Deutsche Bank

Pillar 3 Report
as of March 31, 2024

Content

Regulatory framework

Basis of Presentation

Article 431 (1), (2) CRR, 433 CRR and 433a CRR
This Pillar 3 Report provides disclosures for the consolidated Deutsche Bank Group (the Group or the bank) as required by the global regulatory framework for capital and liquidity, which was established by the Basel Committee on Banking Supervision, also known as Basel 3.

In the European Union (EU), the Basel 3 framework is implemented by the amended versions of Regulation (EU) 575/2013 on prudential requirements for credit institutions (Capital Requirements Regulation or CRR) and the Directive (EU) 2013/36 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirements Directive or CRD). As a single rulebook, the CRR is directly applicable to credit institutions in the European Union and provides the grounds for the determination of regulatory capital requirements, regulatory own funds, leverage and liquidity as well as other relevant requirements. In addition, the CRD was implemented into German law by means of further amendments to the German Banking Act (Kreditwesengesetz or KWG) and the German Solvency Regulation (SolvV) and accompanying regulations. Jointly, these laws and regulations represent the regulatory framework applicable in Germany.

The disclosure requirements are provided in Part Eight of the CRR and in Section 26a of the KWG. Further disclosure guidance has been provided by the European Banking Authority (EBA) in its “Final draft implementing technical standards on public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013” (EBA ITS). The Group adheres to the frequency of disclosure requirements as per Article 433 and 433a of the CRR and as provided within these EBA Guidelines and includes comparative periods in accordance with the requirements of EBA ITS. For those disclosures required only on an annual basis, the comparative period is the prior year. For those disclosures only required on a semi-annual basis, the comparative period is the prior half-year. Disclosures required on a quarterly basis generally include comparative information for prior quarter.

The information provided in this Pillar 3 Report is unaudited. Numbers presented throughout this document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures due to rounding.

Basel 3 and CRR/CRD

The CRR/CRD lays the foundation for the calculation of the minimum regulatory requirements with respect to own funds and eligible liabilities, the liquidity coverage ratio and the net stable funding ratio.

There is still uncertainty as to how some of the CRR/CRD rules should be interpreted and there are still related binding Technical Standards for which a final version is not yet available. Thus, the Group will continue to refine assumptions and models in line with evolution of these regulations as well as the industry’s understanding and interpretation of the rules. Against this background, current CRR/CRD measures may not be comparable to previous expectations. Also, CRR/CRD measures may not be comparable with similarly labeled measures used by competitors, as their assumptions and estimates may differ from Deutsche Bank’s.

MREL and TLAC

Banks in the European Union are required to meet at all times a minimum requirement for own funds and eligible liabilities (MREL) which ensures that banks have sufficient loss absorbing capacity in resolution to avoid recourse to taxpayers’ money. Relevant laws are the Single Resolution Mechanism Regulation (SRMR) and the Bank Recovery and Resolution Directive (BRRD) as implemented through the German Recovery and Resolution Act (Sanierungs- und Abwicklungsgesetz, SAG).

In addition, the CRR requires G-SIIs in Europe to have at least the maximum of 18% plus the combined buffer requirement of RWA and 6.75% of leverage exposure as total loss absorbing capacity (TLAC).

Instruments which qualify for MREL and TLAC as own funds are Common Equity Tier 1, Additional Tier 1, and Tier 2 along with certain eligible liabilities (mainly plain-vanilla unsecured bonds). Instruments qualifying for TLAC need to be fully subordinated to general creditor claims (e.g., senior non-preferred bonds). While this is not required for MREL, MREL regulations allow the Single Resolution Board (SRB) to also set an additional subordination requirement within the MREL requirements (but separate from TLAC), which allows only subordinated liabilities and own funds to be counted.

MREL is determined by the competent resolution authorities for each supervised bank and its preferred resolution strategy. In the case of Deutsche Bank AG, MREL is determined by the SRB. While there is no statutory minimum level of MREL, the CRR, SRMR, BRRD and delegated regulations set out criteria which the resolution authority must consider when determining the relevant required level of MREL. Guidance is provided through a MREL policy published annually by the SRB. Any binding MREL ratio determined by the SRB is communicated to Deutsche Bank via the German Federal Financial Supervisory Authority (BaFin). Deutsche Bank AG received its current total MREL and current subordinated MREL requirement with immediate applicability in the second quarter of 2023.

ICAAP, ILAAP and SREP

The internal capital adequacy assessment process (ICAAP) as stipulated in Pillar 2 of Basel requires banks to identify and assess risks, to apply effective risk management techniques and to maintain adequate capitalization. The Group's internal liquidity adequacy assessment process (ILAAP) aims to ensure that sufficient levels of liquidity are maintained on an ongoing basis by identifying the key liquidity and funding risks to which the Group is exposed, by monitoring and measuring these risks, and by maintaining tools and resources to manage and mitigate these risks.

In accordance with Article 97 CRD supervisors regularly review, as part of the supervisory review and evaluation process (SREP), the arrangements, strategies, processes, and mechanisms implemented by banks and evaluate: (a) risks to which the institution is or might be exposed; (b) risks the institution poses to the financial system; and (c) risks revealed by stress testing.

Key metrics

Article 447 (a-g) and Article 438 (b) CRR

The following table highlights Deutsche Bank's key regulatory metrics and ratios, and related input components as defined by CRR and CRD. In line with disclosure requirements the Liquidity Coverage Ratio is based on 12 months rolling averages and the other metrics are based on spot information.

EU KM1 – Key metrics

		a	b	c	d	e
	in € m. (unless stated otherwise)	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET 1) capital	47,672	48,066	49,401	49,348	48,926
2	Tier 1 capital	56,050	56,395	57,729	57,676	57,254
3	Total capital	64,645	65,005	66,764	66,720	66,512
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	354,830	349,742	354,311	358,785	359,534
	Capital ratios (as percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	13.4	13.7	13.9	13.8	13.6
6	Tier 1 ratio (%)	15.8	16.1	16.3	16.1	15.9
7	Total capital ratio (%)	18.2	18.6	18.8	18.6	18.5
	Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.65	2.70	2.70	2.70	2.70
	of which:					
EU 7b	to be made up of CET 1 capital (percentage points)	1.5	1.5	1.5	1.5	1.5
EU 7c	to be made up of Tier 1 capital (percentage points)	2.0	2.0	2.0	2.0	2.0
EU 7d	Total SREP own funds requirements (%)	10.7	10.7	10.7	10.7	10.7
	Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0	0.0	0.0	0.0	0.0
9	Institution specific countercyclical capital buffer (%)	0.45	0.45	0.46	0.42	0.38
EU 9a	Systemic risk buffer (%)	0.2	0.2	0.2	0.2	0.2
10	Global Systemically Important Institution buffer (%)	1.5	1.5	1.5	1.5	1.5
EU 10a	Other Systemically Important Institution buffer (%)	2.0	2.0	2.0	2.0	2.0
11	Combined buffer requirement (%)	5.2	5.1	5.1	5.1	5.1
EU 11a	Overall capital requirements (%)	15.8	15.8	15.8	15.8	15.8
12	CET 1 available after meeting the total SREP own funds requirements (%)	7.4	7.7	7.9	7.7	7.6
	CET 1 available after meeting the total SREP own funds requirements	26,415	27,016	28,075	27,754	27,286
	Leverage ratio					
13	Leverage ratio total exposure measure	1,253,772	1,240,318	1,235,211	1,236,042	1,237,814
14	Leverage ratio (%)	4.5	4.5	4.7	4.7	4.6
	Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.1	0.0	0.0	0.0	0.0
EU 14b	of which: to be made up of CET 1 capital (percentage points)	0.0	0.0	0.0	0.0	0.0
EU 14c	Total SREP leverage ratio requirements (%)	3.1	3.0	3.0	3.0	3.0
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0.75	0.75	0.75	0.75	0.75
EU 14e	Overall leverage ratio requirements (%)	3.85	3.75	3.75	3.75	3.75
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	215,681	214,710	214,118	216,732	218,535
EU 16a	Cash outflows - Total weighted value	214,663	211,856	212,256	215,359	218,746
EU 16b	Cash inflows - Total weighted value	56,526	54,801	55,396	55,834	57,603
16	Total net cash outflows (adjusted value)	158,138	157,055	156,861	159,525	161,143
17	Liquidity coverage ratio (%)	136	137	137	136	136
	Net Stable Funding Ratio					
18	Total available stable funding	606,377	605,189	599,987	592,094	594,721
19	Total required stable funding	494,797	498,548	495,129	495,503	496,579
20	NSFR ratio (%)	123	121	121	119	120

Key metrics of own funds and eligible liabilities

Article 447 (h) CRR and Article 45i(3)(a,c) BRRD

EU KM2 – Key metrics - MREL and G-SII Requirement for own funds and eligible liabilities (TLAC)

		Minimum requirement for own funds and eligible liabilities (MREL)		G-SII Requirement for own funds and eligible liabilities (TLAC)				
		a		b	c	d	e	f
in € m. (unless stated otherwise)		Mar 31, 2024	Dec 31, 2023	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	Own funds and eligible liabilities, ratios and components							
1	Own funds and eligible liabilities	123,483	123,253	111,079	114,106	116,177	114,370	118,800
EU 1a	Own funds and subordinated liabilities	111,079	114,106	–	–	–	–	–
2	Total risk exposure amount of the resolution group (TREA)	354,830	349,742	354,830	349,742	354,311	358,785	359,534
3	Own funds and eligible liabilities as percentage of TREA	34.80	35.24	31.30	32.63	32.79	31.88	33.04
	of which:							
EU 3a	Own funds and subordinated liabilities	31.30	32.63	–	–	–	–	–
4	Total exposure measure of the resolution group (TEM)	1,253,772	1,240,318	1,253,772	1,240,318	1,235,211	1,236,042	1,237,814
5	Own funds and eligible liabilities as percentage of TEM	9.85	9.94	8.86	9.20	9.41	9.25	9.60
	of which:							
EU 5a	Own funds and subordinated liabilities	8.86	9.20	–	–	–	–	–
6a	Does the subordination exemption in Article 72b(4) of the CRR apply? (5% exemption)	–	–	no	no	no	no	no
6b	Pro-memo item - Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion as per Article 72b(3) CRR is applied (max 3.5% exemption)	–	–	0	0	0	0	0
6c	Pro-memo item: If a capped subordination exemption applies under Article 72b (3) CRR, the amount of funding issued that ranks pari passu with excluded liabilities and that is recognized under row 1, divided by funding issued that ranks pari passu with excluded Liabilities and that would be recognized under row 1 if no cap was applied (%)	–	–	0	0	0	0	0
	Minimum requirement for own funds and eligible liabilities (MREL)							
EU 7	MREL requirement expressed as percentage of the TREA	30.36	30.35	–	–	–	–	–
	of which:							
EU 8	to be met with own funds or subordinated liabilities	24.69	24.68	–	–	–	–	–
EU 9	MREL requirement expressed as percentage of TEM	6.92	6.92	–	–	–	–	–
	of which:							
EU 10	to be met with own funds or subordinated liabilities	6.92	6.92	–	–	–	–	–

As of March 31, 2024 the MREL ratio was 34.80% of Total Risk Exposure Amount (TREA) compared to a requirement of 30.36% of TREA including a 5.15% combined buffer requirement, equaling a surplus of € 15.7 billion above the bank's MREL requirement. The subordinated MREL ratio was 31.30% of TREA compared to a requirement of 24.69% of TREA including a 5.15% combined buffer requirement. The subordinated MREL surplus is € 23.5 billion.

As of March 31, 2024 the TLAC ratio was 31.30% of TREA compared to a requirement of 23.15% including a 5.15% combined buffer requirement, resulting in a surplus of € 28.9 billion. TLAC was 8.86% of TEM compared to a requirement of 6.75%, which corresponds to a surplus of € 26.4 billion.

Capital

IFRS 9 transitional arrangements on own funds

Article 473a CRR

As of June 30, 2020, Deutsche Bank applied the transitional arrangements in relation to IFRS 9 as provided in Article 473a CRR to all of the CET 1 measures. The CRR allowed for a phase-in of the CET 1 reduction due to the increase in credit loss allowance as a result of the implementation of IFRS 9. The phase-in period of five years has expired at the end of 2022.

As per the CRR amendment published on June 26, 2020, the transitional provisions and phase-in percentages have been modified such that the dynamic component is reset and the implementation period extended until 2024, i.e., it separately covers the periods from January 1, 2018, to January 1, 2020 and the period from January 1, 2020 until 2024.

As of March 31, 2024 there is no capital add back for the IFRS 9 transitional arrangements from the dynamic component, which compares the credit loss allowance levels since January 1, 2020 and the reporting date.

As a consequence, CET 1, Tier 1 and Total Capital as well as risk weighted assets and leverage exposure and related ratios did not change. The template ”IFRS 9-FL: Comparison of institutions' own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs” is not disclosed, also due to immateriality in prior periods.

Capital requirements

Overview of RWA and capital requirements

Article 438 (d) CRR

The table below shows RWA broken down by risk types and model approaches compared to the previous quarter end. It also shows the corresponding minimum capital requirements, which is derived by multiplying the respective RWA by an 8% capital ratio.

EU OV1 – Overview of RWA

		Mar 31, 2024		Dec 31, 2023	
		a	c1	b	c2
	in € m.	RWA	Minimum capital requirements	RWA	Minimum capital requirements
1	Credit risk (excluding CCR)	222,232	17,779	217,327	17,386
	of which:				
2	The standardized approach (SA)	18,144	1,452	18,541	1,483
3	The foundation IRB (FIRB) approach	1,022	82	1,020	82
4	Slotting approach	422	34	474	38
EU 4a	Equities under the simple riskweighted approach	9,815	785	8,781	702
5	The advanced IRB (AIRB) approach	192,829	15,426	188,512	15,081
6	Counterparty credit risk (CCR)	29,015	2,321	27,748	2,220
	of which:				
7	The standardized approach	1,826	146	1,351	108
8	Internal model method (IMM)	15,934	1,275	15,467	1,237
EU 8a	Risk exposure to a CCP	3,450	276	4,140	331
EU 8b	Credit Valuation Adjustment (CVA)	5,278	422	5,276	422
9	Other CCR	2,526	202	1,514	121
15	Settlement risk	15	1	14	1
16	Securitization exposures in the banking book (after the cap)	14,719	1,178	14,242	1,139
	of which:				
17	SEC-IRBA approach	7,654	612	7,287	583
18	SEC-ERBA (including IAA)	532	43	602	48
19	SEC-SA approach	5,473	438	5,440	435
EU 19a	1250% / deduction	1,061	85	913	73
20	Market risk	19,465	1,557	21,510	1,721
	of which:				
20	Standardized approach	2,803	224	2,819	226
21	IMA	16,662	1,333	18,691	1,495
EU 22a	Large exposures	0	0	0	0
23	Operational risk	57,050	4,564	57,153	4,572
	of which:				
EU 23a	Basic indicator approach	0	0	0	0
EU 23b	Standardized approach	0	0	0	0
EU 23c	Advanced measurement approach	57,050	4,564	57,153	4,572
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	12,335	987	11,749	940
29	Total	**354,830**	**28,386**	349,742	27,979

As of March 31, 2024, RWA was at € 354.8 billion compared to € 349.7 billion as of December 31, 2023. The increase of € 5.1 billion was primarily driven by RWA for credit risk (excluding counterparty credit risk), RWA for counterparty credit risk (CCR), RWA for amounts below thresholds for deduction (subject to 250% risk weight) and RWA for securitization exposures in the banking book (after the cap), which was partially offset by decreased RWA for market risk.

Credit risk RWA (excluding counterparty credit risk) increased by € 4.9 billion, mainly driven by the RWA under the advanced internal rating based (IRB) approach, which increased by € 4.3 billion mainly due to business growth and foreign exchange movements, which was partly offset by optimization initiatives. RWA for equities under the simple risk weight approach increased by € 1.0 billion, mainly driven by an increase in exposures for exchange traded equities due to higher equity shares along with market movements in guaranteed funds. These increases were partly offset by RWA under the standardized approach which decreased by € 0.4 billion due to lower risk weights in exposure classes “corporates” and “institutions” as well as reduced “exposures in default”, partly offset by increased exposures along with higher risk weights in exposure class “collective investment undertakings”. Counterparty credit risk RWA increased by € 1.3 billion, mainly driven by other CCR which increased by € 1.0 billion due to higher exposures for secured financing transactions (SFTs) under the financial collateral comprehensive method. Counterparty credit risk under the internal model method increased by € 0.5 billion which predominantly reflects model updates, foreign exchange movements and higher risk weights for SFTs. Additionally, counterparty credit risk under the standardized approach increased by € 0.5 billion which mainly reflects higher risk weights. These increases were partly offset by a decrease of € 0.7 billion in RWA for risk exposures to a central counterparty (CCP). Furthermore, RWA for amounts below the thresholds for deduction (subject to 250% risk weight) increased by € 0.6 billion, primarily driven by higher RWA for deferred tax assets. RWA for securitization exposures in the banking book (after the cap) increased by € 0.5 billion mainly driven by higher RWA under the securitization internal rating-based approach (SEC-IRBA).

Market risk RWA decreased by € 2.0 billion, primarily driven by risk reductions in the form of exposure changes which led to a decrease in the Stressed-Value-at-Risk component.

The movements of RWA for credit and market risk are discussed below in sections “Development of credit risk RWA”, “CCR exposures development” and “Development of market risk RWA”.

Credit risk exposure and credit risk mitigation in the internal-rating-based approach

Development of credit risk RWA

Article 438 (h) CRR

The following table provides an analysis of key drivers for RWA movements observed for credit risk, excluding counterparty credit risk, covered in the IRB approaches in the current and previous reporting period.

EU CR8 – RWA flow statement of credit risk exposures under the IRB approach

		Three months ended Mar 31, 2024	Three months ended Dec 31, 2023
		a	a
	in € m.	RWA	RWA
1	Risk weighted exposure amount as at the end of the previous reporting period	**190,006**	187,139
2	Asset size	4,153	920
3	Asset quality	(1,110)	1,658
4	Model updates	273	775
5	Methodology and policy	(294)	1,471
6	Acquisitions and disposals	0	473
7	Foreign exchange movements	1,245	(2,432)
8	Other	0	0
9	Risk weighted exposure amount as at the end of the reporting period	**194,273**	190,006

Organic changes in the Group's portfolio size and composition are considered in the category "asset size". The category "asset quality" represents the effects from portfolio rating migrations, loss given default, model parameter recalibrations as well as collateral coverage and netting activities. "Model updates" include model refinements and further roll out of advanced internal models. RWA movements resulting from externally, regulatory-driven changes, e.g., applying new regulations, are considered in the "methodology and policy" section. "Acquisition and disposals" is related to significant exposure movements which can be clearly assigned to acquisition or disposal related activities. Changes that cannot be attributed to the above categories are reflected in the category "other".

RWA for credit risk exposures under the IRB approach increased by € 4.3 billion or 2.2% since December 31, 2023, mainly resulting from the categories "asset size", "foreign exchange movements" and "model updates", partly offset by the categories "asset quality" and "methodology and policy". The increase in "asset size" reflects the business growth in the first quarter of 2024. The category "model updates" increased due to refinements of Deutsche Bank's IRBA model. The decrease in category "asset quality" is primarily driven by optimization initiatives as well as improved counterparty ratings. The category "methodology and policy" reflects remediation of regulatory obligations.

Counterparty credit risk (CCR)

CCR exposures development

Article 438 (h) CRR
The following table provides an analysis of key drivers for RWA movements observed for counterparty credit risk exposures calculated under the internal model method (IMM) in the current and previous reporting period.

EU CCR7 – RWA flow statement of counterparty credit risk exposures under the internal model method

		Three months ended Mar 31, 2024	Three months ended Dec 31, 2023
		a	a
	in € m.	RWA	RWA
1	Counterparty credit risk RWA under the IMM opening balance	**16,322**	16,918
2	Asset size	(18)	(1,112)
3	Credit quality of counterparties	25	746
4	Model updates (IMM only)	186	0
5	Methodology and policy (IMM only)	0	144
6	Acquisitions and disposals	0	0
7	Foreign exchange movements	148	(374)
8	Other	0	0
9	Counterparty credit risk RWA under the IMM closing balance	**16,662**	16,322

Organic changes in portfolio size and composition are considered in the category “asset size”. The category “credit quality of counterparties” represents the effects from portfolio rating migrations, loss given default, model parameter recalibrations as well as collateral coverage and netting activities. “Model updates (IMM only)” include model refinements and further roll out of advanced internal models. RWA movements resulting from externally, regulatory-driven changes, e.g., applying new regulations, are considered in the “methodology and policy (IMM only)” section. “Acquisition and disposals” is relating to significant exposure movements which can be clearly assigned to acquisition or disposal related activities. Changes that cannot be attributed to the above categories are reflected in the category “other”.

RWA for counterparty credit risk exposures under the IMM increased by € 0.3 billion or 2.1% since December 31, 2023, primarily driven by the category “model updates (IMM only)”, reflecting an update to the determination of input parameters, as well as the category “foreign exchange movements”.

Market risk

Own funds requirements for market risk under the IMA

Development of market risk RWA

Article 438 (h) CRR

The following table provides an analysis of key drivers for movements observed for market risk RWA covered by internal models (i.e. value-at-risk, stressed value-at-risk, incremental risk charge and comprehensive risk measure) in the current and previous reporting period. It also shows the corresponding movements in capital requirements, derived from RWA with an 8% capital ratio.

EU MR2-B – RWA flow statements of market risk exposures under the IMA

		Three months ended Mar 31, 2024						
		a	b	c	d	e	f	g
	in € m.	VaR	SVaR	IRC	Compre-hensive risk measure	Other[2]	Total RWA	Total capital requirements
1	Market Risk RWA opening balance	3,750	7,090	7,129	–	722	18,691	1,495
1a	Regulatory adjustment[1]	(2,413)	(4,939)	(221)	–	0	(7,572)	(606)
1b	RWA at the previous quarter-end (end of the day)	1,337	2,151	6,908	–	722	11,118	889
2	Movement in risk levels	(237)	(423)	104	–	(356)	(911)	(73)
3	Model updates/changes	0	6	0	–	0	6	0
4	Methodology and policy	0	0	0	–	0	0	0
5	Acquisitions and disposals	0	0	0	–	0	0	0
6	Foreign exchange movements	0	0	0	–	0	0	0
6a	Market data changes and recalibrations	(48)	(10)	0	–	0	(58)	(5)
7	Other	0	0	0	–	0	0	0
8a	RWA at the end of the reporting period (end of the day)	1,052	1,723	7,012	–	367	10,154	812
8b	Regulatory adjustment[1]	2,999	3,271	238	–	0	6,508	521
8	Market Risk RWA closing balance	4,051	4,995	7,250	–	367	16,662	1,333

[1] Indicates the difference between reported RWA (based on 60day average) and RWA (based on VaR / SVaR as of quarter-end) at the beginning (1b) and end (8a) of the reporting period.
[2] Includes Risk not in VaR

		Three months ended Dec 31, 2023						
		a	b	c	d	e	f	g
	in € m.	VaR	SVaR	IRC	Compre-hensive risk measure	Other[2]	Total RWA	Total capital requirements
1	Market Risk RWA opening balance	5,605	7,440	7,082	–	16	20,143	1,611
1a	Regulatory adjustment[1]	(4,137)	(4,800)	(66)	–	0	(9,002)	(720)
1b	RWA at the previous quarter-end (end of the day)	1,469	2,640	7,016	–	16	11,141	891
2	Movement in risk levels	813	(300)	(108)	–	(16)	389	31
3	Model updates/changes	22	(189)	0	–	0	(168)	(13)
4	Methodology and policy	0	0	0	–	722	722	58
5	Acquisitions and disposals	0	0	0	–	0	0	0
6	Foreign exchange movements	0	0	0	–	0	0	0
6a	Market data changes and recalibrations	(966)	0	0	–	0	(966)	(77)
7	Other	0	0	0	–	0	0	0
8a	RWA at the end of the reporting period (end of the day)	1,337	2,151	6,908	–	722	11,118	889
8b	Regulatory adjustment[1]	2,413	4,939	221	–	0	7,572	606
8	Market Risk RWA closing balance	3,750	7,090	7,129	–	722	18,691	1,495

[1] Indicates the difference between reported RWA (based on 60day average) and RWA (based on VaR / SVaR as of quarter-end) at the beginning (1b) and end (8b) of the reporting period.

The market risk RWA movements due to position changes are represented in line “Movement in risk levels”. Changes to the Group’s market risk RWA internal models, such as methodology enhancements or risk scope extensions, are included in the category of “Model updates/changes”. In the “Methodology and policy” category the Group reflects regulatory driven changes to its market risk RWA models and calculations. Significant acquisitions and disposals would be assigned to the line item “Acquisition and disposals”. The impacts of “Foreign exchange movements” are not calculated for IMA (Internal Models Approach) components. Changes in market data levels, return assumptions for negative market levels, volatilities, correlations, liquidity and ratings are included under the “Market data changes and recalibrations” category.

As of March 31, 2024, the IMA components for market risk totaled € 16.7 billion, a decrease of € 2.0 billion since December 31, 2023. The decrease in RWA was driven by reduction in SVaR RWA from changes in interest rates exposure to facilitate client flows around central bank actions and addition of macro hedges in Fixed Income and Currencies Trading business.

Liquidity risk

Qualitative information on LCR

Article 451a CRR (EU LIQB)

The Liquidity Coverage Ratio (LCR)

The LCR is intended to promote the short-term resilience of a bank's liquidity risk profile over a 30 day stress scenario. The ratio is defined as the amount of High Quality Liquid Assets ("HQLA") that could be used to raise liquidity, measured against the total volume of net cash outflows, arising from both contractual and modelled exposures, in a stressed scenario.

The Group's average Liquidity Coverage Ratio of 136% (twelve months average) as of March 31, 2024 has been calculated in accordance with the Commission Delegated Regulation (EU) 2015/61 and the EBA Guidelines on LCR disclosure to complement the disclosure of liquidity risk management under Article 435 CRR.

The Group's Liquidity Coverage Ratio was 136% as of March 31, 2024, or € 58 billion of excess over the regulatory minimum of 100%. This compares to 140%, or € 62 billion of excess liquidity at December 31, 2023.The decrease is primarily related to early TLTRO repayment partially offset by increased deposits and issuances.

Concentration of funding and liquidity sources

Diversification of the Group's funding profile in terms of investor types, regions and products is an important element of the Group's liquidity risk management framework. The Group's most stable funding sources stem from capital markets issuances and equity, as well as from Private Bank and Corporate Bank deposits. Other customer deposits and secured funding and short positions are additional sources of funding. Unsecured wholesale funding represents unsecured wholesale liabilities sourced primarily by the Treasury Pool Management team. Given the relatively short-term nature of these liabilities, it is predominantly used to fund liquid trading assets.

To promote the additional diversification of the Group's refinancing activities, the bank holds a license to issue mortgage Pfandbriefe. The Group continues to run a program for the purpose of issuing Covered Bonds under Spanish law (Cedulas). Additionally, the Group also issues green bonds under the Group's Sustainable Finance Framework. The Group also issued an inaugural Panda bond, following recent regulatory changes by PBoC (People's Bank of China) and SAFE(State Administration of Foreign Exchange (of China)) to facilitate foreign remittance of Panda bond proceeds.

Unsecured wholesale funding comprises a range of institutional products, such as certificate of deposits, commercial paper as well as Money Market deposits.

To avoid any unwanted reliance on these short-term funding sources, and to promote a sound funding profile which complies with the defined risk appetite, the Group has implemented limits (across tenors) on these funding sources which are derived from daily stress testing analysis. In addition, the bank limits the total volume of unsecured wholesale funding to manage the reliance on this funding source as part of the overall funding diversification.

Composition of HQLA

The average HQLA of € 216 billion has been calculated in accordance with the Commission Delegated Regulation (EU) 2015/61 and the EBA Guidelines on LCR disclosure to complement the disclosure of liquidity risk management under Article 435 CRR.

The HQLA as of March 31, 2024 of € 222 billion is primarily held in Level 1 cash and central bank reserves (58%) and Level 1 high quality securities (37%). This compares to € 219 billion at December 31, 2023 which was primarily held in Level 1 cash and central bank reserves (71%) and Level 1 high quality securities (26%).

Derivative exposures and potential collateral calls

The majority of outflows related to derivative exposures and other collateral requirements shown in item 11 below are in relation to derivative contractual cash outflows that are offset by derivative cash inflows shown below in item 19 Other cash inflows.

Other significant outflows included in item 11 relate to the impact of an adverse market scenario on derivatives based on the 24 month historical look back approach and the potential posting of additional collateral as a result of a 3 notch downgrade of Deutsche Bank's credit rating (as per regulatory requirements).

Currency mismatch in the LCR

The LCR is calculated for EUR and USD which have been identified as significant currencies (having liabilities > 5% of total group liabilities excluding regulatory capital and off-balance sheet liabilities) in accordance with the Commission Delegated Regulation (EU) 2015/61. In addition to the above the Group also calculates an LCR for the GBP currency. No explicit LCR risk appetite is set for the significant currencies. However, limits have been defined over the respective significant currency stressed Net Liquidity Position (sNLP). This allows the internal monitoring and management of risks stemming from currency mismatches that may arise from liquidity inflows and outflows over the short-term horizon.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

The Pillar 3 disclosure obligations require Banks to disclose twelve months rolling averages each quarter. The Group does not consider anything else relevant for disclosure.

Quantitative information on LCR

Article 451a CRR

EU LIQ1 – LCR disclosure template

	in € bn.	Total unweighted value (average)				Total weighted value (average)			
	Quarter ending on	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023
	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
	High-quality liquid assets								
1	Total high-quality liquid assets (HQLA)	–	–	–	–	216	215	214	217
	Cash-outflows								
2	Retail deposits and deposits from small business costumers	273	274	275	277	14	14	15	15
	of which:								
3	Stable deposits	128	131	131	131	6	7	7	7
4	Less stable deposits	59	60	62	65	8	8	8	8
5	Unsecured wholesale funding	233	231	233	240	102	101	100	103
	of which:								
6	Operational deposits (all counterparties) and deposits in network of cooperative banks	72	75	79	85	18	18	20	21
7	Non-operational deposits (all counterparties)	159	155	152	154	82	80	79	81
8	Unsecured debt	2	2	2	1	2	2	2	1
9	Secured wholesale funding	–	–	–	–	10	9	10	10
10	Additional requirements	231	226	224	224	78	77	76	76
	of which:								
11	Outflows related to derivative exposures and other collateral requirements	28	28	28	29	25	25	25	25
12	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0
13	Credit and liquidity facilities	203	197	195	195	53	51	51	51
14	Other contractual funding obligations	58	60	61	62	8	9	9	9
15	Other contingent funding obligations	271	267	268	268	3	2	2	2
16	Total cash outflows	–	–	–	–	215	212	212	215
	Cash - inflows								
17	Secured lending (e.g. reverse repos)	268	277	294	307	10	9	10	10
18	Inflows from fully performing exposures	49	49	50	52	37	36	36	37
19	Other cash inflows	13	13	13	12	13	13	13	12
EU 19a	Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies	–	–	–	–	3	3	3	3
EU 19b	Excess inflows from a related specialized credit institution	–	–	–	–	0	0	0	0
20	Total cash inflows	331	339	358	372	57	55	55	56
	of which:								
EU 20a	Fully exempt inflows	0	0	0	0	0	0	0	0
EU 20b	Inflows subject to 90 % cap	0	0	0	0	0	0	0	0
EU 20c	Inflows subject to 75 % cap	312	319	335	347	56	55	55	56
	Total adjusted value								
21	Liquidity buffer	–	–	–	–	216	215	214	217
22	Total net cash outflows	–	–	–	–	158	157	157	160
23	Liquidity coverage ratio (%)	–	–	–	–	136	137	137	136

List of tables

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