

Compensation Report 2016



Compensation Report

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Introduction

The 2016 Compensation Report provides detailed compensation information with regard to the overall Deutsche Bank Group.

The compensation report comprises the following three sections:

Management Board Compensation Report

The first section of the Report sets out the structure and design of the compensation system for the members of the Management Board of Deutsche Bank AG. It presents the compensation system for the 2016 financial year, for which variable compensation structure was supplemented by an additional component compared to the compensation system for the 2015 financial year. Following the presentation of the existing compensation structures, the compensation system applicable as of the 2017 financial year, on the approval of which the General Meeting will vote in May 2017, is introduced. In addition, the report contains information on the individual compensation granted by the Supervisory Board to the members of the Management Board of Deutsche Bank AG.

Employee Compensation Report

The second section of the compensation report discloses information with regard to the compensation system and structure that applies to the employees in Deutsche Bank Group (except for Deutsche Postbank AG, which publishes a separate Compensation Report). The report provides details on the New Compensation Framework that was introduced in 2016 and it outlines the decisions on Variable Compensation for 2016. Furthermore, this part contains quantitative disclosures specific to employees identified as Material Risk Takers (MRTs) in accordance with the German Regulation on the Supervisory Requirements for Compensation Systems of Banks (Institutsvergütungsverordnung, "InstVV").

Supervisory Board Report and Disclosure

The third section provides information on the structure and level of compensation for Supervisory Board members of Deutsche Bank AG.

The report complies with the requirements of Section 314 (1) No. 6 of the German Commercial Code (Handelsgesetzbuch, "HGB"), the German Accounting Standard No. 17 ("DRS 17") "Reporting on Executive Body Remuneration", CRR, InstVV, and the recommendations of the German Corporate Governance Code.

Letter of the Chairman of the Supervisory Board

Dear Shareholders,

On the following pages you find the details of the compensation and the underlying compensation system for members of the Group Management Board for the 2016 financial year.

The Supervisory Board changed the compensation system with effect from January 1, 2016, in particular by supplementing the variable compensation components by an additional Division Incentive Award for Management Board members with front office responsibility. We presented the changed compensation system to you for approval at the General Meeting in May 2016. Unfortunately, no majority approval was granted.

The Bank's Supervisory Board has taken the outcome of this resolution very seriously and, immediately after the General Meeting, it started analyzing the existing system on the basis of the criticisms voiced and discussing adequate possibilities to change the system. The Compensation Control Committee worked vigorously on the re-design of the compensation system over the past months and regularly informed the Supervisory Board of any progress made. In February of this year, the Supervisory Board, on a proposal from the Compensation Control Committee, resolved new compensation structures for the members of the Management Board as of the 2017 financial year.

I am convinced that with the new 2017 compensation system, we are able to present to you a compensation system featuring transparent and clear structures, appropriately addressing any points you consider critical. The compensation for the Management Board members is closely linked to pre-defined objectives; the performance of the Management Board as a plenary body based on Group-wide key financial figures, but also on an individual basis, is clearly determined and rewarded on the basis of the achievement level of collective and individual objectives. Thus, the structures align compensation closely with Group performance and the performance of the Deutsche Bank share.

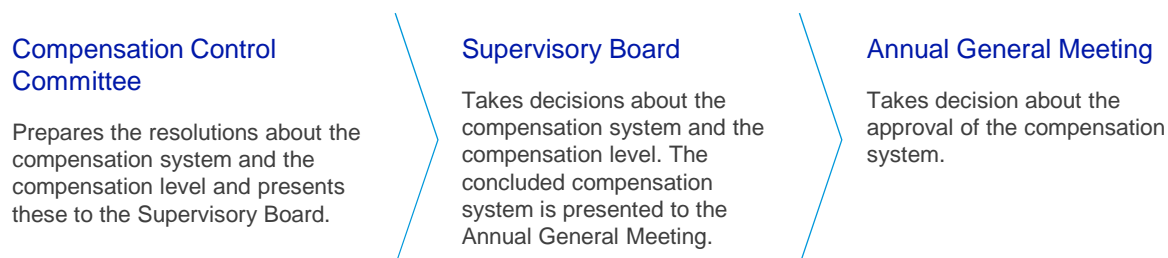
The new performance system will be presented to you in detail starting on page 207. It goes without saying that we will put the system to the vote again at the General Meeting in May 2017.

Yours sincerely

Dr. Paul Achleitner

Management Board Compensation Report

Management Board Compensation Governance



The Supervisory Board, as a plenary body, is responsible for the structuring of the compensation system for the members of the Management Board as well as for determining their individual compensation. The Supervisory Board is supported by the Compensation Control Committee. The Compensation Control Committee controls and supports the appropriate structuring of the compensation system and prepares the resolutions of the Supervisory Board regarding the individual compensation of the Management Board members. In addition, the Compensation Control Committee and/or the Supervisory Board will consult independent external consultants where this is considered necessary.

The Compensation Control Committee currently comprises four members. In accordance with regulatory requirements, at least one must have sufficient expertise and professional experience in the area of risk management and risk controlling and at least one other must be an employee representative.

The Supervisory Board regularly reviews the compensation system for the members of the Management Board. In the case of a change or restructuring of the compensation framework, the Supervisory Board also uses the possibility provided in the German Act on the Appropriateness of Management Board Remuneration (Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG) for the General Meeting to approve the system of compensation for Management Board members.

The Supervisory Board presented the compensation system for the 2016 financial year to the General Meeting for approval in May 2016. However, the General Meeting did not grant majority approval. Due to this voting result, the Supervisory Board subsequently amended the compensation system for Management Board members with effect from January 1, 2017. In May 2017, the General Meeting will be given the opportunity to vote on a resolution on the approval of the changed compensation system.

Principles of the Management Board Compensation and the Compensation System

Numerous factors are to be considered when structuring the compensation system and determining individual compensation. These factors can be summarized as specific remuneration principles. The following overview shows the core remuneration principles which have an impact on both the compensation system and the individual remuneration and must therefore be taken into consideration by the Supervisory Board when passing a resolution on questions of remuneration.

When passing a resolution on the structure and determination of compensation, the Supervisory Board considers in particular:

Governance	The structuring of the compensation system and determination of individual remuneration takes place within the framework of the statutory and regulatory requirements. The Supervisory Board's objective is to offer, within the regulatory requirements, a compensation package that continues to be in line with customary market practices and is therefore competitive.
Group Strategy	Through the structure of the compensation system the members of the Management Board are to be motivated to achieve the objectives set out in the Bank's strategies, to work continuously towards the positive development of the Group and to avoid unreasonably high risks.
Collective and Individual Performance of the Management Board Members	The variable, performance-related compensation is determined on the basis of the level of achievement of previously agreed objectives. For this purpose, collective and Deutsche Bank Group-related objectives applying equally to all Management Board members are set. In addition, the Supervisory Board sets individual objectives for each member of the Management Board separately, which particularly take into account the development of the business, infrastructure or regional areas of responsibility.
Regulatory or other compensation caps	Pursuant to the regulatory approaches under CRD 4, the ratio of fixed to variable compensation is generally limited to 1:1 (cap regulation), i.e. the amount of variable compensation must not exceed that of fixed compensation. However, lawmakers have also stipulated that shareholders can resolve to relax the requirement by setting the ratio of fixed to variable compensation to 1:2. In May 2014, the General Meeting approved the aforementioned setting to 1:2 with a large majority of 90.84 %. The compensation system resolved by the Supervisory Board also provides fixed caps for the individual variable compensation components. In addition, the Supervisory Board is entitled to set an additional cap for the total compensation of the individual members of the Management Board. In the 2017 financial year, the additional cap is €9.85 million.
Sustainability Aspects	The total variable compensation for Management Board members is currently only to be granted on a deferred basis. Since 2017, a portion of at least 75 % of the deferred variable compensation is to be granted in the form of equity-based compensation components, which only vest no less than five years after the grant in one tranche (cliff vesting) and are subject to an additional retention period of one year. The remaining portion is to be granted as non-equity based compensation component and to vest in identical tranches over a period of four years. During the deferral and retention period, deferred compensation is subject to specific forfeiture provisions.
Interests of the Shareholders	When designing the specific structure of the compensation system, determining individual compensation amounts, and structuring its delivery and allocation, the focus is on establishing a close link between the interests of both the Management Board members and shareholders. While defining the variable compensation, this is achieved through the utilization of clearly defined key financial figures which are directly linked to the performance of Deutsche Bank and, since 2017, granting equity-based compensation components amounting to at least 75 % of the total variable compensation. When determining the variable compensation, the equity-based compensation components are directly linked to the performance of the Deutsche Bank share price, and only become eligible for payment after a period of several years.

The compensation system and the compensation structures it encompasses are reflected in the individual Management Board members' contracts.

Compensation Structure until 2016

The Supervisory Board changed the structure of the compensation system for Management Board members for the 2016 financial year compared to the compensation system in 2015. The changed compensation system thereby follows the reorganization of the Bank's leadership structure. Effective January 1, 2016, all four core business divisions (front offices) are represented directly by members on the Management Board. For Management Board members with front office responsibility, the previous variable compensation components were supplemented by the newly introduced Division Performance Award which sought to reflect market requirements and ensure competitive pay levels. In addition to the implementation of the aforementioned component, the target and maximum figures of the variable compensation components were adjusted.

Compensation structure and compensation elements

	2016	2015
Fixed compensation	Base salary + Contribution to the company pension plan	Base salary + Contribution to the company pension plan
Variable compensation	Annual Performance Award (APA) + Long Term Performance Award (LTPA) + Division Performance Award (DPA)	Annual Performance Award (APA) + Long Term Performance Award (LTPA)

The compensation system for the 2016 financial year consists of non-performance-related and performance-related components.

Non-Performance-Related Components (Fixed Compensation)

The fixed compensation is not linked to performance and consists primarily of a base salary as well as contributions to the company pension plan.

in €	2016	2015
Base salary		
Co-Chairmen	3,800,000	3,800,000
Ordinary Board member	2,400,000	2,400,000

in €	2016	2015
Contributions to the company pension plan		
Co-Chairmen	650,000	650,000
Ordinary Board member (CIB) ¹	2,000,000	0
Ordinary Board member (GM/AM) ¹	1,000,000	0
Ordinary Board member (PW&CC)	650,000	400,000
Ordinary Board member (Infrastructure/Region)	400,000	400,000

¹ In 2015, the Co-Chairmen were responsible for these front-office divisions.

Additional non-performance-related components include “other benefits”. The “other benefits” comprise the monetary value of non-cash benefits such as company cars and driver services, insurance premiums, expenses for company-related social functions and security measures including payments, if applicable, of taxes on these benefits as well as taxable reimbursements of expenses.

Performance-Related Components (Variable Compensation)

The variable compensation is performance-related and consists of the three components **Annual Performance Award**, **Long-Term Performance Award** and **Division Performance Award**.

Annual Performance Award (APA)

The APA rewards the achievement of the Bank’s short and medium-term business policy and corporate objectives that were set as part of the objective setting agreement for the respective financial year’s performance evaluation. Not only is financial success taken into account in the process, but also the conduct towards staff members and clients as part of carrying out business activities. As part of the annual objective setting agreement, corresponding key financial figures and/or factors are set for all objectives that will be used to determine the objective achievement level.

For the 2016 financial year, the following Group-wide key financial figures, which apply equally to all Management Board members, were agreed:

- **Category Capital:** Common Equity Tier 1 Ratio (CET 1) and Leverage Ratio,
- **Category Costs:** Cost-Income-Ratio (CIR),
- **Category Competencies:** Value added,
- **Categories Culture/Clients:** Employee Commitment, Behavior and Reputation.

In assessing the individual performance component, a quantitative objective from the categories **Capital/Costs/Competencies** and a qualitative objective from the categories **Culture/Clients** was agreed with each Management Board member.

Altogether, the sum of Group-wide and individually agreed objectives amounts to a maximum of 80 % of the overall APA, depending on the achievement level of the aforementioned objectives. The Supervisory Board can decide merely on the remaining portion to reward outstanding contributions, including project specific contributions as an exercise of its discretionary authority. If the objectives are not achieved, an APA will not be granted.

Long-Term Performance Award (LTPA)

The level of the LTPA is determined on the basis of the relative performance of the Deutsche Bank share in comparison to selected peer institutions (Relative Total Shareholder Return, RTSR) on the basis of a three-year assessment and, through the additional inclusion of non-financial parameters (so-called Culture & Clients factor), it is also oriented towards how the targets are achieved.

If the three-year average of the relative total shareholder return of Deutsche Bank is greater than 100 %, then the value of the RTSR portion increases proportionately to an upper limit of 150 % of the target figure. If the three-year average of the relative total shareholder return is lower than 100 %, the value declines disproportionately. If the three-year average of the RTSR does not exceed 60 %, the value of the Award portion is set to zero.

The peer group for the RTSR comprises the following institutions: BNP Paribas, Société Générale, Barclays, Credit Suisse, UBS, Bank of America, Citigroup, Goldman Sachs, JP Morgan Chase and Morgan Stanley.

The collective objective for all members of the Management Board for the 2016 financial year was to install a robust control environment for Deutsche Bank Group. For an assessment of the objective as “excellent”, 150 % of the Culture & Client Factor target figure is assigned, 100 % for “good”, and 50 % for “average”. For “below average”, the value of the Award portion is set to zero.

Division Performance Award (DPA)

The DPA rewards the achievement of the Bank’s short and medium-term business policy and strategic objectives established in the context of the objective setting process for the performance evaluation for the respective year. The key objectives underlying the determination of the DPA are designed to contribute to the applicable business policy and strategic objectives of the relevant division, in line with its business and risk strategy and the individual objectives set separately for each member of the Management Board on the basis of the member’s area of responsibility.

As part of the annual objective setting agreement, corresponding key financial figures and/or factors are set for all objectives that will be used to determine the objective achievement level. If the objectives were not achieved during the period being evaluated, the Supervisory Board may determine that a DPA will not be granted.

Maximum Compensation

Following the implementation of the regulatory requirements and based on the aforementioned individual compensation components for the 2016 financial year, the following values for the Management Board members are as follows:

Total Compensation/Target and Maximum Values

in €	Base salary	APA	LTPA	DPA	2016	2015
					Total compensation	Total compensation
Co-Chairmen						
Target	3,800,000	1,500,000	3,800,000	0	9,100,000	9,100,000
Maximum	3,800,000	3,000,000	5,700,000	0	12,500,000	12,500,000
Ordinary Board member (CIB) ¹						
Target	2,400,000	1,650,000	2,800,000	1,650,000	8,500,000	0
Maximum	2,400,000	3,300,000	4,200,000	3,300,000	13,200,000	0
Ordinary Board member (GM/AM) ¹						
Target	2,400,000	1,200,000	2,200,000	1,200,000	7,000,000	0
Maximum	2,400,000	2,400,000	3,300,000	2,400,000	10,500,000	0
Ordinary Board member (PW&CC)						
Target	2,400,000	800,000	1,800,000	800,000	5,800,000	5,800,000
Maximum	2,400,000	1,600,000	2,700,000	1,600,000	8,300,000	8,000,000
Ordinary Board member (Infrastructure/Region)						
Target	2,400,000	1,000,000	2,400,000	0	5,800,000	5,800,000
Maximum	2,400,000	2,000,000	3,600,000	0	8,000,000	8,000,000

¹ In 2015, the Co-Chairmen were responsible for these front-office divisions.

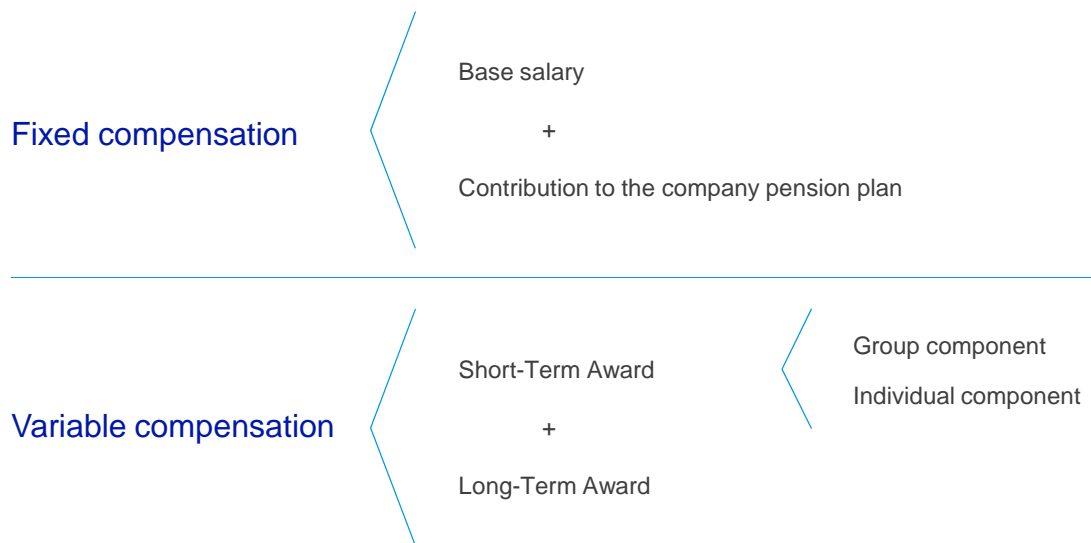
The total compensation of a Management Board member is subject to a separate cap of €9.85 million which has been set by the Supervisory Board for the overall total compensation for the 2016 financial year. Consequently, compensation is capped at a maximum of €9.85 million, even where the level of the target achievement would result in higher compensation.

Compensation Structure as of January 2017

- Simplification of Compensation Structures
- Obvious link between compensation and previously agreed objectives
- Strong emphasis on the interests of the shareholders

The structures of the compensation system applicable as of the 2017 financial year are set out below, highlighting the changes to the previously applicable system and giving the reasons for the individual changes. In May 2017, the General Meeting will be given the opportunity to pass a resolution on the approval of the changed compensation system.

Structure und compensation elements of the new compensation system



The compensation system applicable as of January 2017 continues to consist of non performance-related (fixed) and performance-related (variable) components.

Non-Performance-Related Components (Fixed Compensation)

The fixed compensation is not linked to performance and consists of the base salary, contributions to the company pension plan and “other benefits”.

Various factors were considered when determining the appropriate level of the base salary. First, the base salary rewards general assumption of the office of Management Board member and the related overall responsibility of the individual Management Board members. In addition, the compensation paid in the comparable market is taken into account when determining the amount of the base salary. However, a market comparison must take into consideration that the regulatory requirements pursuant to the InstVV set a cap for variable compensation at 200 % of the fixed compensation. Accordingly, the fixed compensation must be determined in a way that ensures competitive compensation in line with market practice while taking into account the aforementioned requirements. The regulatory cap was implemented in 2014; as a consequence, the overall base salaries were increased, and in May 2014, the General Meeting approved the respective increases by a large majority.

The InstVV provides for the possibility to define contributions to the company pension plan as fixed compensation and thus to include these in the basis for calculating the ratio between fixed and variable compensation components. The Supervisory Board reviews the previous entitlement structure of the contributions to the company pension plan and- if applicable - adjusts it.

Additional non-performance-related components include “other benefits”. The “other benefits” comprise the monetary value of non-cash benefits such as company cars and driver services, insurance premiums, expenses for company-related social functions and security measures including payments, if applicable, of taxes on these benefits as well as taxable reimbursements of expenses.

Performance-Related Components (Variable Compensation)

For the 2016 financial year, the variable compensation components were supplemented by a newly introduced component, the Division Performance Award. The implementation of the new component sought to reflect and reward the specific characteristics of the front offices represented on the Management Board in the related objectives. In May 2016, the changes to the system did not receive majority approval by the General Meeting. With respect to the newly implemented compensation component, it was criticized that the structure had become even more complex and less transparent, the introduction of compensation components for only part of the Management Board was not comprehensible and linking the component with the underlying objectives was not convincing.

In light of the criticism expressed, the Supervisory Board substantially simplified the structures of the variable compensation for 2017 and linked compensation to transparent performance criteria. However, the structure still allows for the agreement of individual and divisional objectives alongside collective objectives and makes it possible to achieve competitive pay levels in line with market practice on the basis of the respective member’s area of responsibility and, at the same time, also meets in this respect the regulatory requirements.

The entire variable compensation is performance-related. As of the 2017 financial year, variable compensation will consist of a short term component and a long term component:

- the [Short Term Award](#) and
- the [Long Term Award](#).

Short-Term Award (STA)

The STA is linked to the achievement of short term and long term objectives. Objectives include collective objectives to be achieved by the Management Board as a whole and individual objectives whose achievement level is determined separately for each member of the Management Board.

In order to clearly distinguish collective objectives from individual objectives, the STA is divided into two components:

- the [Group Component](#) and
- the [Individual Component](#).

Group Component

The objectives to be achieved form the basis for the calculation of the Group component as part of the STA. The key objective of the Group component is to link the variable compensation for the Management Board to the overall performance of the Bank.

In 2016, the Management Board decided to align part of the variable compensation for non-tariff employees of the Bank more closely with Group performance. This seeks to reward the contribution of all employees to the financial results of the Bank and the achievements in the implementation of our strategy. Management Board compensation is also closely linked to the performance of the Bank using selected key financial figures. The Supervisory Board decided to align the compensation system for the Management Board members more closely with the compensation system for employees. This is achieved by using the performance metrics underlying the Group component in the compensation system for employees as the reference value for the Group component of the STA as of 2017.

In accordance with our targets originally announced in October 2015, four performance metrics constituting important indicators for the capital, risk, cost and return profile of the Bank form the reference value for the Group Component of the STA:

Common Equity Tier 1 (CET 1) capital ratio (fully loaded)	The Common Equity Tier-1 Ratio of the Bank in relation to their risk-weighted assets.
Leverage Ratio	The Bank's Tier 1 capital as a percentage of its total leverage exposure pursuant in line with CRR/CRD 4.
Adjusted costs	Total noninterest expenses, excluding restructuring and severance, litigation, impairment of goodwill and other intangibles and policyholder benefits and claims.
Post-tax return on tangible equity (RoTE)	Net income (or loss) attributable to Deutsche Bank shareholders as a percentage of average tangible shareholders' equity. The latter is the shareholders' equity on the bank's balance sheet, excluding goodwill and other intangible assets.

At the end of a financial year, the Supervisory Board establishes how each of these performance metrics developed compared to the published target figures and determines an achievement level for each performance metric.

The Supervisory Board regularly reviews the selection of the performance metrics. The above four objectives are equally weighted at up to 25 % in the determination of the Group Component of the STA, depending on the achievement level. If, overall, the performance metric-based objectives are not achieved during the period being evaluated, the Supervisory Board may determine that a Group component will not be granted.

Individual Component

The individual component of the STA rewards the achievement of short and medium-term individual and front office-related objectives. These objectives are established by the Supervisory Board as part of the objective setting agreement for the respective financial year's performance evaluation. The key objectives are designed to contribute to the applicable business policy and strategic objectives of the Bank, in line with each Management Board member's area of responsibility. In the process, not merely financial success is taken into account, but also the conduct towards staff members and clients as part of carrying out business activities. Objectives for the individual components may for example include revenue developments in the course of the year, project-related targets, diversity objectives or other developments in employee or client satisfaction.

As part of the annual objective setting agreement, corresponding key financial figures and/or factors are set for all objectives that will be used to determine the objective achievement level. A maximum of three objectives per financial year is set for each Management Board member. The sum of individually agreed and business objectives amounts to a maximum of 90 % of the individual component of the STA, depending on the achievement level of the aforementioned objectives. The Supervisory Board decides merely on the remaining portion of 10 % of the individual component to reward outstanding contributions, including project-specific contributions over the course of the financial year as an exercise of its discretionary authority. If, overall, the objectives are not achieved during the period being evaluated, the Supervisory Board may determine that an individual component will not be granted.

Minimum, Target and Maximum Values

The sum of Group-wide and individually agreed objectives amounts to a maximum of 40 % of the total variable compensation, depending on the achievement level of the aforementioned objectives. This is designed to ensure that the individual objectives do not primarily determine the value of the variable compensation. If, overall, the objectives are not achieved during the period being evaluated, the Supervisory Board may determine that an STA will not be granted.

Long-Term Award (LTA)

The Supervisory Board decided to clearly focus on the achievement of long-term objectives when determining the variable compensation. Therefore, the target figure of the LTA constitutes a portion of no less than 60 % of the total variable target compensation. As with the short-term component, the Supervisory Board determines the collective and/or individual long-term objectives for the Management Board members. The achievement level is determined on the basis of the definition of clear performance metrics and/or factors which are to be agreed for these objectives at the beginning of a financial year.

60 % of the variable compensation, as a minimum, relate to the long-term component

The Supervisory Board determines a total of three objectives for each Management Board member. Compared to the previous compensation system, an additional third objective was added to the long-term component. Each objective is equally weighted at 1/3 in the assessment of the LTA.

The relative performance of the Deutsche Bank share in comparison to selected peer institutions remains an objective within the framework of the LTA. This objective is intended to promote the sustainable performance of the Deutsche Bank share. However, the portion of this objective of the LTA was decreased from 2/3 to 1/3 to achieve a better balance. The long-term nature of this objective is supported by the determination of the Relative Total Shareholder Return (RTSR) on the basis of a three-year assessment. The RTSR of Deutsche Bank is derived from the Total Shareholder Return of Deutsche Bank in relation to the average total shareholder returns of a select peer group (calculated in Euro). This LTA portion is calculated from the average of the annual RTSR for the last three financial years (compensation year and the two preceding years). If the three-year average of the relative total shareholder return of Deutsche Bank is greater than 100 %, then the value of the RTSR portion increases proportionately to an upper limit of 150 % of the target figure, i.e., the value increases by 1 % for each percentage point above 100 %. If the three-year average of the relative total shareholder return is lower than 100 %, the value declines disproportionately. If the relative total shareholder return is calculated to be in the range of less than 100 % to 80 %, the value of the Award portion is reduced for each lower percentage point by 2 percentage points. In the range between 80 % and 60 %, the value of the Award portion is reduced for each lower percentage point by 3 percentage points. If the three-year average of the RTSR does not exceed 60 %, the value of the Award portion is set to zero.

The peer group used for the calculation of the relative total shareholder return is selected based on the criteria of generally comparable business activities, comparable size and international presence. The Supervisory Board critically reviewed the peer group as part of the design of the new compensation system and decided to adjust this group in comparison to the previously applicable group. In light of the business activities of the Bank, it was decided to remove the investment bank-centric financial institutions Goldman Sachs and Morgan Stanley from the peer group, due to the differing business strategy compared to a universal bank. However, the reduced peer group will be supplemented by HSBC, which is also used for comparison with respect to internal benchmarking purposes.

The peer group for the RTSR therefore comprises the following banks:

Peer Group of Deutsche Bank

BNP Paribas	Société Générale	Barclays	Credit Suisse	UBS
Bank of America	Citigroup	JP Morgan Chase	HSBC	

The second objective is linked to the growth and strengthening of the Bank. Within the notion of **organic capital growth** on a net basis, the Supervisory Board sets an objective designed to promote this growth.

As before, the third objective is taken from the category “**Culture & Clients**”. In this context, the Supervisory sets an objective which is linked to corporate culture, client satisfaction and dealing with clients. This objective is linked to the sustainable development of the intrabank environment or designed to foster the development of the relationships to clients. As for the 2017 financial year, one objective set by the Supervisory Board for all Management Board members is again the evaluation of the control environment within the Deutsche Bank Group.

The Long Term Award can be a maximum of 150 % of the respective target figures.

Objectives

Objectives are established by the Supervisory Board as part of an objective setting agreement at the beginning of the respective financial year for purposes of performance evaluation. For all objectives, financial figures and/or factors are set from which the achievement level of the objectives is transparently derived. The leeway for the discretionary decision is strictly limited to 3 to 6 % with respect to the total variable compensation.

The allocation of the objectives to the individual compensation components is set out below.

	Relevant indicators	Relative weight
Short-Term Award (STA)	Group component ⁽¹⁾	
	CET1 ratio	25 %
	Leverage ratio	25 %
	Adjusted non-interest expenses	25 %
	Post-tax return on tangible equity (RoTE)	25 %
	Individual component (exemplary) ⁽²⁾	
	Revenue Growth / IBIT y-o-y versus plan	30 %
	Project-related objectives (realisation, mangement)	30 %
Employee Commitment Index (% y-o-y) / Diversity objectives	30 %	
Adjustment based on informed judgement	10 %	
Long-Term Award (LTA) ⁽³⁾	Relative total shareholder return	33,34 %
	Organic capital growth (net)	33,33 %
	‘Culture & client factor’ / Control environment grade group	33,33 %

(1) Joint strategic key objectives which also form base for the assessment of the group component as part of the compensation system for the employees of DB Group

(2) Short-term individual and divisional objectives of quantitative and qualitative nature

(3) Long-term group-wide objections.

Maximum Compensation

The total compensation of a Management Board member is subject to caps. Due to regulatory requirements, the variable compensation is capped at 200 % of the fixed compensation. In addition, the Supervisory Board again set a cap of €9.85 million for the overall total compensation for the 2017 financial year. Consequently, compensation is capped at a maximum of €9.85 million, even where the level of the target achievement would result in higher compensation.

A detailed presentation of the figures will be provided in a separate document on the website of the Bank which is not part of the Management Report.

Long-Term Incentive and Sustainability

According to the requirements of the InstVV at least 60 % of the total Variable Compensation must be granted on a deferred basis. Not less than half of this deferred portion may comprise equity-based compensation components, while the remaining portion must be granted as deferred cash compensation. Both compensation components must be deferred over a multi-year period which, for the equity-based compensation components, must be followed by a retention period. During the period until payment or delivery, the compensation portions awarded on a deferred basis may be forfeited. A maximum of 40 % of the total Variable Compensation may be granted on a non-deferred basis. However, at least half of this must consist of equity-based compensation components and only the remaining portion may be paid out directly in cash. Of the total Variable Compensation, no more than a maximum of 20 % may be paid out in cash immediately, while at least 80 % are paid or delivered at a later date.

Since 2014, the total variable compensation for Management Board members is only granted on a deferred basis. The compensation system applicable up to and including 2016 provided that the short-term components (APA and DPA) were in principle granted in the form of non-equity-based compensation components ("Restricted Incentive Awards"). However, the long-term component (LTPA) was exclusively granted in the form of equity-based compensation components ("Restricted Equity Award").

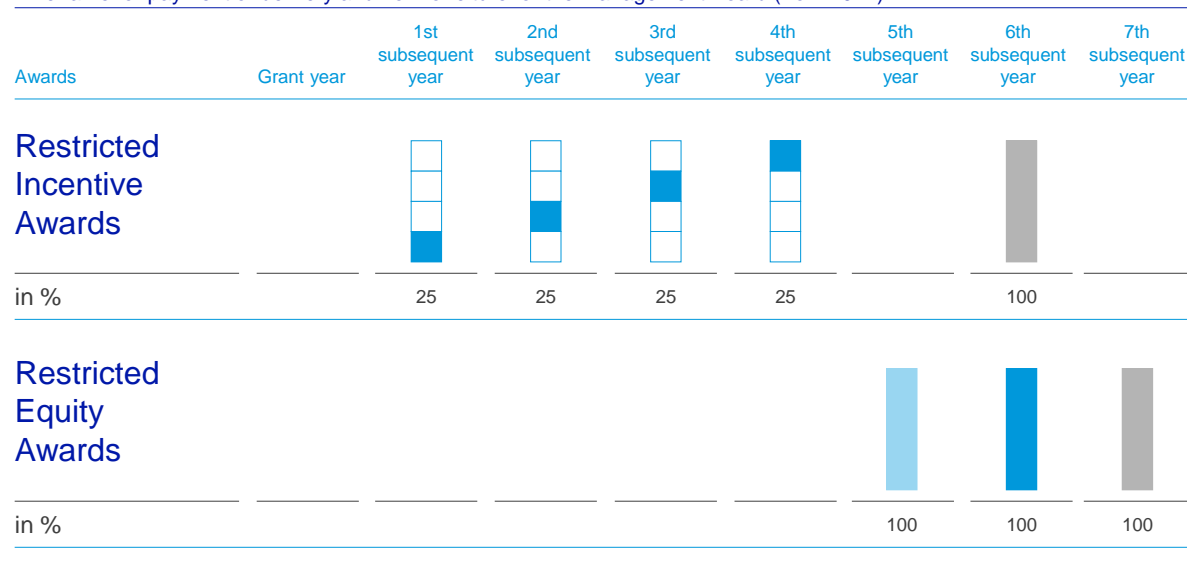
75% of the variable compensation, as a minimum, is granted equity-based

In order to bind the Management Board members even closer to the performance of the Bank and the Deutsche Bank share price, the Supervisory Board decided that as of the 2017 financial year, the long-term component (LTA), and in fact no less than 75 % of the total variable compensation, will continue to be granted only in the form of restricted equity awards. Only the short-term component (STA), however, a maximum of 25 % of the total variable compensation, is granted in the form of Restricted Incentive Awards.

The Restricted Incentive Awards vest over a period of four years. Based on the new regulatory requirements, the Restricted Equity Awards vest after five years in one tranche ("cliff vesting") and have an additional retention period of one year. Accordingly, Management Board members are first permitted to dispose of the equities after six years. During the deferral and retention period, the value of the Restricted Equity Awards is linked to the Bank's share price and is therefore tied to the sustained performance of the Bank. Specific forfeiture provisions apply for Restricted Incentive Awards and Restricted Equity Awards during the deferral and retention period.

The following chart shows the time period for the payment or the delivery of the variable compensation components in the five consecutive years following the grant year as well as the period of a possible clawback.

Timeframe for payment or delivery and non-forfeiture for the Management Board (from 2017)



- Vesting and/or non forfeiture, aligned with payment or delivery.
- Vesting followed by a retention period until delivery; subject to individual forfeiture conditions during the retention period.
- End of possibility to demand the return ('Clawback') of already paid/delivered compensation components.

Forfeiture Conditions/Clawback

Because some of the compensation components are deferred or spread out over several years (Restricted Incentive Awards and Restricted Equity Awards) certain forfeiture conditions are applicable until vesting or the end of the retention periods, in order to create a long-term incentive. Awards may be fully or partially forfeited, for example, due to individual misconduct (including a breach of regulations) or termination for cause, and also due to a negative Group result or individual negative contributions to results. In addition, the Restricted Equity Award will be forfeited completely if the statutory or regulatory minimum requirements for the core capital ratio are not met during this period.

The draft of the amendment of the InstVV provides inter alia that so-called "clawback provisions" are to be agreed with the members of the management body (Geschäftsleiter) of significant institutions. Contrary to the forfeiture conditions, this clause allows the Supervisory Board to reclaim already paid out or delivered compensation components due to specific individual negative contributions to results made by the Management Board member. The Supervisory Board will agree such a clause with the Management Board members.

Limitations in the Event of Exceptional Developments

In the event of exceptional developments, the total compensation for each Management Board member is limited to a maximum amount. In addition, the Supervisory Board and the members of the Management Board agreed on a possible limitation of the variable compensation which is included in the service agreements of the Management Board members and according to which the variable compensation may be limited to amounts below the provided maximum amounts or may not be granted altogether. Furthermore, statutory regulations provide that the Supervisory Board may reduce the compensation of the Management Board members to an appropriate level, if the situation of the company deteriorates in such a way following the determination of the compensation that the continuous granting of the compensation would be unreasonable for the company. A payment of Variable Compensation elements will also not take

place if the payment of Variable Compensation components is prohibited or restricted by the Bank's regulator in accordance with existing statutory requirements.

Shareholding Guidelines

- Long-term commitment of Management Board members to the Bank
- Identification with Deutsche Bank and its shareholders
- Link to performance of the Bank through deferred compensation

All members of the Management Board are required to hold a specified value of Deutsche Bank shares. This requirement fosters the identification of the Management Board members with Deutsche Bank and its shareholders and aims to ensure a sustainable link to the performance of the Bank.

The number of shares to be held amounts to two times the annual base salary for the Chairman and one time the annual base salary for ordinary Management Board members.

in €	Shareholding Guidelines
Chairman	7,600,000
Ordinary Board member	2,400,000

There is in principle a waiting period of 36 months for the Chairman and 24 months for ordinary Management Board members until which these requirements must be fulfilled. In each case, the waiting period is extended by 12 months for each financial year falling within the waiting period for which the Management Board member is not awarded any variable compensation. Deferred equity-based compensation may be taken into account at 75 % of its value towards fulfillment of the obligation.

Observance of the requirement is reviewed semi-annually as of June 30 and December 31. If the required number of shares is not met, the Management Board members must correct any deficiencies by the next review. In 2016, all Management Board members fulfilled the retention obligations for shares.

As compensation components are deferred or spread out over several years, another link to the performance of the Deutsche Bank share is established that should generally continue to exist even for the period after leaving the Management Board.

Pension benefits

The Supervisory Board allocates an entitlement to pension plan benefits to the Management Board members. These entitlements involve a defined contribution pension plan. Under this pension plan, a personal pension account has been set up for each participating member of the Management Board after appointment to the Management Board. A contribution is made annually into this pension account.

Management Board members receive a contribution in the form of a contractually agreed fixed annual amount in Euro. The contribution accrues interest credited in advance, determined by means of an age-related factor, at an average rate of 4 % per year up to the age of 60. From the age of 61 onwards, the contribution made is credited with an annual interest payment of 4 % up to the date of retirement.

The annual contributions, taken together, form the pension amount available to pay the future pension benefit. Under defined conditions, the pension may also become due for payment before a regular pension event (age limit, disability or death) has occurred. The pension right is vested from the start.

The following table shows the annual contributions, the interest credits, the account balances and the annual service costs for the years 2016 and 2015 as well as the corresponding defined benefit obligations for each member of the Management Board in office in 2016 as of December 31, 2016 and December 31, 2015. The different balances are attributable to the different lengths of service on the Management Board, the respective age-related factors, and the different contribution rates, as well as the individual pensionable compensation amounts and the previously mentioned additional individual entitlements.

Members of the Management Board in €	Annual contribution, in the year		Interest credit, in the year		Account balance, end of year		Service cost (IFRS), in the year		Present value of the defined benefit obligation (IFRS), end of year	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
John Cryan ¹	754,000	393,250	0	0	1,147,250	393,250	821,114	439,065	1,221,303	450,200
Jürgen Fitschen ²	270,834	650,000	52,696	95,272	0 ⁹	2,549,796	232,666	624,192	0	2,576,287
Kim Hammonds ³	250,001	0	0	0	250,001	0	270,466	0	275,563	0
Stuart Lewis	556,000	576,000	0	0	2,342,938	1,786,938	546,402	516,969	2,555,844	1,551,547
Sylvie Matherat ⁴	500,000	86,668	0	0	586,668	86,668	517,352	128,506	613,025	130,231
Nicolas Moreau ⁵	347,500	0	0	0	347,500	0	442,672	0	450,380	0
Quintin Price ⁶	416,667	0	0	0	0 ¹⁰	0	525,143	0	0	0
Garth Ritchie ⁷	1,550,000	0	0	0	1,550,000	0	1,443,171	0	1,475,820	0
Karl von Rohr ⁴	556,000	96,001	0	0	652,001	96,001	546,402	131,141	647,482	132,799
Dr. Marcus Schenck ⁸	556,000	528,001	0	0	1,084,001	528,001	546,402	478,387	1,041,150	490,386
Christian Sewing	1,085,500	692,000	0	0	1,777,500	692,000	984,198	559,197	1,592,460	572,899
Werner Steinmüller ³	166,667	0	0	0	166,667	0	164,232	0	169,445	0
Jeffrey Urwin ⁷	2,000,000	0	0	0	2,000,000	0	2,036,367	0	2,090,722	0

¹ Member since July 1, 2015.

² Member until May 19, 2016 / contract termination on May 31, 2016.

³ Member since August 1, 2016.

⁴ Member since November 1, 2015.

⁵ Member since October 1, 2016.

⁶ Member since January 1, 2016 until June 15, 2016.

⁷ Member since January 1, 2016.

⁸ Member since May 22, 2015.

⁹ At the time of retirement from Management Board membership the accumulated account balance of €2,873,326 has been capitalized and paid out as a lump sum.

¹⁰ The pension entitlement was not vested at the time of the termination of the Management Board membership and was paid in form of a cash compensation in the amount of €416,667.

Other Benefits upon Premature Termination

The Management Board members are in principle entitled to receive a severance payment upon early termination of their appointment at the Bank's initiative, provided the Bank is not entitled to revoke the appointment or give notice under the contractual agreement for cause. The circumstances of the early termination of the appointment and the length of service on the Management Board are to be taken into account when determining the amount of the severance payment. The severance payment, as a rule, is two annual compensation amounts and is limited to the claims to compensation for the remaining term of the contract. The calculation of the severance payment is based on the annual compensation for the previous financial year and on the expected annual compensation for the current financial year, if applicable. The severance payment is determined in accordance with the statutory and regulatory requirements, in particular with the provisions of the InstVV.

If a Management Board member leaves office in connection with a change of control, he is also, under certain conditions, entitled in principle to a severance payment. The exact amount of the severance payment is determined by the Supervisory Board within its sole discretion. According to the German Corporate Governance Codex, the severance payment will not exceed three annual compensation amounts and is limited to the claims to compensation for the remaining term of the contract. The calculation of the compensation is again based on the annual compensation for the previous financial year.

Expense for Long-Term Incentive Components

The following table presents the compensation expense recognized in the respective years for long-term incentive components of compensation granted for service on the Management Board.

Members of the Management Board	Amount expended for			
	Share-based compensation components		Cash-based compensation components	
in €	2016	2015	2016	2015
Jürgen Fitschen ¹	621,077 ²	1,013,489	1,203,434	1,170,591
Stuart Lewis	(136,084) ³	633,658	466,922	633,466

¹ Member until May 19, 2016 / contract termination on May 31, 2016.

² With the termination of the Management Board membership all expenses of outstanding awards have been accelerated into the P&L.

³ Share-based compensation of Management Board members is generally valued based on the share price at each respective reporting date and leads to a negative result in this instance.

Management Board compensation for the 2016 financial year

Base Salary

In the 2016 financial year, the annual base salary of the Management Board Co-Chairmen was €3,800,000 each and for an ordinary Management Board member €2,400,000.

Variable Compensation

Due to the financial performance of Deutsche Bank in 2016 and the severe measures taken by the Management Board against this background with respect to the compensation for employees for the 2016 financial year, the Management Board unanimously took the decision to irrevocably waive any entitlement to the determination and grant of variable compensation members of the Management Board for the 2016 financial year. The Management Board declared its waiver to the Supervisory Board. Therefore, the Supervisory Board refrained from determining any variable compensation for the Management Board members for the 2016 financial year.

Total Compensation

The members of the Management Board collectively received in/for the 2016 financial year compensation (without fringe benefits and pension service costs) totaling €25,883,333 (2015: €22,660,000). This amount was for base salaries only. €0 (2015: €0) were received for performance-related components with long-term incentives.

The Supervisory Board determined the aforementioned compensation on an individual basis for 2016 and 2015 as follows:

in €					2016	2015
	Base salary	APA ¹	LTPA ²	DPA ³	Total compensation	Total compensation
John Cryan ⁴	3,800,000	0	0	0	3,800,000	1,900,000
Jürgen Fitschen ⁵	1,583,333	0	0	0	1,583,333	3,800,000
Kim Hammonds ⁶	1,000,000	0	0	0	1,000,000	–
Stuart Lewis	2,400,000	0	0	0	2,400,000	2,400,000
Sylvie Matherat ⁷	2,400,000	0	0	0	2,400,000	400,000
Nicolas Moreau ⁸	600,000	0	0	0	600,000	–
Quintin Price ⁹	1,100,000	0	0	0	1,100,000	–
Garth Ritchie ¹⁰	2,400,000	0	0	0	2,400,000	–
Karl von Rohr ⁷	2,400,000	0	0	0	2,400,000	400,000
Dr. Marcus Schenck ¹¹	2,400,000	0	0	0	2,400,000	1,460,000
Christian Sewing	2,400,000	0	0	0	2,400,000	2,400,000
Werner Steinmüller ⁶	1,000,000	0	0	0	1,000,000	–
Jeffrey Urwin ¹⁰	2,400,000	0	0	0	2,400,000	–
Anshuman Jain ¹²	–	–	–	–	–	1,900,000
Stefan Krause ¹³	–	–	–	–	–	2,400,000
Dr. Stephan Leithner ¹⁴	–	–	–	–	–	2,000,000
Rainer Neske ¹²	–	–	–	–	–	1,200,000
Henry Ritchothe ¹⁵	–	–	–	–	–	2,400,000
Total	25,883,333	0	0	0	25,883,333	22,660,000

¹ APA: Annual Performance Award.

² LTPA: Long-Term Performance Award.

³ DPA: Division Performance Award.

⁴ Member since July 1, 2015.

⁵ Member until May 19, 2016 / contract termination on May 31, 2016.

⁶ Member since August 1, 2016.

⁷ Member since November 1, 2015.

⁸ Member since October 1, 2016.

⁹ Member since January 1, 2016 until June 15, 2016.

¹⁰ Member since January 1, 2016.

¹¹ Member since May 22, 2015.

¹² Member until June 30, 2015.

¹³ Member until October 31, 2015 / contract termination on December 31, 2015.

¹⁴ Member until October 31, 2015.

¹⁵ Member until December 31, 2015.

Share awards

The Management Board members declared to the Supervisory Board that they waive the determination and grant of any variable compensation for the 2016 financial year. The Supervisory Board had decided in 2016 not to grant the Management Board members any variable compensation for the 2015 financial year.

As a result, no share awards were granted for both the 2015 and 2016 financial years.

Management Board members do not receive any compensation for mandates on boards of Deutsche Bank subsidiaries.

Management Board Share Ownership

As of February 17, 2017 and February 19, 2016, respectively, the current members of the Management Board held Deutsche Bank shares as presented below:

Members of the Management Board		Number of shares
John Cryan	2017	9,160
	2016	0
Kim Hammonds ¹	2017	22,800
	2016	51,347
Stuart Lewis	2017	51,347
	2016	51,347
Sylvie Matherat	2017	0
	2016	0
Nicolas Moreau ²	2017	0
	2016	0
Garth Ritchie	2017	28,778
	2016	28,778
Karl von Rohr	2017	3,737
	2016	2,747
Dr. Marcus Schenck	2017	26,445
	2016	26,445
Christian Sewing	2017	36,249
	2016	36,249
Werner Steinmüller ¹	2017	79,792
	2016	120,690
Jeffrey Urwin	2017	120,690
	2016	120,690
Total	2017	378,998
	2016	266,256

¹ Member since August 1, 2016.

² Member since October 1, 2016.

The current members of the Management Board held an aggregate of 378,998 Deutsche Bank shares on February 17, 2017, amounting to approximately 0.03 % of Deutsche Bank shares issued on that date.

The following table shows the number of share awards held by the Management Board members as of February 17, 2017 and February 19, 2016 as well as the number of share awards newly granted, delivered or forfeited in this period.

Members of the Management Board	Balance as of Feb 19, 2016	Granted	Delivered	Forfeited	Balance as of Feb 17, 2017
John Cryan	17,441	–	17,441	0	0
Kim Hammonds ¹	–	–	–	–	88,072
Stuart Lewis	166,538	0	0	0	166,538
Sylvie Matherat	3,217	7,541	0	0	10,758
Nicolas Moreau ²	–	–	–	–	0
Garth Ritchie	244,227	305,424	0	0	549,651
Karl von Rohr	22,846	22,623	2,013	0	43,456
Dr. Marcus Schenck	132,517	84,462	0	0	216,979
Christian Sewing	85,508	0	0	0	85,508
Werner Steinmüller ¹	–	–	–	–	191,879
Jeffrey Urwin	379,808	263,125	0	0	642,933

¹ Member since August 1, 2016.

² Member since October 1, 2016.

Compensation in accordance with the German Corporate Governance Codex (GCGC)

The compensation for the members of the Management Board in accordance with the requirements of section 4.2.5 paragraph 3 of the GCGC is provided below. This comprises the benefits granted for the year under review including the fringe benefits, and including the maximum and minimum achievable compensation for variable compensation

components. In addition, the disbursements of fixed compensation and variable compensation (broken down by Restricted Incentive Awards and Restricted Equity Awards) in/for the year under review, broken down into the relevant reference years are reported.

The following table provides the compensation granted for the 2016 and 2015 financial years:

Compensation granted in 2016 (2015) according to GCGC

in €	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	3,800,000	3,800,000	3,800,000	3,800,000	1,900,000	1,900,000
Fringe benefits	41,795	41,795	41,795	41,795	29,697	29,697
Total	3,841,795	3,841,795	3,841,795	3,841,795	1,929,697	1,929,697
Variable compensation	0	5,300,000	0	8,700,000	0	2,650,000
thereof:						
Restricted Incentive Awards	0	1,500,000	0	3,000,000	0	750,000
Restricted Equity Awards	0	3,800,000	0	5,700,000	0	1,900,000
Total	0	5,300,000	0	8,700,000	0	2,650,000
Pension service costs	821,114	821,114	821,114	821,114	439,065	439,065
Total compensation (GCGC)	4,662,909	9,962,909	4,662,909	13,362,909	2,368,762	5,018,762
Total compensation²	3,800,000	9,100,000	3,800,000	12,500,000	1,900,000	4,550,000

¹ Member since July 1, 2015.

² Without fringe benefits and pension service costs.

in €	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	1,583,333	1,583,333	1,583,333	1,583,333	3,800,000	3,800,000
Fringe benefits	38,937	38,937	38,937	38,937	102,016	102,016
Total	1,622,270	1,622,270	1,622,270	1,622,270	3,902,016	3,902,016
Variable compensation	0	2,208,333	0	3,625,000	0	5,300,000
thereof:						
Restricted Incentive Awards	0	625,000	0	1,250,000	0	1,500,000
Restricted Equity Awards	0	1,583,333	0	2,375,000	0	3,800,000
Total	0	2,208,333	0	3,625,000	0	5,300,000
Pension service costs	232,666	232,666	232,666	232,666	624,192	624,192
Total compensation (GCGC)	1,854,936	4,063,269	1,854,936	5,479,936	4,526,208	9,826,208
Total compensation²	1,583,333	3,791,667	1,583,333	5,208,333	3,800,000	9,100,000

¹ Member until May 19, 2016 / contract termination on May 31, 2016.

² Without fringe benefits and pension service costs.

in €	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	1,000,000	1,000,000	1,000,000	1,000,000	0	0
Fringe benefits	6,035	6,035	6,035	6,035	0	0
Total	1,006,035	1,006,035	1,006,035	1,006,035	0	0
Variable compensation	0	1,416,667	0	2,333,333	0	0
thereof:						
Restricted Incentive Awards	0	416,667	0	833,333	0	0
Restricted Equity Awards	0	1,000,000	0	1,500,000	0	0
Total	0	1,416,667	0	2,333,333	0	0
Pension service costs	270,466	270,466	270,466	270,466	0	0
Total compensation (GCGC)	1,276,501	2,693,168	1,276,501	3,609,834	0	0
Total compensation²	1,000,000	2,416,667	1,000,000	3,333,333	0	0

¹ Member since August 1, 2016.

² Without fringe benefits and pension service costs.

in €	Stuart Lewis					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Fringe benefits	77,938	77,938	77,938	77,938	97,624	97,624
Total	2,477,938	2,477,938	2,477,938	2,477,938	2,497,624	2,497,624
Variable compensation	0	3,400,000	0	5,600,000	0	3,400,000
thereof:						
Restricted Incentive Awards	0	1,000,000	0	2,000,000	0	1,000,000
Restricted Equity Awards	0	2,400,000	0	3,600,000	0	2,400,000
Total	0	3,400,000	0	5,600,000	0	3,400,000
Pension service costs	546,402	546,402	546,402	546,402	516,969	516,969
Total compensation (GCGC)	3,024,340	6,424,340	3,024,340	8,624,340	3,014,593	6,414,593
Total compensation¹	2,400,000	5,800,000	2,400,000	8,000,000	2,400,000	5,800,000

¹ Without fringe benefits and pension service costs.

in €	Sylvie Matherat ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	400,000	400,000
Fringe benefits	12,905	12,905	12,905	12,905	5,226	5,226
Total	2,412,905	2,412,905	2,412,905	2,412,905	405,226	405,226
Variable compensation	0	3,400,000	0	5,600,000	0	566,667
thereof:						
Restricted Incentive Awards	0	1,000,000	0	2,000,000	0	166,667
Restricted Equity Awards	0	2,400,000	0	3,600,000	0	400,000
Total	0	3,400,000	0	5,600,000	0	566,667
Pension service costs	517,352	517,352	517,352	517,352	128,506	128,506
Total compensation (GCGC)	2,930,257	6,330,257	2,930,257	8,530,257	533,732	1,100,399
Total compensation²	2,400,000	5,800,000	2,400,000	8,000,000	400,000	966,667

¹ Member since November 1, 2015.

² Without fringe benefits and pension service costs.

in €	Nicolas Moreau ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	600,000	600,000	600,000	600,000	0	0
Fringe benefits	5,239	5,239	5,239	5,239	0	0
Total	605,239	605,239	605,239	605,239	0	0
Variable compensation	0	1,150,000	0	2,025,000	0	0
thereof:						
Restricted Incentive Awards	0	600,000	0	1,200,000	0	0
Restricted Equity Awards	0	550,000	0	825,000	0	0
Total	0	1,150,000	0	2,025,000	0	0
Pension service costs	442,672	442,672	442,672	442,672	0	0
Total compensation (GCGC)	1,047,911	2,197,911	1,047,911	3,072,911	0	0
Total compensation²	600,000	1,750,000	600,000	2,625,000	0	0

¹ Member since October 1, 2016.

² Without fringe benefits and pension service costs.

in €					Quintin Price ¹	
					2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	1,100,000	1,100,000	1,100,000	1,100,000	0	0
Fringe benefits	13,783	13,783	13,783	13,783	0	0
Total	1,113,783	1,113,783	1,113,783	1,113,783	0	0
Variable compensation	0	2,108,333	0	3,712,500	0	0
thereof:						
Restricted Incentive Awards	0	1,100,000	0	2,200,000	0	0
Restricted Equity Awards	0	1,008,333	0	1,512,500	0	0
Total	0	2,108,333	0	3,712,500	0	0
Pension service costs	525,143	525,143	525,143	525,143	0	0
Total compensation (GCGC)	1,638,926	3,747,259	1,638,926	5,351,426	0	0
Total compensation²	1,100,000	3,208,333	1,100,000	4,812,500	0	0

¹ Member since January 1, 2016 until June 15, 2016.

² Without fringe benefits and pension service costs.

in €					Garth Ritchie ¹	
					2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	0	0
Fringe benefits	110,241	110,241	110,241	110,241	0	0
Total	2,510,241	2,510,241	2,510,241	2,510,241	0	0
Variable compensation	0	4,600,000	0	8,100,000	0	0
thereof:						
Restricted Incentive Awards	0	2,400,000	0	4,800,000	0	0
Restricted Equity Awards	0	2,200,000	0	3,300,000	0	0
Total	0	4,600,000	0	8,100,000	0	0
Pension service costs	1,443,171	1,443,171	1,443,171	1,443,171	0	0
Total compensation (GCGC)	3,953,412	8,553,412	3,953,412	12,053,412	0	0
Total compensation²	2,400,000	7,000,000	2,400,000	10,500,000	0	0

¹ Member since January 1, 2016.

² Without fringe benefits and pension service costs.

in €					Karl von Rohr ¹	
					2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	400,000	400,000
Fringe benefits	47,730	47,730	47,730	47,730	2,348	2,348
Total	2,447,730	2,447,730	2,447,730	2,447,730	402,348	402,348
Variable compensation	0	3,400,000	0	5,600,000	0	566,667
thereof:						
Restricted Incentive Awards	0	1,000,000	0	2,000,000	0	166,667
Restricted Equity Awards	0	2,400,000	0	3,600,000	0	400,000
Total	0	3,400,000	0	5,600,000	0	566,667
Pension service costs	546,402	546,402	546,402	546,402	131,141	131,141
Total compensation (GCGC)	2,994,132	6,394,132	2,994,132	8,594,132	533,489	1,100,156
Total compensation²	2,400,000	5,800,000	2,400,000	8,000,000	400,000	966,667

¹ Member since November 1, 2015.

² Without fringe benefits and pension service costs.

in €	Dr. Marcus Schenck ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	1,460,000	1,460,000
Fringe benefits	23,720	23,720	23,720	23,720	38,370	38,370
Total	2,423,720	2,423,720	2,423,720	2,423,720	1,498,370	1,498,370
Variable compensation	0	3,400,000	0	5,600,000	0	2,068,333
thereof:						
Restricted Incentive Awards	0	1,000,000	0	2,000,000	0	608,333
Restricted Equity Awards	0	2,400,000	0	3,600,000	0	1,460,000
Total	0	3,400,000	0	5,600,000	0	2,068,333
Pension service costs	546,402	546,402	546,402	546,402	478,387	478,387
Total compensation (GCGC)	2,970,122	6,370,122	2,970,122	8,570,122	1,976,757	4,045,090
Total compensation²	2,400,000	5,800,000	2,400,000	8,000,000	1,460,000	3,528,333

¹ Member since May 22, 2015.

² Without fringe benefits and pension service costs.

in €	Christian Sewing					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000
Fringe benefits	204,758	204,758	204,758	204,758	19,471	19,471
Total	2,604,758	2,604,758	2,604,758	2,604,758	2,419,471	2,419,471
Variable compensation	0	3,400,000	0	5,900,000	0	3,400,000
thereof:						
Restricted Incentive Awards	0	1,600,000	0	3,200,000	0	1,000,000
Restricted Equity Awards	0	1,800,000	0	2,700,000	0	2,400,000
Total	0	3,400,000	0	5,900,000	0	3,400,000
Pension service costs	984,198	984,198	984,198	984,198	559,197	599,197
Total compensation (GCGC)	3,588,956	6,988,956	3,588,956	9,488,956	2,978,668	6,378,668
Total compensation¹	2,400,000	5,800,000	2,400,000	8,300,000	2,400,000	5,800,000

¹ Without fringe benefits and pension service costs.

in €	Werner Steinmüller ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	1,000,000	1,000,000	1,000,000	1,000,000	0	0
Fringe benefits	165,001	165,001	165,001	165,001	0	0
Total	1,165,001	1,165,001	1,165,001	1,165,001	0	0
Variable compensation	0	1,416,667	0	2,333,333	0	0
thereof:						
Restricted Incentive Awards	0	416,667	0	833,333	0	0
Restricted Equity Awards	0	1,000,000	0	1,500,000	0	0
Total	0	1,416,667	0	2,333,333	0	0
Pension service costs	164,232	164,232	164,232	164,232	0	0
Total compensation (GCGC)	1,329,233	2,745,900	1,329,233	3,662,566	0	0
Total compensation²	1,000,000	2,416,667	1,000,000	3,333,333	0	0

¹ Member since August 1, 2016.

² Without fringe benefits and pension service costs.

in €					Jeffrey Urwin ¹	
					2016	2015
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	2,400,000	2,400,000	2,400,000	2,400,000	0	0
Fringe benefits	59,763	59,763	59,763	59,763	0	0
Total	2,459,763	2,459,763	2,459,763	2,459,763	0	0
Variable compensation	0	6,100,000	0	10,800,000	0	0
thereof:						
Restricted Incentive Awards	0	3,300,000	0	6,600,000	0	0
Restricted Equity Awards	0	2,800,000	0	4,200,000	0	0
Total	0	6,100,000	0	10,800,000	0	0
Pension service costs	2,036,367	2,036,367	2,036,367	2,036,367	0	0
Total compensation (GCGC)	4,496,130	10,596,130	4,496,130	15,296,130	0	0
Total compensation²	2,400,000	8,500,000	2,400,000	13,200,000	0	0

¹ Member since January 1, 2016.² Without fringe benefits and pension service costs.

in €					Anshuman Jain ¹	
					2016	2015
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	0	0	0	0	1,900,000	1,900,000
Fringe benefits	0	0	0	0	337,718	337,718
Total	0	0	0	0	2,237,718	2,237,718
Variable compensation	0	0	0	0	0	2,650,000
thereof:						
Restricted Incentive Awards	0	0	0	0	0	750,000
Restricted Equity Awards	0	0	0	0	0	1,900,000
Total	0	0	0	0	0	2,650,000
Pension service costs	0	0	0	0	1,553,203	1,553,203
Total compensation (GCGC)	0	0	0	0	3,790,921	6,440,921
Total compensation²	0	0	0	0	1,900,000	4,550,000

¹ Member until June 30, 2015.² Without fringe benefits and pension service costs.

in €					Stefan Krause ¹	
					2016	2015
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	0	0	0	0	2,400,000	2,400,000
Fringe benefits	0	0	0	0	105,099	105,099
Total	0	0	0	0	2,505,099	2,505,099
Variable compensation	0	0	0	0	0	3,400,000
thereof:						
Restricted Incentive Awards	0	0	0	0	0	1,000,000
Restricted Equity Awards	0	0	0	0	0	2,400,000
Total	0	0	0	0	0	3,400,000
Pension service costs	0	0	0	0	498,908	498,908
Total compensation (GCGC)	0	0	0	0	3,004,007	6,404,007
Total compensation²	0	0	0	0	2,400,000	5,800,000

¹ Member until October 31, 2015 / contract termination on December 31, 2015.² Without fringe benefits and pension service costs.

in €	Dr. Stephan Leithner ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	0	0	0	0	2,000,000	2,000,000
Fringe benefits	0	0	0	0	72,570	72,570
Total	0	0	0	0	2,072,570	2,072,570
Variable compensation	0	0	0	0	0	2,833,333
thereof:	0	0	0	0	0	0
Restricted Incentive Awards	0	0	0	0	0	833,333
Restricted Equity Awards	0	0	0	0	0	2,000,000
Total	0	0	0	0	0	2,833,333
Pension service costs	0	0	0	0	442,033	442,033
Total compensation (GCGC)	0	0	0	0	2,514,603	5,347,936
Total compensation²	0	0	0	0	2,000,000	4,833,333

¹ Member until October 31, 2015.

² Without fringe benefits and pension service costs.

in €	Rainer Neske ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	0	0	0	0	1,200,000	1,200,000
Fringe benefits	0	0	0	0	61,347	61,347
Total	0	0	0	0	1,261,347	1,261,347
Variable compensation	0	0	0	0	0	1,700,000
thereof:						
Restricted Incentive Awards	0	0	0	0	0	500,000
Restricted Equity Awards	0	0	0	0	0	1,200,000
Total	0	0	0	0	0	1,700,000
Pension service costs	0	0	0	0	550,484	550,484
Total compensation (GCGC)	0	0	0	0	1,811,831	3,511,831
Total compensation²	0	0	0	0	1,200,000	2,900,000

¹ Member until June 30, 2015.

² Without fringe benefits and pension service costs.

in €	Henry Ritchotte ¹					
	2016				2015	
	Determined	Target	Min	Max	Determined	Target
Fixed compensation (base salary)	0	0	0	0	2,400,000	2,400,000
Fringe benefits	0	0	0	0	382,390	382,390
Total	0	0	0	0	2,782,390	2,782,390
Variable compensation	0	0	0	0	0	3,400,000
thereof:						
Restricted Incentive Awards	0	0	0	0	0	1,000,000
Restricted Equity Awards	0	0	0	0	0	2,400,000
Total	0	0	0	0	0	3,400,000
Pension service costs	0	0	0	0	502,274	502,274
Total compensation (GCGC)	0	0	0	0	3,284,664	6,684,664
Total compensation²	0	0	0	0	2,400,000	5,800,000

¹ Member until December 31, 2015.

² Without fringe benefits and pension service costs.

The following table provides the disbursements in/for the 2016 and 2015 financial years:

Disbursements paid out in 2016 (2015) according to GCGC

in €	John Cryan ¹ Co-Chairman		Jürgen Fitschen ² Co-Chairman		Kim Hammonds ³		Stuart Lewis	
	2016	2015	2016	2015	2016	2015	2016	2015
Fixed compensation	3,800,000	1,900,000	1,583,333	3,800,000	1,000,000	0	2,400,000	2,400,000
Fringe benefits	41,795	29,697	38,937	102,016	6,035	0	77,938	97,624
Total	3,841,795	1,929,697	1,622,270	3,902,016	1,006,035	0	2,477,938	2,497,624
Variable compensation thereof Restricted Equity	0	0	0	285,529	0	0	0	0
Awards:								
REA for 2010 (until 2016)	0	0	0	285,529	0	0	0	0
Total	0	0	0	285,529	0	0	0	0
Pension service costs	821,114	439,065	232,666	624,192	270,466	0	546,402	516,969
Total compensation (GCGC)	4,662,909	2,368,762	1,854,936	4,811,737	1,276,501	0	3,024,340	3,014,593

¹ Member since July 1, 2015. Release of EUR 227,163.68 resp. 17,440.59 Deutsche Bank share-awards which were granted as compensation for the forfeiture of deferred compensation components from a former employer in 2015.

² Member until May 19, 2016 / contract termination on May 31, 2016.

³ Member since August 1, 2016.

in €	Sylvie Matherat ¹		Nicolas Moreau ²		Quintin Price ³		Garth Ritchie ⁴	
	2016	2015	2016	2015	2016	2015	2016	2015
Fixed compensation	2,400,000	400,000	600,000	0	1,100,000	0	2,400,000	0
Fringe benefits	12,905	5,226	5,239	0	13,783	0	110,241	0
Total	2,412,905	405,226	605,239	0	1,113,783	0	2,510,241	0
Variable compensation thereof Restricted Equity	0	0	0	0	0	0	0	0
Awards:								
REA for 2010 (until 2016)	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Pension service costs	517,352	128,506	442,672	0	525,143	0	1,443,171	0
Total compensation (GCGC)	2,930,257	533,732	1,047,911	0	1,638,926	0	3,953,412	0

¹ Member since November 1, 2015.

² Member since October 1, 2016.

³ Member since January 1, 2016 until June 15, 2016.

⁴ Member since January 1, 2016.

in €	Karl von Rohr ¹		Dr. Marcus Schenck ²		Christian Sewing		Werner Steinmüller ³	
	2016	2015	2016	2015	2016	2015	2016	2015
Fixed compensation	2,400,000	400,000	2,400,000	1,460,000	2,400,000	2,400,000	1,000,000	0
Fringe benefits	47,730	2,348	23,720	38,370	204,758	19,471	165,001	0
Total	2,447,730	402,348	2,423,720	1,498,370	2,604,758	2,419,471	1,165,001	0
Variable compensation thereof Restricted Equity	0	0	0	0	0	0	0	0
Awards:								
REA for 2010 (until 2016)	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0
Pension service costs	546,402	131,141	546,402	478,387	984,198	559,197	164,232	0
Total compensation (GCGC)	2,994,132	533,489	2,970,122	1,976,757	3,588,956	2,978,668	1,329,233	0

¹ Member since November 1, 2015.

² Member since May 22, 2015.

³ Member since August 1, 2016.

in €	Jeffrey Urwin ¹		Anshuman Jain ²		Stefan Krause ³		Dr. Stephan Leithner ⁴	
	2016	2015	2016	2015	2016	2015	2016	2015
Fixed compensation	2,400,000	0	0	1,900,000	0	2,400,000	0	2,000,000
Fringe benefits	59,763	0	0	337,718	0	105,099	0	72,570
Total	2,459,763	0	0	2,237,718	0	2,505,099	0	2,072,570
Variable compensation	0	0	0	0	0	303,115	0	0
thereof Restricted Equity Awards:								
REA for 2010 (until 2016)	0	0	0	0	0	303,115	0	0
Total	0	0	0	0	0	303,115	0	0
Pension service costs	2,036,367	0	0	1,553,203	0	498,908	0	442,033
Total compensation (GCGC)	4,496,130	0	0	3,790,921	0	3,307,122	0	2,514,603

¹ Member since January 1, 2016.

² Member until June 30, 2015.

³ Member until October 31, 2015 / contract termination on December 31, 2015.

⁴ Member until October 31, 2015.

in €	Rainer Neske ¹		Henry Ritchotte ²	
	2016	2015	2016	2015
Fixed compensation	0	1,200,000	0	2,400,000
Fringe benefits	0	61,347	0	382,390
Total	0	1,261,347	0	2,782,390
Variable compensation	0	0	0	0
thereof Restricted Equity Awards:				
REA for 2010 (until 2016)	0	0	0	0
Total	0	0	0	0
Pension service costs	0	550,484	0	502,274
Total compensation (GCGC)	0	1,811,831	0	3,284,664

¹ Member until June 30, 2015.

² Member until December 31, 2015.

In 2016, the Supervisory Board decided to suspend the tranches of deferred compensation elements which were subject to non-forfeiture and/or disbursement in 2016 for the Management Board members Fitschen and Lewis, who were still active in the reporting period, as well as for nine former Management Board members who already left the Management Board prior to the reporting period. Accordingly, the above table does not contain the respective compensation elements which were not disbursed (or delivered – in case of share based elements) in 2016.

With respect to deferred awards scheduled to be delivered in the first quarter of 2017, the Supervisory Board has confirmed that the performance conditions relating to Group-wide IBIT for the financial year 2016 have been met.

Compensation in accordance with the German Accounting Standard No. 17 (GAS 17)

In accordance with the requirements of the GAS 17, the members of the Management Board collectively received in the 2016 financial year compensation totaling €26,691,178 (2015: €23,913,876) for their service on the Management Board. Of that, €25,883,333 (2015: €22,660,000) was for base salaries, €807,845 (2015: €1,253,876) for fringe benefits and €0 (2015: €0) for performance-related components with long-term incentives.

In accordance with German Accounting Standard No. 17, the Restricted Incentive Awards, as a deferred, non-equity-based compensation component subject to certain (forfeiture) conditions, must be recognized in the total compensation for the year of their payment (i.e. in the financial year in which the unconditional payment takes place) and not in the year they are originally granted. Based on this the Management Board members individually received the following compensation components for their service on the Management Board for or in the years 2016 and 2015, including the non-performance-related fringe benefits.

Compensation according to GAS 17

in €	John Cryan ¹ Co-Chairman		Jürgen Fitschen ² Co-Chairman		Kim Hammonds ³		Stuart Lewis	
	2016	2015	2016	2015	2016	2015	2016	2015
Compensation								
Performance-related components								
With long-term incentives								
Cash-based								
Restricted Incentive Award(s) paid	0	0	0	0	0	0	0	0
Share-based								
Equity Upfront Award(s)	0	0	0	0	0	0	0	0
Restricted Equity Award(s)	0	0	0	0	0	0	0	0
Non-performance-related components								
Base salary	3,800,000	1,900,000	1,583,333	3,800,000	1,000,000	0	2,400,000	2,400,000
Fringe benefits	41,795	29,697	38,937	102,016	6,035	0	77,938	97,624
Total	3,841,795	1,929,697	1,622,270	3,902,016	1,006,035	0	2,477,938	2,497,624

¹ Member since July 1, 2015.

² Member until May 19, 2016 / contract termination on May 31, 2016.

³ Member since August 1, 2016.

in €	Sylvie Matherat ¹		Nicolas Moreau ²		Quintin Price ³		Garth Ritchie ⁴	
	2016	2015	2016	2015	2016	2015	2016	2015
Compensation								
Performance-related components								
With long-term incentives								
Cash-based								
Restricted Incentive Award(s) paid	0	0	0	0	0	0	0	0
Share-based								
Equity Upfront Award(s)	0	0	0	0	0	0	0	0
Restricted Equity Award(s)	0	0	0	0	0	0	0	0
Non-performance-related components								
Base salary	2,400,000	400,000	600,000	0	1,100,000	0	2,400,000	0
Fringe benefits	12,905	5,226	5,239	0	13,783	0	110,241	0
Total	2,412,905	405,226	605,239	0	1,113,783	0	2,510,241	0

¹ Member since November 1, 2015.

² Member since October 1, 2016.

³ Member since January 1, 2016 until June 15, 2016.

⁴ Member since January 1, 2016.

in €	Karl von Rohr ¹		Dr. Marcus Schenck ²		Christian Sewing		Werner Steinmüller ³	
	2016	2015	2016	2015	2016	2015	2016	2015
Compensation								
Performance-related components								
With long-term incentives								
Cash-based								
Restricted Incentive Award(s) paid	0	0	0	0	0	0	0	0
Share-based								
Equity Upfront Award(s)	0	0	0	0	0	0	0	0
Restricted Equity Award(s)	0	0	0	0	0	0	0	0
Non-performance-related components								
Base salary	2,400,000	400,000	2,400,000	1,460,000	2,400,000	2,400,000	1,000,000	0
Fringe benefits	47,730	2,348	23,720	38,370	204,758	19,471	165,001	0
Total	2,447,730	402,348	2,423,720	1,498,370	2,604,758	2,419,471	1,165,001	0

¹ Member since November 1, 2016.

² Member since May 22, 2015.

³ Member since August 1, 2016.

in €	Jeffrey Urwin ¹		Anshuman Jain ²		Stefan Krause ³		Dr. Stephan Leithner ⁴	
	2016	2015	2016	2015	2016	2015	2016	2015
Compensation								
Performance-related components								
With long-term incentives								
Cash-based								
Restricted Incentive Award(s) paid	0	0	0	0	0	0	0	0
Share-based								
Equity Upfront Award(s)	0	0	0	0	0	0	0	0
Restricted Equity Award(s)	0	0	0	0	0	0	0	0
Non-performance-related components								
Base salary	2,400,000	0	0	1,900,000	0	2,400,000	0	2,000,000
Fringe benefits	59,763	0	0	337,718	0	105,099	0	72,570
Total	2,459,763	0	0	2,237,718	0	2,505,099	0	2,072,570

¹ Member since January 1, 2016.

² Member until June 30, 2015.

³ Member until October 31, 2015 / contract termination on December 31, 2015.

⁴ Member until October 31, 2015.

in €	Rainer Neske ¹		Henry Ritchotte ²		Total	
	2016	2015	2016	2015	2016	2015
Compensation						
Performance-related components						
With long-term incentives						
Cash-based						
Restricted Incentive Award(s) paid	0	0	0	0	0	0
Share-based						
Equity Upfront Award(s)	0	0	0	0	0	0
Restricted Equity Award(s)	0	0	0	0	0	0
Non-performance-related components						
Base salary	0	1,200,000	0	2,400,000	25,883,333	22,660,000
Fringe benefits	0	61,347	0	382,390	807,845	1,253,876
Total	0	1,261,347	0	2,782,390	26,691,178	23,913,876

¹ Member until June 30, 2015.

² Member until December 31, 2015.

In 2016, the Supervisory Board decided to suspend the tranches of deferred compensation elements which were subject to non-forfeiture and/or disbursement in 2016 for the Management Board members Fitschen and Lewis, who were still active in the reporting period, as well as for nine former Management Board members who already left the Management Board prior to the reporting period. Accordingly, the table above does not contain the Restricted Incentive Awards which were not disbursed in 2016.

With respect to deferred awards scheduled to be delivered in the first quarter of 2017, the Supervisory Board has confirmed that the performance conditions relating to Group-wide IBIT for the financial year 2016 have been met.

Employee Compensation Report

Overview on Compensation Decisions for 2016

Compensating the Bank's employees transparently and sustainably is an important element of building a better Deutsche Bank. Against this background, one of the main objectives of our strategy is to align the reward system better with employee conduct and Group returns. For 2016, the Management Board took two major decisions which demonstrate the Bank's commitment towards reaching this goal.

Firstly, the Bank introduced a new compensation framework, which was designed to encourage and reward sustainable performance at all levels of the Bank. It introduced a consistent logic for structuring Total Compensation by providing guidance on the target ratio of fixed to variable compensation components, depending on the level of seniority and the division or function of the employee. Variable Compensation (VC) now generally consists of two elements – the "Group Component" and the "Individual Component". The "Group Component" is designed to link the employee's VC directly and transparently to the Bank's results and achievements in reaching strategic targets while the "Individual Component" is linked to divisional and individual performance on a discretionary basis.

Secondly, the Management Board decided to only award a limited VC pool in light of the results for 2016. Over the course of 2016, the Bank showed strong resilience, in particular due to the hard work and dedication of its employees. In this context, the Bank was also able to make significant progress towards its strategic goals by resolving key matters and restructuring the Bank. Even though the Bank made these steps forward, the compensation decision also had to acknowledge that 2016 was a challenging year for the Bank overall. The Management Board is aware that there is still some way to go to strengthen the Bank and to make it more profitable again. Furthermore, the decisions on VC for 2016 had to take into account the financial impact of the settlement of key matters, as well as the Bank's resulting financial performance. The Management Board therefore decided that a substantial limitation of the VC pool for 2016 would be unavoidable in order to reflect the financial results and to appropriately balance the interests of shareholders and employees. This is especially true at a time when many jobs are being cut and the shareholders are only receiving a low annual dividend. Against this background, the senior employees of the Bank (Corporate Titles 'Vice President', 'Director' and 'Managing Director') received a "Group Component" but not an "Individual Component" for the financial year 2016. This decision was the main factor that led to an overall amount of VC for 2016 of €0.5 billion, representing a decrease of approximately 77 % compared to 2015.

While the Management Board fully recognized the additional constraints this decision put on employees, it also strongly believes that this decision is in the best long-term interest and fundamental to building a more successful Deutsche Bank. To underline this, the Management Board has decided to voluntarily waive its Variable Compensation for the financial year 2016.

A limited number of employees in crucial positions for the further success of the Bank were granted "Retention Awards" as a special long-term incentive in early 2017, to a large part in the form of shares. This incentive is fully deferred for up to five years plus an additional retention period of twelve months.

Regulatory Environment

Ensuring compliance with regulatory requirements is an overarching consideration in the Bank's Group Compensation Strategy. The Bank strives to be at the forefront of regulatory changes with respect to compensation and will continue to work closely with its prudential supervisor, the European Central Bank (ECB), to be in compliance with all existing and new requirements.

As an EU-headquartered institution, Deutsche Bank is subject to the CRD 4 requirements globally, as translated into German national law in the German Banking Act and Institutsvergütungsverordnung (InstVV). The Bank adopted the rules for all subsidiaries and branches world-wide to the extent required in accordance with Sec. 27 InstVV. The Bank also identifies all employees whose work is deemed to have a material impact on the overall risk profile ("Material Risk Takers" or "MRTs") in accordance with criteria stipulated under the Commission Delegated Regulation (EU) No. 604/2014 of 4 March 2014. MRTs are identified at a Group level and also at a single legal entity level for significant institutions in the meaning of Sec. 17 InstVV.

Pursuant to CRD 4 and the requirements subsequently adopted in the German Banking Act, the Bank is subject to a ratio of 1:1 with regard to fixed to variable remuneration components, which may be increased to 1:2 with shareholder approval. At the Bank's Annual General Meeting on May 22, 2014, and in accordance with Sec. 25a (5) German Banking Act, shareholder approval was granted to increase the ratio to 1:2 with an approval rate of 95.27 %. To emphasize the fixed proportion of remuneration for control function employees, the Bank has determined that individuals within the corporate control functions, as defined in the Bank's Internal Control Framework, remain subject to a 1:1 ratio.

As a result of sector specific legislation and in accordance with the InstVV, certain Asset Management subsidiaries fall under the 'Alternative Investments Fund Managers Directive' ("AIFMD") or the 'Undertakings for Collective Investments in Transferable Securities' ("UCITS") Directive and are subject to their respective remuneration provisions. One notable difference to CRD 4 and its implementation in German law is that AIFMD/UCITS Material Risk Takers are not subject to the fixed to variable ratio stipulated in CRD 4. The Bank identifies Material Risk Takers in AIFMD/UCITS regulated subsidiaries in accordance with the respective regulation and applies the remuneration provisions for InstVV MRTs also to AIFMD/UCITS MRTs except for the 1:2 ratio with regard to fixed to variable components.

The Bank is also cognizant of the guidelines under the 'Markets in Financial Instruments Directive' (MiFID) targeted at employees who engage directly or indirectly with the Bank's clients. The amended MaComp Circular published in January 2014 by the BaFin outlines compensation aspects of MiFID, and requires implementation of a specific compensation policy addressing general requirements, a review of compensation plans and identification of populations of employees deemed to be "Relevant Persons". All InstVV requirements apply to this population to the same extent.

The Bank also adheres to the requirements regarding compensation arrangements contained in the final rule implementing Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act globally (the "Volcker Rule").

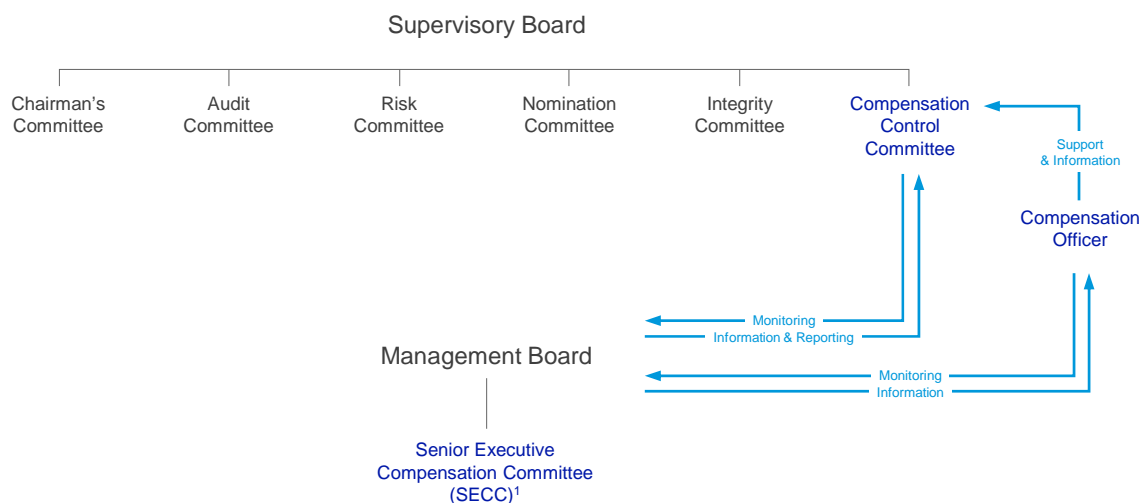
In addition to the foregoing, the Bank is also subject to specific rules and regulations implemented by certain local regulators. Many of these requirements are aligned with the InstVV, however, where variations are apparent, pro-active and open discussions with regulators have enabled the Bank to follow the local regulations whilst ensuring any impacted employees or locations remain within the Bank's overall global compensation framework. This includes, for example, the identification of "Covered Employees" in the United States under the requirements of the Federal Reserve Board. In any case, the Bank applies the InstVV requirements as minimum standards globally.

The Bank will continue to closely monitor the regulatory environment. For 2017, the Bank believes the most significant impact will result from the adoption of the new InstVV by the BaFin. Thorough analysis shows that the Bank's compensation system is already aligned to the new provisions to a large extent. However, there will be some notable changes to the remuneration system, such as the introduction of so-called "clawback" provisions.

Compensation Governance

The Bank has established a robust governance structure enabling it to operate within the clear parameters of the Compensation Strategy and the Compensation Policies. In accordance with the German two-tier board structure, the Supervisory Board governs the compensation of the Management Board members while the Management Board oversees compensation matters for all other employees in the Group. Both the Supervisory Board and the Management Board are supported by specific committees and functions, in particular the Compensation Control Committee (CCC) and the Senior Executive Compensation Committee (SECC).

Reward Governance structure



¹ The relevant tasks are performed by the SECC on behalf of the Management Board.

Compensation Control Committee

The Supervisory Board has established the CCC in accordance with Sec. 25d (12) German Banking Act. It consists of the Chairperson of the Supervisory Board and three further Supervisory Board Members, two from among the employee representatives, and had twelve meetings in the calendar year 2016, four of them being joint meetings with the Risk Committee and one of them being a joint meeting with the Chairman's Committee.

The responsibilities of the CCC include supporting the Supervisory Board in establishing and monitoring the appropriate structure of the compensation system for the Management Board Members of Deutsche Bank AG, considering, in particular, the effects on the risks and risk management in accordance with the InstVV. Furthermore, the CCC monitors the appropriate structure of the compensation system for the employees, as established by the Management Board and the Senior Executive Compensation Committee. The CCC checks regularly whether the total amount of VC is appropriate and set in accordance with the InstVV.

The CCC also assesses the impact of the compensation systems on the management of risk, capital and liquidity and seeks to ensure that the compensation systems are aligned to the business and risk strategies. Furthermore, the CCC supports the Supervisory Board in monitoring whether the internal control functions and the other relevant areas are properly involved in the structuring of the compensation systems.

Compensation Officer

In accordance with Sec. 23 InstVV, the Management Board, in cooperation with the CCC, has appointed a Compensation Officer. The Compensation Officer supports the Supervisory Board and the CCC in performing their duties relating to the compensation systems and cooperates closely with the Chairperson of the CCC. The Compensation Officer is

involved in the conceptual review, development, monitoring and the application of the employee's compensation systems on an ongoing basis. The Compensation Officer performs his monitoring obligations independently and provides an assessment on the appropriateness of design and practices of the compensation systems for employees at least annually.

Senior Executive Compensation Committee

The SECC is a delegated committee established by the Management Board which has the mandate to develop sustainable compensation principles, to prepare recommendations on Total Compensation levels and to ensure appropriate compensation governance and oversight. The SECC establishes the Group Compensation Strategy and Compensation Policy. The SECC also utilizes quantitative and qualitative factors to assess performance as a basis for compensation decisions and makes recommendations to the Management Board regarding the annual VC pool and its allocation across Business Divisions and Infrastructure Functions.

In order to maintain its independence, only representatives from Infrastructure Functions who are not aligned to any of the Business Divisions are members of the SECC. In 2016, the SECC's membership comprised of the Chief Administration Officer and the Chief Financial Officer as Co-Chairpersons, as well as the Chief Risk Officer (all of whom are Management Board Members), the Global Head of Human Resources and an additional Finance representative as Voting Members. The Compensation Officer, the Deputy Compensation Officer and one of the Global Co-Heads of HR Manage & Reward Performance were Non-Voting Members. The SECC generally meets on a monthly basis and it had 13 meetings with regard to the performance year 2016 compensation process.

Compensation Strategy

Deutsche Bank recognizes that its compensation system plays a vital role in supporting its strategic objectives. It enables the Bank to attract and retain the individuals required to achieve the Bank's objectives. It also encourages employees to reach their full potential. The Group Compensation Strategy is aligned to the Bank's strategic objectives and to its corporate values and beliefs.

Five key objectives of our compensation practices

- To support the delivery of the Bank's client-focused, global bank strategy by attracting and retaining talent across its full range of diverse business models and country locations
- To support the long-term, sustainable performance and development of the Bank and a corresponding risk strategy
- To promote and support long-term performance based on cost discipline and efficiency
- To ensure that the Bank's compensation practices are safe, by way of risk-adjusting performance outcomes, preventing inappropriate risk taking, ensuring sustained compatibility with capital and liquidity planning, and complying with regulation
- To apply and promote the Bank's corporate values of integrity, sustainable performance, client centricity, innovation, discipline and partnership

Core remuneration principles

- Align compensation to shareholder interests and sustained bank-wide profitability, taking account of risk
- Maximize sustainable performance, both at the employee and the bank-wide level
- Attract and retain the best talent
- Calibrate compensation to reflect different divisions and levels of responsibility
- Apply a simple and transparent compensation design
- Ensure compliance with regulatory requirements

The Group Compensation Policy is an internal document focused on informing and educating employees with regard to the Bank's Compensation Strategy, governance processes as well as compensation practices and structures. Together, the Group Compensation Strategy and the Group Compensation Policy provide a clear and documented link between compensation practices and the wider Group strategy. Both documents have been published on the Bank's intranet site and are available to all employees.

Total Compensation Structure

As part of the Compensation Strategy, the Bank employs a so-called "Total Compensation philosophy", which comprises Fixed Pay and VC. Total Compensation provides an equitable basis for differentiating competitive pay outcomes while reinforcing the Bank's overall strategy within a sound risk management and governance framework, giving due consideration to market factors and regulatory requirements.

In 2016, the Bank introduced a new compensation framework to align employee compensation even more closely with the strategic and business objectives of the Bank, while reducing complexity at the same time. The new compensation framework also puts a stronger emphasis on Fixed Pay over VC and aims to ensure that these components are appropriately balanced.

Fixed Pay is used to compensate employees for their skills, experience and competencies, commensurate with the requirements, size and scope of their role. The appropriate level of Fixed Pay is determined with reference to the prevailing market rates for each role, internal comparisons and applicable regulatory requirements. It plays a key role in permitting the Bank to meet its strategic objectives by attracting and retaining the right talent. For the majority of employees, Fixed Pay is the primary compensation component, and the share of fixed compensation within Total Compensation is far greater than 50 %. This is appropriate to many businesses and will continue to be a significant feature of Total Compensation going forward.

VC has the advantage of being able to differentiate between individual performance and drive behavior through appropriate incentive systems that can positively influence culture. It also allows for flexibility in the cost base. Under the new compensation framework, VC generally consists of two elements – the "Group Component" and the "Individual Component".

In particular, one of the overarching goals of the new compensation framework is to strengthen the link between VC and the performance of the Group. To that end, the Management Board decided to align the "Group Component" directly and in a manner comprehensible for the employees to the Bank's achievements in reaching strategic targets. To assess progress towards the strategic aspirations, the Management Board has decided to utilize four Key Performance Indicators (KPIs) that are significant metrics for the capital, risk, cost and revenue profile of the Bank: Common Equity Tier 1 (CET 1) capital ratio (fully loaded), Leverage ratio, Adjusted cost base (without Postbank and NCOU) and Post-tax return on tangible equity (RoTE). These four KPIs are relevant for regulators, investors and other external stakeholders as they show the progress on the implementation of the strategy and thereby recognize that every employee contributes to the Bank's success.

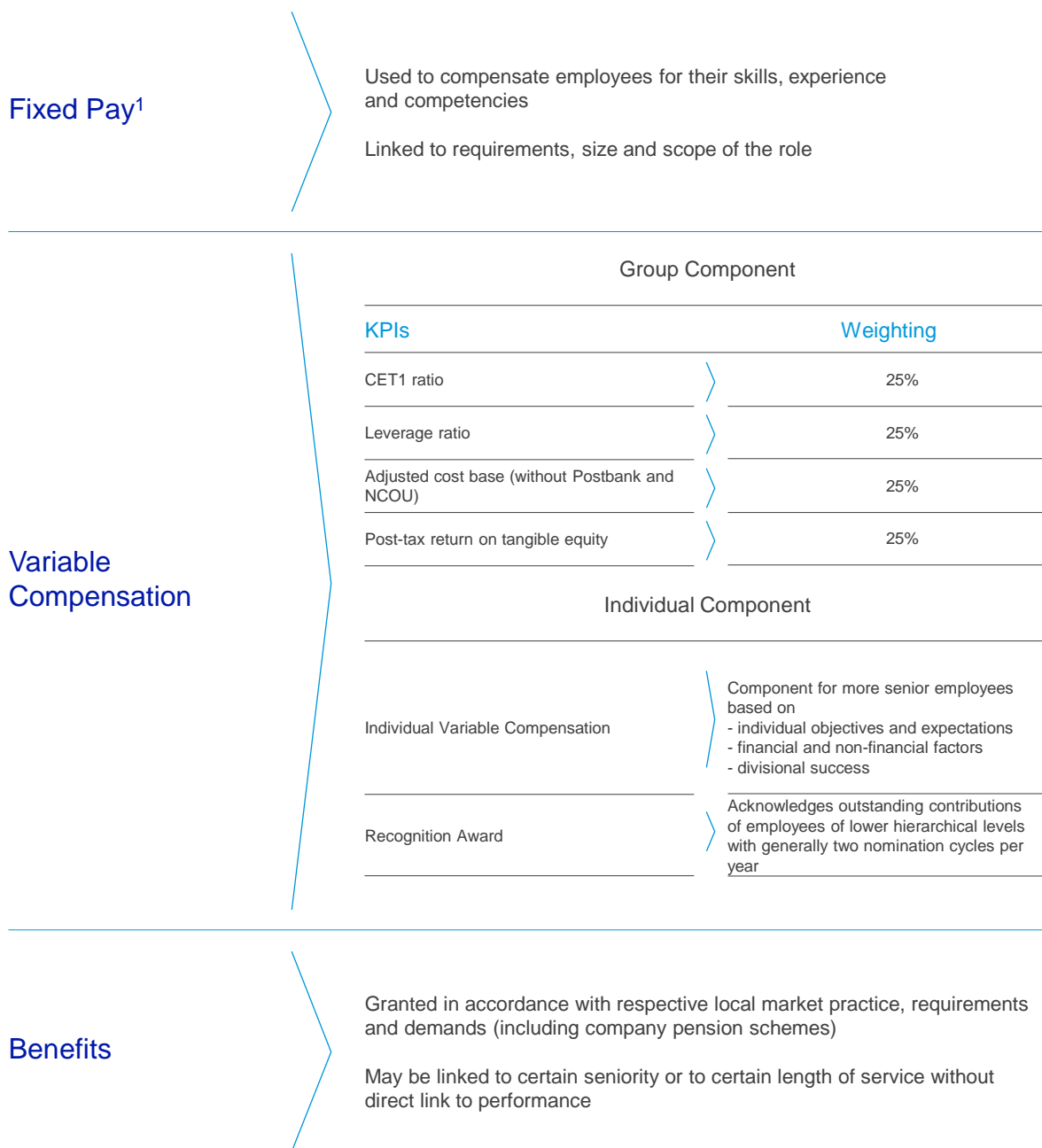
Depending on eligibility, the "Individual Component" is delivered either in the form of Individual VC or a Recognition Award.

Whereas the "Group Component" links to Group performance, Individual VC takes into consideration a number of financial and non-financial factors. These include the applicable divisional performance, the employee's individual performance and conduct, relativities within the employee's peer group and retention considerations.

The Recognition Award program is targeted at non-tariff employees at the lower hierarchy levels. It provides the opportunity to acknowledge and reward outstanding contributions made by the target population in a transparent and timely manner. Generally, there are two nomination cycles per year.

Under the new compensation framework, there continues to be no guarantee of VC in an existing employment relationship.

Overview on compensation elements



¹ Fixed Pay may include an Additional Fixed Pay Supplement, regional allowances, or other non-salary elements or allowances where applicable.

Determination of Variable Compensation – Methodology

The Bank has a robust methodology in place, aimed at ensuring that the determination of variable compensation (VC) reflects the risk-adjusted performance as well as the capital position of the Bank and its divisions. The Group VC pool is primarily driven by (i) Group affordability (i.e. what “can” the Bank award in alignment with regulatory requirements) and (ii) Group strategy (what “should” the Bank award in order to provide an appropriate compensation while protecting the long-term health of the franchise). In 2016, the Bank has revised the methodology to reflect the new compensation framework and its compensation elements.

Determination of Variable Compensation

Parameter	Description
Group affordability assessment	Group affordability is assessed, as a first step, to determine if the Bank is in a position to award VC. This includes conducting the so-called ‘Net Results Test’ and reviewing the outcome in the context of the defined Group affordability parameters. The affordability parameters used are fully aligned to the Bank’s Risk Appetite Framework and include: CET 1 Ratio, Economic Capital Adequacy Ratio, Leverage Ratio, Stressed Net Liquidity Position and Liquidity Coverage Ratio. The Group VC pool is considered affordable if aligned with these key parameters and if consistent with the projected fulfilment of future regulatory and strategic goals.
Group Component	The Group Component aligns a portion of all employees’ compensation with the performance of the Bank vis-à-vis strategic targets. The Group Component is determined based upon the performance of four equally weighted Key Performance Indicators (KPIs): CET 1 ratio (fully loaded), Leverage ratio, Adjusted cost base (without Postbank and NCOU) and Post-tax Return on Tangible Equity. These four KPIs represent important metrics for the capital, risk, cost and the revenue profile of the Bank and provide a good indication of the sustainable performance of the Bank.
Individual VC	<p>The Bank references a range of considerations as part of its Individual VC determination methodology.</p> <p>For the Business Divisions, the starting point of any pool determination is their financial performance. This is assessed in context of divisional targets and appropriately risk-adjusted, in particular by referencing the degree of future potential risks to which the Bank may be exposed, and the amount of capital required to absorb severe unexpected losses arising from these risks.</p> <p>For the Infrastructure Functions, the performance assessment is based on achievement of cost performance & control targets. While Infrastructure VC pools depend on the overall performance of the Bank, they are not dependent on the performance of the division(s) they oversee in line with regulatory requirements.</p> <p>In addition, the Bank retains the ability to adjust the total amount of Individual VC on the basis of a discretionary decision with due consideration given to key quantitative and qualitative factors, including strategic qualitative factors, e.g. progress on strategic objectives, balance of employee protection and shareholder return, strategic importance of the division to the Group, future business strategy needs such as franchise protection and growth, relative performance vs. peers and market position / trends.</p>
Recognition Award	The purpose of the Recognition Award is to recognize outstanding contributions from the Bank’s population on lower hierarchical levels. The size of the Recognition Award Program is directly linked to a set percentage of Fixed Pay for the in scope employee population and it is generally paid out twice a year.

Compensation Decisions for 2016

Given the current operating environment, the Management Board decided that a limited VC pool for 2016 is in the best long-term interest of the franchise and is required to appropriately balance the interests of shareholders and employees.

Specifically, the Management Board decided that the Bank's senior employees (Corporate Titles 'Vice President', 'Director' and 'Managing Director') would only receive a "Group Component" but no "Individual Component". To protect junior employees, employees up to the 'Assistant Vice President' level who were not eligible for a Recognition Award remained eligible to receive a limited Individual VC. For the same reason, the two nomination cycles for the Recognition Awards for the financial year 2016 were carried out as planned. Binding contractual agreements, such as bonuses covered by collective labor agreements, were also fulfilled. Those subsidiaries which have not introduced the new compensation framework in 2016 yet, only granted limited VC pools as well. The respective VC pools were then distributed according to the relevant frameworks.

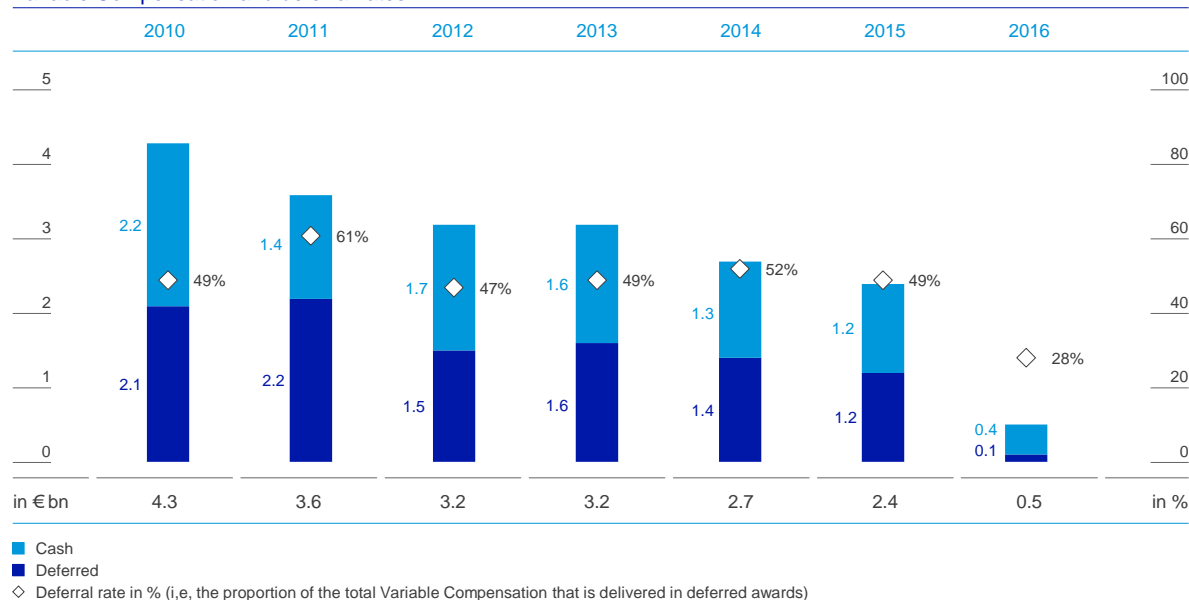
The "Group Component" was awarded to all eligible employees in line with the assessment of the defined four KPIs, as outlined on the previous pages. Based on the fact that solid progress was made during 2016 in improving three of the four KPIs against the Bank's public targets, the Management Board determined a target achievement rate of 50 %. This rate formed the basis for determining employees' specific "Group Component" payout.

In total, these decisions resulted in an overall VC pool for 2016 amounting to €0.5 billion which represents a decrease of approximately 77 % compared to the VC for performance year 2015, granted in March 2016.

Compared to 2015, Fixed Pay for 2016 increased slightly by approximately 3 % from €8.1 billion to €8.3 billion. The main reason for this increase was a rebalancing of the fixed and variable remuneration elements in context of the introduction of the new compensation framework.

In addition, a number of employees in crucial positions for the further success of the Bank were granted so-called "Retention Awards" as a special long-term incentive in early 2017, partly in the form of shares, which is fully deferred for up to five years with an additional retention period of twelve months. This incentive is not designed to compensate the recipients for their performance in 2016 and therefore does not form part of 2016 compensation. It has been granted in order to foster retention of the recipients. Further information can be found in the chapter "2017 Retention Award Program".

Variable Compensation and deferral rates



Compensation expenses 2016

	2016							2015	
in € m. (unless stated otherwise) ¹	GM	CIB	PW&CC	Deutsche AM	NCOU	Independent Control Functions ²	Corporate Functions ³	Group Total ⁴	Group Total
Number of employees (full-time equivalent) at period end	4,737	7,116	24,514	2,547	116	6,084	36,518	99,744	101,104
Total Compensation	1,203	1,208	1,826	400	28	622	2,534	8,887	10,528
thereof:									
Fixed	1,054	1,068	1,739	356	26	598	2,435	8,341	8,122
Variable	149	140	87	44	2	24	99	546	2,406

¹ The table may contain marginal rounding differences.

² In accordance with regulatory guidance, "Independent Control Functions" for the purposes of this table include the areas of the Chief Risk Officer, the Chief Regulatory Officer as well as Group Audit. Internally, the Bank has identified further Infrastructure Functions as "Independent Control Functions" to which the Bank also applies the fixed to variable remuneration ratio of 1:1.

³ "Corporate Functions" comprise any Infrastructure Function that is not captured as an Independent Control Function for the purposes of this table.

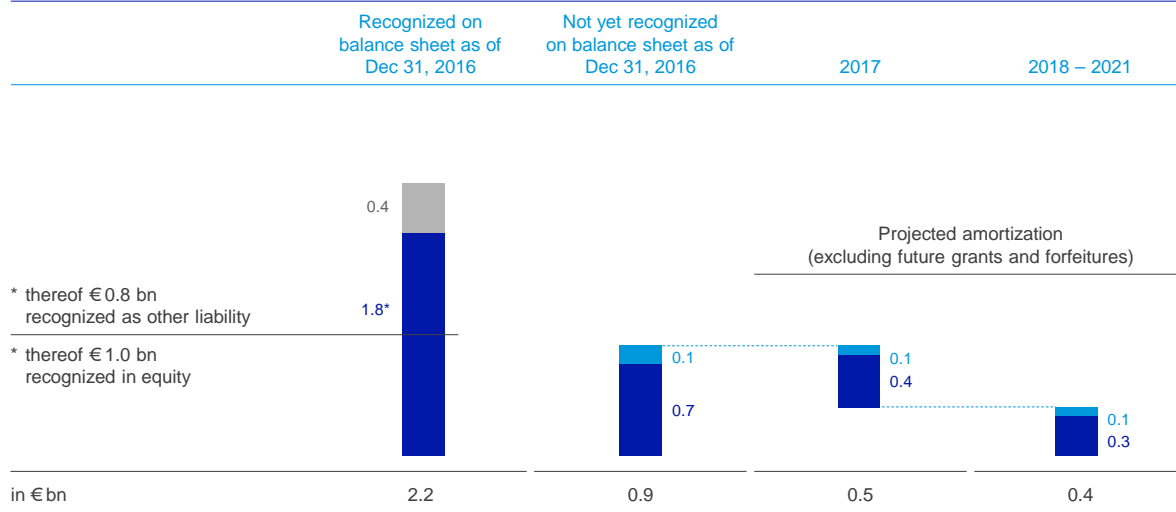
⁴ In addition to the information included on divisional level, the 2016 Group Total also includes employees of Postbank Group (18,112 employees) as well as Postbank Total Fixed Pay figures (€ 1,065 million). Variable remuneration granted by Postbank Group is not included in the above variable amount. For Postbank Group, a total amount of variable remuneration of € 85.6 million is envisaged.

Recognition and Amortization of Variable Compensation

As of December 31, 2016, including awards granted in early March 2017 for financial year 2016, unamortized deferred VC expenses amount to approximately € 0.9 billion. The following graph visualizes the amount of VC recognized on the balance sheet for 2016 and the projected future amortization of outstanding VC over the next financial years (future grants and forfeitures excluded).

Variable Compensation

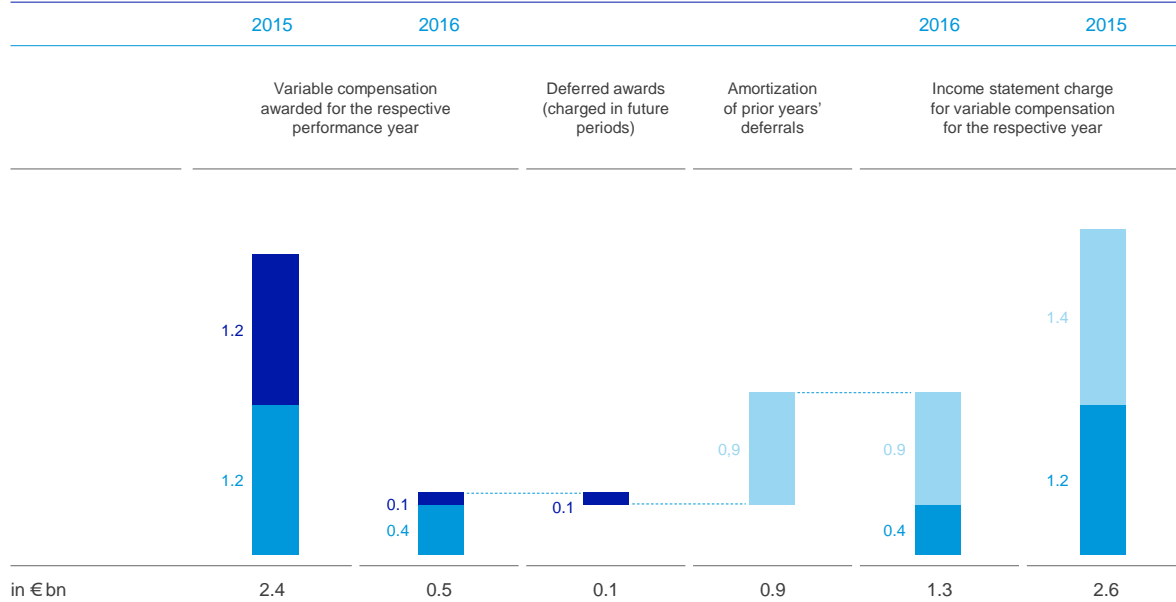
Recognition as of December 31, 2016 and projected amortization of deferred compensation granted



- Cash portion of variable compensation granted for performance year 2016 recognized as part of other liabilities.
 - Deferred variable compensation granted for performance year 2015 or earlier.
 - Deferred variable compensation granted for performance year 2016.
- Due to rounding, numbers presented may not add up precisely to the totals provided.

Of the VC for 2016, €0.4 billion are charged to the income statement for 2016 and €0.1 billion will be charged to future years. In addition, the income statement for 2016 was charged with a VC of €0.9 billion stemming from prior years' deferrals.

Reconciliation between Variable Compensation and P&L charge



- Deferred awards (charged in future periods)
- Cash bonus (charged in respective period)
- Amortization of prior years' deferrals

Variable Compensation Structure and Vehicles

The Bank's compensation structures are designed not to provide any incentive to engage in excessive risk-taking. They aim to ensure that the alignment of the VC to the sustainable performance of the Group increases with the level of responsibility and the overall amount of compensation awarded. In this context, the Bank continues to believe that the use of shares or share-based instruments for remuneration purposes is an effective way to align the compensation with the Bank's long-term performance and the interests of shareholders. By using Deutsche Bank shares, the value of the individual's remuneration is linked to the Bank's share price over the vesting and retention period, if applicable, and is therefore tied to the long-term performance of the Bank.

As in previous years, the Bank has decided to exceed certain regulatory restrictions regarding VC, meaning that the Bank is putting structures and restrictions in place that are stricter than certain regulatory requirements. 40 % of VC (60 % for Executive Directors) for material risk takers (MRT) is deferred for four years on a pro rata vesting schedule. Additionally, the Bank identified a so-called "Senior Leadership Cadre" (SLC) consisting of the Bank's most senior employees who are the significant influencers and stewards of the Bank's long-term health and performance. To further align the compensation of this group with the sustained performance of the Bank, their deferred equity awards are subject to four and a half years cliff vesting. As for Executive Directors, their deferral rate is 60 %.

All MRTs receive 50 % of their Deferred Awards in Restricted Equity and 50 % in Restricted Cash. In addition, 50 % of the upfront VC award is also granted as equity. All equity awards for MRTs are subject to an additional retention period upon the vesting of each tranche, during which employees are not permitted to sell their shares. In accordance with respective guidance provided by the BaFin, these requirements do not apply for MRTs whose VC is less than €50,000. Due to the limited VC pool for 2016, 1,947 MRTs were below this threshold and therefore received their entire VC award in cash.

The Bank chose to apply the MRT remuneration structures consistently to all other senior employees (Corporate Titles 'Vice President', 'Director' and 'Managing Director') who have not been identified as MRT, with the exception of the upfront VC proportion which is awarded 100 % in cash. Any deferred equity proportion is also not subject to an additional retention period.

Overview on award structure

Award Type	Weighting	Proportion	Deferral Period	Retention Period
Upfront Compensation	60% of VC ¹	50% cash (Cash Bonus) ²	N/A	N/A
		50% equity (Equity Upfront Award ("EUA")) ²	N/A	12 months ³
Deferred Compensation	40% of VC ¹	50% cash (Restricted Incentive Award ("RIA"))	Pro rata over 4 years	N/A
		50% equity (Restricted Equity Award ("REA"))	Pro rata over 4 years; 4.5 year cliff vesting for SLC	6 months ³

N/A – Not applicable

¹ 40 % deferral for awards ≥ €50,000 (60 % for Executive Directors and Senior Leadership Cadre); employees with a Variable Compensation of < €50,000 receive 100 % cash.

² Non-MRTs receive 100 % of their upfront compensation in cash.

³ Only applies to MRTs.

Ex-post Risk Adjustment of Variable Compensation

Performance conditions and forfeiture provisions are key elements of the Bank's deferred compensation structures and support the alignment of awards with future employee conduct and performance while also allowing for an appropriate back-testing of the initial performance assessment. While all deferred awards are subject to numerous performance conditions and forfeiture provisions, the specific applicability depends on the award component, the employees' division and any identification as an MRT. An overview on the performance conditions and forfeiture provisions can be found below.

Overview on performance conditions and forfeiture provisions of Variable Compensation

Provision	Description	Forfeiture
Group's CET 1 Ratio	If at the quarter end prior to vesting and delivery the Group's CET 1 Ratio is below a certain threshold	Next tranche of equity based deferred award due for delivery (100% of all undelivered Equity Upfront Awards) ¹
Negative Group IBIT	If the Management Board determines that prior to delivery Group IBIT is negative	Next tranche of equity based deferred award due for delivery (applies also to cash based deferred award of MRTs) ²
Negative Divisional IBIT	If the Management Board determines that prior to delivery Divisional IBIT is negative	Next tranche of deferred award due for delivery (applies only to MRTs in Business Divisions excluding NCOU MRTs) ²
Impairment	If any award was based on performance measures or assumptions that are later deemed to be materially inaccurate or if a deal, trade or transaction considered to be attributable to an employee has a significant adverse effect	Up to 100% of undelivered awards
Policy / Regulatory Breach	In the event of an internal policy or procedure breach, or breach of any applicable laws or regulations	Up to 100% of undelivered awards
Material Control Failure	If a Material Control Failure occurs which is considered to be attributable to the employee	Up to 100% of undelivered awards
Regulatory Requirements	If forfeiture is required to comply with prevailing regulatory requirements	Up to 100% of undelivered awards

¹ For award types subject to cliff-vesting, the whole award will be forfeited if at quarter end prior to vesting or settlement the Group's CET 1 ratio is below the threshold.

² For award types subject to cliff-vesting, a certain award proportion (20 % for REA of the SLC) will be forfeited in respect of a year, if the IBIT is negative for that year.

With respect to deferred awards from prior financial years scheduled to be delivered in the first quarter of 2017, the Management Board has confirmed that the performance conditions relating to Group-wide and divisional IBIT for the financial year 2016 have been met.

2017 Retention Award Program

A limited number of employees have been granted a special long-term incentive (“Retention Award”) in early 2017. In order to mitigate retention risks and to protect the franchise, the Management Board decided to grant these Retention Awards to employees who are key contributors to the Bank’s future success in crucial roles, who are in high demand in the market and who would be very difficult to replace.

These Retention Awards are not designed to compensate the recipients for their performance in 2016 and therefore do not form part of 2016 compensation. The awards were granted in order to foster retention of the recipients. As opposed to annual VC, the awards are 100 % deferred, without any upfront compensation elements, 50 % in the form of equity and 50 % as cash. The awards are deferred for three to five years and are subject to the same measures of ex-post risk-adjustment as described on the previous page. The earliest payout date for parts of these awards is therefore early 2018 for non-Material Risk Takers and 2020 for MRTs respectively. The equity proportions for MRTs are subject to an additional retention period, meaning that the respective award portions are only delivered after up to six years. To benefit from these awards, Retention Award recipients need to stay at Deutsche Bank. If they leave for a competitor, any undelivered portion of an award will be forfeited.

Overall, Retention Awards were awarded to 5,522 employees or approximately 5 % of Deutsche Bank’s global workforce. €554 million were granted in deferred cash, deferred for up to three to five years, and €554 million were granted in deferred equity. To further align the awards with the long-term health of the Bank and the interests of shareholders, this equity portion will not vest, meaning that this portion will lapse, if the Bank’s share price does not reach a certain share price target. If the share price target is met, the equity portion is paid out after three years for non-MRTs, and after five to six years for MRTs.

Overview of structure of Retention Awards

Population	Weighting	Proportion	Deferral Period	Retention Period
Material Risk Takers	100% deferred	50% cash (RIA)	50% in year 4, 50% in year 5	N/A
		50% equity (REA)	50% in year 4, 50% in year 5	12 months
Non-Material Risk Takers	100% deferred	50% cash (RIA)	3 year pro rata vesting with annual tranches	N/A
		50% equity (REA)	Cliff vesting after 3 years	N/A

N/A – Not applicable

Compensation disclosure pursuant to Sec. 16 InstVV and Art. 450 CRR

On a global basis, 3,056 employees were identified as InstVV Material Risk Takers (InstVV MRTs) for financial year 2016. The collective remuneration elements for InstVV MRTs are detailed in the tables below in accordance with Sec. 16 InstVV and Art. 450 CRR.

Aggregate remuneration for InstVV Material Risk Takers

in € m. (unless stated otherwise) ¹	Business units								2016	2015
	Senior Management ²	GM	CIB	PW&CC	Deutsche AM	NCOU	Independent Control Functions ³	Corporate Functions ⁴	Group Total	Group Total
Number of MRTs (headcount)	203	1,098	784	314	202	24	153	278	3,056	3,005
Number of MRTs (FTE)	202	1,095	783	313	201	24	153	276	3,047	2,997
Total Pay	187	585	427	148	104	13	58	127	1,648	2,670
Total Fixed Pay	164	515	381	117	77	12	53	118	1,438	1,423
Total Variable Pay for period	23	70	45	31	27	1	4	9	210	1,246
thereof:										
in cash	12	46	30	21	13	1	4	7	134	498
in shares	11	24	16	10	9	0	1	1	71	745
in other types of instruments	0	0	0	0	5	0	0	0	5	3
Total Variable Pay for period, deferred	14	32	19	18	21	0	1	1	106	904
thereof:										
in cash	7	16	9	9	8	0	0	1	51	317
in shares	7	16	9	9	8	0	0	1	51	587
in other types of instruments	0	0	0	0	5	0	0	0	5	0
Article 450 (1) h(iii) of the CRR in conjunction with article 450 (1) h(iv) of the CRR on deferred variable remuneration from previous years and on explicit risk adjustments										
Total amount of variable pay still outstanding at the beginning of the year that was deferred in previous years	382	810	613	152	135	22	32	173	2,318	2,283
thereof:										
vested	114	395	292	67	54	10	14	64	1,009	1,058
unvested	268	415	321	85	81	13	18	109	1,309	1,225
Deferred Variable Pay awarded, paid out or reduced during period										
awarded during period	154	399	325	101	83	9	20	69	1,160	1,131
paid out during period	85	275	204	42	58	7	10	45	725	1,137
reduced through explicit risk adjustments									13	26
Article 450 (1) h(v) of the CRR on hiring bonuses										
Number of beneficiaries of guaranteed variable remuneration (hiring bonuses)	7	15	10	2	1	0	4	3	42	94
Total amount of guaranteed variable pay (hiring bonuses)	21	19	19	1	0	0	1	0	61	66
Article 450 (1) h(v) and (vi) of the CRR on severance payments										
Total amount of severance payments granted	0	12	7	6	6	0	5	6	42	38
Number of beneficiaries of severance payments granted by headcount/FTE	0	48	24	6	19	1	4	12	114	70
Highest severance payment granted to an individual									4	5

¹ Figures may include rounding differences.

² Refers to Management Board members and Executive Directors of significant institutions in accordance with Sec. 17 InstV and to members of the Senior Leadership Cadre. Supervisory Board Members / Non-Executive Directors are also included in "Senior Management" headcount (thereof 47) and FTE (thereof 46) but not in any other lines as they receive no variable remuneration elements for these activities and as their fixed compensation elements are not meaningful.

³ In accordance with regulatory guidance, "Independent Control Functions" for the purposes of this table include the areas of the Chief Risk Officer, the Chief Regulatory Officer as well as Group Audit. Internally, the Bank has identified more Infrastructure Functions as "Independent Control Functions" to which the Bank also applies the fixed to variable remuneration ratio of 1:1.

⁴ Corporate Functions comprise any Infrastructure Function that is not captured as Independent Control Function for the purposes of this table.

Remuneration of high earners

in €	2016
Total Pay	Number of employees
1,000,000 to 1,499,999	183
1,500,000 to 1,999,999	62
2,000,000 to 2,499,999	36
2,500,000 to 2,999,999	15
3,000,000 to 3,499,999	14
3,500,000 to 3,999,999	2
4,000,000 to 4,499,999	1
4,500,000 to 4,999,999	0
5,000,000 to 5,999,999	1
6,000,000 to 6,999,999	2

In total, 316 employees received a Total Pay of € 1 million or more for 2016, compared to 756 employees in 2015.

Compensation System for Supervisory Board Members

The compensation principles for Supervisory Board members are set forth in our Articles of Association, which our shareholders amend from time to time at the Annual General Meeting. Such compensation provisions were last amended by resolution of the Annual General Meeting on May 22, 2014 which became effective on July 17, 2014. Accordingly, the following provisions apply:

The members of the Supervisory Board receive fixed annual compensation (“Supervisory Board Compensation”). The annual base compensation amounts to € 100,000 for each Supervisory Board member. The Supervisory Board Chairman receives twice that amount and the Deputy Chairperson one and a half times that amount.

Members and chairs of the committees of the Supervisory Board are paid additional fixed annual compensation as follows:

Committee in €	Dec 31, 2016	
	Chairperson	Member
Audit Committee	200,000	100,000
Risk Committee	200,000	100,000
Nomination Committee	100,000	50,000
Mediation Committee	0	0
Integrity Committee	200,000	100,000
Chairman’s Committee	100,000	50,000
Compensation Control Committee	100,000	50,000

75 % of the compensation determined is disbursed to each Supervisory Board member after submitting invoices in February of the following year. The other 25 % is converted by the company at the same time into company shares based on the average closing price on the Frankfurt Stock Exchange (Xetra or successor system) during the last ten trading days of the preceding January, calculated to three digits after the decimal point. The share value of this number of shares is paid to the respective Supervisory Board member in February of the year following his departure from the Supervisory Board or the expiration of his term of office, based on the average closing price on the Frankfurt Stock Exchange (Xetra or successor system) during the last ten trading days of the preceding January, provided that the member does not leave the Supervisory Board due to important cause which would have justified dismissal.

In case of a change in Supervisory Board membership during the year, compensation for the financial year will be paid on a pro rata basis, rounded up/down to full months. For the year of departure, the entire compensation is paid in cash; a forfeiture regulation applies to 25 % of the compensation for that financial year.

The company reimburses the Supervisory Board members for the cash expenses they incur in the performance of their office, including any value added tax (VAT) on their compensation and reimbursements of expenses. Furthermore, any employer contributions to social security schemes that may be applicable under foreign law to the performance of their Supervisory Board work shall be paid for each Supervisory Board member affected. Finally, the Supervisory Board Chairman will be appropriately reimbursed for travel expenses incurred in performing representative tasks that his function requires and for the costs of security measures required on account of his function.

In the interest of the company, the members of the Supervisory Board will be included in an appropriate amount, with a deductible, in any financial liability insurance policy held by the company. The premiums for this are paid by the company.

Supervisory Board Compensation for the 2016 Financial Year

Individual members of the Supervisory Board received the following compensation for the 2016 financial year (excluding value added tax).

Members of the Supervisory Board in €	Compensation for fiscal year 2016		Compensation for fiscal year 2015	
	Fixed	Thereof payable in February 2017	Fixed	Thereof payable in February 2016
Dr. Paul Achleitner	800,000	600,000	808,333	606,250
Alfred Herling ¹	300,000	300,000	300,000	225,000
Wolfgang Böhr	141,667	106,250	8,333	6,250
Frank Bsirske	250,000	187,500	250,000	187,500
John Cryan	0	0	200,000	200,000
Dina Dublon	300,000	225,000	291,667	218,750
Jan Duscheck ²	41,667	31,250	0	0
Katherine Garrett-Cox ³	125,000	104,167	100,000	75,000
Timo Heider	200,000	150,000	200,000	150,000
Sabine Irrgang	200,000	150,000	200,000	150,000
Prof. Dr. Henning Kagermann	250,000	187,500	250,000	187,500
Martina Klee	200,000	150,000	200,000	150,000
Peter Löscher	200,000	150,000	200,000	150,000
Henriette Mark	200,000	150,000	200,000	150,000
Richard Meddings	400,000	300,000	100,000	75,000
Louise Parent	333,333	250,000	200,000	150,000
Gabriele Platscher	200,000	150,000	200,000	150,000
Bernd Rose	200,000	150,000	200,000	150,000
Prof. Dr. Stefan Simon ⁴	33,333	25,000	0	0
Rudolf Stockem ⁵	116,667	116,667	200,000	150,000
Stephan Szukalski ⁶	0	0	91,667	91,667
Dr. Johannes Teyssen	216,667	162,500	150,000	112,500
Georg Thoma ⁷	108,333	108,333	300,000	225,000
Prof. Dr. Klaus Rüdiger Trützschler	200,000	150,000	200,000	150,000
Total	5,016,667	3,904,167	4,850,000	3,710,417

¹ Member until December 31, 2016.

² Member since August 2, 2016.

³ Member was re-elected on May 19, 2016.

⁴ Member since August 23, 2016.

⁵ Member until July 31, 2016.

⁶ Member until November 30, 2015.

⁷ Member until May 28, 2016.

Following the submission of invoices in February 2017, 25 % of the compensation determined for each Supervisory Board member for the 2016 financial year was converted into notional shares of the company on the basis of a share price of €18.455 (average closing price on the Frankfurt Stock Exchange (Xetra) during the last ten trading days of January 2017, calculated to three digits after the decimal point). Members who left the Supervisory Board in 2016 were paid the entire amount of compensation in cash.

The following table shows the number of notional shares of the Supervisory Board members, to three digits after the decimal point, that were awarded in February 2017 as part of their 2016 compensation as well as the number of notional shares accumulated during the respective membership in the Supervisory Board and the amounts paid out in February 2017 for departed or re-elected members.

	Number of notional shares			
	Converted in February 2017 as part of the compensation 2016	Total prior-year amounts from 2013 to 2015	Total (cumulative)	In February 2017 payable in € ¹
Members of the Supervisory Board				
Dr. Paul Achleitner	10,837.171	24,005.183	34,842.354	0
Alfred Herling ²	0.000	8,254.647	8,254.647	152,340
Wolfgang Böhr	1,919.082	120.250	2,039.332	0
Frank Bsirske	3,386.616	6,425.919	9,812.535	0
Dina Dublon	4,063.939	6,381.695	10,445.634	0
Jan Duscheck ³	564.436	0.000	564.436	0
Katherine Garrett-Cox ⁴	1,128.872	3,093.464	4,222.336	57,090
Timo Heider	2,709.293	5,161.183	7,870.476	0
Sabine Irrgang	2,709.293	5,161.183	7,870.476	0
Prof. Dr. Henning Kagernann	3,386.616	7,130.910	10,517.526	0
Martina Klee	2,709.293	5,443.179	8,152.472	0
Peter Löscher	2,709.293	5,443.179	8,152.472	0
Henriette Mark	2,709.293	6,186.930	8,896.223	0
Richard Meddings	5,418.586	1,443.001	6,861.587	0
Louise Parent	4,515.488	3,778.536	8,294.024	0
Gabriele Platscher	2,709.293	5,904.933	8,614.226	0
Bernd Rose	2,709.293	5,622.937	8,332.230	0
Prof. Dr. Stefan Simon ⁵	451.549	0.000	451.549	0
Rudolf Stockem ⁶	0.000	5,904.933	5,904.933	108,976
Dr. Johannes Teysen	2,935.067	4,037.444	6,972.511	0
Georg Thoma ⁷	0.000	7,510.895	7,510.895	138,614
Prof. Dr. Klaus Rüdiger Trützschler	2,709.293	6,186.930	8,896.223	0
Total	60,281.766	123,197.331	183,479.097	457,020

¹ At a value of €18.455 based on the average closing price on the Frankfurt Stock Exchange (Xetra or successor system) during the last ten trading days of January 2017.

² Member until December 31, 2016.

³ Member since August 2, 2016.

⁴ Member was re-elected on May 19, 2016.

⁵ Member since August 23, 2016.

⁶ Member until July 31, 2016.

⁷ Member until May 28, 2016.

All employee representatives on the Supervisory Board, with the exception of Frank Bsirske, Rudolf Stockem (until July 31, 2016) and Jan Duscheck (since August 2, 2016), are employed by us. In the 2016 financial year, we paid such members a total amount of €1.05 million in the form of salary, retirement and pension compensation in addition to their Supervisory Board compensation.

We do not provide members of the Supervisory Board with any benefits after they have left the Supervisory Board, though members who are or were employed by us are entitled to the benefits associated with the termination of such employment. During 2016, we set aside €0.08 million for pension, retirement or similar benefits for the members of the Supervisory Board who are or were employed by us.

With the agreement of the Bank's Management Board, Dr. Paul Achleitner performs representative functions in various ways on an unpaid basis for the Bank and participates in opportunities for referrals of business for the Bank. These tasks are related to the functional responsibilities of the Chairman of the Supervisory Board of Deutsche Bank AG. In this respect, the reimbursement of costs is regulated in the Articles of Association. On the basis of a separate contractual agreement, the Bank provides Dr. Paul Achleitner with infrastructure and support services free of charge for his services in the interest of the Bank. He is therefore entitled to avail himself of internal resources for preparing and carrying out his activities. The Bank's security and car services are available for Dr. Paul Achleitner to use free of charge for these tasks. The Bank also reimburses travel expenses and participation fees and covers the taxes for any non-cash benefits provided. On September 24, 2012, the Chairman's Committee approved the conclusion of this agreement. The provisions apply for the duration of Dr. Paul Achleitner's tenure as Chairman of the Supervisory Board and are reviewed on an annual basis for appropriateness. Under this agreement between Deutsche Bank and Dr. Achleitner, support services equivalent to €225,000 (2015: €203,000) were provided and reimbursements for expenses amounting to €234,488 (2015: €233,867) were paid during the 2016 financial year.

