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Chairman of the Supervisory Board
Deutsche Bank AG

Speech
at the General Meeting of Deutsche Bank AG
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- Check against delivery -

Ladies and Gentlemen,

Last year, the German Stock Corporation Act was amended to include a provision allowing the company to opt to have the shareholders resolve on the compensation system for Management Board members at the General Meeting. We would like to make use of this possibility today. You will find the corresponding resolution proposal under Item 9 on our Agenda.

The resolution covers the Management Board compensation system as a whole. Before the invitations to the General Meeting were sent to you, we had already outlined the main aspects of our new compensation system on pages 118 and 119 of the Financial Report 2009. In accordance with statutory regulations, the Supervisory Board as a whole adopted a resolution on the compensation system after preparation by the Chairman's Committee.

Why did we change the compensation system?

- During the last year, numerous legal and regulatory provisions have been modified and new regulations have been established that have resulted in much more extensive obligations for financial institutions than, for example, for industrial companies. I will refrain from listing all of these individually.

What are the primary aims of the new requirements?

Allow me to mention only the most important ones here:

- The compensation structure should be aligned to the sustainable development of the company and should lead to appropriate total compensation.
- There should be an appropriate balance of fixed and variable pay, so that there isn't all too great a dependency on variable compensation, while the variable compensation should still be able to provide an effective performance incentive.
- Variable compensation components should be performance-linked and have a multi-year basis of assessment.

- Furthermore, a significant portion of the variable compensation should be payable on a deferred basis over several years.
- A major portion of this deferred – ideally equity-based – pay should be dependent on the financial institution’s long-term creation of value.

How did we address all these new regulations?

Deutsche Bank’s Management Board and the full Supervisory Board expressly adopted all the new regulations and resolved to implement them as quickly as possible. The extensive new provisions were therefore already taken into account when the variable compensation for the 2009 financial year was determined.

In addition, we reviewed the existing contractual agreements and aligned them to the new requirements through mutual agreement. For this, I would like to express my thanks to all the members of the Management Board.

I would now like to explain to you how we fulfilled these requirements.

The point of departure for implementation was our previous compensation system, which proved its worth in the past. First we performed a comprehensive market comparison of the leading European and U.S. banks that we consider to be our peers. For this, and for the overall conceptual work, we drew on the services of an independent, highly respected external compensation expert.

To fulfil the requirements we then made the following changes:

Our compensation system makes a distinction between fixed and variable compensation components. The variable component consists of the shorter term bonus and the Long-Term Performance Award. In a first step, the fixed compensation component was increased at the expense of the variable compensation. Here, the shorter-term component, i.e. the bonus, was reduced.

The bank’s profitability is decisive for the bonus, which is now based on a two-year average, compared to the previous one-year basis. After due considerations, we

decided to retain the return on equity, or RoE for short, as our benchmark for profitability. At a bank, profit and the capital used must always be considered together, which is what this key figure reflects. The bonus itself is determined on the basis of two factors. These involve the achievement of our pre-defined targets as well as the absolute level of our return on equity. The target values for the RoE are specified annually based on the planning figures. A cap applies when a target is exceeded by 50%, and if there is a target shortfall of more than 50%, there is no bonus. Furthermore, pursuant to requirements, individual performance must also be taken into account. This requirement is fulfilled in that the Supervisory Board may increase but may also reduce the bonus by up to 50%, if appropriate.

For the long-term compensation component, the two-year basis was replaced by a three-year structure. This component, which we refer to as the Long-Term Performance Award, is linked to the bank's performance compared to that of our peers. The benchmark used here is the total shareholder return, which reflects the change in the price of our share and the dividend paid. The development of this variable in comparison to the performance of a peer group provides the basis for calculating this component. Here too a cap has also been specified for this compensation component, in this case already when a target is exceeded by 25%. If the lower threshold is not reached, no payment is made. Our peer group comprises six of the leading international banks. Two of them are based in the euro area, two in "non-euro" European countries and another two in the USA. We were asked several times in the run-up to this General Meeting to name these financial institutions. I would therefore like to inform you that they are Banco Santander, Barclays, BNP Paribas, Credit Suisse, JPMorgan Chase and Goldman Sachs.

Furthermore, we introduced one other compensation component, called a Division Incentive, for our investment banking area, in line with customary industry practices. The Division Incentive is granted based on the performance of the division – for example, based on income before income taxes – but also in relation to our peers, the targets set as well as individual performance and risk aspects.

Once the variable compensation component has been determined, more than 60% of this amount is payable only on a deferred basis and only step-by-step. This means

that most of the variable compensation is generally disbursed in several tranches, over a period of almost four years. The fact that the deferred portion of the variable compensation for the 2009 financial year came to approximately 80% in individual cases shows that we consider 60% to be the lower limit here.

But that is not enough. The prospective deferred compensation, i.e. over 60%, is subject to claw backs and may have to be forfeited in whole or in part – due to the malus rule. Forfeiture occurs if, for instance, income before income taxes is negative in the relevant year, or there are individual negative performance contributions on the part of a Management Board member.

In addition, our deferred compensation, which as mentioned earlier comprises a ratio of more than 60%, is in turn made up of more than 50% equity or equity-linked instruments. For last year, this ratio was between 70% and 90% for individual members, i.e. far more than the 50% required by regulators.

Finally, there is one more far-reaching obligation: all Management Board members must hold 45% of the shares they receive for the entire term of their membership in the Management Board. This means that an equity component that is determined based on a one to three-year assessment period and is now paid out gradually over almost four years must be held almost completely on a permanent basis from a post-tax perspective. Only if share-based compensation exceeds 50% of the variable compensation in a given year does the requirement not apply to the portion exceeding 50%.

As you can see, our compensation system ensures that the interests of the Management Board members are aligned with those of our shareholders on a permanent basis, which very clearly underlines the sustainable, long-term nature of our compensation.

Ladies and Gentlemen,

Today, we are asking you to vote on the compensation system I have described and will be requesting your approval later on during the General Meeting.