



Human Resources Report 2019



Connecting worlds for 150 years.

“At home in Europe,
networking with the world.”

#PositiveImpact

Christian Sewing

Chief Executive Officer, Deutsche Bank AG



What inspired the founders of this bank still drives us now: to create positive impact for our clients, the economy and society. For 150 years, Deutsche Bank has been connecting worlds to help people and businesses get to where they want to be.



From the beginning, we've been here for those who want to move forward. For the company that wants to cross borders. For the investor seeking the next opportunity. For the pioneer who wants to change how the world works. For the saver and the borrower. For everyone looking for a better way to manage money, raise finance or do business. What inspired the founders of this bank still drives us now: to create positive impact for our clients, the economy and society.

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A

Our people agenda

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Fostering a sustainable performance culture

Fostering a sustainable performance culture is essential to remain competitive in an ever-changing world.

The Human Resources (HR) function plays a critical role in defining and fostering key organizational factors, enabling and ensuring sustainable value creation and thus underpinning the Environmental, Social and Governance (ESG) agenda. This includes our positive impact in areas from employee engagement, working environment, well-being of our workforce, fostering diversity and inclusion, continuous investment in our talent pipeline, development of our workforce, to a fair and transparent remuneration of performance.

Underpinning the bank's long-term outcomes is a growing focus on ESG factors, which are increasingly integrated into investment decisions and capital markets to support responsible and ethical investment. At Deutsche Bank, we are committed to delivering a strong ESG proposition to:

- our society as a whole – responsible and sustainable investment can benefit the planet
- our clients – with support from investors and governments, it could lead to sustainable returns
- our employees – environmental, social and governance factors may lead to tangible improvements in employees' working lives, aligning Deutsche Bank actions to our employees' ethical convictions, whilst enhancing personal development, motivation and loyalty
- prospective employees – Deutsche Bank's aim to benefit society comes at a time when candidates are seeking employers who make sustained significant commitments to operating in an ethical way

The HR Report provides you with an overview of the key HR initiatives in 2019 and their impact on the wider organization. In his interview to introduce the report, Fabrizio Campelli, Chief Transformation Officer, outlines HR's central role in the bank's transformation, the importance of embracing technology, and how we are transforming the way we work.

Interview with Fabrizio Campelli: “In order to transform the bank, we need to transform the way we work.”

Deutsche Bank’s new Chief Transformation Officer discusses how the bank is preparing its talent for the future of work, and the role of HR in advising businesses through significant change.



Fabrizio, in your role as Chief Transformation Officer it is your mandate to monitor and ensure that we execute our transformation successfully over the next three years and we deliver what we promised. What is the role of HR in this effort?

It is no coincidence that the Transformation Office and HR are adjacent to each other. To transform the bank, we need to transform the way we work.

The most fundamental role for HR will be to advise our business and infrastructure areas through significant change. This includes new organizational structures, using data analytics more intelligently to improve decision making, and upskilling staff for the future.

We need to strengthen our offer to our employees: the people who choose to stay and commit to Deutsche Bank and the ones who want to join. Recently, we have seen a lot of positive momentum behind what that bank is achieving, and this is building commitment and interest in our bank. We then need to do our job in attracting the right talent, enabling our people and providing opportunities for development and growth.

You mention opportunities but two factors could work against this: Deutsche Bank’s headcount target and the impact of technology on roles. What is your view?

On the first factor, we will always need great people and leaders across the globe. Regardless of headcount targets, the success of our bank will come down to the quality of our people.

On the second factor, technology is, and has been for a while, automating tasks and there is no doubt that some roles are being fundamentally reshaped. As an HR function we are playing a vital role here – in redefining profiles, ensuring innovative upskilling measures but also in guiding our employees through this change and taking them with us on the journey. We need to identify and take advantage of the opportunities technology provides us in all areas – ultimately it releases us from administrative work, leaving more time for our people to advise their partners.

We talk a lot about the future of work and the impact on jobs and skills. What does all this mean for our HR processes and our ability to develop employees?

The impact is significant, starting with technology but also in terms of what our employees expect from us. We need to rethink all the touch points we as an organization have with our employees along their lifecycle at Deutsche Bank.

On the one hand, we already see the influence of data. There is huge potential here. One is analysing data more effectively in how we develop employees. In other industries, more and more organizations better understand the power of data – whether it is managing performance, the learning and development journey or whether an individual could be suitable for certain jobs. We can do a lot better in using all the information we have, of course in an appropriate and permissible way, to create a better fit between our people and what we have to offer. And we are on the right path – we took a significant step forward in 2019 with the roll-out of Workday globally.

But that's only part of the story. As a group, we are taking a refocused approach in attracting and developing our people. The last 150 years have proven that the power of our organization is built on our workforce. As an HR function we need to ensure that we foster a working environment that responds to our employees needs and enables them to deliver what we promise to our clients and stakeholders. Therefore, a continuous dialogue between managers and employees, and an open feedback culture, are fundamental to our success. The open reflection and self-awareness on strengths and room for improvement enable the bank to implement the right development measures and allow us to create a working environment focused on growth and progress.

You mentioned employee engagement and commitment – how can it be reinforced in light of the challenging transformation we are in the midst of?

Our business mix and the type of clients we want to work with will evolve over the coming years. As we go through this journey, we need to engage with our people in new ways, explain their role in our success, and be transparent about how they are evaluated.

This journey will not be straight forward and we will need motivated individuals who want to make a positive difference and help sustain the bank for the next 150 years. To be successful, we need to develop our people management practices towards a more balanced approach that not only pays competitively, but also focuses on culture, training and mobility. One example is we overhauled our training and development approach to be more digital, more bite-sized, and available anywhere. This has had a dramatic effect on engagement with training resources.

How do you ensure Deutsche Bank remains an exciting place to work?

A big part of the answer is our working practices and understanding what people want from their employer. We need to channel our recruitment and retention efforts to target the right people and build a leadership pipeline that will sustain us. We are also improving the experience for our people by providing better technology to support the way we work. This will include collaboration and workflow tools to create a more agile work environment. We of course also need our people to take the journey too and be open to new ideas.



Finally Fabrizio, what are the characteristics you think the bank will need to make the strategy a success?

I have been at Deutsche Bank for 16 years and one of the main things I have learnt is that Deutsche Bank values entrepreneurial thinking. However, sometimes there are too many processes that make it more difficult for this thinking to blossom into market-, client-, and employee-ready ideas. Removing unnecessary barriers so our people can be creative will be important. Focus is required here and with the setup of the transformation agenda we are exactly on the right path.

The bank is also good at identifying talented employees and giving them a chance. That is something we cannot lose and HR has an important role to play in identifying opportunities and empowering people with less experience but great potential. This has to be handled carefully to manage risks, but we need to keep trusting our best performers.

Leadership is a topic we spend a lot of time on at the Management Board. The really good leaders can delegate effectively and create a safe environment for people to speak up, while continuously providing quality feedback and coaching. Ultimately, good leaders are those who can step back and let people discover they have it within themselves to succeed.

Finally, we need the right culture. Our DNA is German and European, and in many ways we have not fully appreciated how powerful this is. But we are also proud of our global network that enables us to deliver for our clients. Being global also means we are culturally diverse, and building a more inclusive work environment will remain a top priority for the bank. Having different viewpoints and constructive dialogue can help us avoid the issues of the past. I personally think having people from diverse backgrounds and experiences makes us much better at being able to deliver for our clients and coming to work more enjoyable.

Ultimately, we want to create a workplace where our employees can thrive, have fun and make a difference.

Thank you, Fabrizio.

Our workforce at a glance

Total FTE

87,597

7,428

Corporate Bank

10,095

Investment Bank

37,266

Private Bank

3,924

Asset Management

27,679

Infrastructure

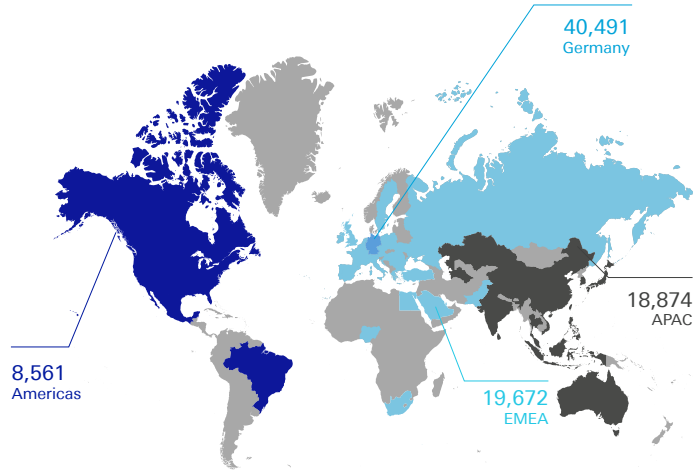
1,205

Capital Release Unit

Countries represented

59

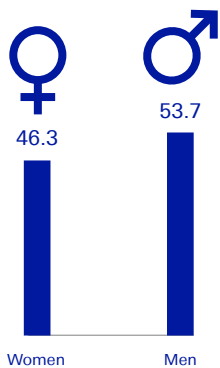
FTE per region



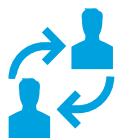
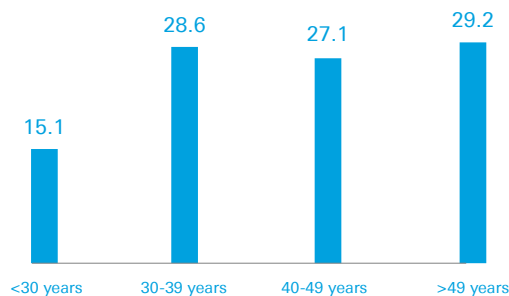
Part time employees in Headcount

12,768

headcount in %



headcount in %



8.0 %

Voluntary
staff turnover

Hiring in 2019 in FTE

3.8 k officers and
3.8 k non-officers

Commitment

58 %

Enablement

66 %

based on HR People Survey results see chapter 2



70.0 M €

Training
expenses



1.2 M

Social media
engagements



1.3 M

Career site
visitors

1

Delivery on our strategy – the role of HR

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Delivery on our strategy – the role of HR

On July 7, 2019, Deutsche Bank announced its most fundamental transformation in decades and a profound restructuring of its businesses, with the aim of improving profitability, shareholder returns and driving long-term growth by creating a leaner, more innovative and more resilient bank.

To execute this transformation, the bank will exit businesses; reduce costs by overhauling processes and infrastructure; invest in technology, digitalization and growth; and manage and free up capital.

Such significant transformation has broad implications and challenges for Deutsche Bank's people and workforce agenda. As part of our cost control and full-time equivalent (FTE) planning, it requires a sizable workforce reduction to approximately 74,000 by 2022.

The environment in which we operate is constantly evolving. In times like this, our HR expertise plays a crucial role in achieving the organization's sustainable performance goals. In 2019, we continued to support the business in realizing the required changes and promoting team stability. We advised managers on how to attract and retain talent in the current uncertain environment and worked to strengthen managers' focus on performance and development, with the overarching objective of placing the right people in the right roles at the right time. We also continued to build on our digitalization strategy, designing intuitive processes geared towards adding value and improving the employee and manager experience.

The environment in which we operate is constantly evolving. In times like this, our HR expertise plays a crucial role in achieving the organization's sustainable performance goals.

Effective workforce management

With the significant efforts underway, it is critical that as an HR function we provide the business with tools, frameworks and analyses that enable us to effectively manage our workforce. This includes supporting managers in performing their daily tasks, from recruitment to development and providing insights to senior management, which will in turn support strategy and planning activity and enable better informed decisions.

In 2019, Workday was implemented as a new bank-wide platform to support the bank's strategic innovation and digital agenda. The platform provides managers and employees with the necessary processes and tools to perform day-to-day people management activities on a self-service basis along the entire employee lifecycle, while also supporting information and reporting needs.

Aligned with one of the bank's key 2019 HR initiatives to "strengthen our ability to utilize data-driven insights to enable impactful storytelling, improve decision-making quality and drive measurable action", HR is developing and upskilling its Workforce Management and Analytics function, capabilities, products and services. Measures include the application of advanced tools and techniques to uncover patterns, linkages and trends, as well as predictive analytics.

Key 2019 HR initiatives: "strengthen our ability to utilize data-driven insights to enable impactful storytelling, improve decision-making quality and drive measurable action"

In order to support Deutsche Bank's global initiatives, regulatory needs as well as strategy and planning, our overarching objective going forward is more evidence-based management of our people and workforce agenda. We are already delivering solid reporting, metrics and key performance indicators (KPIs) and moving towards forward looking modelling and predictive analytics – see the staircase model below.

Our journey from reporting to modelling in Workforce Management & People Analytics

In order to support Deutsche Bank's global initiatives, regulatory needs as well as strategy and planning, our overarching objective going forward is a more evidence-based management of our people and workforce agenda.



In 2019, we have been measuring progress against Deutsche Bank's people and workforce agenda by mapping KPIs against the identified strategic goals. This progress is reported and reviewed by the Management Board and other senior management committees.

KPIs – People and workforce priorities in 2019 and beyond

| KPI | Rationale | Goal |
|------------------------------------|--|---|
| Restructuring support | Our transformation strategy requires sizeable workforce reductions as part of our cost control and FTE planning. | By 2022 FTE employee reduction to 74,000 |
| Internal mobility ¹ | Measuring the level to which we foster the movement of employees to new roles across the bank (both within and across divisions) brings the benefit of enriching employee career paths, transferring key skills and experience across the bank, as well as identifying opportunities for redeployment in areas that have seen business change. | By 2019 Cross-divisional: 2.4% of headcount Intra-divisional: 1.5% of headcount Total mobility goal: 3.9% of headcount |
| Diversity & inclusion ¹ | In March 2019, the Management Board decided to restate the voluntary group-wide aspirational goals for the representation of women. The goals set for December 2021 focus on the top three corporate titles individually (in % of headcount). | By 2021 Representation of women: Managing Director (21%) Director (28%) Vice President (35%) |
| Feedback culture | The Feedback Culture Survey was introduced in 2019 based on Deutsche Bank People Survey evidence showing a significant impact of regular and helpful conversations between managers and employees on commitment and enablement. The survey serves to assess the quality and frequency of top-down and bottom-up feedback and appreciation and aims to reinforce the right behavior and identify areas for further support. | By 2019 > 70% favorable ² |

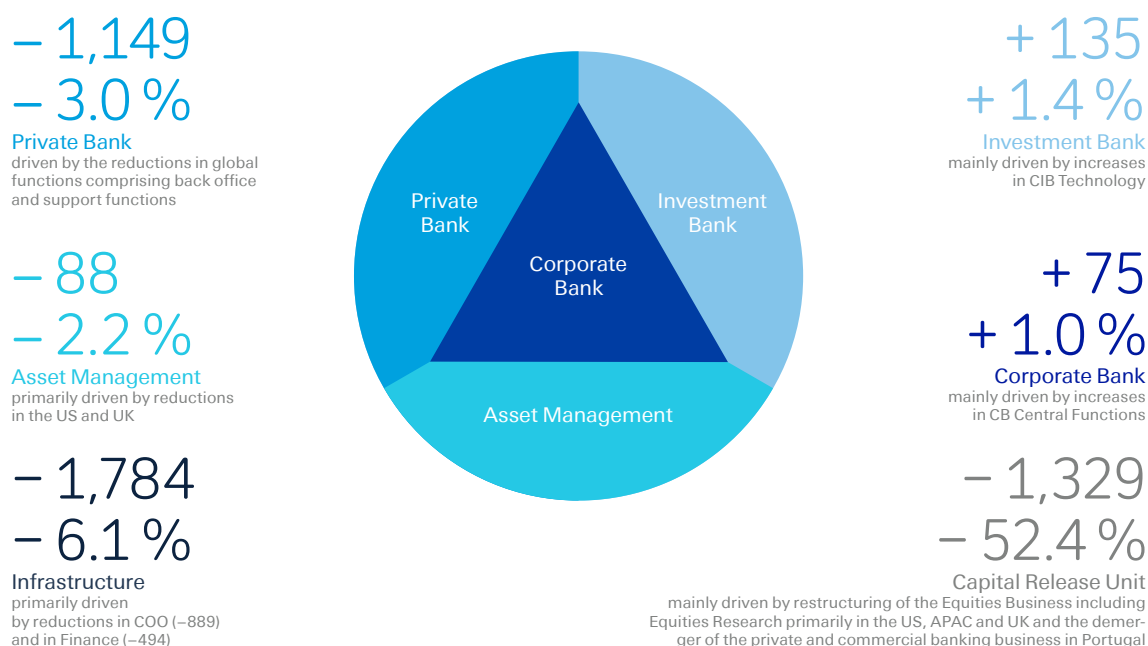
¹ The goals set for the diversity & inclusion and internal mobility KPIs take into account the volumes achieved over the past three years and are set against a stretch aspiration, taking into account the business and workforce context throughout 2019 (and beyond for diversity & inclusion).

² The feedback culture goal threshold is aligned with the thresholds applied in the Deutsche Bank People Survey.

Workforce development

On May 29, 2019, the Management Board announced that the number of full-time employees would be reduced to less than 90,000 by the end of 2019.¹ While implementing our strategy, as of December 31, 2019, Deutsche Bank had 87,597 employees, a decrease of 4,140 employees or 4.5% in 2019. All regions have been impacted by the restructuring measures. Even in the context of implementing the above-mentioned restructuring measures, recruiting talent continues to be a key priority for Deutsche Bank. Thus, filling front office roles in growth areas (e.g. Global Transaction Banking, Wealth Management and Asset Management), and replacing voluntary staff turnover in operation center vacancies was again a priority in 2019, as was hiring talent to meet the growing demand in regulatory roles (e.g. Anti-Financial Crime, Audit, and Compliance).

FTE overview



¹ Please note, when referring to 'employees', calculations are based on FTE unless otherwise stated.

FTE development by division

FTE in k

| | 2019 | 2018 | 2017 |
|---|-------------|-------------|-------------|
| Corporate Bank (CB) | 7.4 | 7.4 | 7.6 |
| Investment Bank (IB) | 10.1 | 10.0 | 10.7 |
| Private Bank (PB) | 37.3 | 38.4 | 39.3 |
| Asset Management (AM) | 3.9 | 4.0 | 4.0 |
| Capital Release Unit (CRU) | 1.2 | 2.5 | 4.3 |
| Infrastructure | 27.7 | 29.5 | 31.6 |
| Total¹ | 87.6 | 91.7 | 97.5 |
| Embedded external workforce (contractors and agency temps) ² | 5.2 | 5.3 | 6.5 |

¹ In 2019, company health insurance Deutsche Bank aligned its FTE definition which decreased the Group number as of December 31, 2019 by 0.1k (prior periods not restated)

² In 2018, BHW KSG aligned its FTE definition to Deutsche Bank's, which increased the Group number as of December 31, 2018 by 0.1k (prior periods not restated) 2019 including agency temps of Postbank (0.2), prior periods not adjusted

Net FTE development in each region was as follows:

- Germany (–1,178; –2.8%) driven by the implementation of restructuring measures, primarily in Private Bank related to global functions of the Private Bank and Infrastructure functions;
- North America (–876; –9.4%) driven mostly by reductions in Capital Release Unit and in COO;
- Latin America (–27; –14.3%) due to reductions primarily in Brazil and Mexico as a result of the implementation of our footprint strategy;
- EMEA ex Germany (–1,200; –5.7%) mainly driven by reductions in the UK related to the Capital Release Unit and to Infrastructure functions; furthermore demerger of the private and commercial banking business in Portugal;
- Asia/Pacific (–859; –4.4%) primarily driven by reductions in COO and in Capital Release Unit.

FTE development by region

FTE in k

| | 2019 | 2018 | 2017 |
|--|-------------|-------------|-------------|
| Germany | 40.5 | 41.7 | 42.5 |
| Europe (excluding Germany), Middle East and Africa | 19.7 | 20.9 | 23.5 |
| Americas | 8.6 | 9.5 | 10.6 |
| Asia/Pacific | 18.9 | 19.7 | 20.9 |
| Total | 87.6 | 91.7 | 97.5 |

As the bank worked towards its headcount targets in 2019, a new process for hiring was implemented to restrict hiring to positions that are viewed as critical to the bank's success and future growth, with a greater emphasis on internal mobility. At the same time, further opportunities to improve processes and technology usage were identified.

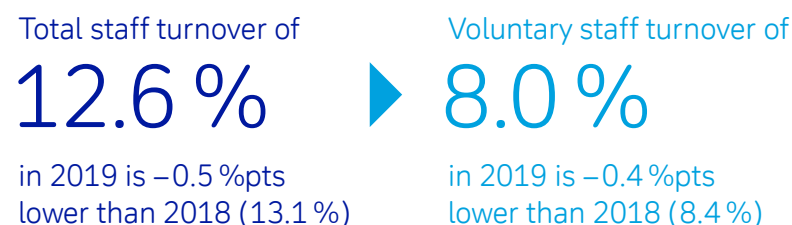
As a result, the bank has significantly reduced external hires in the fourth quarter of 2019 whilst focusing on **DEVELOPMENT OPPORTUNITIES** for existing employees.

As the bank worked towards its headcount targets in 2019, a new process for hiring was implemented in order to support Deutsche Bank's strategy.

Staff turnover

Total staff turnover rates are comprised of exits from resignations and departures initiated by the bank, including restructuring or performance-related terminations and terminations related to fixed-term contracts.

Total staff turnover rate



In 2019, the total staff turnover decreased driven by a lower voluntary turnover rate. The voluntary staff turnover rate was at 8.0% in 2019 (2018: 8.4%). The slight decrease of 0.4 percentage points is primarily due to a lower turnover in Asia/Pacific (2019: 17.0%, 2018: 18.0%) and in EMEA excluding Germany (2019: 7.7%, 2018: 9.2%). Voluntary staff turnover rate in Germany increased by 0.5 percentage points (2019: 2.5%, 2018: 2.0%) primarily due to higher turnover in Private Bank. However, this turnover remains at a normal level.

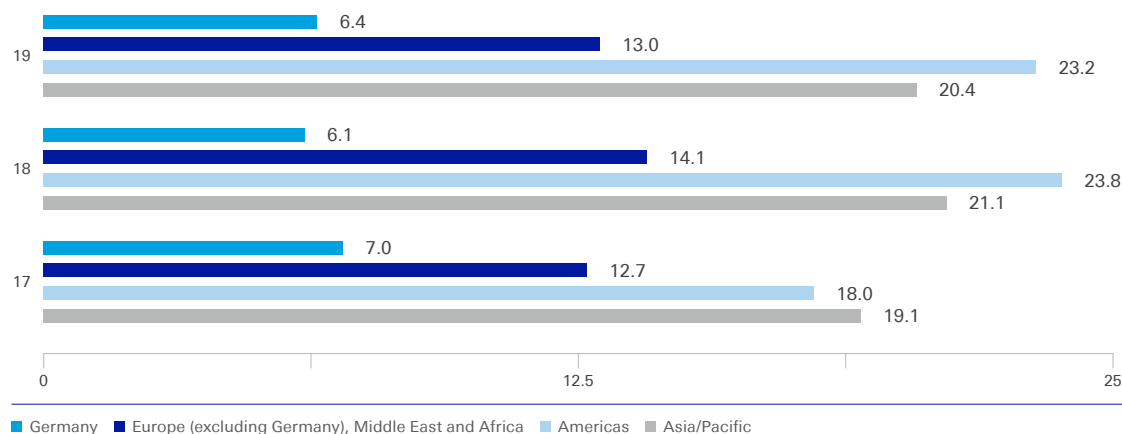
Total staff turnover rate

FTE in %

| | 2019 | 2018 | 2017 |
|---------------------------|---------------|--------|--------|
| Total staff turnover rate | 12.6 % | 13.1 % | 12.0 % |

Total staff turnover rate by region

FTE in %



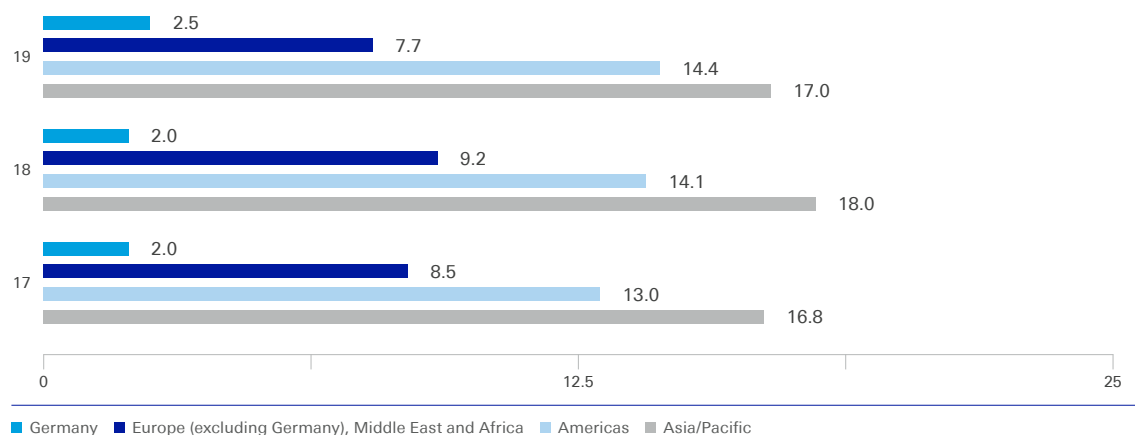
Voluntary staff turnover rate

FTE in %

| | 2019 | 2018 | 2017 |
|-------------------------------|------|------|------|
| Voluntary staff turnover rate | 8.0% | 8.4% | 7.8% |

Voluntary staff turnover rate by region

FTE in %



Managing to the future

HR contributes to the assessment of senior management performance by tracking HR priorities and goals (i.e. gender diversity and feedback culture) as part of a Balanced Scorecard. Established in 2017, the Balanced Scorecard brings together the bank's key performance indicators (KPIs) to provide clarity around expectations and facilitate closer collaboration across different areas of the organization. The KPIs include financial, performance, risk, people and culture, digital and innovation metrics.

Integral to the strategic planning process is also the analysis of over 100,000 data points to ensure that our strategy is on track. The insights gained from the analysis serve as guidance for management decision-making. For 2019 and the forthcoming three years, detailed planning, forecasting and reporting of FTE movements (including hires, voluntary and involuntary leavers) are conducted by divisions and regions to achieve FTE targets.

2

Creating a motivating and engaging working environment

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Creating a motivating and engaging working environment

Vital elements of a successful working environment and a sustainable performance culture are the freedom to speak up and trust among colleagues and in the organization. Equally important are accountability and a collaborative attitude.

Having regular conversations makes a significant difference and lays the foundation for a trusting environment

Deutsche Bank puts much care into hiring the right people, developing them and ensuring they have the relevant skills. Our employees, in turn, need to be heard, included, recognized, cared for and provided with positive leadership to promote productivity. Strong relationships, open communication and learning from feedback are key to building this environment. We have therefore made regular dialogs between manager and employee a central feature of how we manage and develop performance and careers in a sustainable way.

As a foundation to building this environment, our employees need and want to understand expectations and desired standards of delivery, behavior and conduct. These are clearly communicated to them in the *integrated Consequence Management Framework* (iCMF) as part of Total Performance, the bank's approach to managing and developing performance and careers. As our Total Performance approach evolves, we will continue to prioritize continuous conversations.

The People Survey, our bank wide flagship survey allows us to test organizational development and linkages on an annual basis. In September 2019, all Deutsche Bank employees (including Postbank) were invited to participate.¹ The 2019 response rate was 47% (46,152 employees) and 58,000 comments were provided. The 2019 and prior results make transparent that talking to each other regularly (once a month or more frequently) makes a significant difference to employee motivation and their productivity, as well as to their commitment to remain at Deutsche Bank. The table below illustrates the impact of managers and employees giving and receiving feedback, mutual appreciation and attendance rates for team meetings on commitment to the bank, enablement and confidence to speak up. Regular conversations foster a trusting environment where employees feel comfortable addressing issues that need to improve, change or stop, such as underperformance, inefficiencies or cases of misconduct. They also help foster resilience to deal with stressful situations and trust in leadership – measured on a regular basis (59% in 2019 / 60% in 2018) in the same context. The index displays the trust level in senior management and related senior management attitudes regarding ethics, integrity and walking the talk.

Impact of regular conversations

in %pts

| | Impact on Commitment | Impact on Enablement | Impact on Speak Up |
|--------------------------|----------------------|----------------------|--------------------|
| Receiving feedback | +17 | +22 | +22 |
| Being asked for feedback | +20 | +26 | +28 |
| Being appreciated | +17 | +21 | +20 |
| Attending team meetings | +16 | +23 | +23 |

¹ Throughout this report, 2019 scores include results of Postbank (unless otherwise specified). In order to provide a like-for-like measure of progress since the Deutsche Bank People Survey 2018, trends in 2018 at the bank's overall level exclude results of Postbank (unless otherwise specified).

Appreciation is particularly critical in helping people voice their concerns and take the right actions in line with the bank's values, beliefs and principles.

To further foster an open environment, we have introduced *Anytime Feedback* to help our colleagues to proactively recognize the contributions of others across the organization, regardless of where they are. Moreover, the *Get Feedback* functionality enables employees to request feedback from others, in addition to allowing managers to request feedback on their behalf. A quarterly feedback culture survey tracks progress across the organization on a regular basis. The results of the survey are included in the Management Board's balanced scorecard.

We have stopped using single performance ratings, and instead use *Total Performance Indicators* as a way of reporting on these conversations, focusing on the way of working, as well as on what our employees deliver and their capabilities. From an employee perspective, the introduction of Total Performance aims to increase understanding of strengths and development areas via regular and meaningful conversations with the manager. The most important part of our journey to an open environment is to share feedback (whether formal or informal), discuss career development, and listen to each other, both on a personal and organizational level, to ensure we understand any challenges and make good use of opportunities.

Our organizational listening culture is based on three key principles

Addressing grey areas. As part of creating a *Speak Up* culture, we introduced HR-wide *Grey Area* pilot workshops in 2019, which were run globally with 270 participants in total. During the *Culture, Integrity and Conduct* (CIC) initiative, all divisions and functions were asked to have structured conversations with their employees on potential "grey areas" to create a 'speak up and listen up' environment. The workshops' aim was to:

- identify and create a better understanding of relevant themes
- engage with the organization to raise awareness
- determine approaches for good decision making

Asking employees for regular feedback. Based on years of research, we know that employees need a sense of purpose and an environment in which they can be effective. Highly engaged employees are 36% more likely to remain in an organization and employees with higher than average engagement are more likely to perform better (Aon Hewitt).

This is why engaging with employees and measuring that engagement is so important. Requesting and giving feedback is also critical to a healthy speak-up culture, which we measure through our annual engagement surveys and monthly life cycle surveys (sentiment and behavioral experience). We will continue to listen to employees' process experience to understand and drive prioritization for continuous improvements. We will focus on solving specific problems and improving the quality of communicative exchanges for increased employee satisfaction, empowerment and commitment. This requires changes in mindset and behavior and being more proactive in how we listen. ■ **RESEARCH** indicates that 42% of all employee feedback interactions are with managers rather than with HR. Employing digital satisfaction measurement and embedding employee experience design in the workflow across the entire organization will enable us to identify opportunities, align the organization to a unified target and benchmark with other organizations. Viable plans with measurable goals inform broader strategy, empower local teams to act and improve employee experience.

We also undertake lifecycle surveys covering key behavioral experience aspects of employment (e.g. onboarding, integration, internal movers and voluntary leavers). Moreover, self-service surveys on special topics provide employees with additional means of expressing their views on potential improvements and issues to be addressed.

The organizational listening culture is based on three key principles:
– Addressing grey areas
– Asking employees for regular feedback
– Taking stock – the annual people survey



One example for people engagement initiatives at Deutsche Bank:

In September 2019 the Infrastructure areas for operations and technology tested a new format of cross-functional and cross-regional employee engagement with great success – The People Week.

Each day was themed with a specific topic, from motivation to leadership, with employees invited to join a series of events to learn, hear and network with colleagues globally and in the region. 350 employee events took place with feedback showing a clear positive impact on employees' enablement and understanding of key topics.

Taking stock – the annual People Survey. 2019 survey results provide us with the indication that the bank's perceived workplace quality is rising. At the heart of the survey are the key indicators Commitment and Enablement, which both improved, as well as the bank's Values and Beliefs.

The bank's perceived workplace quality is rising.

Compared to previous year commitment and enablement have improved

Commitment

58 %



Enablement

66 %



Engagement with the bank's values

86 %

have a good understanding of Deutsche Bank's values.

53 %

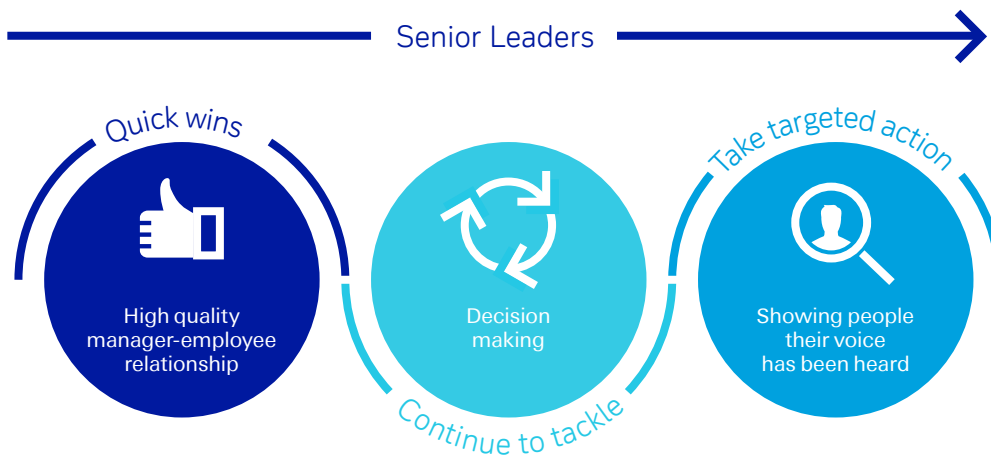
have seen a change in behavior with respect to risk management, control and compliance.

64 %

believe Deutsche Bank's values are helping us to perform responsibly.

There was an improvement in 36 of the 53 questions, and 19 of these 36 results have seen ongoing year-on-year improvement since 2017. People feel they have the information necessary to do their job well and a role which makes good use of their skills; they also have clarity on standards and thus an increased ability to manage risks.

Taking up key insights to make progress sustainable



There are three key insights we can take from this year's Spotlight People Survey where consistent role modelling by senior leadership is needed to accelerate behavioral changes:

- Make regular manager-employee conversations part of our organizational DNA
- Speed up decision making by including people in solution finding, reduce micromanagement and define clear roles and responsibilities
- Improve link between employee feedback and resulting action

3

Benefits & Wellbeing

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| 27 | Financial wellbeing |

Benefits & Wellbeing Framework

We rely on healthy, engaged and well-supported employees to do their best work and, more importantly, enjoy their lives inside and outside the workplace. We are therefore committed to fostering a sustainable work environment that focuses on 1) physical, 2) mental, 3) social and 4) financial. Across the globe, we offer around 900 benefit programs to lend individual support and help our people develop their full potential.



We recognize our employees' physical and mental health and wellbeing as highly important, deserving both protection and promotion. While also emphasizing individual responsibility in terms of personal health, Deutsche Bank considers health management to be an integral part of our leadership and good governance. Employees benefit from health care as an essential element in building and sustaining a fulfilled, successful and rewarding work life, while the bank benefits by attracting talent, retaining qualified staff and securing prosperity and sustainable success. We are therefore committed to taking every reasonable measure to provide a safe and healthy working environment in accordance with legal requirements alongside additional programs and measures to promote our people's health and wellbeing in the workplace.

Our comprehensive Global Wellbeing Framework is the foundation of our wellbeing strategy and activities.

The pillars of the Global Wellbeing Framework



Physical

Improve health and lifestyle behavior, take steps to prevent disease, manage existing conditions



Mental

Foster mental health by providing preventive support for issues such as stress, depression and anxiety



Social

Encourage healthy work-life balance by allowing flexible time management and valuing involvement with family, friends, co-workers and wider community/society



Financial

Support knowledge and control over finances, protection against the unexpected and building savings

Physical and mental wellbeing

We believe that we can make a positive contribution to the good health of our people. Amid rising demands in the day-to-day work of our employees, we have placed particular focus on their mental health by providing active support – both to those affected and to those closest to them. We actively encourage employees to prioritize their mental wellbeing with a number of tools and resources available in each region.

In support of World Mental Health Day, we held events in various locations across the globe to discuss the topic of mental health and reduce the stigma associated with it, with the ultimate goal of fostering a healthy, inclusive work environment. To the same end, the *Employee Assistance Program* (EAP) is available day and night, all year round, for employees to speak to a counsellor or expert confidentially on concerns around family, relationships, stress or financial woes. The EAP also serves as an important resource in crisis situations, such as natural disasters, epidemics or other threats to public safety.

Our *Mental Health First Aiders* (MHFA) program in the UK & Ireland, Singapore and Australia continues to lend support. Mental Health First Aiders are not medically trained therapists or psychiatrists, but colleagues who can offer emotional and practical support through non-judgmental listening and guidance, and can point employees to existing resources. Following the success of the various events, activities, articles and panel discussions that took place to highlight World Mental Health Day, global interest in MHFA training has gained momentum across the bank with eight countries now actively looking at introducing programs in 2020.

In the UK, we've partnered with our health and wellbeing providers to host a number of expert-led seminars on topics ranging from diet and nutrition to sleep and exercise.

In Germany, we offer a set of preventive health measures with the strong support of our health insurance fund (Betriebskrankenkasse Deutsche Bank). Postbank's health management program also offers a wide range of health measures and central health contacts are available at major Postbank sites to provide employees with advice and assistance on specific health topics.

Deutsche Bank's core health offering includes preventative medical examinations which cover areas such as ultrasound tests, mental health, fitness and nutrition. In Germany, the extensive medical check-up program is offered to all staff from age 40 and to executives. In 2019, around 50% of our eligible staff participated in such examinations. In the three major US offices, all employees have access to an onsite health center and company-funded free biometric screenings through the clinic.

Long-term evaluations have shown that these programs contribute to improvements in participants' fitness, blood pressure, nutrition habits and non-smoking, among other factors. In 2019, the health rate of employees in Germany stood at 92.2%.

Health rate

in %

| | 2019 | 2018 | 2017 |
|-------------|------|------|------|
| Health rate | 92.2 | 92.3 | 92.8 |

Health rate: $100 - ((\text{total sickness days} \times 100) / \text{total regular working days})$; Germany, Postbank included in 2019, prior periods restated.

Note: International standards for 'Human resource management' (ISO 30414) also suggest disclosing metrics reflecting lost time for injury, the number of occupational accidents and the number of people killed during work. These health and safety-related metrics are primarily relevant for manufacturing industry, not material here, and consequently not disclosed.

For 2019/20, our focus in Germany is on mental health and mindfulness.

Social wellbeing

We provide a range of benefits to help our employees manage professional and personal commitments and achieve a sustainable work-life balance. In a number of locations, a family-friendly parental leave framework has been established, without differentiating between fathers and mothers but instead following a gender-neutral approach.

The bank assists working parents, for instance in providing childcare near workplaces in our major global hubs and contributing to the cost of childcare. In Germany, working parents have access to free-of-charge advice and placement services (e.g. emergency care, au pairs, daycare, nannies, domestic aid) offered by a countrywide cooperation partner and available for every employee via the new digital *My Family Service* platform.

In addition, HR provides workshops and advice for staff returning from parental leave in various locations. In Germany, around 90% of women return to work after parental leave, and an increasing number of men are making use of paternity leave.

Return to work after parental leave (Germany)

in headcount

| | 2019 | 2018 | 2017 |
|-------|------|------|------|
| Women | 661 | 714 | 627 |
| Men | 605 | 571 | 623 |

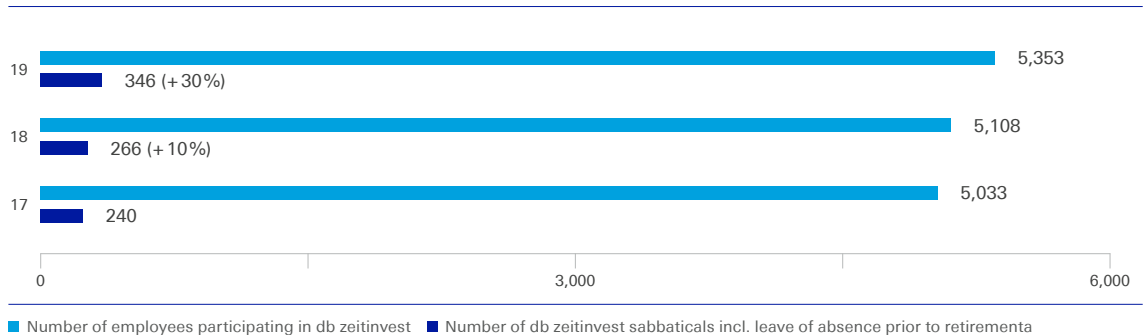
Note: Postbank included retrospectively.

The bank also offers flexibility in working arrangements, through working from home, flexible work hours, part-time and job-sharing opportunities, subject to specific role requirements and client needs. In addition, a variety of paid and unpaid leave is available to allow employees to manage unforeseen events, such as sickness of children or bereavement of close family members.

Employees in Germany can invest in individual flextime accounts through *db zeitinvest*, with the aim of taking a sabbatical of up to one year or reducing their working hours. More than 5,300 employees use this program.

DB Zeitinvest

in headcount



There are a lot of positive stories to tell:

In the US, we enhanced the parental leave policy to provide 16 weeks of paid leave for any new parent. Additionally, employees returning from parental leave are provided the opportunity to work a flexible schedule for up to 8 weeks under the *Phase Back to Work* program.

A family-friendly company

In Germany we have been re-certified as a family-friendly company by the charitable Hertie Foundation for the 4th time since 2007.

Part-time employment

in headcount

| | 2019 | 2018 | 2017 |
|---------------------|--------|--------|--------|
| Part-time employees | 12,768 | 13,009 | 13,766 |
| in % of total staff | 13.3% | 13.1% | 13.0% |

Part-time employment by region

| | Americas | APAC | EMEA | Germany | UK |
|---------------------|----------|------|-------|---------|------|
| in headcount, 2019 | | | | | |
| Part-time employees | 30 | 37 | 912 | 11,438 | 351 |
| in % of total | 0.3% | 0.2% | 7.5% | 24.2% | 4.3% |
| in headcount, 2018 | | | | | |
| Part-time employees | 49 | 40 | 970 | 11,547 | 403 |
| in % of total | 0.5% | 0.2% | 7.6% | 23.9% | 4.6% |
| in headcount, 2017 | | | | | |
| Part-time employees | 38 | 43 | 1,156 | 12,107 | 422 |
| in % of total | 0.4% | 0.2% | 7.7% | 24.4% | 4.5% |

We are observing an increasing need among our employees to balance care for elderly family members with their job commitments. A service partner in Germany provides comprehensive advice and arranges for regular and emergency care. Employees wishing to care for their relatives themselves may reduce work hours or go on leave for up to two years, which is longer than stipulated by German law.

Financial wellbeing

In addition to competitive compensation, we offer pension plans which complement social security and private savings. For our workforce in Germany, this usually consists of an employer-financed pension plan, matched contributions to the BVV industry-wide plan and the option to convert parts of compensation into pension contributions. Similar schemes exist for employees in most locations worldwide.

Where feasible, we have started to align our pension plan investments with the ESG criteria in line with our Reputational Risk Policy. As a first step, the investments of our main pension plan in Germany have been reviewed to adequately reflect the intent and purpose of the Policy.

With a 96% funding ratio as of December 31, 2019, Deutsche Bank continues to achieve its annual target of funding 90-100% of its pension obligations. This is the highest level of any DAX30 company since 2012.

In many locations, Deutsche Bank also offers a variety of life, disability and medical insurance programs in order to protect our employees and their families.

In 2019, 11,180 employees from across the bank participated in the *Global Share Purchase Plan* (GSPP), with employees purchasing Deutsche Bank shares in monthly installments and participating in the bank's long-term performance. At the end of the annual purchase cycle, the acquired shares are matched up to a maximum of ten free shares.

Additionally, 3,223 employees in the UK currently participate in the *Employee Share Ownership Plan* (ESOP) or the *Share Incentive Plan* (SIP).

4

Diversity & Inclusion

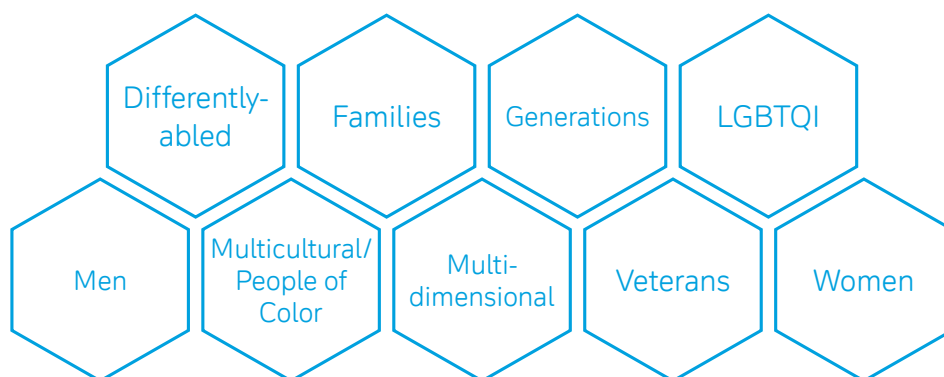
Inclusive culture & environment

When we feel a sense of belonging, our motivation, engagement, and productivity increases. These outcomes depend on an inclusive environment that values the uniqueness of perspectives, backgrounds, and identities within our diverse workforce. It is well-established that diversity and inclusion are good for business: greater innovation, higher quality decisions, and increased market-share.

While there is more work to be done to accelerate the pace of change, we continue to focus intensively on diversity and inclusion as one of our key strategic priorities. Beyond representation goals, we have established a variety of global efforts to expand inclusion and diversity. We facilitate cross-generational collaboration and dialog that allow us to learn from each other on equal terms. Our [“REVERSE MENTORING” PROGRAMS](#), driven by regional employee resource groups (ERGs) alongside wider platform-based reverse mentoring offerings, help us strengthen the exchange between different generations. Together with our LGBTQI employees (lesbian, gay, bisexual, transgender, queer, inter) we celebrated 50 years of LGBTQI pride and intensified our collaboration with coalitions and influential platforms, advocating a more inclusive and just world.

Beyond the bank-wide initiatives, we are proud to have a number of ERGs – voluntary, employee-led ERGs unite colleagues from different backgrounds, experiences and business areas to inspire inclusiveness in our daily interactions. ERGs are driven by a common purpose: to create a better workplace – for everyone. Our ERGs host a variety of events, mentorship programs, learning and development opportunities, discussions on relevant topics and community outreach. Dedicated colleagues volunteer their time to collaboratively drive change, attract talent and engage in outreach with clients and society. Depending on location, our ERGs currently support a variety of communities (see overview below).

Communities supported by ERGs



We are committed to cultivating an inclusive culture and environment. The outline of the key facts, figures and focus areas provides you with an overview of what diversity and inclusion means in our organization.

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Diversity & Inclusion focus areas

Supporting cultural diversity. As globalization connects countries, economies and people, cultural diversity is a way of life at Deutsche Bank. We operate in 59 countries worldwide and have a workforce that includes 140 nationalities (2018: 146, 2017: 149). Global demographic shifts highlight the importance of multicultural inclusion. We are proud to have a workforce representing a multitude of citizenships and national identities, with the ethnicities, nationalities, races, sexual orientations, heritages and cultures of its employees enriching the work environment. Through the multicultural US and UK ERGs, we celebrate the full range of heritage months and the secular aspects of festivals like Diwali. Our ERGs also support our graduate recruitment diversity pipeline efforts and run mentorship programs.



140

nationalities



59

countries

We partner with a number of leading non-governmental organizations globally to deepen our understanding of the latest research and trends across diversity topics. These include organizations such as Catalyst, the Center for Talent Innovation, Business in the Community, Open for Business, DIAN Community Business, PROUT AT WORK Foundation and more. We are also a founding member and currently management board member of the Charta der Vielfalt (Charter of Diversity), which actively fosters diversity in the workplace, and a signatory of the UK Treasury's Women in Finance Charter, which promotes a more gender-balanced financial services industry. Deutsche Bank was awarded the maximum score of 100 in the Human Rights Campaign's annual Corporate Equality Index, for the seventeenth consecutive year, and was designated as a 'Best Place to Work for LGBTQ Equality'.

Advancing women in leadership positions. We see gender diversity as a business imperative. When operating in a rapidly changing environment, we require capabilities that enable us to face challenges in a flexible way. Research has found that leading through complexity and ambiguity, communicating effectively and managing remotely are some of the top skills future leaders will need.

A recent Harvard study confirms that women excel in leadership capabilities many of which are linked to the requirements for leading in the future and in other skills deemed relevant for effective leaders, such as relationship building, innovation, resilience, taking initiative and leadership speed.¹ We articulate our gender-specific ambitions and measure our progress because we know that a more gender balanced workforce means sustainable growth.



35 %

of the
Supervisory
Board members
are women



20 %

of the
Management
Board members
in 2022 are intended
to be women

Throughout 2019, Deutsche Bank continued its efforts to advance women in the workplace. With seven women on the Supervisory Board, the figure stood at 35% at the end of 2019 (2018: 30%). This exceeded the statutory requirement of 30% for listed and co-determined German companies under the gender quota legislation introduced in 2015.

¹ Jack Zenger and Joseph Folkman, "Research: Women score higher than men in most leadership skills," Harvard Business Review, June 25, 2019

The Supervisory Board's latest target for the Management Board was set in 2017 as at least 20% women by June 30, 2022. Given a Management Board size of between eight and twelve members, two women are required to achieve this goal. At the end of 2019, there was no woman on the Management Board. On January 1, 2020 Christiana Riley, responsible for the bank's businesses in the Americas has joined the Management Board. Within the Diversity Principles of the Suitability Guidelines for selecting the members of the Management Board, the Supervisory Board is working towards the 2022 target.

As of year-end 2019, 19.7% of executive positions at the first management level below the Management Board were held by women (2018: 20.8%). At the second level below the Management Board the figure was 19.5% (2018: 20.9%). In accordance with the legal requirement in Germany, the bank set targets of 20% (at first management level) and 25% (at second management level) for December 31, 2020.

Women in the first level below Management board

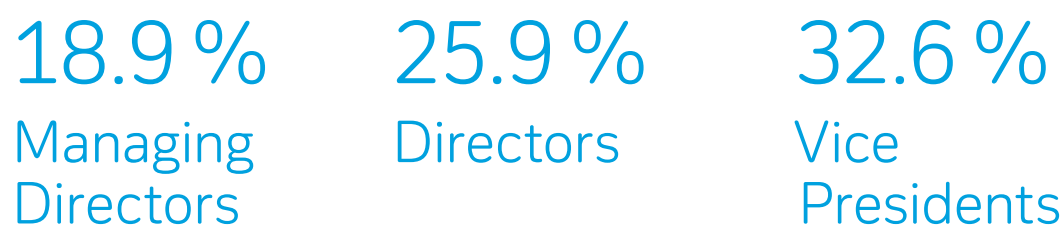


Women in the second level below Management board



The Management Board remains committed to increasing the representation of women in leadership positions. In March 2019, the Management Board decided to restate the voluntary Group-wide aspirational goals for the representation of women. Since transparency facilitates change, the goals for December 2021 have been disaggregated to focus on the top three corporate titles individually (in headcount terms): Managing Director (21%), Director (28%) and Vice President (35%, excluding Postbank). This will also strengthen the internal pipeline for the two levels below the Management Board. Deutsche Bank firmly believes that an improved gender balance in leadership roles will meaningfully contribute to its future success.

Women staff by year-end 2019 including promotions beginning of 2020



As of year-end 2019, women made up 18.3% of Managing Directors, 25.1% of Directors and 31.4% of Vice Presidents. There has been an improvement every year at Managing Director and Director levels since 2010, when the bank first externally communicated voluntary global gender diversity goals. Monitoring against Diversity goals also includes promotions beginning of 2020. Including promotions we have achieved 18.9% for Managing Directors, 25.9% for Directors and 32.6% for Vice President (excluding Postbank).

Women

headcount in %

| | Dec. 31, 2019 | Dec. 31, 2018 | Dec. 31, 2017 |
|--|---------------|---------------|---------------|
| Managing Directors | 18.3 | 18.1 | 17.1 |
| Directors | 25.1 | 24.5 | 23.9 |
| Vice Presidents | 31.4 | 31.2 | 31.4 |
| Assistant Vice Presidents & Associates | 40.6 | 40.2 | 40.3 |
| Non Officers | 59.6 | 59.8 | 57.5 |
| Total women | 46.3 | 46.2 | 46.3 |

Note: Postbank included in 2018 and 2019; prior period not restated; declared corporate titles of Postbank (incl. subsidiaries) are only alternative, technically derived and not contractually defined or agreed.

We recognize the necessity of men as allies to propel the dialogue on a more gender-balanced workplace. To underline the importance of proactive championing for gender diversity, we launched an internal campaign on the occasion of International Women's Day 2019, asking our employees about their personal and professional contributions to pick up the pace on gender diversity. We received a large number of submissions, both by men and women, making it one of the most successful internal campaigns so far on our #PositivImpact hub.

Supporting the dignity of LGBTQI people. In 2019, we increased our commitment for the human rights, dignity, and inclusion of LGBTQI people globally. We have taken strong public advocacy positions, engaged in meaningful conversations with a variety of leaders around the world, and supported our LGBTQI colleagues and their loved ones.

- *dbPride Global Summit.* Stuart Lewis, Chief Risk Officer and Management Board Member, and global executive sponsor of *dbPride*, our LGBTQI ERG, joined the first-ever *dbPride* Global Summit in New York City. The three-day assembly brought together 25 leads of *dbPride* chapters from eleven countries (Australia, Brazil, Germany, Hong Kong, India, Italy, Japan, the Philippines, Singapore, the UK and the US) to celebrate, share knowledge, and sustain the momentum on LGBTQI inclusion. Lewis also joined hundreds of Deutsche Bank colleagues in the NYC Pride March.



“Stonewall 50 and World Pride is an opportunity to celebrate the progress made and recognise the brave individuals who helped ignite a movement. In the past 50 years we have seen important progress and we at Deutsche Bank have contributed to it. I’m delighted to join these celebrations to show my solidarity and to recognise that the work remains ongoing and urgent and we need all of our allies to be part of the change.”

Stuart Lewis

- *Celebrating 50 years of LGBTQI Pride.* The 50th anniversary of the Stonewall uprising is widely considered to be the beginning of the modern LGBTQI rights movement. To commemorate the uprising and raise the visibility of transgender people of colour, we partnered with the Leslie-Lohman Museum of Gay and Lesbian Art to commission artist Gabriel Garcia Roman to create a mobile art procession for the New York City Pride March. We also joined Pride marches in Birmingham, Cologne, Frankfurt, Berlin, Dublin, London, Manila, Milan, Stuttgart, Tokyo and Jacksonville.
- *Cooperation with the United Nations.* Deutsche Bank also collaborated with the United Nations Office of the High Commissioner for Human Rights (OHCHR) in hosting a global summit on engaging the private sector in LGBTQI issues. The event was held at Deutsche Bank’s Palais Populaire in Berlin. More than 70 participants, including LGBTQI activists from 25 different countries, debated ways for the private and public sectors to collaborate in advancing the agenda of LGBTQI inclusion globally.



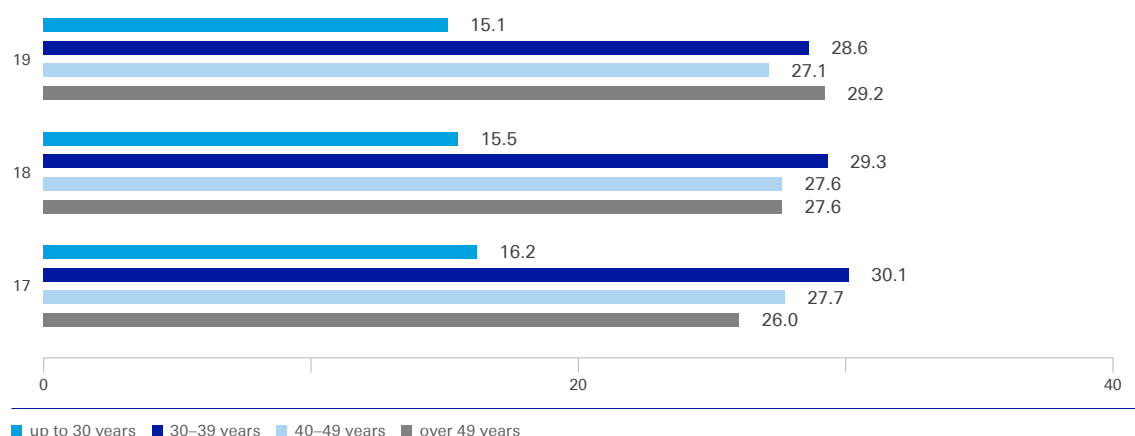
Deutsche Bank and several of our employees have been recognized externally for their work on LGBTQI inclusion by the annual Human Rights Campaign’s Corporate Equality Index as well as organizations such as Work with Pride in Japan, OUTstanding, Germany’s PROUT AT WORK Foundation and UHLALA Group. We are grateful for these acknowledgements and our dedicated colleagues’ contributions to advancing inclusion.

An inclusive workplace across generations. With a range of generations represented in our workforce, we recognize the benefits derived from different generational ideas and perspectives. Often, the priorities of each generation can differ – in terms of required benefits and support for various life stages as well as the opportunities we offer our employees at every stage of their career.

As of year-end 2019, 29.2% of Deutsche Bank's workforce was 49 years of age or over (2018: 27.6%), with the youngest group of employees – up to 29 years of age – accounting for 15.1% (2018: 15.5%). The average age in Germany was 45.5 years (2018: 45.6 years) which, along with the average length of company service, is significantly higher than in other regions.

Employee age groups in Germany

headcount in %



Average age by region

in years

| | 2019 | 2018 | 2017 |
|--|-------------|-------------|-------------|
| Germany | 45.5 | 45.6 | 45.4 |
| Europe (excluding Germany), Middle East and Africa | 41.6 | 41.3 | 40.7 |
| Americas | 41.5 | 41.2 | 40.9 |
| Asia/Pacific | 35.4 | 35.0 | 34.5 |
| Total | 42.3 | 42.1 | 41.7 |

Our reverse mentoring program continues to expand globally [LEARNING SECTION](#), and our employee resource groups remained active on generation-related topics throughout the year:

- *dbGeneration* in the UK hosted a series of “Myth-busting Menopause” webinars, led by an external expert, plus an event broadcast across UK offices in December 2019. The session discussed the physiological and psychological impact of the various stages of menopause with a renowned doctor from King's College Hospital, London.
- *dbGeneration* continued its *Future of Work* series in 2019 with an event exploring how we can prepare ourselves for the changing job culture and working environment. Experts on longevity, social justice and work patterns provided insights on how shifting framework conditions impact the different generations and aging populations.
- In the US, the *NextGen Network* actively engaged leaders to become mentees in their reverse mentoring program and followed up on pairings. In Jacksonville, *NextGen* was recognized for its outstanding commitment to Junior Achievement, one of the US's largest non-profit organizations dedicated to preparing young people for economic success.
- *dbFamily* in the UK continues to provide support and information to members, spanning generations with events on coping with long-distance care, mental health, wellbeing and resilience in young people.

Employees continue to receive support throughout the working lifecycle, for example family responsibilities from childcare to elder care, a range of flexible working options, and employee benefits to suit different career stages. [REWARD SECTION](#)

Creating an inclusive working environment for people with disabilities. Deutsche Bank is working to ensure we attract and retain people with disabilities and we remain committed to supporting the mental health and wellbeing of our workforce [■ BENEFITS & WELLBEING](#). In addition to meeting workplace needs of all employees such as accessible workstations and adaptations, we continue to provide accessible entrances, elevators, restrooms and parking. Flexible working options are available to those needing short or long-term flexibility due to health or a disability.

Flexible working options are available to those needing short or long-term flexibility due to health or a disability.

In Germany, the proportion of employees with a disability stood at 6.1%¹ as of year-end 2019 (2018: 6.3%, 2017: 6.2%). Colleagues with a disability are supported by the representative body for disabled employees and HR. Through its successful and longstanding cooperation with the Association of Sheltered Workgroups (Genossenschaft der Werkstätten, GDW) in Germany, the bank also ensures a number of external jobs for people with disabilities.

6.1 % employees with disability in Germany

Our offices in India continue to lead the way on inclusion for physical disabilities: colleagues in Bangalore participated in the annual "I-STEM Hackathon", bringing together blind and sighted developers for coding challenges. Our Bangalore team subsequently hired one of the participating blind developers as a direct result of the event. The Diversity Council sponsored an initiative to improve office transport for workers with mobility difficulties, who now have full access to a taxi service between the office and their home. For most staff events in Bangalore, an employee sign language interpreter is often present to assist colleagues with hearing and speech impairments.

Our ground-breaking internship program for graduates with autism, launched in the UK four years ago, was expanded into the US with five students joining the program, two of whom are re-joining the bank in permanent roles.

¹ Disclosure in accordance with Germany social code IX, prior years adjusted due to retroactive late registration of severely handicapped status

5

Attracting talent

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Attracting talent

Recruitment with a focus on digitalization

In 2019, HR and its Talent Sourcing function focused on the digitalization of HR's core platform. This positively impacted our recruitment process, as the digitalization of recruitment activities enables us to better manage the sourcing, selection and on-boarding experience across lateral and graduate hiring, as well as contingent workers. The three technologies implemented to this effect are *Workday*, *Yello* and *Beeline*.

Workday, the bank's new core HR platform, provides integrated end-to-end services across the entire recruitment process for standardized people management processes. In addition to automating the governance and hiring controls which improve our quality assurance processes and compliance monitoring, the system will also deliver:

- Improved digital experience for managers, employees and candidates;
- Improved system for recruiters to ensure more efficient, digital interactions with hiring managers;
- Simplified and automated key escalation review process by control functions

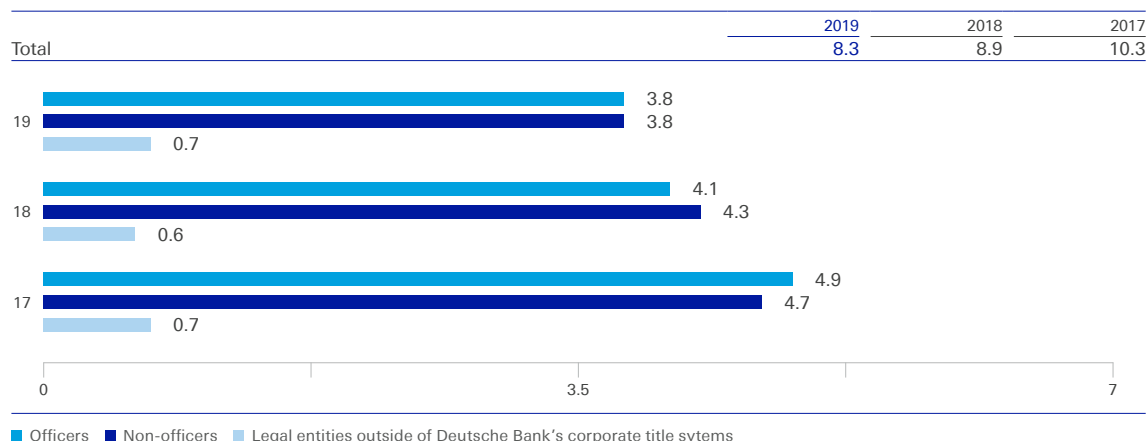
Yello provides our recruiters with a single platform to engage with intern and graduate talent. It includes diverse modules such as applicant tracking, campus event management, interview scheduling and feedback, referrals, and talent pooling. The *Yello Pro App* allows our business stakeholders to complete interview feedback directly on their smartphones or tablets on campus 'Superdays' or in assessment centers, eliminating the need for paper-based forms and allowing recruiters instant access to the collected data, thus streamlining the entire process from application to job offer.

Finally, the further expansion of **Beeline** into Germany and India provides Deutsche Bank with a market-leading platform for the engagement and management of contingent worker resources in a structured and standardized manner with clear visibility of rates, timesheets and costs, in turn rendering excel time and expense sheets obsolete. *Beeline* allows hiring managers to select, screen and compare candidates and schedule interviews. Workers have their own accounts to track and record time and costs, view extensions, rates and schedule absences.

In 2019, the bank hired approximately 3,800 officers and 3,800 non-officers from the external market in comparison to 2018 where we hired 4,100 officers and 4,300 non-officers. This is consistent with the bank's workforce development targets.

Hires by major job categories

FTE in k



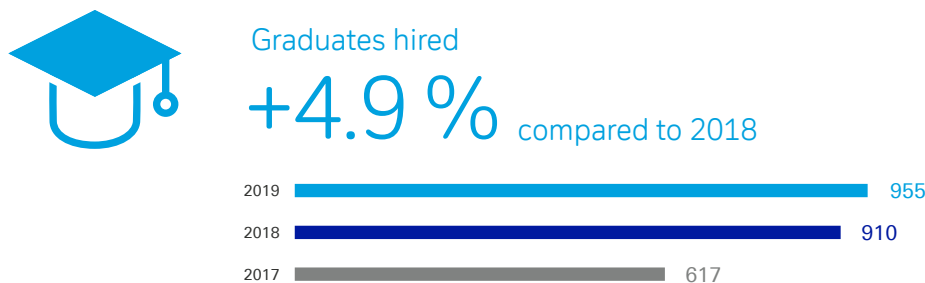
Excluding legal entities outside of Deutsche Bank's corporate title system, primarily Postbank.

The average time required to fill vacant positions was 56 days (2018: 61 days) and the average time required to fill critical vacant business positions 15 days (2018: 24 days).

Diversity in terms of cultures, countries, races, genders, sexual orientations, disabilities, beliefs and generations remains extremely important. Sourcing the best people irrespective of these factors requires an inclusive approach to our value proposition, firmly supported by a range of diversity-driven programs, resource groups and interventions.

Graduates

Graduate careers continue to be a critical pipeline of talent for us. They contribute to the bank's change agenda by building a skill set that better aligns to the needs of the future workforce and clients and to the objective of diversifying the organization. In support of the significant number of graduates hired in 2019, we hosted one of the bank's largest ever graduate orientations. We hired 955 graduates this year, compared to 910 in 2018 and 617 in 2017. In 2019, women made up 39% of the graduate intake.



Following on from last year's success, the bank again ran two separate orientation and training programs, one in India for the bank's local Technology cohort and one in London for all other graduates. This enabled the delivery of a tailored program for both groups, while staying true to the core values and objectives of the global orientation module and training curriculum. Orientation consisted of speaker sessions with a number of management board members and other senior managers across the bank. A variety of activity streams included a "Run the Bank" simulation, client interaction sessions, innovation within Deutsche Bank and understanding our culture, values and beliefs, to name a few. As in previous years, graduates were able to network with their peers through a number of team building activities – critical for improving engagement and aligning our vision, values and beliefs across the bank.

Implementation of *Yello*, our application tracking system, has lowered costs while increasing efficiency and enabling better management of our global intake. The system helps manage event scheduling, candidate tracking, paperless evaluations and referrals. The award-winning Graduate App has proven successful since its launch in 2017 and enhancements have been made to provide a more personalized approach, removing all email communications and moving towards a more client-focused view. The app continues to improve our engagement with the graduates and allows them to stay connected and network among themselves prior to joining the organization.

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While our commitment to graduate recruitment remains unchanged, requirements for junior talent are diversifying. Our business requirements – to attract, develop and retain the most appropriate talent, and manage the bank's cost base – can no longer be met by a single graduate product. We have recognized the need to step up our apprenticeship programs, degree partnerships, and direct-to-desk programs. We have thus embarked on a journey to update our selection processes, focusing on the skills and values needed for the workforce of the future leveraging a situational judgment test focused on the bank's values.

We have recognized the need to step up our apprenticeship programs, degree partnerships, and direct-to-desk programs.

As competition for good people is increasing, innovation in sourcing is critical, as is a clear employee value proposition, communicated via our social media channels – [CLICK HERE](#).

Apprentices and dual students

Vocational training has always been an important component of our entry level talent strategy. In light of a rapidly changing work environment, especially in the course of increasing digitalization in the banking sector, high-quality apprenticeship programs will be even more important in the future.

As part of our ongoing effort to increase our appeal to young people starting out in their careers, our DB Insider campaign *#dbKarrierestart* provides field reports talents on entry level on a separate Instagram account addressing only this group. We have increased the presence of both the Deutsche Bank and Postbank brand at vocational orientation fairs and school events to attract attention to our training programs.

■ **INSTAGRAM CHANNEL:**
[Deutsche Bank Schüler-Karriere](#)

■ **FACEBOOK CHANNEL:**
[Postbank Karriere](#)

The market for apprenticeships in the banking sector continues to be characterized by difficult recruiting conditions and a growing trend towards academic degrees. To meet these shifting requirements, and to attract the best talent and increase the appeal of the banking sector, we continue to develop our training programs and have introduced innovative concepts such as a dual master program and part-time employment for students.

Of the approximately 24,000 applicants for the 21 apprenticeship and dual study programs of Deutsche Bank and Postbank, we were able to recruit 667 junior employees in 2019 (2018: 607). In 2019, 394 of our apprentices and dual students accepted a job offer.

Apprentices in Germany

in headcount if not stated otherwise

| | 2019 | 2018 | 2017 |
|--|-------|-------|-------|
| Number of apprentices | 1,499 | 1,459 | 1,641 |
| Female share of apprentices | 41.9% | 45.1% | 47.0% |
| Apprentices ratio | 3.6% | 3.4% | 3.6% |
| Hired apprentices | 667 | 607 | 616 |
| Takeover of apprentices into employment | 394 | 468 | 460 |
| Share of apprentices taken over into employment | 63% | 59% | 52% |
| Expenses for apprenticeship programs in € m. | 37 | 39 | 48 |
| Ø Expenses for apprenticeship programs per employee (apprentice) in € k. | 28 | 29 | 28 |

In Germany, our apprenticeship program consists of on-the-job training with the bank and learning modules provided by a vocational school, concluding with a commercial degree. Dual students graduate with a bachelor's degree. They attend theoretical training modules at partner universities, while the practical training is conducted at Deutsche Bank. During the programs, apprentices and students build capabilities for a specific professional role and develop important soft skills.

In order to retain our new joiners beyond the apprenticeships and dual study programs, we are constantly developing our programs. Meanwhile, apprenticeships in the branches of the Deutsche Bank and Postbank brands are organized more individually and flexibly. This ensures a better focus on the strengths and interests of the individual junior talent.

Job profiles in the banking sector are evolving alongside digitalization. We have recognized the importance of topics such as big data, IT security and IT forensics for those beginning their careers, and in an effort to strengthen our position as an important employer in the technology sector, we introduced our dual study program "Software Technology" in 2019.

As we look forward to 2020, the reorganization of the apprenticeship for bankers within our branches remains an important agenda item. As an employer, we play a key role in the process of reorganizing job profiles as well as keeping the apprenticeship attractive and up to date while including essential elements of digitalization and holistic consulting. Deutsche Bank is part of the Employers' Association of the Private Banking Industry and we are driving the change in close collaboration with other partners in the industry.

Employer Brand

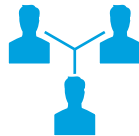
Based on extensive internal and external research undertaken in 2018, our new Employee Value Proposition (EVP) 'More than Banking' was launched in 2019. It outlines what makes Deutsche Bank unique and what current and future employees can expect in terms of career opportunities, our culture and people aspects. Throughout the past 12 months, we have brought this proposition to life through our employees, who shared stories on digital and social platforms, both internally and externally, to help us attract the best talent – [CLICK HERE](#).

Our Employee Value Proposition



Career possibilities

You'll have the opportunity to grow and the chances to succeed



Collaborative working

Your opinions and ideas will be valued by supportive colleagues



Inclusive culture

You can bring your whole self to work here, and be respected as an individual



Driving change

You'll play an important role in changing the bank for the future of finance

We know that the success of our bank is built upon the quality of our employees, so we care deeply for our people and strive to strengthen our perception as employer-of-choice every day – [CLICK HERE](#).

Notable activities include an ongoing global Career Mobility campaign, a Graduate campaign across four regions and a refreshed [CAREERS WEBSITE](#). Our digital approach has allowed us to apply new technologies such as a user-generated video platform for our employees to share their stories of working at Deutsche Bank, which gives our message an authentic voice.

We have also implemented technology allowing us to host online events for large numbers of candidates and extend our reach across regions while enabling prospective candidates to interact with presenters at face-to-face events via their smartphone.

We aim to reach and engage with potential employees via their preferred platforms and channels, notably on social media.

Deutsche Bank on social media channels



24,000

Instagram followers



1 M

LinkedIn followers



1.3 M

Careers website visitors

We have seen rapid growth in our Deutsche Bank Instagram channel, launched in March last year, where we have grown from 10,000 followers to 24,000 followers in 2019, and we also recently exceeded one million followers on LinkedIn. This has resulted in more than 1.2 million social media engagements with our content and 1.3 million visitors to our Careers website over the same period. Our approach received external recognition at the 2019 TARGETjobs Awards, which honored the graduate campaign for best social media strategy for graduate recruitment. Our Instagram channel was mentioned in Mashup Communications' ranking of Financial Institutions in Germany.

Fostering career mobility

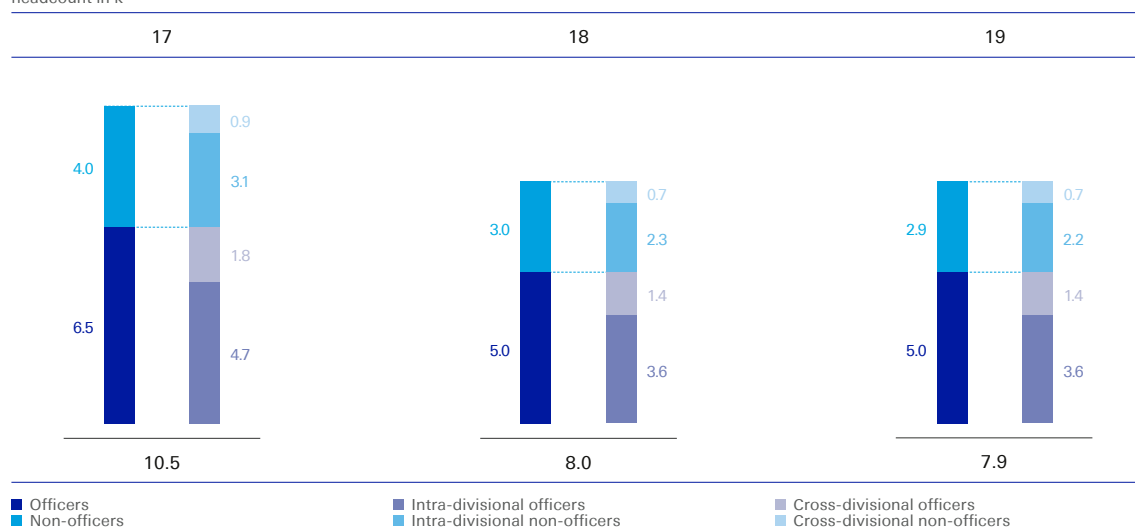
Career mobility continues to be a core focus for Deutsche Bank. We remain firmly committed to supporting staff in building their careers within the organization – especially in light of the announced transformation plans impacting all parts of our organization.

The Internal Mobility teams continue to pursue an enhanced redeployment strategy and ensure an established process for employees to take on new roles where feasible. Filling 685 positions internally through proactive redeployment efforts resulted in savings of €31.9 million in 2019.

We enable our employees to change roles both within and across divisions. Cross-divisional mobility continues to be a focus as it allows employees and leaders to learn and develop skills and gain a broader understanding of the bank's operations. In 2019, the bank saw 2,100 cross-divisional moves, which is similar to the number of cross-divisional moves in 2018. Overall, 9% of our workforce changed jobs within the organization throughout 2019 (2018: 10%). In 2019, 37.6% of open positions were filled with internal candidates (excluding Postbank), up from 37.2% in 2018.

Internal mobility by major job categories

headcount in k



Excluding Postbank and legal entities outside of Deutsche Bank's corporate title system. Officers comprise all employees with corporate titles, including: Managing Directors, Directors, Vice Presidents, Assistant Vice Presidents and Associates.

Particularly at the Managing Director and Director levels the internal fill rate was above average at 40.2% (2018: 40.5%). This was also true at the experienced Vice President (VP) level with 47.5% of vacancies filled internally (2018: 47.8%). In Germany, the figure was 67.7% (2018: 65.4%) due to redundancies caused by restructuring measures, as well as changes resulting from digitalization and control functions. In all, 76.9% of business critical positions were filled internally (2018: 61.5%).

Internal fill rate

headcount in %

| | 2019 | 2018 |
|---|------|------|
| Internal job vacancy fill rate ¹ | 37.6 | 37.2 |
| thereof Managing Directors and Directors | 40.2 | 40.5 |
| thereof Vice Presidents | 47.5 | 47.8 |
| Critical business positions | 76.9 | 61.5 |

¹ Excluding Postbank

In 2019, our employees have been encouraged to share their experiences with internal moves on an interactive internal platform. Also on this platform the Internal Mobility teams provide relevant information on career mobility in general, as well as news and upcoming events, regional open positions, and links to related services or platforms. Additionally, the Internal Mobility teams have hosted career events and trainings for employees in multiple regions. We continue to raise awareness of the career opportunities within the bank through several communication activities, most importantly encouraging employees to share their stories of having moved internally.

In line with the bank's agenda, digitalization has helped strengthen our offering to employees as we strive to improve their experience across all HR-related processes. Internal Mobility teams continue to use the Connect2Job digital platform when sourcing candidates to fill internal roles. Connect2Job allows employees interested in taking on a new role within the bank to upload their CV to review personalized search results of open positions for which they can then apply. Finally, the implementation of Workday will enable the expanded use of the talent pool functionality in the future.

6

Developing our people

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Developing our people

Keeping our people 'fit for the future'



Learning culture. To help our employees develop professionally and personally and advance their careers, we have made learning a key element of our people strategy at Deutsche Bank. We strive to create an engaging, personalized and varied learner experience accessible to all employees, at every stage of their career.

In this context, the launch of our digital learning platform *Connect2Learn* in 2017 and our digitalization work in 2018 laid the foundation for transforming our employees' learning experience. In 2019, we continued to build on this basis and made significant strides forward.

Thanks to *Connect2Learn*'s offerings, which are available irrespective of location or time, the number of unique users accessing self-paced learning has increased significantly since the platform's launch from 15% to 55% of employees.

In total, *Connect2Learn* offers over 40 learning topics on demand. This includes 55 immersive virtual classroom experiences, available in local languages, as well as 3,500 curated resources, including videos, articles, podcasts and TED Talks. In 2019, more than 230,000 learning items were accessed directly and over 500,000 indirectly through our digital libraries, and our partnerships with libraries such as getAbstract, S4K, and Intuition (a financial product library featuring 400+ pieces of digital learning) enhanced the offering. In addition, dedicated resources such as manager guides, coaching cards, and group development resources are available to leaders.

Considering the ever-changing needs of our employees, our offering is constantly evolving. In 2019, we added new learning opportunities that promote an open working culture, including an offering designed to enable leaders to create a climate in which employees feel psychologically safe to raise concerns. Additional focus areas included agile working and data science topics.

We also focused on personalization, creating learner personas and incorporating elements of artificial intelligence into *Connect2Learn* to provide more targeted learning experiences. In addition, we are continuously exploring new ways of delivering learning to make it more convenient for our employees and to help them put learned material into practice. In this context, we have experimented with virtual coaching in 2019 and will continue to pilot new technology in 2020.

Informal learning tools



Mystery Coffee

Who will you connect with next?

#PositiveImpact



Reverse Mentoring

The power of perspectives across generations.

#PositiveImpact



Job Shadowing

Spend a day in someone's shoes.

#PositiveImpact

New technologies also help us to connect people personally. In 2019, we broadened our learning formats to include a suite of informal learning tools: *Mystery Coffee*, *Reverse Mentoring* and *Job Shadowing*. These formats use intelligent algorithms to bring people together for personal exchange, networking and to learn from each other. Over 10,000 employees are currently actively involved, with over 20,000 matches successfully made.

Here is one story making the positive impact evident:

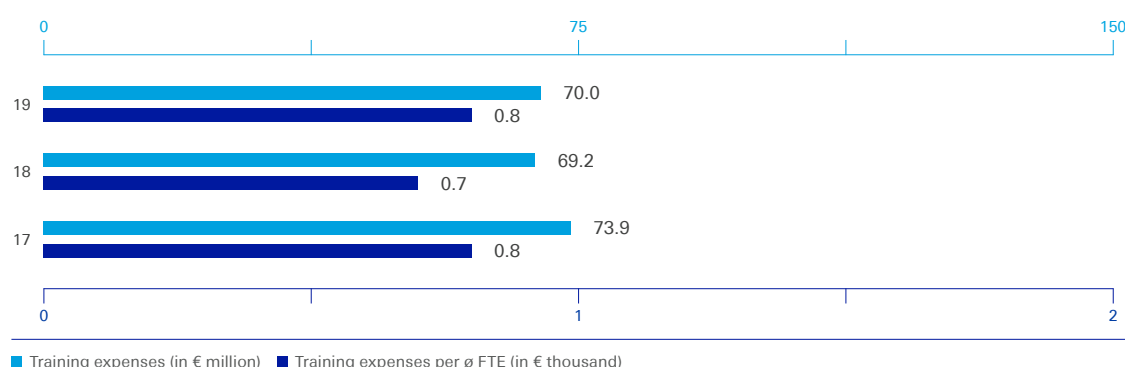


"I knew Job Shadowing would be an excellent way for me to learn ... but I never thought it would change my career the way it has." Allison signed up to the initiative to learn more about the area of Anti-Financial Crime. By meeting with members of the team, she received development advice and deeper insight into the function which gave her the foundations to land her dream job. "Deutsche Bank understands that learning doesn't just happen in the classroom, but also in the interactions we have with our colleagues every day." Our Job Shadowing initiative is open to employees in the UKI & Germany and will subsequently be rolled out globally.

Training

We invested a total of €70 million in training our employees in 2019 with a cost per FTE of €0.8 thousand. This is broadly in line to prior years (2018: €0.7 thousand, 2017: €0.8 thousand) as we continue to deliver training in more effective and efficient ways enabling us to maximize our reach with a more flexible offering.

Training Expenses



Key areas for 2019 were regulatory, leadership and specific skills including agile and speak up. Attendance of Governance, Risk Management & Compliance trainings including training related to 'Markets in Financial Instruments Directive' remained on a high level. The number of non-regulatory training attendees decreased: as well as our reduced employee numbers, we have increased engagement in 'self paced' learning so employees can access learning when and where they want it. This take up of articles, videos and podcasts meant less reliance on facilitated classroom events as the only learning method. All courses, including compliance training, are available via [CONNECT2LEARN](#). The system's personalized dashboard shows employees all mandatory online compliance and regulatory training courses they need to complete and enables managers to view the training status of all their team members.

Training attendance

participants in k

| | 2019 | 2018 | 2017 |
|---|----------------|----------------|----------------|
| Governance, Risk Management & Compliance | 1,093.2 | 1,097.1 | 1,130.8 |
| Non-regulatory related trainings ¹ | 295.3 | 404.5 | 257.3 |
| Total | 1,388.5 | 1,501.6 | 1,388.1 |

¹ includes Product Training, Technical Trainings, Leadership & Management and Personal Development

As part of our overall strategy to protect and improve the employee experience of learning, the HR and Compliance Risk teams continue to work together to ensure a strong governance over the design and deployment of e-learning and have made good progress in improving quality and reducing its volume.

7

Developing our leaders

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Developing our leaders

Enhancing leadership development

Developing our leaders has always been a key focus at Deutsche Bank. Our *Leadership Capability Model* provides a consistent vision of how we understand leadership and what we expect from our leaders. It reflects Deutsche Bank's unique needs and is backed by rigorous scientific research to pinpoint the knowledge and skills that form the core of effective and inclusive leadership.

Leaders are the critical factor in creating the climate and culture we are striving for: a culture which allows our employees to realize their full potential and thrive. While the fundamental principles of leadership have not changed, leaders do need to prepare themselves by adopting a new mindset and apply proven capabilities in a different context. Future leaders will need to be adaptable, to empower and enable others and to be decisive in times of uncertainty.

In 2019, we have taken some key actions to respond to these changing requirements. We have refreshed our *Leadership Capability Model* and transformed our leadership development program to enable a more personalized, modular approach allowing leaders to access learning when and how they need it. Guided by the refreshed *Leadership Capability Model*, all learning opportunities are designed to make our leaders fit for the future. Throughout the transformation process, we have actively involved leaders in prioritizing topics and methods by participating in forums and focus groups.

Our Leadership Capability Model provides a consistent vision of how we understand leadership and what we expect from our leaders.

The transformation of leadership

From

To

- Program centric —————→ Audience centric
 - Corporate title based criteria → Role based, non hierarchical
 - Reaching only a few —————→ Learning for ALL leaders
 - Big and infrequent —————→ Bite-size, often and at time of need
 - All at once —————→ Content driving the format
 - Waiting for invitation —————→ Accessible at any time
-

Developing leaders at every stage of their career

We run a wide range of learning initiatives to develop leaders at all levels, from new managers to experienced leaders. We recently expanded our offering for new leaders by creating an interactive guide tailored to their needs. The guide covers company culture, processes, systems, risk management and general responsibilities such as fostering a climate where employees can speak up and raise concerns; it also provides a springboard to further personalized learning opportunities. In 2019, the guide was provided to 1,051 leaders who were new joiners or leading for the first time. This modular approach also offers more personalized training for experienced leaders, allowing them to choose topics, such as conflict management, coaching and change, as well as learning methods, such as face-to-face classroom training, facilitated virtual classrooms, videos, articles or podcasts. We will continue to develop the portfolio of available learning based on leaders' ongoing feedback.

In addition to our digital offerings, our Germany-specific home-market programs are a vital part of our learning infrastructure. In particular, we run two mentoring programs focused on supporting the development of high-potential female employees. These include our *Cross-Divisional* program, which supports talented top performers and potential to take on a first management role, as well as our *Cross-Company Mentoring* program for high-potential women in management positions or responsible specialist positions. The latter aims at improving participants' own management performance, experiencing other corporate cultures and structures, as well as exchanging expertise and experience. In 2019, we partnered with eight companies in Germany to share ideas and expertise. In addition, we offer the *Discover DB* program, an 18-month journey for high-potential junior talents to gain broad cross-divisional experience; the *One Bank Leadership* program for internal high potentials or external MBA hires to get broad exposure and leadership experience; and the *Discover Leadership* and *Discover Project Management* programs designed for high-performing potential leaders or project managers.

Global high-potential acceleration programs

For employees who have been consistently demonstrating high performance and are recognized as future potential leaders, several acceleration programs have been designed to develop them both professionally and personally, to advance their careers, and to ensure they are ready for the next step.

Our flagship acceleration programs comprise offerings for senior female Managing Directors (MDs), top Director talent, and Vice President high-performers. All programs follow a global and cross-divisional approach and participation is by nomination only. 2019 saw Postbank being fully integrated into Deutsche Bank's acceleration programs.

- *Accomplished Top Leaders Advancement Strategy (ATLAS)*, the program for senior female MDs, was launched in 2009. Since then, the program has run five times, with the 2018-19 cohort being the largest to date with 21 participants selected. The program follows a 12-month structured development journey intertwined with personalized individual development measures and is aimed at increasing the number of women in senior positions across the bank.
- The bank-wide *Director Acceleration Program (DAP)* was launched in 2017, with 169 participants nominated in 2019. It is a 12-month program delivered through a combination of formal classroom training, internal leader-led sessions, and 1-on-1 and peer coaching elements. The DAP includes the Women Global Leaders (WGL) module, which enables the bank to retain its key focus on senior female development. In 2019, 42% of DAP participants were women, representing the highest percentage to date (2018: 36%).
- The bank-wide *Vice President Acceleration Program* completed its fourth year in 2019 with 490 participants selected. The representation of women stood at 40%. Participants attended two modules during their six-month journey, hosted throughout Europe (London, Frankfurt and Milan), the Americas (New York) and Asia-Pacific (Singapore).

Participants in the acceleration programs have shown a higher promotion rate and increased retention and internal mobility when compared with the wider benchmark population, represented by the population eligible for the respective programs based on the hard criteria.

Overall ATLAS



In 2019, an ATLAS alumni was appointed as a Member of the Management Board

100 % of ATLAS alumni have moved into new and more senior roles since attending

2018 Director Acceleration Program



98.7 % have been retained compared with the 86 % bank-wide retention rate for Directors

16.3 % (25 participants overall) were promoted to Managing Director in March 2019 compared to 2.6 % of benchmark

12.4 % of the population have made internal role moves compared to 7.4 % of benchmark

2018 Vice President Acceleration Program



24.6 % (119 participants overall) were promoted to Director in March 2019 compared to 3.3 % of benchmark¹

95.5 % have been retained compared with the 88.1 % bank-wide retention rate for Vice Presidents

8.7 % of the population have made internal role moves compared to 7.4 % of benchmark

¹ Benchmark is the population eligible for the programmes based on the hard criteria, i.e. those that have been in corporate title for a minimum of two years

Senior leadership development

We continue to place leadership and culture at the core of our transformation and change efforts. This includes intense support for most senior employees who drive performance, innovation and the bank's overall culture.

Strategic succession management forms the foundation of our senior leadership development efforts. Succession management starts with position-based succession planning and is implemented alongside the Total Performance process to enable integrated people decisions and follow-up. Succession planning ensures a sustainable pipeline of internal talent for our most senior and critical positions, and that these individuals are intentionally developed for enhanced leadership responsibility. There is a critical need to strengthen leadership talent in the succession pipeline, with a focus on individuals who have the required functional and technical expertise as well as a broad understanding of the bank.

To deliver a more ambitious, development-focused succession agenda, the Management Board has taken measures to heighten engagement and transparency on the issue through a framework which supports the development of senior talent across the organization. Our *Senior Talent Development* activities rest on three pillars: board readiness, senior talent development and team effectiveness. Based on individual needs, tailored development plans were created and executed during the year.

Our ongoing board readiness initiative seeks to further enhance the bank's regulatory posture, knowledge and skills for management and legal entity boards. In 2019, targeted senior individuals took part in a thorough suitability assessment process focused on content that is essential for effective governance, regulatory conduct and decision making amongst members of management bodies. All new appointees to Management Board in 2019 were effectively supported by our internal board readiness program. Complementing this offer, and in line with European Securities & Markets Authority and European Banking Authority Guidance on Key Function Holders and Members of Management Boards, we continuously worked on the Management Board Training Framework to ensure the provision of training to maintain ongoing suitability.

Bespoke senior leadership development is also available to high performing individuals within the succession pipelines. This process is based on intensive leadership diagnostic which incorporates a psychometric and structured feedback from key stakeholders. Based on outcomes, action plans are agreed which includes measures such as training, executive coaching and support to enhance participants' visibility and exposure with Management and Supervisory board members.

Given the transformation at the bank, many of our senior leaders are experiencing a transition in their responsibilities. To meet this challenge, we have intensified the transition support we offer for new appointees in senior positions, enabling them to reflect and intentionally define individual, team and operational priorities to accelerate their performance in a new or expanded role.

The ability of our executive leadership teams to work together inclusively to drive change and execute strategy across the business is one of the elements most critical to our success. Hence, our leadership development work also extends to promoting the long-term effectiveness of the bank's senior teams operating at the level of global executive committees or one below Management Board. In 2019, our internal HR experts supported twelve strategically important teams, operating in the front office and across a range of infrastructure functions. They focused on fostering the teams' deeper awareness of group behavior to enhance their ability to successfully lead their function and deliver against business objectives.

There is a critical need to strengthen leadership talent in the succession pipeline, with a focus on individuals who have the required functional and technical expertise as well as a broad understanding of the bank.

Our Senior Talent Development activities rest on three pillars: board readiness, senior talent development and team effectiveness.

8

Rewarding performance

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Rewarding performance

Compensation strategy and framework

A fair, transparent and sustainable approach to employee remuneration remains of crucial importance to the bank.

Our compensation strategy is focused on supporting a global, client-centric banking model, reinforced by safe and sound compensation practices that operate within the bank's capital, liquidity and risk-bearing capacity. The compensation framework promotes and rewards sustainable performance and contributions at all levels of the organization. It provides a clear structure of compensation composition across the bank, with parameters detailed per division and corporate title.

The HR function continues to drive strategic compensation initiatives in order to deliver improved management and governance of our compensation costs. Aligning role and reward forms part of one of the bank's Core Transformation Initiatives and 2019 saw further enhancement to the delivery and monitoring of pay processes.

Our compensation initiatives establish cost-focused foundations, which allow us to continue to better understand, inform and control our pay decisions, as well as facilitate our strategic compensation decision-making over the long term and provide transparency and enhanced understanding for employees.

In line with this intention, the bank also strives to continuously align existing local reward methodologies and systems to our global framework. One example is the gradual harmonization of legacy Postbank employment conditions with Deutsche Bank's defined standards.

Ensuring that compensation initiatives support the bank's broader strategy will remain a key priority for 2020.

Pool determination methodology

As an EU-headquartered institution, Deutsche Bank is subject to the Capital Requirements Regulation (CRR) and Capital Requirements Directive 4 (CRD 4) globally, as translated into German national law in the German Banking Act and Institutsvergütungsverordnung (InstVV). The bank continues to apply the InstVV requirements as minimum standards globally and ensure compliance with local regulatory requirements within a robust compensation framework.

Variable Compensation (VC) is a discretionary compensation element that enables us to reward employees for their performance and behaviors, while reflecting the bank's affordability and financial situation. There are three components of VC – Group VC Component, Individual VC Component and Recognition Award.

The bank applies a robust methodology when determining VC, which reflects risk-adjusted performance (including ex-ante and ex-post risk adjustments) and is primarily driven by (i) Group affordability, i.e. what "can" the bank award in alignment with regulatory requirements, and (ii) performance, i.e. what "should" the bank award in order to provide an appropriate compensation for performance while protecting the long-term health of the franchise. These aspects apply to both the Group VC Component and the Individual VC Component.

This year's total amount of year-end performance-based Variable Compensation reflects the bank's overall performance, in the context of its strategic refocus, transformation, and the de-risking of its balance sheet, carefully balancing the recognition of employees' demonstrated sustainable performance and contributions against the bank's reported 2019 full year loss and its planned path to improved profitability.

The structure of the Group VC Component remained unchanged in 2019 and is based on four key performance indicators (KPIs): the bank's Common Equity Tier 1 capital ratio, leverage ratio, adjusted costs and post-tax return on tangible equity. In line with the Individual VC Component, KPIs are measured against the respective annual targets. Throughout 2019, considering the bank's change in strategy and its restructuring, the Management Board confirmed an achievement rate of 60%, which serves as a basis to calculate the Group VC Component awarded to each eligible employee.

For the Individual Component, discretionary awards are determined based upon a range of financial and non-financial factors, including divisional performance, the employee's individual performance against objectives and expectations (reflecting "how" the performance outcomes were achieved), relativities within peer group, and adherence to the bank's core values and beliefs.

For more information, please also refer to [DEUTSCHE BANK'S 2019 COMPENSATION REPORT](#).

Workforce costs and revenues

| | 2019 | 2018 | 2017 |
|--|--------|--------|--------|
| Compensation and benefits (in € million) | 11,142 | 11,814 | 12,253 |
| Compensation ratio ¹ | 48.1% | 46.7% | 46.3% |
| Ø Compensation and benefits per Ø FTE in period (in € thousand) | 123.0 | 123.6 | 125.4 |
| Share of compensation and benefits in % of total expenses ² | 44.4% | 50.4% | 49.6% |
| Wages and Salaries ³ | 9,184 | 9,828 | 10,108 |
| Social Security costs ³ | 1,958 | 1,986 | 2,145 |
| thereof: those relating to pensions ³ | 689 | 681 | 749 |
| Total net revenues (in € million) | 23,165 | 25,316 | 26,447 |
| Ø Revenues per Ø FTE in period (in € thousand) | 255.7 | 264.9 | 270.6 |

¹ Compensation ratio: Compensation and benefits as a percentage of total net revenues.

² Total noninterest expenses.

³ Supplementary information to the Consolidated Financial Statement according to section 315a HGB.

Compensation and benefits by division

in € million

| | 2019 | 2018 | 2017 |
|----------------------------|--------|--------|--------|
| Corporate Bank (CB) | 1,044 | 1,035 | 1,104 |
| Investment Bank (IB) | 2,468 | 2,666 | 2,866 |
| Private Bank (PB) | 3,519 | 3,613 | 3,635 |
| Asset Management (AM) | 832 | 787 | 812 |
| Capital Release Unit (CRU) | 443 | 635 | 758 |
| Corporate & Other (C&O) | 2,836 | 3,079 | 3,078 |
| Total | 11,142 | 11,814 | 12,253 |

UK Gender Pay Gap Report and the German Remuneration Transparency Act

In the UK, legislation from April 2017 requires all companies with 250 or more employees to report their gender pay gap annually. In 2019, the bank published its second Gender Pay Gap Report. In our combined UK figures, the median hourly pay gap narrowed slightly from 27.6% to 27.2%. The increase in the median bonus pay gap for 2018 compared to 2017 (35.4% to 67.7%) results from Variable Compensation paid in March 2018 based on performance year 2017.

In Germany, the German Remuneration Transparency Act, which came into force in January 2018, entitles employees to request specific aggregated information about the remuneration of colleagues of the opposite gender in comparable jobs. In 2019, 94 colleagues (78% women, 22% men) made use of this right, with no structural discrepancies identified (2018: 268 colleagues, 64% women, 36% men).

Digital developments

In 2019, digitalization was one of Deutsche Bank's reward priorities. Two major projects completed were the introduction of *Workday* and the transition to *Shareworks*.

Workday, a new bank-wide enterprise resource platform, brought increased accessibility of data and streamlined processes for our employees and managers. *Shareworks*, an administration and reporting platform, offers our employees a number of additional benefits including enhanced visibility of their deferred awards and upcoming deferred award deliveries.

9

Closing remarks

About the report

This report describes how the work of the Human Resources function is anchored in, and supports, Deutsche Bank's strategy. It provides transparency and the narrative around the impact of HR on the sustainable performance culture Deutsche Bank is thriving for. Furthermore, the HR Report outlines key achievements and developments in 2019 in the area of employee engagement, benefits and wellbeing, diversity and inclusion, attracting talent, development of our workforce, and the remuneration of performance.

The digitization of the HR processes to enhance the employee and manager experience is a vital component in the development of our function and reflected in all areas. The launch of Workday in 2019 underpins this commitment and marks a significant milestone in supporting the bank's strategic innovation and digital agenda as the platform provides managers and employees with the necessary processes and tools to perform day-to-day people management activities.

Reporting scope

This voluntary report covers relevant HR topics, while only a subsection of employee statistics and strategic HR activities are covered in the Annual Report and Non-Financial Report of Deutsche Bank AG. Fundamental company information and key financial figures can be found in Deutsche Bank's annual financial statements and Management Report.

Report criteria and data transparency

We are committed to making the value of HR more transparent by providing narrative and data transparency as a fundament for the dialogue with our stakeholders, and developing our reporting in line with their information requirements as an ongoing endeavor.

The bank wishes to provide transparency with regard to HR topics, and in so doing, takes its orientation both from standards which already exist and those that are currently being developed. A sound basis for industry-wide benchmarks can only be ensured if other companies also engage in transparent reporting. This publication provides you with all of our key employee figures. The reporting period corresponds to Deutsche Bank's financial year (January through December 2019). The HR Report is being made accessible to the general public in this form for the seventh time.

When compiling key employee figures, we apply relevant criteria from the Global Reporting Initiative (GRI) G4 Standard, as well as the as the new guidelines for Human Resource Management – Guidelines for Internal and External Human Capital Reporting issued by the International Organization for Standardization (ISO 30414) in December 2018.

Feedback and comments

Please feel free to use the contact details in the imprint to send us your feedback and comments.

Online presence on HR topics

▣ COMPENSATION REPORT

Careers

For detailed information about our training and career opportunities for students, graduates and professionals, as well as worldwide vacant positions, see db.com/careers. Insights from our young employees can be found primarily on our social media channels.



Diversity online presence

▣ DIVERSITY: MAXIMIZING POTENTIAL

Imprint

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Annual financial statements publications

All Deutsche Bank 2019 annual financial statements publications can be found at [■ DB.COM/19](https://www.db.com/19)

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Forward-looking statements

This report 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.

