, approving Bank compensation structures and ratifying compensation spend and allocations.

Deutsche Bank has a Global Reward Governance Compensation Committee Structure, which monitors the Bank's compliance with the regulatory requirements established by the BaFin as our home regulator and the other main regulators in financial centres around the globe. Within this Governance Structure is a Senior Executive Compensation Committee ("SECC"). The main responsibilities of the SECC include establishing quantitative and qualitative factors to assess performance as a basis for compensation related decisions, making appropriate recommendations to the Management Board regarding the annual bonus pool and its allocation across business divisions, and ensuring that divisional pool owners establish a compensation committee and appropriate processes and controls, including the consideration of risk in determining sub-divisional pools and individual compensation allocations. Another responsibility of the SECC is to establish a corporate governance structure, which it does through its two delegated bodies, the Global Compensation Review Committee ("GCRC") and the Global Compensation Oversight Committee ("GCOC").

The GCRC's main responsibilities include operating an effective framework of compensation components and policies, approving new plans and changes to existing plans and reviewing DB's current and future liabilities related to compensation plans, in particular with regards to equity or equity-based components.

The GCOC reviews divisional compensation frameworks and ensures that divisional frameworks and practices comply with DB's compensation principles and relevant policies. This compliance includes taking into account sound measurements and metrics on: the financial performance of the Bank and the respective division, the inherent risk profiles based on the different types of risk (i.e. operational, market, liquidity, reputational, regulatory and credit risk) and adherence to Compliance policies. A summary of the GCOC's findings and recommendations is provided to the SECC.

In addition all divisions have established a Divisional Compensation Committee ("DCC"). The DCCs are responsible for developing and defining a division-specific compensation framework and operating principles in line with Bank practices and standards and for establishing division-specific compensation processes which comply with these frameworks, which are embedded in the year-end processes on a global basis. DCCs consider a variety of performance measures in the determination of incentive compensation allocations.

Based on the global reach, the size, the scope and complexity and the overall risk profile of the Bank the SECC decided to establish the above Reward Governance structure on the group and divisional level only. This effectively means that legal entities are governed by the respective Group and divisional compensation frameworks on a global basis and that they were not required to establish separate remuneration committees on a legal entity level. This ensures transparent and full oversight, control and consistency on all compensation-related items and plans at a cross-divisional and cross-regional level.

We strongly believe that DB's governance structure is aligned with the regulatory guidelines.

Note: With regard to senior executive compensation, the principles of the compensation of Supervisory Board members are set forth in DB's Articles of Association, which our shareholders amend from time to time at their Annual General Meetings. The Supervisory Board regularly reviews and approves the compensation arrangements, including the main contract elements, for all members of the Management Board. The Chairman's Committee of the Supervisory Board determines the design and size of incentive compensation awards for the members of the Management Board.

Compensation Disclosure

For the financial year 2009 the Total DB Group Compensation & Benefits (C&B) expense was € 11.310bn which represents a 14% decrease vs. 2007. The C&B per capita was € 147k in 2009 (decreased 12.5% versus 2007). The Group C&B ratio for 2009 was 39% which represents a reduction of 3% compared to 2007.

Due to the increased use of deferred elements as an essential part of our compensation approach the cash portion of incentive compensation was down 45% from 2007 levels. Individual deferral percentages range from 25% up to 90% for our most senior employees. This reflects the principle that the proportion of the long-term incentive award will increase significantly as the amount of total incentive compensation increases which is compliant with BaFin and FSB requirements.

Our CIB franchise including the supporting Infrastructure units had a payout ratio of 39.2% vs. 49.7% in 2007. The per capita C&B expense in these businesses was € 216k.

196 new senior hires globally received approximately € 178m within the context of taking up employment with the Bank for service in 2009 (out of a total of 7,886 new hires globally). Conversely 216 leavers received severance amounts of approximately € 70m of which the highest individual severance paid was € 5.5m.[1]

For the financial year 2009 the identified risk taker population[2] in all divisions globally received fixed pay of € 367m and variable components consisting of € 921m cash paid in February 2010 and deferred awards. Therein, as per the BaFin requirements, is a population of 28 so called "Geschäftsleiter" which are the members of the Group Executive Committee (GEC) and the Management Board members and "Geschäftsführer" of selected German subsidiaries. Specific clawback provisions have been introduced for the group of the "Geschäftsleiter". The deferred awards are all subject to the Banks future performance. € 961m of the deferred awards were granted in the form of restricted equity awards which are deferred over 3.75 years and tied to the future share price of DB. € 317m of the deferred awards were granted in the form of restricted incentive awards deferred over 3 years and tied to the Group NIBT and a Variable Adjustment based on RoE[3] less cost of funds. For the population above, on average nearly 60% of the variable compensation is deferred and subject to future performance and clawback – this is compliant with BaFin and FSB requirements.

Frankfurt, March 2010

Deutsche Bank AG

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1 contractual country specific commitment based on a collective social plan

2 excludes the Members of the Management Board of DB AG who are also defined as "Geschäftsleiter" and have additional clawback. Their remuneration will be disclosed separately in the 2009 Financial Report.

3 return on average active equity (RoE)