



**Terms of Reference
for the Compensation Control Committee of the Supervisory Board
of Deutsche Bank Aktiengesellschaft
(30 July 2020)**

**Section 1
Composition and Chairperson**

- (1) The Committee consists of the Supervisory Board Chairperson as well as two other Supervisory Board members representing shareholders and three Supervisory Board members representing employees.
- (2) At least one member of the Committee must have sufficient expertise and professional experience in the field of risk management and risk controlling, in particular with regard to mechanisms used to align the compensation systems to the bank's overall risk appetite and strategy and its capital base.
- (3) The Compensation Control Committee is chaired by the Chairperson of the Supervisory Board.

**Section 2
Tasks**

- (1) Notwithstanding any assignment by law or administrative order, the Committee has the tasks set out in these Terms of Reference.

The Committee

- (a) Supports the Supervisory Board in the appropriate structuring of the compensation systems for the members of the Management Board;
- (b) Monitors the appropriate structure of the compensation systems for the Management Board members and employees and, in particular, the appropriate structure of the compensation for the head of the compliance function, for the Anti-Money Laundering Officer and for the employees who have a material influence on the overall risk profile of the bank and of Deutsche Bank Group;
- (c) Supports the Supervisory Board in monitoring the appropriate structure of the compensation systems for the company's employees; the effects of the compensation systems on risk, capital and liquidity management shall be assessed and it shall be ensured that the compensation systems and the compensation strategy – in consideration of the further requirements of section 4 of the Remuneration Ordinance for Institutions (InstitutsVergV) – are aligned to achieving the objectives set out in the business and risk strategies of Deutsche Bank AG and Deutsche Bank Group;
- (d) Prepares the Supervisory Board's resolutions on the compensation of the Management Board members, considering, in particular, the effects of the resolutions on the company's risks and risk management. The long-term interests of shareholders, investors and other stakeholders as well as the public interest shall be taken into account;
- (e) Prepares the Supervisory Board's resolutions on setting the total amount of variable compensation for the Management Board members in accordance with section 45 (2) sentence 1 No. 5a of the German Banking Act (KWG) in consideration of section 7 InstitutsVergV and on setting the appropriate compensation parameters, contributions to performance, payment and deferral periods and the conditions for a full forfeiture or partial reduction of deferred variable compensation or a claim to the return of already disbursed



variable compensation and checks regularly, at least annually, whether the adopted specifications are still appropriate; a remediation plan shall be developed promptly for any identified deficiencies.

- (f) Checks, as part of its support to the Supervisory Board in monitoring the process to identify Group Risk Takers in accordance with section 27 (2) sentence 1 InstitutsVergV and the appropriate structure of the compensation systems for employees, regularly, but at least annually, in particular, whether
 - the total amount of variable compensation has been set in accordance with section 45 (2) sentence 1 No. 5a KWG in consideration of section 7 InstitutsVergV
 - the specified principles to assess the compensation parameters, contributions to performance as well as the payment and deferral periods including the conditions for a full forfeiture or partial reduction of the variable compensation are appropriate, and
 - the compensation systems of employees in control functions are in accordance with InstitutsVergV requirements.
 - (g) Supports the Supervisory Board in monitoring whether the internal controls and other relevant areas are properly involved in the structuring of the compensation systems.
 - (h) Supports the Supervisory Board in producing the proposals for resolutions on the structuring of variable and fixed compensation in accordance with section 25a (5) sentence 6 KWG.
- (2) The Committee coordinates its work with the Risk Committee and works closely with it as required in order to properly perform its tasks. The Committee Chairperson reports regularly on the work of the Committee at the meetings of the Risk Committee.

Section 3 Meetings and voting

- (1) Meetings of the Committee are convened by its Chairperson with an advance notice period of at least two weeks.
- (2) The provisions applicable to the Supervisory Board also apply to the convocation and taking of the minutes of the Committee's meetings, to participation and attendance, to forming a quorum, to the ways in which resolutions are taken and to the reports to the Supervisory Board except that these apply to the members of the Committee instead of the Supervisory Board members and to the Committee Chairperson instead of the Supervisory Board Chairperson.
- (3) In cases where there is an equal division of votes and a second round of voting on the same matter also leads to a tied vote, then the Committee Chairperson has two votes.

Section 4 Participation in meetings

- (1) The Committee meets regularly without the Management Board. This applies in particular as a rule when deliberating on the compensation of the Management Board members.
- (2) The Committee Chairperson can permit other persons to attend the Committee meetings, in particular the head of the internal audit department and the heads of the departments responsible for structuring the compensation systems as well as the Compensation Officer and his deputy.



Section 5 Declarations

The Committee Chairperson acts on behalf of the Committee if declarations have to be issued or received to implement the resolutions of the Committee.

Section 6 Confidentiality obligation

- (1) Members of the Committee and other persons who attend a meeting of the Committee must maintain confidentiality on reports and documents they have received and on the contents of discussions and deliberations, as well as on all confidential information and secrets of the bank, i.e. confidential operating and business information, which came to their attention as a result of their activity on the Committee, even after the end of their activity.
- (2) In addition, the provisions in section 6 of the Terms of Reference for the Supervisory Board apply.

Section 7 Reporting to the Supervisory Board

The Committee Chairperson reports regularly to the Supervisory Board on the work of the Committee.

Section 8 Self-assessment

The Committee assesses, at regular intervals, how effectively the Committee fulfils its tasks.

Section 9 Conflicts of interest

In the event of conflicts of interest in connection with a Committee member's work, the provisions on conflicts of interest in the Terms of Reference for the Supervisory Board apply accordingly. Furthermore, the Committee Chairperson or, if he or she is prevented, a specific member of the Committee is informed accordingly.

Section 10 Changes to the Terms of Reference

Changes to these Terms of Reference require a resolution by the Supervisory Board.

Section 11 Rules of procedure

- (1) The Committee is authorised to obtain, via its Chairperson, information relating to the Committee tasks from the head of the internal audit department and from the heads of the organisational units responsible for structuring the compensation systems. The Management Board must be informed of this.



- (2) The Committee Chairperson is kept up-to-date by the Compensation Officer on his work and ensures close coordination of the monitoring activities as well as the submission of the Compensation Officer's informative reports on the appropriateness and structure of the compensation system.
- (3) In order to perform its duties, the Committee may, at its professional discretion, use the services of external and internal consultants. The costs are borne by the company.