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Risk & Capital Analysis

Deutsche Bank AG

Reporting Period: H1 2026 (30 June 2026)

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RISK VIEW
Risk Analytics for Financial Institutions

Produced by the Risk Analytics team
Dynamic Strategies

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Executive Summary

Overall Assessment: Stable

Key Findings

- Deutsche Bank's CET1 ratio of 13.92% at 30 June 2026 is 27bps below year-end 2025 and ranks 5 of 7 in the European peer group (median 14.0%). Record half-year earnings were absorbed by EUR 20.0bn of RWA growth and distributions, leaving MDA headroom of about 271bps over an 11.21% CET1 requirement.(5)(6)
- Profitability is improving but remains the weakest in the group: H1 2026 RoTE of 11.9% ranks 7 of 7 (median 14.8%) and cost/income of 60.9% ranks 6 of 7. Both improved year on year, from 11.0% and 62.3%, and the 2028 targets of RoTE above 13% and cost/income below 60% are within reach.(6)
- Headline asset quality is sound, with an EBA-basis NPL ratio of 2.00% (rank 3 of 7), but NPL coverage of 32.8% ranks 6 of 7. Investment Bank Stage 3 assets rose 33% year on year to EUR 5.6bn with only 22% coverage, the clearest pocket of credit deterioration.(5)(6)
- The output floor is the dominant long-term capital issue. In the EBA 2025 stress test Deutsche Bank's fully loaded CRR3 CET1 started at 9.7%, against 14.0% transitional, and fell 272bps peak-to-trough to 7.0%. On RiskView's shared rule the Adverse path ends at 11.2%, at the 11.21% requirement.(7)
- Liquidity and loss-absorbing capacity are solid: LCR 140.1% (12-month average), NSFR 118.0% and MREL 36.4% with a EUR 22.1bn surplus. Leverage is tighter: the 4.50% ratio ranks 5 of 7 and is only 90bps above requirement after leverage exposure grew EUR 72.5bn in H1.(5)
- Credit rating momentum is positive: Moody's (A1), S&P (A) and Fitch (A+) all carry positive outlooks, and Fitch upgraded the Long-Term IDR by two notches in May 2026 following a criteria update.(6)

Key Metrics Dashboard

Metric	Value	Status	Comment
CET1 Ratio (13.9%)	13.9%	AMBER	Rank 5 of 7; 27bps below YE2025
MDA Headroom (271bps)	271bps	AMBER	About 70bps above 200bps management floor
Leverage Ratio (4.5%)	4.5%	AMBER	90bps over requirement; exposure rising
LCR (140%)	140%	GREEN	12m average; below peer median 140%
NSFR (118%)	118%	GREEN	Adequate; peer median 122%
MREL (36.4%)	36.4%	GREEN	EUR 22.1bn surplus over 30.4% requirement
NPL Ratio (2.0%)	2.00%	GREEN	EBA basis; rank 3 of 7; stable
NPL Coverage (33%)	33%	RED	Rank 6 of 7; IB Stage 3 cover 22%
Cost of Risk (41bps)	41bps	AMBER	Above ~30bps 2028 run-rate guidance
RoTE (11.9%)	11.9%	AMBER	Lowest of 7; median 14.8%
Cost/Income (60.9%)	60.9%	AMBER	Rank 6 of 7; improved 1.4pp YoY
Fully Loaded CET1 (9.7%)	9.7%	RED	EBA 2025 CRR3 start; output floor drag

Improving: capital and risk metrics trending positively. Stable: metrics broadly unchanged. Deteriorating: material weakening in key risk di

(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).

(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.

(7) EBA, 2025 EU-wide stress test results, Annex tables A1 (transitional) and A2 (fully loaded), 1 August 2025.

Macroeconomic Context

Germany enters the second half of 2026 with a recovery that has been interrupted rather than reversed. After stagnating in 2024, real GDP grew only 0.2% in 2025. The Bundesbank's June 2026 forecast sees calendar-adjusted growth of just 0.5% in 2026 and 0.8% in 2027, before 1.4% in 2028.(1) Expansionary fiscal policy, including additional defence spending and public investment, broadly offsets the drag from the Middle East conflict. Potential growth, however, is estimated at only 0.3% to 0.4% a year, so the fiscal impulse flatters cyclical growth rather than lifting the trend.

The energy price shock has reversed the disinflation of 2024 and 2025. HICP inflation is projected at 2.9% in 2026 and 2.7% in 2027, falling below 2% only in 2028.(1) The European Commission expects unemployment to edge up to 4.0% in 2026. The ECB has responded by tightening: it raised the deposit facility rate by 25bps to 2.25% in June 2026, its first hike since 2023, held in July, and raised it again to 2.50% on 10 September 2026, effective 16 September.(4)

For Deutsche Bank the environment cuts both ways. Higher policy rates support net interest income from its deposit franchise and structural hedge. At the same time, a stagnating domestic economy, higher refinancing costs and energy-intensive industrial clients raise credit risk in German corporate lending and in commercial real estate, where the bank's stressed exposure is concentrated in the United States.

Macro Projections: Germany

Indicator	2024	2025	2026E	2027E	Source
Real GDP growth (unadjusted)	0.0%	0.2%	0.7%	0.9%	(3) actual; (1)
Real GDP, calendar-adjusted	n/a	0.3%	0.5%	0.8%	(1)
Real GDP (EC forecast)	n/a	0.2%	0.6%	0.9%	(2)
HICP inflation	2.5%	2.3%	2.9%	2.7%	(3) actual; (1)
Core HICP (ex energy, food)	n/a	2.8%	2.6%	2.5%	(1)
Unemployment rate (ILO)	3.5%	3.8%	4.0%	3.9%	(3) actual; (2)
ECB deposit rate, year-end	3.00%	2.00%	2.50% Sep	n/a	(4)
Euro area HICP (ECB staff)	n/a	n/a	3.0%	2.5%	(4)

Medium-Term Outlook for Deutsche Bank's Business Model

- Rate tailwind for net interest income: the Pillar 3 IRRBB disclosure shows the bank positioned for higher rates. A parallel down shock would cut one-year NII by EUR 682m, while a parallel up shock costs only EUR 63m.(5) Continued ECB tightening therefore supports NII in 2026 and 2027.
- German corporate credit in a stagnating industrial economy: management has identified second-order risks from the Middle East conflict in Manufacturing and Engineering, Transportation, Automotive, and Steel, Metals and Mining, and partly retained a macroeconomic management overlay in Q2 2026.(6) These are the sectors most exposed to a prolonged energy shock.
- Commercial real estate is stabilising but not resolved: the stress-tested CRE portfolio shrank to EUR 23.4bn, yet its Stage 3 exposure rose to EUR 4.1bn. The weighted average LTV on US office loans is 92% (see Section 3).
- Regulatory headwinds are back-loaded: the CRR3 output floor applies at a 55% factor in 2026 with no RWA add-on today, and FRTB market-risk rules start on 1 January 2027.(5) The EBA 2025 exercise put the bank's fully loaded CRR3 CET1 at 9.7% for end-2024 (Section 5), showing how much the fully phased-in floor would bind before mitigation.
- The Investment Bank is the growth engine and the risk concentration: it carries EUR 147.1bn of RWA, 40% of the group total, and EUR 696bn of leverage exposure, up 18% year on year. Fixed income trading benefits from volatility, but the segment also drives Stage 3 growth and leverage consumption.
- Private Bank restructuring: management completed all 100 branch closures planned for 2026 and agreed to sell the Indian retail and wealth franchise to Kotak Mahindra Bank.(6)

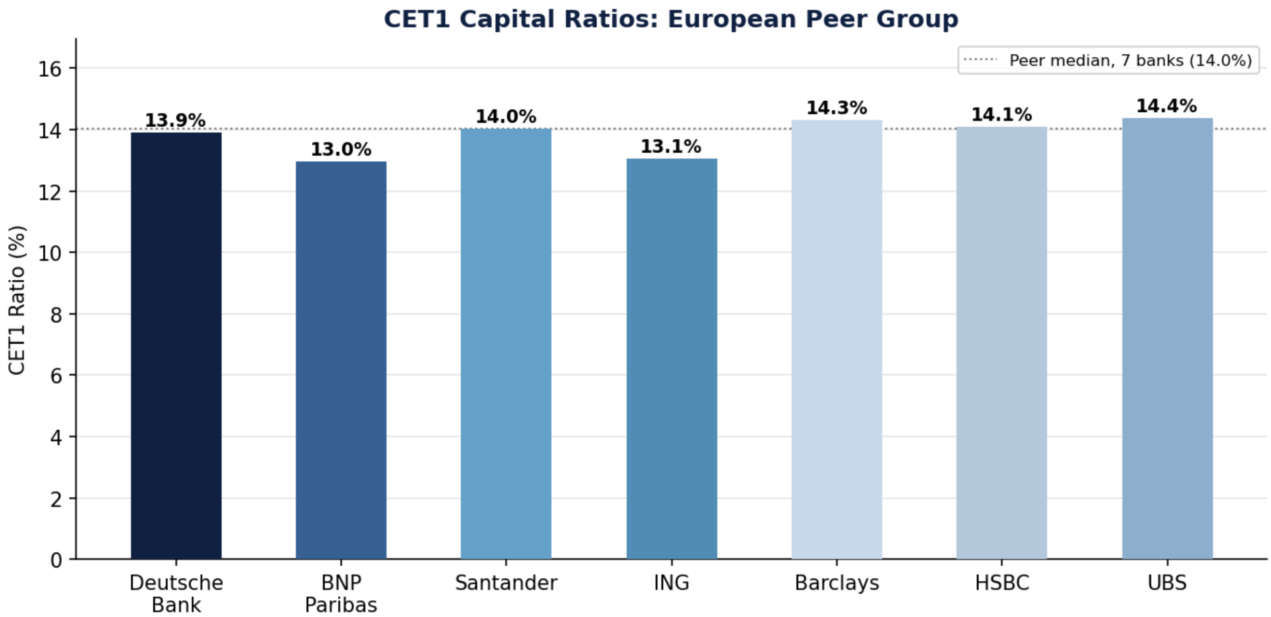
(1) Deutsche Bundesbank, Forecast for Germany: press release and projection table, 12 June 2026.
(4) ECB monetary policy decisions of 11 June, 23 July and 10 September 2026; ECB key interest rate history.
(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).
(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.

1. Capital Position

Deutsche Bank reported a CET1 ratio of 13.92% at 30 June 2026, inside management's 13.5% to 14.0% operating range but 27bps below the 14.19% of year-end 2025 and 32bps below a year earlier.(5) The decline is a denominator story. CET1 capital rose EUR 1.8bn in the half to EUR 51.1bn, but RWA grew EUR 20.0bn to EUR 367.2bn. Credit risk RWA added EUR 16.6bn from Investment Bank growth, model changes and FX, market risk RWA EUR 1.9bn as VaR rose with Middle East volatility, and operational risk EUR 2.1bn from the updated business indicator. In Q2 alone, net income added 45bps of CET1, deductions for the 60% payout took 27bps and RWA growth 18bps.(6)

The Tier 1 ratio of 17.18% and total capital ratio of 19.03% rank 3 of 7 and 4 of 7 respectively. The leverage ratio is the tighter constraint. At 4.50% it ranks 5 of 7, sits 90bps above the 3.60% overall leverage requirement, and has fallen 22bps in a year as leverage exposure grew to EUR 1.40tn. RWA density of 24.1% is the second lowest in the peer group (median 26.4%), consistent with an IRB-heavy, trading-intensive balance sheet.

CET1 Capital Ratios: European Peer Group



Capital Ratios Comparison

Metric	Deutsche	BNP Par.	Santander	ING	Barclays	HSBC	UBS	Median
CET1 ratio	13.9%	13.0%	14.0%	13.1%	14.3%	14.1%	14.4%	14.0%
Tier 1 ratio	17.2%	15.5%	15.7%	15.7%	18.0%	16.7%	19.1%	16.7%
Total capital	19.0%	17.7%	18.8%	18.7%	20.3%	19.7%	19.1%	19.0%
Leverage ratio	4.5%	4.4%	4.8%	4.2%	4.9%	4.9%	5.8%	4.8%
MDA headroom	271bps	254bps	401bps	197bps	210bps	300bps	355bps	271bps
MREL/TLAC	36.4%	27.1%	40.9%	32.5%	36.7%	33.0%	38.4%	36.4%

Capital Requirements, MDA Headroom and the Output Floor

The MREL/TLAC row mixes bases: Deutsche Bank, Santander, ING and Barclays show MREL; BNP Paribas shows TLAC; HSBC shows TLAC summed across its resolution groups; and UBS shows Swiss TLAC.

(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).

(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.

(7) EBA, 2025 EU-wide stress test results, Annex tables A1 (transitional) and A2 (fully loaded), 1 August 2025.

Deutsche Bank's CET1 requirement is 11.21%. It comprises the 4.50% Pillar 1 minimum, the 1.60% CET1 share of a 2.85% Pillar 2 requirement, and a 5.11% combined buffer made up of the 2.50% conservation buffer, 2.00% O-SII buffer, 0.48% countercyclical buffer and 0.13% systemic risk buffer.(5) From 2026 the G-SII buffer fell to 1.00% from 1.50%, so the O-SII buffer now binds and the combined buffer barely changed. The leverage ratio buffer fell to 0.50% from 0.75%, and the Pillar 2 requirement to 2.85% from 2.90%. MDA headroom is about 271bps (EUR 10bn on the bank's figures), 29bps lower than a year earlier.(6) Management commits to a minimum 200bps buffer, which leaves roughly 70bps of discretionary room.

Loss-absorbing capacity is ample: MREL was 36.41% of RWA against a 30.40% requirement, a EUR 22.1bn surplus, and TLAC 31.86% of RWA and 8.36% of leverage exposure. The CRR3 output floor, at a 55% factor in 2026, generated no RWA add-on at 30 June 2026, and FRTB has been postponed to 1 January 2027. The fully phased-in floor is a different matter. The EBA restated Deutsche Bank's end-2024 fully loaded CET1 at 9.7% under CRR3, against 13.5% on the CRR2 fully loaded basis. That implies roughly 380bps of eventual pressure before optimisation and mitigation.(7)

RWA Composition (30 June 2026)

Risk type	EUR bn	Share	Comment
Credit risk (excl. CCR)	224.3	61.1%	79% under IRB approaches
Counterparty credit and CVA	23.0	6.3%	IMM-led; CVA on basic approach
Securitisation (banking book)	17.9	4.9%	SEC-IRBA and SEC-SA
Market risk	22.9	6.2%	EUR 19.8bn under internal models
Operational risk	65.3	17.8%	Standardised approach
Other (threshold, settlement)	13.8	3.8%	250% RW threshold items
Total RWA	367.2	100.0%	Density 24.1% of total assets

2. Liquidity Position

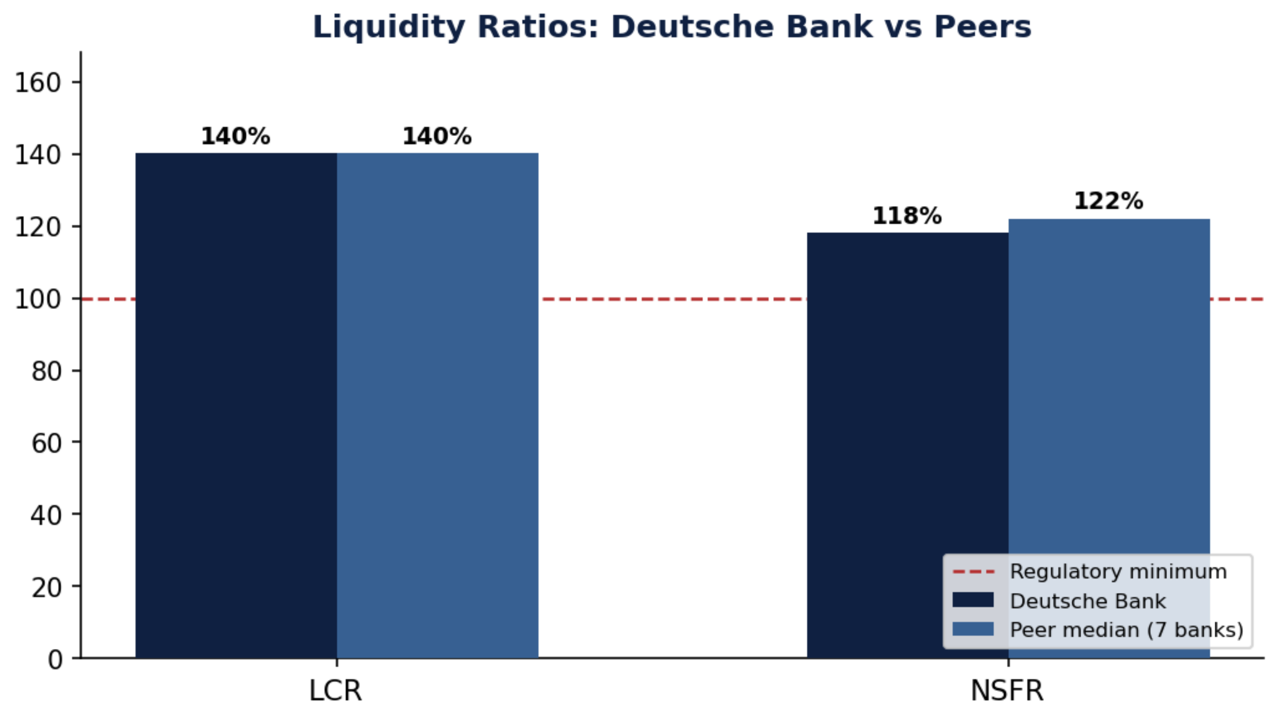
Liquidity is comfortable in absolute terms but mid-table against peers. The LCR averaged 140.1% over the 12 months to June 2026 on the Pillar 3 basis, up from 132.7% a year earlier, with average weighted HQLA of EUR 246.5bn. The quarter-end LCR was also 140%, with quarter-end HQLA of EUR 237bn.(5)(6) The NSFR was 118.0%, down from 120.4% a year earlier. Both ratios rank 4 of 7 against peers (LCR median 140.1%, NSFR median 122.0%).

The funding base is deposit-led. Deposits of EUR 698bn fund loans of EUR 491bn, a loan-to-deposit ratio of 70.3%, with the Corporate Bank (EUR 328bn) and Private Bank (EUR 331bn) providing the core. Wholesale issuance is on plan: about EUR 7.9bn of the EUR 10-15bn 2026 funding plan had been issued by end-June, including a EUR 1.25bn AT1 in May, while a GBP 650m AT1 was called in April.(10)

LCR bases differ: Deutsche Bank, BNP Paribas, ING, Barclays and HSBC report 12-month averages, Santander a 12-month average to 31 March 2026 and UBS a quarterly average. Peer LCR comparisons are therefore indicative.

(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).
(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.
(10) Deutsche Bank, Key updates communicated during Q2 2026, 30 June 2026.

Liquidity Ratios vs Peers



Liquidity and Funding Metrics

The MREL/TLAC row mixes bases: Deutsche Bank, Santander, ING and Barclays show MREL; BNP Paribas shows TLAC; HSBC shows TLAC summed across its resolution groups; and UBS shows Swiss TLAC.

Metric	Deutsche Bank	Peer median	DB rank
LCR	140.1%	140.1%	4 of 7
NSFR	118.0%	122.0%	5 of 7
MREL/TLAC	36.4%	36.4%	4 of 7
HQLA, EURbn	246	300	n/a

3. Asset Quality

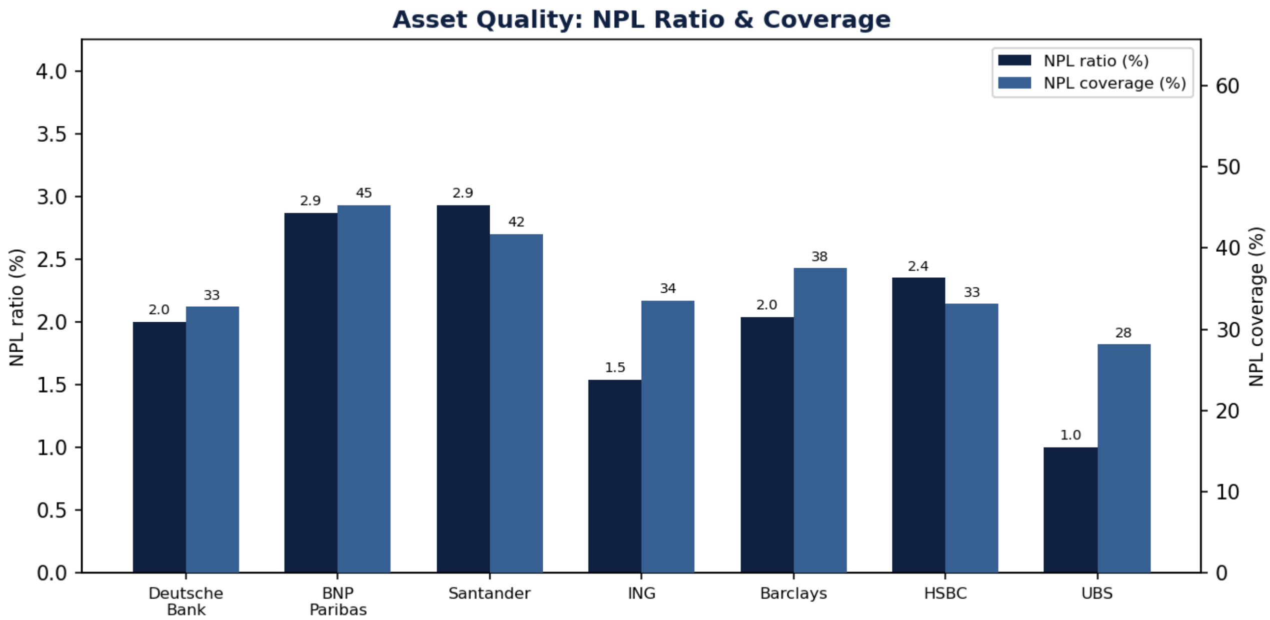
Headline asset quality is stable. RiskView computes Deutsche Bank's NPL ratio on the EBA definition from Pillar 3 template EU CR1, as gross non-performing loans and advances over gross loans and advances. On that basis it was 2.00% at 30 June 2026, against 2.07% at year-end 2025 and 2.04% a year earlier.(5)(8) NPL coverage, also computed from CR1 as accumulated impairment on non-performing loans over gross NPLs before collateral, was 32.8%. That ranks 6 of 7 against a peer median of 33.5%. Low coverage partly reflects collateralised lending in mortgages, CRE and Lombard loans, but it leaves a thinner cushion if collateral values fall.

IFRS 9 staging shows improvement in aggregate. Stage 2 loans at amortised cost fell to 9.9% of the book from 12.2% a year earlier, and Stage 3 was broadly stable at 3.2%. Cost of risk rose to 40.6bps annualised in H1 2026 from 37.4bps in H1 2025. That includes about EUR 120m in Q2 for a planned, capital-accretive exit of non-performing exposures.(6)

The pressure points are the Investment Bank and commercial real estate. Investment Bank Stage 3 financial assets at amortised cost rose 33% year on year to EUR 5.6bn with Stage 3 coverage of only 22%. In CRE, the stress-tested portfolio fell to EUR 23.4bn, but its Stage 3 exposure rose to EUR 4.1bn from EUR 3.6bn at year-end.(6) Gross NPL inflows of EUR 3.9bn in H1 2026 outpaced outflows of EUR 3.5bn, lifting the NPL stock to EUR 16.1bn.(5)

(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).
(8) Deutsche Bank, Pillar 3 Reports as of 30 June 2025 and 31 December 2025; Q4 2025 Financial Data Supplement.
(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.

NPL Ratio and Coverage: Peer Comparison



Asset Quality Trajectory

Metric	H1 2025	FY 2025	H1 2026	Direction
NPL ratio (EBA, CR1)	2.04%	2.07%	2.00%	Stable
NPL coverage (CR1)	31.1%	31.3%	32.8%	Slightly higher
Stage 2 ratio (loans at AC)	12.2%	10.9%	9.9%	Improving
Stage 3 ratio (loans at AC)	3.1%	3.2%	3.2%	Stable
Stage 3 coverage (bank)	31%	31%	33%	Slightly higher
Cost of risk (annualised)	37bps	36bps	41bps	Rising
IB Stage 3 assets, EURm	4,187	4,979	5,580	Deteriorating
Stress-tested CRE, EURbn	n/a	24.3	23.4	Shrinking
of which Stage 3, EURbn	n/a	3.6	4.1	Rising

Credit Concentrations to Watch

- Stress-tested CRE (EUR 23.4bn, 49% North America, about 10% Germany): Stage 2 exposure fell to EUR 4.7bn from EUR 6.3bn as loans migrated to Stage 3 or repaid, and forborne exposure was EUR 4.8bn. The weighted average LTV on US office loans rose to 92% from 88% (75% net of allowances). Management's bespoke stress test implies about EUR 1.3bn of losses over several years, against an allowance of EUR 1.1bn.(6)
- Investment Bank credit: Stage 3 assets of EUR 5.6bn carry 22% coverage, against 42% in the Private Bank. Q2 Stage 3 provisions of EUR 562m, up from EUR 300m a year earlier, reflect targeted asset sales in the Investment Bank, so part of the rise is de-risking rather than new defaults.(6)
- Private Bank retail lending: management is running down lower-return retail lending and has reclassified EUR 2.7bn of Indian loans to held for sale. Private Bank Stage 3 assets fell 9% year on year, a positive offset to the Investment Bank trend.(6)

(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.

4. Market Risk & Trading

Deutsche Bank runs one of Europe's largest fixed income and currencies trading franchises, and its market risk rose in H1 2026. Trading assets grew 15% in the half to EUR 176.6bn and positive derivative market values to EUR 275.8bn.(6) Regulatory VaR (99%, 10-day) averaged EUR 88.1m over the half, up from EUR 57.4m in H2 2025. It peaked at EUR 168.1m and ended the period at EUR 133.2m. Stressed VaR averaged EUR 201.8m and the incremental risk charge EUR 498.8m.(5) Market risk RWA was EUR 22.9bn, EUR 19.8bn of it under internal models. It rose EUR 1.9bn in H1 on higher VaR, partly offset by a change in the stressed VaR window.

Banking book interest rate risk is contained on an economic value basis. The worst of the six supervisory shocks is a parallel up shift, which would reduce economic value of equity by EUR 6.7bn, 10.6% of Tier 1 capital and inside the 15% supervisory outlier threshold. On earnings the bank is positioned for higher rates: a parallel down shock would cut one-year NII by EUR 682m (EUR 592m at year-end 2025), while a parallel up shock costs EUR 63m. The larger downside to falling rates is a deliberate choice to stabilise NII, and the ECB's 2026 hikes make it a near-term tailwind.

Trading Book Scale

EUR bn	30 Jun 2026	31 Dec 2025	Change
Trading assets	176.6	153.8	+15%
Positive derivative market values	275.8	241.3	+14%
Negative derivative market values	260.1	225.8	+15%
Trading liabilities	47.9	42.9	+12%
Market risk RWA	22.9	21.1	+9%

Trading Book: Internal Model Measures (EU MR3)

IMA measure (EUR m)	H1 26 avg	H1 26 max	30 Jun 26	H2 25 avg
VaR (99%, 10-day)	88.1	168.1	133.2	57.4
Stressed VaR (99%, 10-day)	201.8	526.1	162.6	176.5
Incremental risk charge (99.9%)	498.8	611.1	390.8	490.5

IRRBB: EVE and NII Sensitivities, EUR m (EU IRRBB1)

Supervisory shock	EVE Jun-26	EVE Dec-25	NII Jun-26	NII Dec-25
Parallel up	-6,694	-6,702	-63	36
Parallel down	1,647	1,430	-682	-592
Steepener	-875	-744	103	-48
Flattener	-692	-832	-290	-110
Short rates up	-2,308	-2,510	-268	-78
Short rates down	868	791	-416	-426

Backtesting and the FRTB Transition

Model performance is clean. In H1 2026 the bank recorded one buy-and-hold backtesting outlier, in early March 2026 amid Middle East volatility, and two April 2025 outliers dropped out of the one-year window. That leaves one buy-and-hold outlier and no actual P&L outliers over 12 months, well inside the Basel green zone.(5) The larger uncertainty is regulatory. The EU has postponed FRTB to 1 January 2027, so the switch from today's VaR, stressed VaR and IRC models to expected shortfall, desk-level approval and default risk charges is still ahead. For a trading book of this scale, desks that fail P&L attribution would move to the standardised

(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.
(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).

approach, and the bank has not yet quantified the day-one effect.

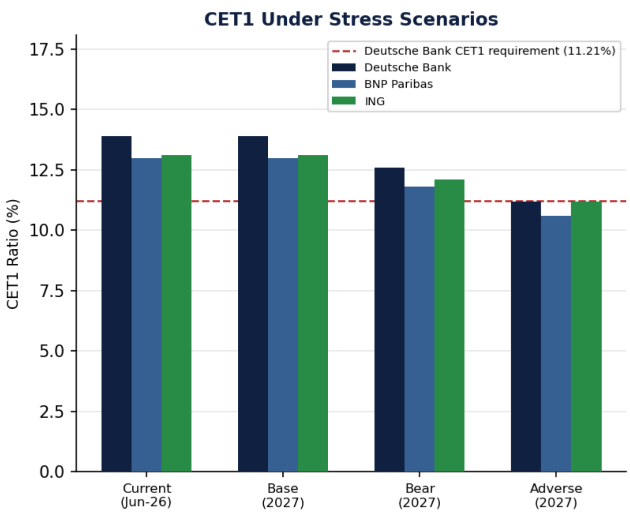
5. Stress Test Results

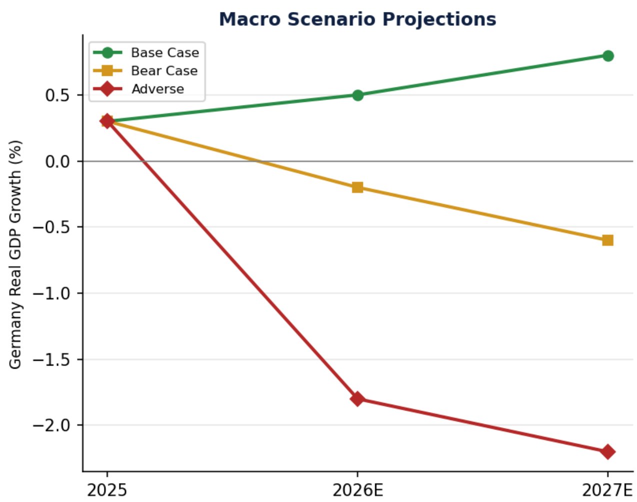
Deutsche Bank's latest supervisory stress test is the EBA 2025 EU-wide exercise, published on 1 August 2025. It applied a three-year adverse scenario to end-2024 balance sheets under a static balance sheet assumption.(7) Results are reported on two bases, and for Deutsche Bank they differ unusually widely.

On a transitional basis, CET1 starts at 14.0% (CRR3 restated), falls to a low of 9.2% in 2025 and ends 2027 at 10.2%. That is a peak-to-trough depletion of 477bps and an end-point depletion of 378bps. On a fully loaded basis, which applies CRR3 including the output floor as if fully phased in, the start is only 9.7%, the low is 7.0% in 2025 and end-2027 is 7.4%, a peak-to-trough depletion of 272bps. The fully loaded start is 430bps below the transitional one. That gap is the most important number for Deutsche Bank's long-term capital planning, because it measures how much the output floor would bind on the end-2024 balance sheet before optimisation.

RiskView's shared scenario rule deducts each bank's fully loaded peak-to-trough depletion, so all EU banks are on one basis. Applied to the 30 June 2026 CET1 ratio of 13.9%, the Bear path ends at 12.6% and the Adverse path at 11.2%, essentially at the 11.21% CET1 requirement. BNP Paribas and ING end at 10.6% and 11.2% against their own, lower requirements.(11) Deutsche Bank's resilience therefore rests on earnings and management actions (distribution cuts, RWA optimisation, risk transfer), which the static-balance-sheet EBA methodology does not credit.

Scenario Analysis: CET1 Paths and Macro Projections





(7) EBA, 2025 EU-wide stress test results, Annex tables A1 (transitional) and A2 (fully loaded), 1 August 2025.
(11) RiskView H1 2026 peer dataset: BNP Paribas, Santander, ING, Barclays, HSBC, UBS disclosures (see Appendix).

Scenario Assumptions

Variable	Base Case	Bear Case	Adverse
Germany real GDP 2026	+0.5%	-0.2%	-1.8%
Germany real GDP 2027	+0.8%	-0.6%	-2.2%
Unemployment rate 2027	3.9%	4.6%	5.8%
HICP inflation 2027	2.7%	3.4%	2.0%
ECB deposit rate, end-2027	2.50%	3.00%	1.75%
DB cost of risk, 2027	~35bps	~60bps	~110bps
DB CET1, 2027 (RiskView rule)	13.9%	12.6%	11.2%
Headroom to CET1 requirement	~270bps	~140bps	~0bps

Scenario Narrative

- Base Case: anchored to the Bundesbank's June 2026 forecast and the Commission's Spring 2026 forecast.(1)(2) GDP grows 0.5% in 2026 and 0.8% in 2027, inflation eases to 2.7% and the deposit rate is held at 2.50% as an assumption, since the ECB does not pre-commit. Organic capital generation funds the 60% payout and business growth, and CET1 holds near 13.9%, inside the 13.5% to 14.0% operating range.
- Bear Case (RiskView illustrative): the Middle East energy shock persists, the ECB tightens further and German industry slips into recession, with GDP contracting 0.2% in 2026 and 0.6% in 2027. US office CRE refinancing and German mid-cap corporates drive cost of risk towards 60bps. CET1 falls to about 12.6%, 140bps above the requirement and inside the 200bps management floor, so the buyback programme would likely be paused.
- Adverse Scenario (RiskView illustrative, calibrated to EBA 2025 fully loaded severity): a severe recession with GDP down 1.8% in 2026 and 2.2% in 2027, unemployment near 6%, and sharp falls in CRE values and trading revenues.(7) CET1 falls to about 11.2%, at the MDA trigger, restricting dividends, buybacks and potentially AT1 coupons until RWA reduction and retained earnings rebuild the buffer.

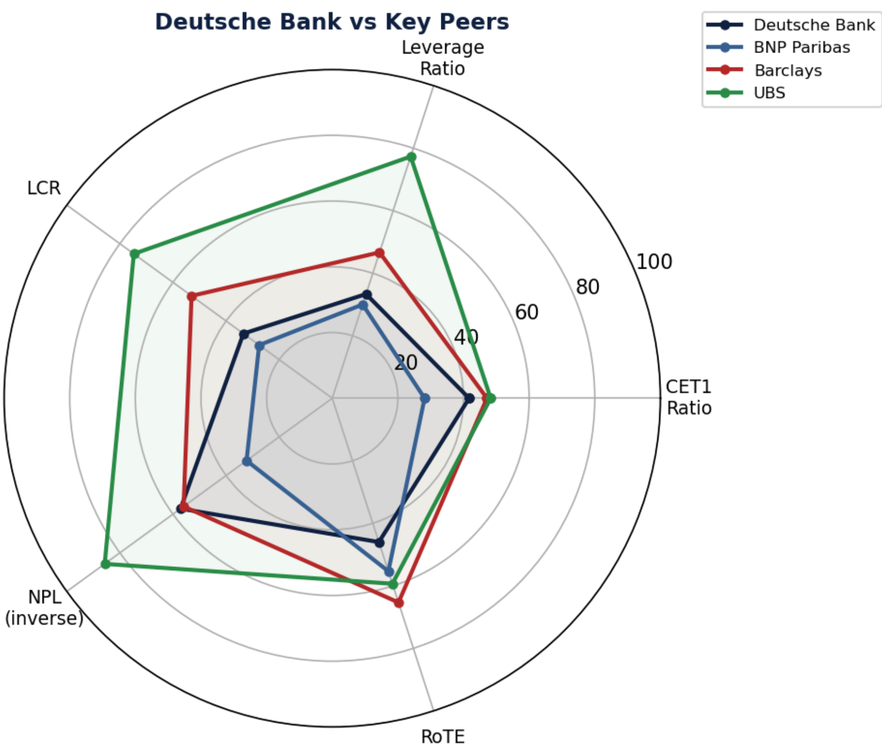
6. Peer Comparison

The seven-bank European peer group ranges from ING (EUR 1,161bn of total assets) to BNP Paribas (EUR 3,084bn). Deutsche Bank sits mid-table on size at EUR 1,521bn and mid-table on capital and liquidity. It ranks 5 of 7 on CET1, 5 of 7 on leverage and 4 of 7 on LCR, is strong on headline asset quality (3 of 7 on the NPL ratio) and last on RoTE.(11)

Cross-jurisdiction comparisons need care. The EU banks report the EBA NPL ratio, while Barclays, HSBC and UBS report credit-impaired or Stage 3 ratios and Santander a management measure. LCR bases differ: Deutsche Bank, BNP Paribas, ING, Barclays and HSBC report 12-month averages, Santander a 12-month average to 31 March 2026 and UBS a quarterly average. UK leverage ratios exclude central bank claims. The methodology appendix sets out these differences.

(1) Deutsche Bundesbank, Forecast for Germany: press release and projection table, 12 June 2026.
(2) European Commission, Spring 2026 Economic Forecast: Germany, 21 May 2026.
(7) EBA, 2025 EU-wide stress test results, Annex tables A1 (transitional) and A2 (fully loaded), 1 August 2025.
(11) RiskView H1 2026 peer dataset: BNP Paribas, Santander, ING, Barclays, HSBC, UBS disclosures (see Appendix).

Metric	Deutsche	BNP Par.	Santander	ING	Barclays	HSBC	UBS	Median
CET1 ratio	13.9%	13.0%	14.0%	13.1%	14.3%	14.1%	14.4%	14.0%
Leverage ratio	4.5%	4.4%	4.8%	4.2%	4.9%	4.9%	5.8%	4.8%
LCR	140.1%	134.8%	147.0%	137.0%	157.7%	134.0%	177.3%	140.1%
NSFR	118.0%	108.6%	122.0%	127.7%	135.8%	140.0%	115.0%	122.0%
NPL ratio	2.0%	2.9%	2.9%	1.5%	2.0%	2.4%	1.0%	2.0%
NPL coverage	32.8%	45.3%	41.7%	33.5%	37.5%	33.1%	28.1%	33.5%
RoTE	11.9%	13.3%	17.4%	15.3%	14.8%	18.2%	13.9%	14.8%
Cost/income	60.9%	59.3%	42.8%	52.1%	55.0%	46.2%	72.7%	55.0%
Total assets, EURbn	1,521	3,084	1,954	1,161	2,008	3,018	1,498	1,954
H1 net income, EURbn	4	8	9	4	5	13	5	5



Commentary

- Among the euro area banks, Deutsche Bank's CET1 of 13.9% is above BNP Paribas (13.0%) and ING (13.1%) but below Santander (14.0%). Its MDA headroom of 271bps sits between BNP Paribas (254bps) and Santander (401bps).(11)
- The returns gap is structural: RoTE of 11.9% is 2.9pp below the peer median and 6.3pp below HSBC (18.2%). Deutsche Bank's capital-intensive trading and corporate franchises earn less per unit of tangible equity than the retail-led models of Santander and ING.
- Efficiency lags too: cost/income of 60.9% compares with 42.8% at Santander and a median of 55.0%; only UBS (72.7%) is higher.
- NPL coverage of 32.8% is well below BNP Paribas (45.3%) and Santander (41.7%), and only UBS (28.1%) is lower. Coverage definitions differ, and Santander's ratio is not on the EBA basis.
- Balance sheet intensity: RWA density of 24.1% is the second lowest after Barclays (21.1%). Deutsche Bank's 4.5% leverage ratio compares with 4.9% at Barclays and 4.9% at HSBC, whose UK leverage measure excludes central bank reserves.

(11) RiskView H1 2026 peer dataset: BNP Paribas, Santander, ING, Barclays, HSBC, UBS disclosures (see Appendix).

7. Year-over-Year Changes

Year on year, Deutsche Bank's profile shows better earnings and efficiency, funded by a thinner capital and leverage cushion. H1 2026 profit attributable to shareholders rose 9% to EUR 3.55bn, from EUR 3.26bn.(6)

Metric	H1 2025	FY 2025	H1 2026	vs H1 2025
CET1 ratio	14.2%	14.2%	13.9%	Weaker
Leverage ratio	4.7%	4.6%	4.5%	Weaker
LCR	132.7%	137.2%	140.1%	Improved
NPL ratio	2.0%	2.1%	2.0%	Improved
RoTE	11.0%	10.3%	11.9%	Improved
Cost/income	62.3%	64.4%	60.9%	Improved

- Capital: CET1 fell 32bps to 13.92% and the leverage ratio 22bps to 4.50% as RWA and leverage exposure outgrew retained earnings, while the FY2025 dividend rose 47% to EUR 1.00 per share and a second EUR 500m buyback was approved for H2 2026.(6)
- Liquidity: the 12-month average LCR rose 7.5pp to 140.1%, while the NSFR slipped 2.4pp to 118.0%.(5)
- Asset quality: the EBA NPL ratio was essentially flat (2.04% to 2.00%), NPL coverage edged up 1.6pp to 32.8%, and the Stage 2 ratio fell 2.3pp. Investment Bank Stage 3 assets rose sharply, however.
- Profitability: RoTE improved 0.9pp to 11.9% and cost/income 1.4pp to 60.9%, on 5% revenue growth and cost discipline.
- Ratings and requirements: Fitch upgraded the Long-Term IDR two notches to A+, Moody's moved its deposit outlook to positive, the G-SII buffer fell to 1.00%, and the Pillar 2 requirement eased to 2.85%.(9)

8. Potential Improvements

Deutsche Bank has completed the turnaround phase and now needs to convert record earnings into durable capital strength before the output floor phases in. The scorecard shows a bank that is adequate on most prudential dimensions but lags on returns, efficiency and coverage. The priorities below address the gap between current performance and the resilience expected of a globally systemic trading bank.

Deutsche Bank: Areas for Improvement

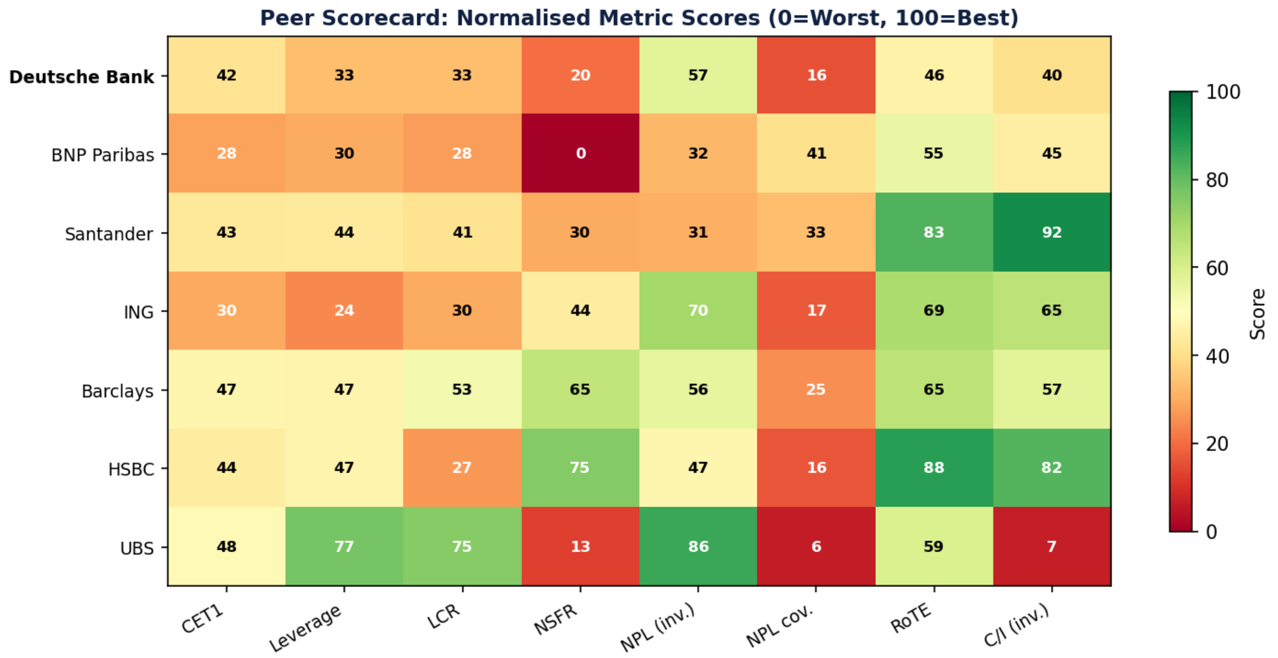
- Publish a fully loaded CRR3 capital path: with a 9.7% fully loaded CET1 at end-2024 in the EBA exercise against a 13.9% reported ratio today, investors need a disclosed estimate of the fully phased-in output floor impact, the planned mitigation (data quality, SA optimisation, risk transfer) and a glide path to 2030.(7)
- Rebuild the MDA cushion before expanding distributions: about 70bps of room above the 200bps management floor is thin for a bank whose illustrative Adverse path reaches the MDA trigger. Operating at the top of the 13.5% to 14.0% range until the floor impact is clearer would reduce distribution risk.
- Set a binding leverage exposure budget for the Investment Bank: leverage exposure grew EUR 72.5bn in six months and the Investment Bank now consumes EUR 696bn, leaving 90bps of leverage headroom. Leverage, not RWA, is becoming the constraint on balance sheet growth.(6)
- Raise provisioning on Investment Bank Stage 3 and CRE: Stage 3 coverage of 22% in the Investment Bank and a CRE stress loss estimate above the existing allowance argue for faster provisioning or further NPE sales, rather than letting coverage trail peers at 32.8%.
- Close the profitability gap: RoTE of 11.9% is the lowest in the peer group. Delivering the 2028 targets (RoTE above 13%, cost/income below 60%) requires the EUR 2bn operating efficiency programme to land while the EUR 1.5bn investment plan is executed.
- Quantify FRTB before go-live: with EUR 19.8bn of market risk RWA under internal models, the bank should disclose the expected

(6) Deutsche Bank H1 2026 results: Interim Report, Q2 2026 Financial Data Supplement and presentations, 29-30 July 2026.
(5) Deutsche Bank, Pillar 3 Report as of 30 June 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1).
(9) Moody's issuer comment 29 Jul 2026; S&P tear sheet 4 Aug 2026; Fitch rating actions 12 May and comment 6 Aug 2026.
(7) EBA, 2025 EU-wide stress test results, Annex tables A1 (transitional) and A2 (fully loaded), 1 August 2025.

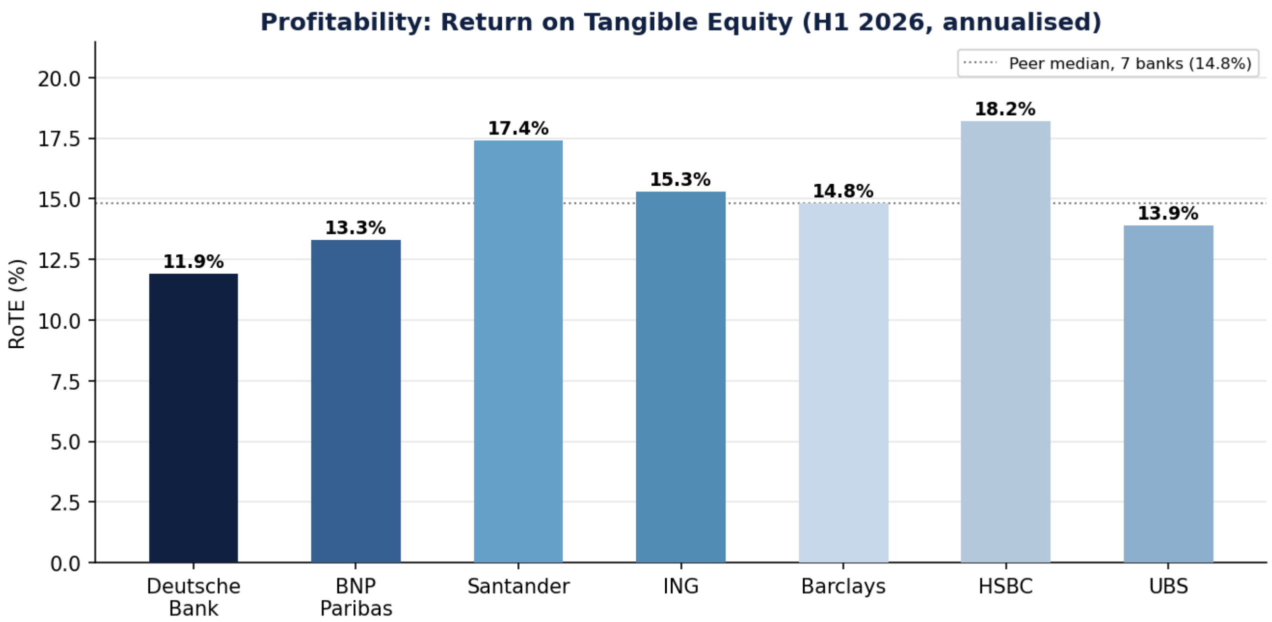
FRTB day-one impact and the desks at risk of failing the P&L attribution test ahead of 1 January 2027.

- Improve comparability of credit disclosures: publishing the EBA NPL ratio to two decimals, CR1-based coverage and the fully loaded CRR3 CET1 ratio in quarterly results materials would align headline credit metrics with the Pillar 3 basis used by EU peers.

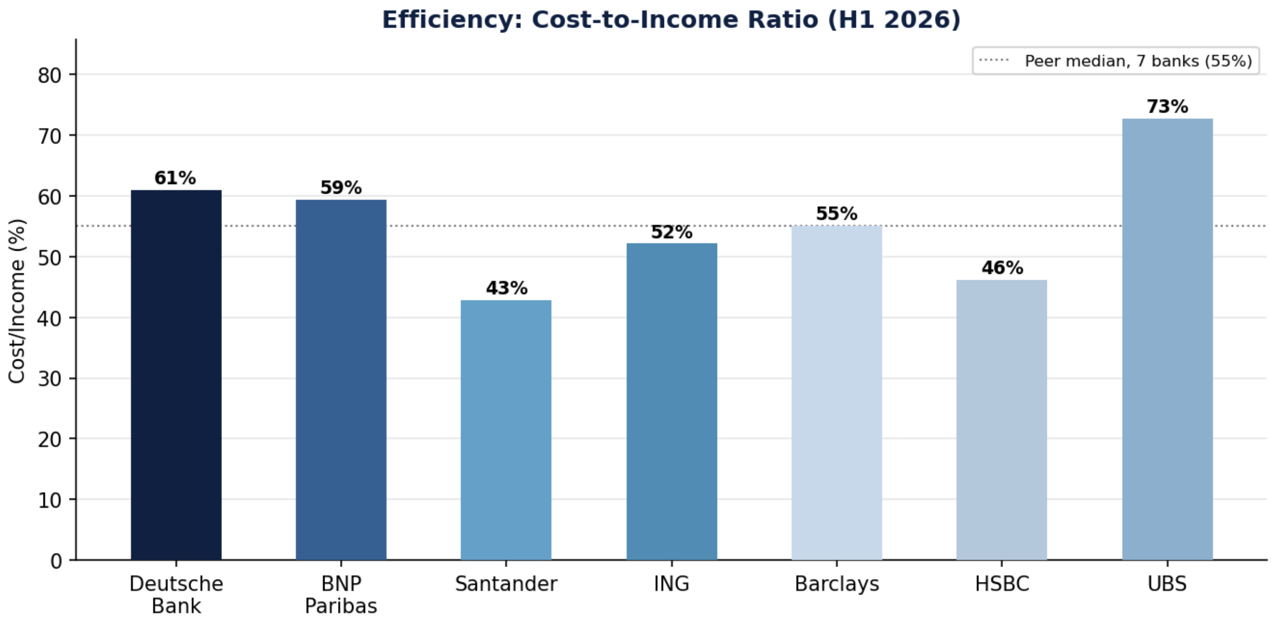
Scorecard: Deutsche Bank vs Peers



Profitability: Return on Tangible Equity



Efficiency: Cost-to-Income Ratio



Appendix

Data Sources

- (1) Deutsche Bundesbank, The Bundesbank's Forecast for Germany: Energy price shock slowing down economic recovery, press release and projection table, 12 June 2026
- (2) European Commission, European Economic Forecast Spring 2026: Germany, 21 May 2026
- (3) Eurostat, annual national accounts (nama_10_gdp), HICP (prc_hicp_aind) and unemployment (une_rt_a) for Germany, accessed September 2026
- (4) European Central Bank, monetary policy decisions of 11 June, 23 July and 10 September 2026; key ECB interest rates history
- (5) Deutsche Bank AG, Pillar 3 Report as of June 30, 2026 (EU KM1, KM2, OV1, CR1, CR2, MR3, MR4, IRRBB1)
- (6) Deutsche Bank AG, H1 2026 results: Interim Report as of June 30, 2026 and Financial Data Supplement Q2 2026 (29 July 2026); Q2 2026 results presentation (29 July 2026) and Fixed Income Conference Call presentation (30 July 2026)
- (7) European Banking Authority, 2025 EU-wide stress test results, Annex I tables A1 and A2, 1 August 2025
- (8) Deutsche Bank AG, Pillar 3 Reports as of June 30, 2025 and December 31, 2025; Financial Data Supplement Q4 2025
- (9) Moody's Ratings issuer comment (29 July 2026); S&P Global Ratings tear sheet (4 August 2026); Fitch Ratings rating action commentary (12 May 2026) and credit comment (6 August 2026)
- (10) Deutsche Bank AG, Key updates communicated during Q2 2026, 30 June 2026
- (11) RiskView H1 2026 peer dataset, built from each peer's H1 2026 results and Pillar 3 disclosures: BNP Paribas SA, Banco Santander SA, ING Groep N.V., Barclays PLC, HSBC Holdings plc, UBS Group AG

Methodology Notes

Data basis. Deutsche Bank figures are taken from the bank's H1 2026 disclosures (reference date 30 June 2026): the Pillar 3 Report, the Interim Report, the Financial Data Supplement and the results presentations. Prior periods come from the 30 June 2025 and 31 December 2025 Pillar 3 Reports. Capital ratios are as reported under CRR3 transitional rules (the output floor factor is 55% in 2026). The LCR is the 12-month average from EU KM1. RoTE, RoE and cost/income are the bank's H1 2026 annualised figures. Absolute amounts are in EUR. Peer figures come from the RiskView H1 2026 dataset, and every report in the series uses the same values.

Computed metrics. RiskView computes Deutsche Bank's NPL ratio from EU CR1 as gross non-performing loans and advances over gross loans and advances, excluding cash balances at central banks, debt securities and off-balance-sheet items. NPL coverage is accumulated impairment on non-performing loans and advances over gross NPLs, before collateral. Stage 2 and Stage 3 ratios use IFRS 9 loans at amortised cost. MDA headroom is the CET1 ratio minus Pillar 1 (4.50%), the CET1 part of the Pillar 2 requirement and the combined buffer requirement. RWA density is RWA over IFRS total assets.

Definitional caveats. NPL definitions differ: EU banks report the EBA NPL ratio (Santander uses a management credit-impaired measure), while Barclays, HSBC and UBS report credit-impaired or Stage 3 ratios under IFRS 9. LCR bases differ: Deutsche Bank, BNP Paribas, ING, Barclays and HSBC report 12-month averages, Santander a 12-month average to 31 March 2026 and UBS a quarterly average. The MREL/TLAC row mixes bases: Deutsche Bank, Santander, ING and Barclays show MREL; BNP Paribas shows TLAC; HSBC shows TLAC summed across its resolution groups; and UBS shows Swiss TLAC. CET1 ratios are phased-in (transitional) as reported unless stated as fully loaded, and CRR3 fully loaded ratios can be materially lower for IRB-heavy banks. UK leverage ratios exclude central bank claims, while EU and Swiss leverage ratios do not, so UK leverage ratios are structurally higher. ECB euro foreign exchange reference rates, 30 June 2026 (EUR 1 = USD 1.1394 = GBP 0.86178).

Stress test basis. For EU banks, depletion is the EBA 2025 fully loaded peak-to-trough decline from the CRR3-restated end-2024 starting point. For Deutsche Bank this is 272bps, from 9.7% to 7.0%; the transitional peak-to-trough was 477bps. Illustrative CET1 paths (RiskView estimates, not bank or supervisory projections) use one rule for every bank so peer bars match across reports: Base holds CET1 at its 30 June 2026 level (organic capital generation offsets distributions); Bear deducts half, and Adverse the full, CET1 depletion from the bank's latest published regulatory stress test (EBA 2025 for EU banks, Bank of England 2025 for UK banks, Federal Reserve 2026 for UBS's US intermediate holding company). Stress tests differ in scope, horizon and methodology, so the paths indicate relative resilience rather than forecasts. Base, bear and adverse macro paths for Germany are anchored to the Bundesbank June 2026 forecast (base) and are RiskView illustrative assumptions otherwise.

Scoring. Scorecard and radar scores are linear 0-100 scores on fixed ranges shared by every RiskView H1 2026 European report, capped at 0 and 100: CET1 11-18 (higher is better); Leverage 3.5-6.5 (higher is better); LCR 110-200 (higher is better); NSFR 110-150 (higher is better); NPL (inv.) 0.5-4 (lower is better); NPL cov. 25-75 (higher is better); RoTE 5-20 (higher is better); C/I (inv.) 40-75 (lower is better).

Glossary

CET1	Common Equity Tier 1 capital as a percentage of risk-weighted assets
CRR3	EU Capital Requirements Regulation implementing Basel III final reforms from January 2025
Output floor	IRB RWA may not fall below 72.5% of standardised RWA at full phase-in (2030; transitional cap to 2032)
MDA	Maximum Distributable Amount; distributions are restricted below the combined buffer requirement
P2R	Pillar 2 Requirement set by the ECB through SREP; 2.85% for Deutsche Bank in 2026
O-SII / G-SII	Other and Global Systemically Important Institution buffers; the higher of the two applies
MREL / TLAC	Loss-absorbing capacity requirements for resolution (SRB / FSB standards)
EBA NPL ratio	Gross non-performing loans and advances over gross loans and advances (EU CR1)
IRRBB / EVE	Interest rate risk in the banking book; economic value of equity sensitivity
FRTB	Fundamental Review of the Trading Book; EU application postponed to 1 January 2027
SRT	Significant risk transfer securitisation used to reduce RWA
RoTE	Post-tax return on average tangible shareholders' equity

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