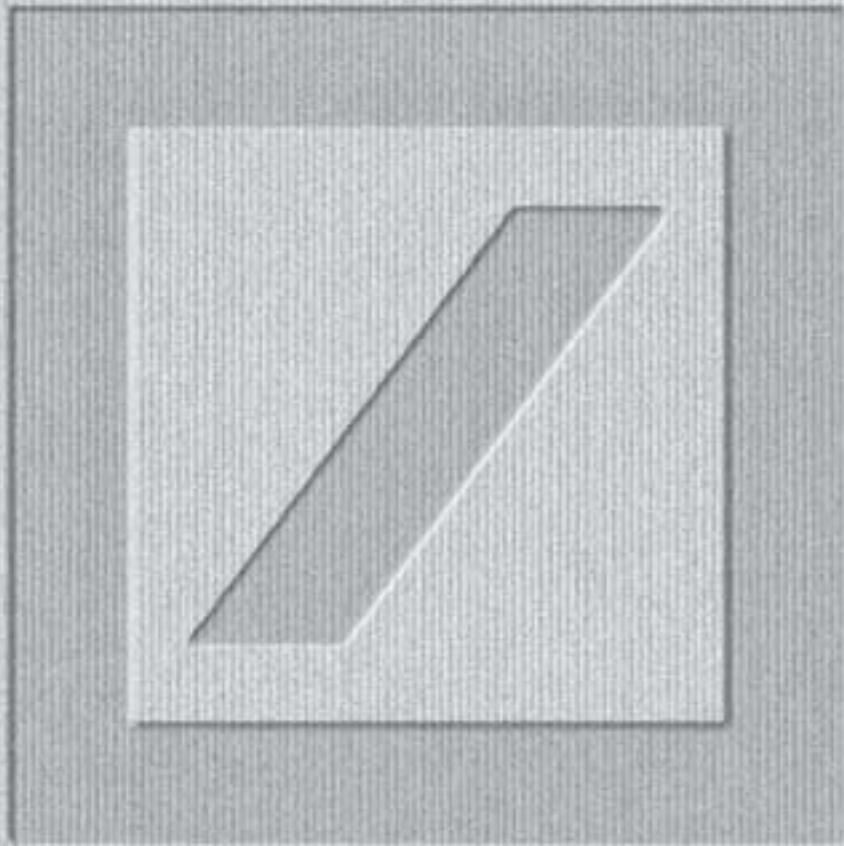


Corporate Governance

Report 2002 and Principles



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Corporate Governance – a part of our identity

Principles for the responsible management and control of Deutsche Bank

In March 2001, Deutsche Bank was already the first DAX 30 company to publish its own Corporate Governance Principles. These guidelines are custom-tailored to Deutsche Bank and regulate our relations with our shareholders, the tasks and duties of the Board of Managing Directors and the Supervisory Board, the structure and disclosure of the performance-based compensation of these two bodies and the demands on reporting and transparency. With these Principles, we publicly state how we want to ensure the responsible and value-driven management and control of Deutsche Bank. The Corporate Governance Principles are intended to promote and strengthen the trust of our present and future shareholders, customers, staff and the public nationally and internationally.

Promoting trust

Voluntary commitment beyond duty. In 2002, the German Corporate Governance Code was approved by the Government Commission set up expressly for this purpose. Most of the recommendations and suggestions were already contained in our Corporate Governance Principles, so only a few additions had to be made. The Board of Managing Directors and Supervisory Board approved the revised Corporate Governance Principles on October 30, 2002. As a voluntary commitment, they go beyond the requirements of law and, in many respects, beyond those of the German Corporate Governance Code. Besides disclosing the individual compensation of the members of its Board of Managing Directors, Deutsche Bank also publishes without delay the transactions by members of the Board of Managing Directors and Supervisory Board in Deutsche Bank AG shares or derivatives based on them. This also covers transactions that fall below the statutory bagatelle limit.

Timely transparency

Statement of compliance. On October 30, 2002, the Board of Managing Directors and the Supervisory Board stated in accordance with § 161 German Stock Corporation Act that Deutsche Bank AG complies with the recommendations of the "Government Commission German Corporate Governance Code" with the following exceptions:

- For the members of the Board of Managing Directors and Supervisory Board, there is a directors and officers' liability insurance policy with a small deductible (Code No. 3.8). This is actually a group insurance policy for a large number of staff members in Germany and abroad. Internationally, a higher deductible is not usual; a differentiation between board members and staff thus does not appear to be appropriate.
- Separate compensation is not presently paid for chairing Supervisory Board committees. The Board of Managing Directors and the Supervisory Board will propose to the next General Meeting that a regulation on compensation for chairing Supervisory Board committees (Code No. 5.4.5 (1) sentence 3) be added to § 14(1) of the Articles of Association of Deutsche Bank AG.

Corporate Governance Report presented

Clear responsibilities and controls. Deutsche Bank introduced Group-wide monitoring of compliance with our Corporate Governance Principles. Responsibilities and obligations relating to compliance with the individual legal and voluntary corporate governance requirements were clearly allocated. This supports the Corporate Governance Officer on the Board of Managing Directors, Clemens Börsig, in the performance of his tasks. The Corporate Governance Officer presented his report on compliance with the Corporate Governance Principles to the Board of Managing Directors and the Supervisory Board. The Board of Managing Directors and the Supervisory Board are convinced that the Corporate Governance Principles were again fully observed in 2002.

The Compliance staff unit ensures that the standards of conduct required under capital market law are observed, in particular to avoid conflicts of interest in securities business. Through his monitoring measures and controls, the Compliance Officer was satisfied that the respective laws and bank-internal regulations were observed. He submitted a report to the Board of Managing Directors on the observance of compliance regulations. This report was also sent to the Supervisory Board.

A leading position in Europe

The high standard of our Corporate Governance Principles was again confirmed with an outstanding third place by the consulting company Déminor in a survey of EURO STOXX 50 companies. We are confident that with our system of corporate governance we shall continue in future to take a leading position compared with our national and international peers.

Sarbanes-Oxley Act passed

U.S. capital market law. Deutsche Bank's share is listed on the New York Stock Exchange. For this reason, the bank is also subject to this exchange's listing rules and to U.S. capital market law. The passage of the Sarbanes-Oxley Act in July 2002 and the implementation rules of the Securities and Exchange Commission (SEC) are intended to strengthen corporate governance at companies, improve investor protection and revive lost confidence in the capital markets. Deutsche Bank already fulfills many of these new requirements, so there are only a few SEC regulations remaining to be implemented. Typical issues here are:

- The required special internal control and reporting processes, which are designed to ensure that important information about Deutsche Bank Group is submitted on time and in full, are to be documented and continuously analyzed. Furthermore, a certification process extending into the individual areas will be implemented to ensure the material correctness and completeness of financial results.

- The responsibilities of the “One Voice Committee” established last year are to be expanded to include detailed regulations on disclosure procedures (Disclosure Committee).

Several of the Sarbanes-Oxley Act rules, however, do not conform with German law. In this context, it remains to be seen to what extent the SEC will consider, for example, the special features of German corporate and co-determination law in their implementation rules and allow exceptions in individual cases.

Documentation. This Annual Report including the related publications documents our compliance with the Corporate Governance Principles. In the Operating and Financial Review and Prospects, we provide information on the expected development of business. The Risk Report contains information on our risk management system. The List of Shareholdings gives details of Deutsche Bank’s important shareholdings. Statements on our shareholder structure are made in the section on Shareholders.

We view corporate governance as a continuous process. For this reason, we will regularly check and, if necessary, amend our Principles in light of new experience, statutory regulations and ongoing developments in national and international standards.

Legal contradictions

Corporate governance as a process

Corporate Governance Documentation 2002

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Board of Managing Directors and Supervisory Board

Board of Managing Directors

The Board of Managing Directors is responsible for managing the company. Its members are jointly accountable for the management of the company.

The following paragraphs show information on the current members of the Board of Managing Directors. The information includes their ages as of December 31, 2002, the year in which they were appointed and the year in which their term expires, their current positions or area of responsibility.

Dr. Thomas Fischer, Jürgen Fitschen and Michael Phillipp left the Board of Managing Directors on January 30, 2002, as of which date Jürgen Fitschen joined the Group Executive Committee. Dr. Rolf-E. Breuer left the Board of Managing Directors on May 22, 2002, and was elected Chairperson of the Supervisory Board.

Dr. Josef Ackermann

Age: 54

First appointed: 1996

Term expires: 2006

Dr. Josef Ackermann joined Deutsche Bank as a member of the Board of Managing Directors in 1996. On May 22, 2002, Dr. Ackermann assumed his current position as Spokesman of the Board of Managing Directors and Chairman of our Group Executive Committee. He is Chairman of the Supervisory Board of DB Investor.

Dr. Ackermann engages in the following principal business activities outside our company: He is a supervisory board member at Bayer AG, Linde AG, Siemens AG (since January 23, 2003) and a nonexecutive member of the board of directors at Stora Enso Oyi (until March 20, 2003).

In February 2003, the Düsseldorf Public Prosecutor filed charges against Dr. Ackermann and other former members of the Supervisory Board and of the Board of Managing Directors of Mannesmann AG with the Düsseldorf District Court. The complaint alleges a breach of trust in connection with payments to former members of the Board of Managing Directors and other managers of Mannesmann following the takeover of Mannesmann by Vodafone in spring 2000. The District Court in Düsseldorf has now to decide whether it will admit the charges and conduct a trial. Our Supervisory Board has declared that it supports Dr. Ackermann's defense and that it views the charges in question as arbitrary and incomprehensible.

Dr. Clemens Börsig

Age: 54

First appointed: 2001

Term expires: 2005

Dr. Clemens Börsig joined our Board of Managing Directors in January 2001. He has worked with us since 1999, when he joined us as our Chief Financial Officer. He is also our Chief Risk Officer. He also is a member of the Supervisory Board of DB Investor.

Dr. Börsig engages in the following principal business activities outside our company: He is a supervisory board member at Heidelberger Druckmaschinen AG and Gerling-Konzern Versicherungs-Beteiligungs-AG. He also holds a nonexecutive directorship at Foreign & Colonial Eurotrust Plc.

Dr. Tessen von Heydebreck

Age: 57

First appointed: 1994

Term expires: 2006

Dr. Tessen von Heydebreck joined our Board of Managing Directors in 1994. From 1994 to 1996, he was a deputy member of the Board of Managing Directors. Dr. von Heydebreck is our Chief Administrative Officer. He is the Chairman of the Supervisory Boards of Deutsche Bank Luxembourg S.A., Deutsche Bank 000 Moscow, Deutsche Bank Polska S.A., and Deutsche Bank R.T. Budapest. He is a member of the Supervisory Boards of Deutsche Bank Privat- und Geschäftskunden AG and DWS Investment GmbH.

Dr. Tessen von Heydebreck engages in the following principal business activities outside our company: He is a supervisory board member at BASF AG, Duerr AG, Deutsche Euroshop AG, Gruner + Jahr AG & Co. and BVV Versicherungsverein des Bankgewerbes a.G. He holds a nonexecutive directorship at EFG Eurobank Ergasias S.A.

Hermann-Josef Lamberti

Age: 46

First appointed: 1999

Term expires: 2004

Hermann-Josef Lamberti joined our Board of Managing Directors in 1999. He joined us in 1998 as an executive vice president. Mr. Lamberti is our Chief Operating Officer. He is also Chairman of the Supervisory Boards of Deutsche Bank Privat- und Geschäftskunden AG, european transaction bank ag, DB Payments Projektgesellschaft AG (since January 1, 2003) and chairs the Board of Directors of Deutsche Bank S.A.E. and Deutsche Bank S.A./N.V.

Mr. Lamberti engages in the following principal business activities outside our company: He is a member of the supervisory board or similar bodies of Schering AG, Fiat S.p.A., Carl Zeiss Stiftung, SupplyOn AG (until December 31, 2002), and e-millennium 1 GmbH & Co. KG (chairperson). He also holds nonexecutive directorships at Euroclear Clearance System plc and Euroclear Bank S.A.

To assist us in avoiding conflicts of interest, the members of our Board of Managing Directors have generally undertaken not to assume chairmanships of supervisory boards of companies outside our consolidated group.

Group Executive Committee and Functional Committees

A key component of the new management structure, which we implemented on January 31, 2002, is the Group Executive Committee which supports the Board of Managing Directors. This committee comprises the members of the Board of Managing Directors and the Global Business Heads of our Group Divisions. Through the establishment of the Group Executive Committee, we have now integrated our Global Business Heads more closely into the management of our consolidated group. At the same time, we have made a precise allocation of functional responsibilities to preserve a clear delineation between strategic management on the one hand, and operational management on the other hand.

The responsibilities of the Group Executive Committee are as follows:

- Provide on-going information to the Board of Managing Directors on business developments and particular transactions;
- Regular review of our business segments;
- Consultation with and furnishing advice to the Board of Managing Directors on strategic decisions; and
- Preparation of decisions to be made by the Board of Managing Directors.

The following functional committees assist the Board of Managing Directors in executing cross-divisional strategic management, resource allocation, control and risk management:

- The **Group Finance Committee** is responsible for establishing the business orientation of Controlling and to determine and monitor reporting rules across our consolidated group. The Chairman of the Group Finance Committee is Dr. Clemens Börsig.
- The **Group Investment Committee** is responsible for evaluating strategic investment decisions and monitoring acquisitions, joint ventures, divestitures, and restructuring projects. The Chairman of the Group Investment Committee is Dr. Clemens Börsig.
- The **Group Risk Committee** is responsible for planning, management and control of risks, especially credit, market and operational risks

across our consolidated group. The Chairman of the Group Risk Committee is Dr. Clemens Börsig.

- The **Group Asset/Liability Committee** is responsible for coordinating allocation of financial resources to the operational Group Divisions across our consolidated group. The Chairman of the Group Asset/Liability Committee is Dr. Josef Ackermann.
- The **Group Corporate Investments/Alternative Assets Committee** is responsible for the overall monitoring of all Corporate Investments/Alternative Asset activities (risk management, investment guidelines compliance/conflict management, larger scale investment decisions). The Chairman of the Group Corporate Investments/Alternative Assets Committee is Dr. Josef Ackermann.
- The **Group IT & Operations Committee** is responsible for preparing strategic and operational decisions for approval by the Board of Managing Directors and take other decisions as delegated with respect to cost containment and optimization of infrastructure/support functions including spending on vendors, premises, IT equipment and application development and operations, controlling and human resource functions. The Chairman of the Group IT & Operations Committee is Hermann-Josef Lamberti.
- The **Group Human Resources Committee** is responsible for determination and control of guidelines and standards in Human Resources (especially for staff recruitment, development, deployment, compensation and benefits, administration and severance) across our consolidated group. The Chairman of the Group Human Resources Committee is Dr. Tessen von Heydebreck.
- The **Group Compliance Committee** is responsible for ongoing development and implementation of Legal Compliance and Internal Audit principles and standards. The Chairman of the Group Compliance Committee is Dr. Tessen von Heydebreck.

Supervisory Board

The Supervisory Board appoints, supervises and advises the Board of Managing Directors and is directly involved in decisions of fundamental importance to the bank. The Chairman of the Supervisory Board coordinates work within the Supervisory Board.

The following table shows information on the current members of our Supervisory Board (Hilmar Kopper left the Supervisory Board on May 22, 2002, and Dr. Rolf-E. Breuer joined the Supervisory Board as its Chairman on May 22, 2002).

Member	Supervisory Board position with us and other principal occupation, if any	Areas of experience and other supervisory board memberships and other directorships
<p>Dr. Karl-Hermann Baumann Age: 67 First elected: 1998 Term expires: 2003</p>	<p>Member of the Supervisory Board; Chairperson of the supervisory board of Siemens AG</p>	<p>Supervisory board memberships E.ON AG; Wilhelm von Finck AG; Linde AG; mg technologies ag; Schering AG; ThyssenKrupp AG</p> <p>Other experience Siemens AG (member of the board of managing directors), 1987-1998; Bayerische Handelsbank AG (member of the supervisory board), 1991–1998</p>
<p>Dr. Rolf-E. Breuer Age: 65 First elected: 2002 Term expires: 2003</p>	<p>Chairperson of the Supervisory Board</p>	<p>Supervisory board memberships Bertelsmann AG; Deutsche Börse AG (chairperson); Deutsche Lufthansa AG; E.ON AG; Siemens AG (deputy chairperson) until January 23, 2003; Compagnie de Saint-Gobain S. A.; Kreditanstalt für Wiederaufbau (KfW); Landwirtschaftliche Rentenbank</p> <p>Other experience Speaker of the Board of Managing Directors Deutsche Bank AG until 2002; President of the German Banking Association; German Financial Supervisory Authority (Administrative Council); International Advisory Board of MMC; CESR (member of the Market Participants Consultative Panel); member of the supervisory board of Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft, 1997–2002</p>
<p>Dr. Ulrich Cartellieri Age: 65 First elected: 1997 Term expires: 2003</p>	<p>Member of the Supervisory Board</p>	<p>Supervisory board memberships Robert Bosch GmbH; Henkel KGaA</p> <p>Other nonexecutive directorships BAE SYSTEMS plc; Federal Reserve Bank of New York (member of the international advisory committee); GEMS Oriental & General Fund (member of the advisory council)</p> <p>Other experience Several positions with us 1970–1997, including member of our Board of Managing Directors, 1981–1997, DEG-Deutsche Investitions- und Entwicklungsgesellschaft mbH (deputy chairperson of the supervisory board), 1998–2001; Karstadt AG (chairperson of the supervisory board), 1988–1997; Ruhrgas AG (member of the advisory board), 1991–1998; Siemens AG (deputy chairperson of the supervisory board), 1990–1998; Solvay Deutschland GmbH (chairperson of the supervisory board), 1990–1997; Thyssen AG (member of the supervisory board), 1986–1997</p>

Member	Supervisory Board position with us and other principal occupation, if any	Areas of experience and other supervisory board memberships and other directorships
Heidrun Förster Age: 55 First elected: 1993 Term expires: 2003	Deputy Chairperson and employee-elected member of the Supervisory Board; Chairperson of the works council of Deutsche Bank Privat- und Geschäftskunden AG, Berlin	Other positions Works council of Deutsche Bank AG, (Chairperson), 1990–2001; employee of Deutsche Bank AG since 1975
Klaus Funk Age: 55 First elected: 1999 Term expires: 2003	Employee-elected member of the Supervisory Board; Chairperson of the works council of Deutsche Bank Privat- und Geschäftskunden AG, Frankfurt am Main	Other experience Betriebskrankenkasse der Deutschen Bank AG (member of the advisory board), employee of Deutsche Bank AG since 1963
Gerald Herrmann Age: 50 Appointed by the court: 2001 Term expires: 2003	Employee-elected member of the Supervisory Board; Federal Executive Secretary Unified Services Union, Berlin	Supervisory board memberships Deutsche Bank Privat- und Geschäftskunden AG, european transaction bank ag, DBV-Winterthur Versicherung AG
Sabine Horn Age: 41 First elected: 1998 Term expires: 2003	Employee-elected member of the Supervisory Board; chairperson of the works council of Deutsche Bank AG, Frankfurt am Main	Other positions Employee of Deutsche Bank AG since 1984
Sir Peter Job Age: 61 Appointed by the court: 2001 Term expires: 2003	Member of the Supervisory Board	Supervisory board memberships Bertelsmann AG Nonexecutive directorships Grand Metropolitan Plc, 1994–1997; Diageo Plc, 1997–1999; Glaxo Wellcome Plc, 1997–2001; GlaxoSmithKline Plc (GSK), Schrodgers Plc; Tibco Software Inc.; Instinet Inc.; Multex.com Inc.; Shell Transport and Trading Plc Other experience Sub-editor and correspondent for Reuters, 1963–1971; Reuters Group Plc (member of the board of directors), 1989-2001; NASDAQ (chairman of the international advisory council); member of the advisory board of Reuters Venture Capital
Prof. Dr. Henning Kagermann Age: 55 First elected: 2000 Term expires: 2003	Member of the Supervisory Board; co-chairman and CEO of SAP AG	Supervisory board memberships DaimlerChrysler Services AG; Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft; SAP Systems Integration Other positions Member of the board of managing directors of SAP AG
Ulrich Kaufmann Age: 56 First elected: 1988 Term expires: 2003	Employee-elected member of the Supervisory Board; Chairperson of the works council of Deutsche Bank AG, Düsseldorf	Other positions Employee of Deutsche Bank AG; Deutscher Bankangestellten-Verband; Betriebskrankenkasse der Deutsche Bank AG (member of the advisory board)
Peter Kazmierczak Age: 45 First elected: 2002 Term expires: 2003	Employee-elected member of the Supervisory Board; Chairperson of the works council of Deutsche Bank AG, Essen	Other positions Employee of Deutsche Bank AG since 1976

Member	Supervisory Board position with us and other principal occupation, if any	Areas of experience and other supervisory board memberships and other directorships
Adolf Kracht Age: 67 First elected: 1996 Term expires: 2003	Member of the Supervisory Board; chairman of the supervisory board of Wilhelm von Finck AG; member of the board of managing directors of Gerling-Rheinische Versicherungs-Gruppe AG	Supervisory board memberships Dussmann Verwaltungs AG (chairman); Dussmann AG & Co. KGaA; Gerling-Konzern Versicherungs-Beteiligungs-AG; Gerling Firmen- und Privat-Service AG; Wilhelm von Finck Inc. (chairman)
Prof. Dr.-Ing. E.h. Berthold Leibinger Age: 72 First elected: 1995 Term expires: 2003	Member of the Supervisory Board; managing partner of TRUMPF GmbH & Co. KG	Supervisory board memberships BASF AG (chairperson) Other nonexecutive directorships HSBC Trinkaus & Burkhardt (member of the advisory board)
Margret Moenig-Raane Age 54 First elected: 1996 Term expires: 2003	Employee-elected member of the Supervisory Board; Vice President of the Unified Services Union, Berlin	Supervisory board memberships E.ON AG Other nonexecutive directorships BHW (member of the advisory board)
Dr. Michael Otto Age: 59 First elected: 1989 Term expires: 2003	Member of the Supervisory Board; chairperson of the board of managing directors of Otto (GmbH & CoKG) and OTTO AG für Beteiligungen	Supervisory board memberships Gerling-Konzern Versicherungs-Beteiligungs-AG; SCHWAB VERSAND GmbH (chairperson); Axel Springer Verlag AG Other nonexecutive directorships 3 Suisses International S.A. (member of the advisory board); Baur Versand GmbH (chairperson of the advisory board); Crate & Barrel Holding Inc. (chairperson of the board); FORUM Grundstücksgesellschaft mbH (member of the advisory board); Freemans Plc (chairperson of the board); Grattan Plc (chairperson of the board); Handelsgesellschaft Heinrich Heine GmbH (chairperson of the advisory board); Otto-Sumisho Inc. (chairperson of the advisory board); Spiegel Inc. (chairperson of the board); Euromarket Designs, Inc. (chairperson of the board)
Klaus Schwedler Age: 52 First elected: 1999 Term expires: 2003	Employee-elected member of the Supervisory Board; member of the works council of GTG Gesellschaft für technisches Gebäudemanagement mbH	Other Experience Deutsche Bank AG (employee) 1986–1996; GTG Gesellschaft für technisches Gebäudemanagement mbH (employee) 1997–2002; employee of Deutsche Bank AG since January 1, 2003
Tilman Todenhöfer Age: 59 Appointed by the court: 2001 Term expires: 2003	Member of the Supervisory Board; deputy chairman of the board of directors of Robert Bosch GmbH	Supervisory board memberships Bosch Rexroth AG; Robert Bosch Int. Beteiligungen AG (president of the board of administration); Robert Bosch Finance Co. Limited (member of the board); Robert Bosch Finance Corporation (member of the board) Other experience University of Tübingen (chairman of the board)

Member	Supervisory Board position with us and other principal occupation, if any	Areas of experience and other supervisory board memberships and other directorships
<p>Michael Freiherr Truchseß von Wetzhausen Age: 56 First elected: 1999 Term expires: 2003</p>	<p>Employee-elected member of the Supervisory Board; Member of the management board region central, Frankfurt am Main</p>	<p>Supervisory board memberships Lahmeyer International GmbH (deputy chairman); Mittelständische Beteiligungsgesellschaft Hessen; Nestle Deutschland AG (since January 30, 2003); Merz GmbH & Co KGaA (deputy chairman since January, 2003)</p> <p>Other nonexecutive directorships Biotest AG (member of the advisory board); Investitionsbank Hessen (member of the advisory board)</p> <p>Other experience Several positions within our consolidated group including branch management positions</p>
<p>Lothar Wacker Age: 63 First elected: 1976 Term expires: 2003</p>	<p>Employee-elected member of the Supervisory Board</p>	<p>Other experience Employee of Deutsche Bank AG; Betriebskrankenkasse der Deutsche Bank AG (member of the advisory board); Deutscher Bankangestellten-Verband (chairperson of the board of managing directors)</p>
<p>Dipl.-Ing. Albrecht Woeste Age: 67 First elected: 1993 Term expires: 2003</p>	<p>Member of the Supervisory Board</p>	<p>Supervisory board memberships Henkel KGaA (chairperson); Allianz Lebensversicherungs-AG</p> <p>Other nonexecutive directorships Investitions-Bank NRW (member of the advisory board); IKB Deutsche Industriebank (member of the advisory board); R. Woeste & Co. GmbH & Co KG (chairperson of the advisory board)</p> <p>Other experience Member of the board of directors of Ecolab Inc., 1991–2001; managing director of R. Woeste & Co. GmbH & Co. KG</p>

Standing Committees

The Supervisory Board has established the following four standing committees. The Report of the Supervisory Board provides information on the concrete work of the committees over the preceding year.

Committee	Meetings in 2002	Responsibilities	Members as of December 31, 2002
Chairman's Committee	5	responsible for deciding the terms of the service contracts and other contractual arrangements between us and members of our Board of Managing Directors; responsible for the statutorily required approval of certain contracts between us and members of the Supervisory Board and Board of Managing Directors; preparation of Supervisory Board decisions with respect to corporate governance	Dr. Rolf-E. Breuer – Chairperson (since May 22, 2002) Dr. Ulrich Cartellieri Heidrun Förster Lothar Wacker
Mediation Committee	0	responsible for making proposals to the Supervisory Board on the appointment or dismissal of members of the Board of Managing Directors in those cases where the Supervisory Board is unable to reach a two-thirds majority decision with respect to the appointment or dismissal	Dr. Rolf-E. Breuer – Chairperson (since May 22, 2002) Dr. Ulrich Cartellieri Heidrun Förster Ulrich Kaufmann
Financial Audit Committee	3	responsible for financial reporting and auditing issues including the internal monitoring systems; review of our quarterly reports; mandates the independent auditors that the annual shareholders' meeting elects; approval of the engagement of non-audit services to our auditor	Dr. Karl-Hermann Baumann – Chairperson (since May 22, 2002) Dr. Rolf-E. Breuer (since May 22, 2002) Dr. Ulrich Cartellieri Heidrun Förster Sabine Horn (since January 30, 2002) Michael Freiherr Truchseß von Wetzhausen
Credit and Market Risk Committee	6	approves our acquisition of temporary participations in other companies; the Board of Managing Directors provides the Credit and Market Risk Committee with information on credit exposures and related circumstances which are of special importance due to the risks or liabilities attached to them or for any other reason	Dr. Rolf-E. Breuer – Chairperson (since May 22, 2002) Dr. Karl-Hermann Baumann (since January 30, 2002) Dr. Ulrich Cartellieri Sir Peter Job (since January 30, 2002) – alternate member Adolf Kracht – alternate member

Performance-related Compensation

Board of Managing Directors

We have entered into service agreements with members of our Board of Managing Directors. These agreements establish the following two principal elements of compensation:

Salary. We establish fixed remuneration for the members of our Board of Managing Directors based on a comparative analysis of the base salaries a selected peer group of international companies pays its Managing Directors.

Annual Bonus/Mid-term Incentive. We pay annual bonuses to members of our Board of Managing Directors based on our corporate performance, primarily in relation to profitability. The bonus is made up of an annual bonus, which is based on achievement of the return on equity (based on pre-tax profit, excluding goodwill impairment and net gains from our industrial holdings portfolio in relation to allocated book equity) planned for the year, and a mid-term-incentive payment which reflects, for a two-year period, the ratio between our total shareholder return and the corresponding average figure for the peer group.

The mid-term-incentive payment is paid not only with a cash component (1/3), but also in the form of benefits under the DB Global Partnership Plan (2/3). For further information on the terms of our DB Global Partnership Plan see Note [18] to the consolidated financial statements.

The aggregate remuneration that we paid to the members of our Board of Managing Directors (including Dr. Thomas R. Fischer, Jürgen Fitschen and Michael Philipp, each of whom left the Board of Managing Directors on January 30, 2002, and Dr. Rolf-E. Breuer, who left the board on May 22, 2002) for the year ended December 31, 2002 was € 27,205,945. This aggregate remuneration was comprised of the following:

in €	2002
Salaries	4,083,334
Bonus, mid-term-incentive (cash and equity based) and other payments	22,449,960
Other remuneration ¹	672,651
Total remuneration	27,205,945
¹ Insurance premiums, payments in kind and taxes.	

Members of our Board of Managing Directors received as part of the mid-term-incentive payment (see above) the following share-based compensation for 2002:

DB Equity Units. In respect of the 2002 performance year, we awarded an aggregate of 121,611 deferred share awards to members of our Board

of Managing Directors. These shares are scheduled to be delivered on August 1, 2006.

Performance Options and Partnership Appreciation Rights. In respect of the 2002 performance year, we awarded an aggregate number of 140,190 Performance Options and 140,190 Partnership Appreciation Rights. These awards will each be exercisable in equal proportions of 46,730 units on February 1, 2005, February 1, 2006 and February 1, 2007.

In addition to the above amounts that we paid to members of the Board of Managing Directors in 2002, we paid former members of the Board of Managing Directors or their surviving dependents an aggregate of € 31,964,054. On December 31, 2002, our provision for pension commitments to the members of the Board of Managing Directors totaled € 13.7 million.

Pursuant to the service contracts we have entered into with each of the members of our Board of Managing Directors, the board members are entitled to receive certain transitional payments upon termination of their board membership. If a member is terminated other than for cause, he or she is entitled to receive a severance payment generally consisting of his or her base salary for the remaining term of the service contract, as well as an amount corresponding to the member's average annual bonus paid in the three years preceding the termination.

Our existing Board Members as of December 31, 2002, received the following remuneration for the year 2002:

Name	Annual Cash Compensation		Equity-based Compensation	
	Fixed Salary	Cash Bonus	DB Equity Units	Performance Options
Dr. Josef Ackermann	€ 1,004,167	€ 3,283,625	49,811	57,421
Dr. Clemens Börsig	€ 800,000	€ 1,263,500	23,335	26,900
Dr. Tessen von Heydebreck	€ 800,000	€ 1,263,500	23,335	26,900
Hermann-Josef Lamberti	€ 800,000	€ 1,263,500	23,335	26,900

Stock Option Grant Table:

	Performance Options Granted	Percentage of Total Options Granted to Employees	Strike Price ¹	Expiration Date	Grant Date Present Value	Exercisable	Unexercisable ²
Dr. Josef Ackermann	57,421	0.38%	€ 47.53	February 1, 2009	€ 11.97	–	57,421
Dr. Clemens Börsig	26,900	0.18%	€ 47.53	February 1, 2009	€ 11.97	–	26,900
Dr. Tessen v. Heydebreck	26,900	0.18%	€ 47.53	February 1, 2009	€ 11.97	–	26,900
Hermann-Josef Lamberti	26,900	0.18%	€ 47.53	February 1, 2009	€ 11.97	–	26,900

¹ Effectively reduced to € 39.61 with the simultaneous payout of Partnership Appreciation Rights.

² Mandatory holding period of two years.

Supervisory Board

The compensation of Supervisory Board members is set forth in our Articles of Association, which our shareholders amend from time to time at their annual meetings. We compensate our Supervisory Board members after the end of each fiscal year. Their compensation generally consists of a fixed remuneration of € 7,000 (plus value-added tax (Umsatzsteuer)) and a dividend-based bonus of € 2,500 for every full or fractional € 0.05 increment by which the dividend we distribute to our shareholders exceeds € 0.15 per share. We also reimburse members of the Supervisory Board for all cash expenses and any value-added tax they incur in connection with their roles as members of the Supervisory Board. Employee-elected members of the Supervisory Board also continue to receive their employee benefits. We increase the dividend-based bonus of each Supervisory Board member by 25% for each committee on which the Supervisory Board member sits. In accordance with our Articles of Association, we pay the chairperson twice the total compensation of a regular member, and we pay the deputy chairperson one and a half times the total compensation of a regular member. For Supervisory Board members who serve on the board for only part of the year, we pay a fraction of their total compensation based on the number of months they served, rounding up or down to whole months. We intend to change the Articles of Association in 2003 regarding the compensation of the Chairpersons of the Committees and to add and/or (partly) replace the dividend based compensation with a long-term component.

In January 2003, we paid each Supervisory Board member a fixed remuneration of € 7,000 (plus value-added tax (Umsatzsteuer)) for their services in 2002. In addition, we will pay each of them for their services in 2002 a dividend-based bonus after the shareholders meeting in June 2003. Assuming that the shareholders' meeting in June 2003 approves the envisaged dividend of € 1.30 per share, the dividend-based compensation will be at least € 57,500 for each Supervisory Board member as in the previous year. Assuming a dividend of € 1.30 per share the aggregate amount we will pay to the members of our Supervisory Board as a group (excluding salaries) for the fiscal year 2002 will be € 1,661,000 (including Hilmar Kopper, who was its Chairman until May 22, 2002). The aggregate remuneration we and our consolidated subsidiaries paid to the members of our Supervisory Board as a group (including salaries) during the years ended December 31, 2002 and December 31, 2001 was € 2,995,000 and € 2,835,000, respectively.

Reporting and Transparency

Share Plans

DB Global Share Plan. The DB Global Share Plan, which we adopted following our annual shareholders' meeting in May 2001, is currently the broad-based employee stock purchase plan for most of our employees worldwide. Under this plan, in 2002, we permitted employees (excluding non-employee members of our Supervisory Board and Board of Managing Directors, as well as members of the supervisory boards and management boards of our subsidiaries (verbundene Unternehmen) with at least one year of qualifying service with us to purchase up to 20 shares (with 5 attached options provided for each share purchased). Each attached option permits the employee to purchase one additional share at a later date. We offered retirees the right to subscribe for up to 10 shares (without options) at the same price. Where possible, local tax advantaged delivery approaches were used to maximize the net value delivered to the participants.

In 2001 the delivery of this Plan offered employees up to 60 shares at a discount with 1 option attached for each share purchased. We offered retirees the right to subscribe for up to 25 shares (without options) at the same discount.

DB Global Partnership. Under the DB Global Partnership, which we also adopted following our annual shareholders' meeting in May 2001, all members of our Board of Managing Directors, the management boards of our subsidiaries, and other specially selected executives are eligible to receive annual incentive awards, consisting of performance options, Partnership Appreciation Rights and DB Equity Units.

Starting in early 2002 with the distribution of annual incentive awards for job performance in 2001, performance options constitute a significant portion of eligible executives' annual compensation. Performance options are rights to purchase shares, where the exercise price to the options will be 120% of a reference price. A reference price is set at the higher of the fair market value of our shares on the date of grant or an average of the fair market value of our shares for the ten trading days on the Frankfurt Stock Exchange up to and including the date of the grant.

Senior partners, which for these purposes include the members of our Board of Managing Directors and the next top-ranking executives, are targeted to receive, on average, 40% of their annual compensation in a combination of performance options, Partnership Appreciation Rights and DB Equity Units or Restricted Equity Units. Partnership Appreciation Rights are rights to receive an amount in cash equivalent to a portion of the appreciation in the price of our shares over a pre-determined strike price. DB Equity Units are deferred share rights, each of which entitles the holder to one of our shares four years from the date of the grant, subject to certain exceptions.

Employee Plans

Executive Plans

By awarding Partnership Appreciation Rights and DB Equity Units, our aim is to provide our executives with incentives linked to the mid-term performance of our shares.

Global Equity Plan. During 1998, 1999, and 2000, we had a performance-based Global Equity Plan for our executives and the executives in our affiliated companies. We have replaced this plan with the DB Global Partnership described above. Under the Global Equity Plan, eligible executives included all members of our Board of Managing Directors, many of our regional managers and many of the heads of service areas in our corporate headquarters. Our Supervisory Board members were not eligible to participate in the Global Equity Plan. The Global Equity Plan permitted eligible executives to subscribe for interest-paying bonds, which they could later convert into our shares upon the payment of a conversion price and satisfaction of specified conditions.

On October 16, 2001, our Board of Managing Directors gave approval for us to buy out the remaining participants in the Global Equity Plan at a fixed discount per underlying share. On October 31, 2001, the Chairman's Committee of the Supervisory Board gave its approval for the members of the Board of Managing Directors to participate in this buy-out. For purposes of the buy-out, we set the reference price at € 73.72 which was the average Frankfurt Stock Exchange (XETRA) price from November 19, 2001 to November 30, 2001, inclusive of those dates. Employees could accept the offer in an acceptance period that lasted from November 19, 2001, through December 7, 2001.

As of December 31, 2001, 2,775 participants holding DM 55,429,000 (€ 28,340,398) bonds convertible into 11,085,800 shares accepted the offer and received cash payments totaling € 490,347,106. Participants holding DM 3,034,000 (€ 1,551,260) bonds convertible into 606,800 shares remained in the Global Equity Plan.

As of December 31, 2002, 121 participants held DM 1,358,000 (€ 694,334) bonds convertible into 271,600 shares after the annual general shareholders' meeting in June 2003 if specific performance conditions are met. Bonds not converted will be redeemed at maturity at their nominal value.

DB Share Scheme. Under the DB Share Scheme, we may grant various employees deferred share awards which provide the right to receive common shares of the Group at a specified future date. The expense related to a portion of the shares awarded under the plan is recognized in the performance year if it relates to annual bonuses earned as part of compensation, while the remainder of the shares awarded are expensed over the vesting period, which is generally three years.

Other Plans

SAR Plan. In December 1999, we established a stock appreciation rights plan, which we refer to as the SAR Plan. Pursuant to the SAR Plan, we provide eligible employees with the right to receive cash in an amount equal to the appreciation of our shares subsequent to the date of issuance. Our stock appreciation awards generally vest within three years after the grant date and expire after another three years.

Restricted Equity Units. We grant various employees restricted equity units which provide the right to receive common shares of the Group at a specified future date. The expense related to restricted equity units awarded are expensed over the vesting period which is generally four to five years.

Share Ownership and Directors' Dealings

Board of Managing Directors

As of February 28, 2003, the individual share ownership (including options to purchase our shares) of each member of the Supervisory Board, was as follows:

Members of the Board of Managing Directors	Number of Shares	Number of Performance Options	Number of Partnership Appreciation Rights	Number of DB Equity Units
Dr. Josef Ackermann	57,000	108,802	108,802	75,823
Dr. Clemens Börsig	250	41,721	41,721	38,342
Dr. Tessen von Heydebreck	10,000	42,957	42,957	39,592
Hermann-Josef Lamberti	21,558	42,957	42,957	39,592

The current members of our Board of Managing Directors held 88,808 of our shares on February 28, 2003, amounting to 0.014% of our share capital on that date. No member of the Board of Managing Directors beneficially owns 1% or more of our outstanding shares.

The current members of our Board of Managing Directors also held 193,350 of DB Equity Units, 236,436 of Partnership Appreciation Rights and 236,436 of Performance Options. 58,828 of the DB Equity Units will vest on February 1, 2004 and will be delivered on August 1, 2005, and 14,707 of the DB Equity Units will vest and be delivered on August 1, 2005. 95,853 of the DB Equity Units will vest on February 1, 2005 and will be delivered on August 1, 2006, and 23,963 of the DB Equity Units will vest and be delivered on August 1, 2006.

The table below shows information regarding the 236,436 Performance Options held by our current members of our Board of Managing Directors as of February 28, 2003.

Number of Performance Options	Strike Price	Vesting Date	Expiration Date
32,772	89.96 €	February 1, 2004	February 1, 2008
32,772	89.96 €	February 1, 2005	February 1, 2008
32,772	89.96 €	February 1, 2006	February 1, 2008
46,040	47.53 €	February 1, 2005	February 1, 2009
46,040	47.53 €	February 1, 2006	February 1, 2009
46,040	47.53 €	February 1, 2007	February 1, 2009

The vesting of the Partnership Appreciation Rights will occur at the same time and to the same extent as the vesting of Performance Options.

Each transaction by a member of the Board of Managing Directors in Deutsche Bank shares or derivatives is announced without delay on the Deutsche Bank's homepage (www.deutsche-bank.com/ir). The transactions since January 1, 2002 were as follows:

Date of Transaction	Name of Member of the Board of Managing Directors	Security Involved	Quantity	Transaction
May 6, 2002	Dr. Josef Ackermann	Deutsche Bank AG ordinary shares	20,000	Purchase
February 17, 2003	Dr. Tessen von Heydebreck	Deutsche Bank AG ordinary shares	10,000	Purchase

As of February 28, 2003, the individual share ownership (including options to purchase our shares) of each member of the Supervisory Board, was as follows:

Supervisory Board

Members of the Supervisory Board	Number of Shares	Options
Dr. Rolf-E. Breuer	20,107	57,310
Dr. Karl-Hermann Baumann	–	–
Dr. Ulrich Cartellieri	675	–
Heidrun Förster	480	160
Klaus Funk	280	160
Gerald Herrmann	60	–
Sabine Horn	293	160
Sir Peter Job	–	–
Prof. Dr. Henning Kagermann	–	–
Ulrich Kaufmann	353	160
Peter Kazmierczak	126	6
Adolf Kracht	5,398	–
Professor Dr.-Ing. E.h. Berthold Leibinger	4,560	–
Margret Mönig-Raane	–	–
Dr. Michael Otto	–	–
Klaus Schwedler	264	60
Tilman Todenhöfer	250	–
Michael Freiherr Truchseß von Wetzhausen	727	1,083
Lothar Wacker	1,880	160
Dipl.-Ing. Albrecht Woeste	–	–
Total	35,453	59,259

As of December 31, 2002, the members of the Supervisory Board held 35,453 shares (December 31, 2001: 14,764) and 58,396 options to purchase shares (December 31, 2001: 1,005).

No member of the Supervisory Board beneficially owns 1% or more of our outstanding shares.

Deutsche Bank

Corporate Governance Principles

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Corporate Governance – a part of our identity

The intention of the following Corporate Governance Principles is to help achieve responsible, value-driven management and control of Deutsche Bank Group. Their aim is to promote and strengthen the confidence of present and future shareholders, customers, employees and the general public on national and international markets¹.

The Supervisory Board, Board of Managing Directors and staff are committed to achieving the goal of a sustained increase in the market value of Deutsche Bank. To conduct its business and grow profitably, Deutsche Bank needs capital from its shareholders. A high return on capital can only be achieved in the long-term if customers are satisfied with the bank's performance. To accomplish this, however, excellent services must be provided to clients which, in turn, cannot be done without motivated staff. Sustained business success makes jobs more competitive and thus safer. Finally, the bank's social commitment, expressed in corporate citizenship, creates the necessary basis for being respected as a responsible member of the community. Only when all of these requirements are fulfilled can the sustained increase expected by shareholders in the bank's market value also be achieved.

Corporate Governance covers the entire system of internal and external control and supervision mechanisms. As a voluntary commitment, Deutsche Bank's Corporate Governance Principles go beyond statutory requirements using a two-tier system of corporate management and control.

Compliance with the Principles is monitored by a Corporate Governance Officer appointed by the Board of Managing Directors in agreement with the Chairman of the Supervisory Board. A report on compliance with the Principles is made to the Supervisory Board at least once a year. Moreover, the Annual Report includes a report on Corporate Governance.

Corporate Governance must be understood as a continuous process covering all persons involved with the company. Deutsche Bank's Corporate Governance Principles are reviewed regularly in light of new developments, the provisions of law and changes to national and international standards, in particular including the German Corporate Governance Code, and are adjusted accordingly.

¹ Considering the global networking of economic and social life, Deutsche Bank respects the high degree of responsibility placed on globally-active companies. The observance of criteria in the sense presented by a Global Governance approach, such as that of the UN's Global Compact or that of the sustainability model, will become increasingly important in the opinion and evaluation of Deutsche Bank.

Relations with shareholders

Shareholder's fundamental rights

The legal provisions in Germany guarantee the observance of fundamental shareholder rights. They include in particular:

- unrestricted purchase and sale of shares,
- full voting right for each ordinary share (“one share – one vote”),
- participation in general meetings, including the exercise of voting rights,
- election of shareholder representatives on the Supervisory Board, and
- participation in company profits.

It is also ensured that shareholders participate in the basic decisions relevant to Deutsche Bank. This relates above all to amendments to the Articles of Association, the issue of new shares and/or convertible bonds and bonds with warrants as well as important structural changes.

Shareholders, shareholders' associations and all of the domestic and international financial service providers that have submitted a request within the preceding 12 months are informed in good time about the date and venue of the General Meeting, the agenda and the proposed resolutions, upon request also using electronic means. At the General Meeting, shareholders can ask for information from the Board of Managing Directors on matters relating to the bank. They can exercise their voting rights personally or have them exercised by a proxy of their choice. Instructions on how to exercise voting rights can also be given via electronic media. Deutsche Bank favors increased use of electronic media for the General Meeting. The Board of Managing Directors arranges the appointment of a representative to exercise shareholders' voting rights in accordance with instructions. This development was facilitated by the conversion from bearer to registered shares.

The equal treatment of shareholders is mandatory under German law. The Board of Managing Directors and Supervisory Board are committed to observing this principle in the exercise of their duties. They will also observe the principle of equal treatment of shareholders in the acquisition of own shares pursuant to § 71 (1) No. 8 Joint Stock Corporation Act.

In the event of a capital increase, shareholders generally have a pre-emption right proportionate to their share of ordinary capital. This pre-emption right may be excluded if and insofar as this is required in the interests of Deutsche Bank. The Board of Managing Directors and Supervisory Board will check carefully in each case whether this precondition is fulfilled.

Information

1. Within the scope of ongoing investor relations activities, the dates of the principal recurrent publications/events (including annual reports, quarterly reports, dates of General Meetings) are published in a financial calendar, also printed in the Annual Report, with adequate lead time (one year). The information published by Deutsche Bank is also available simultaneously in the Internet. This additionally comprises the invitation to the General Meeting, the agenda as well as any proposals, including election proposals from shareholders and any replies given by management. Over and above that, the results of voting are published after the General Meeting. All relevant publications are also simultaneously available in English.
2. The provisions of law are observed in the dissemination of information. The principle of the fair and equal treatment of all investors and financial analysts is also complied with („fair disclosure“). Information that Deutsche Bank AG announces in compliance with foreign capital markets regulations is also published in Germany without delay.
3. Statements on the anticipated future development of business are included in the Annual Report. Material deviations from previously published financial and strategic targets are explained.

Conduct in the event of takeover offers

In the event of a takeover offer for shares of Deutsche Bank AG, the Board of Managing Directors and the Supervisory Board shall submit a statement of their reasoned position. After the announcement of the decision of a third party to submit a takeover offer until the publication of the outcome, the Board of Managing Directors may take actions that could prevent the success of the offer only with the authorization of the General Meeting or the approval of the Supervisory Board. This does not apply to actions that a prudent and conscientious Board of Managing Directors not affected by a takeover offer would have taken and to the search for a competing offer. In appropriate cases, the Board of Managing Directors shall convene an extraordinary general meeting at which shareholders discuss the takeover offer and may decide on corporate actions.

Board of Managing Directors and Supervisory Board

Tasks and duties of the Board of Managing Directors

Tasks and duties of the Board of Managing Directors and Supervisory Board

1. According to German stock corporation law, the Board of Managing Directors is bound by corporate interest and policy as well as the Group's guidelines. The Board of Managing Directors drafts its own Terms of Reference and determines the allocation of business responsibilities as well as the cooperation among its members.
2. The Board of Managing Directors
 - will publish without delay new facts which have arisen in Deutsche Bank's activities and are not publicly known if, owing to their effects on the asset, liability and financial situation or on the general course of business, they could have a material influence on the price of Deutsche Bank's listed securities. Important, legally required announcements of the Deutsche Bank Group, whether from an important business unit or a subsidiary on its results, targets, expectations, outlook, etc., are submitted beforehand to the „One Voice Committee“;
 - informs the Supervisory Board regularly, in good time, comprehensively and, as a rule, in writing on all important questions relating to the course of business, strategy and corporate planning, revenues and profitability, the risk situation, risk management and risk controlling at Deutsche Bank AG and at the principal Group companies as well as on the principles of personnel policy;
 - points out to the Supervisory Board deviations of the actual business development from previously formulated plans and target, indicating the reasons therefor;
 - sends documents required for decisions, in particular, the Annual Financial Statements, the Consolidated Financial Statements and the Auditor's Report to the Supervisory Board, to the extent possible, in due time before the respective Supervisory Board meeting; and
 - informs the Chairman of the Supervisory Board without delay if the business or risk situation at Deutsche Bank changes substantially compared with submitted planning. The Chairman of the Supervisory Board will then inform the Supervisory Board, and if appropriate, convene an extraordinary meeting of the Supervisory Board.
3. The Board of Managing Directors develops the Group's strategy, reviews it with the Supervisory Board and ensures its implementation. In order to dedicate itself intensively to strategic management, resource allocation, control of the company and risk management, the Board of Managing Directors set up the Group Executive Committee, which keeps the Board of Managing Directors informed on the general development of business and extraordinary events, conducts systematic, regular reviews of the individual business units and prepares corresponding decisions to be taken by the Board of Managing Directors.
4. The Board of Managing Directors ensures that all provisions of law are observed in the Group. The same applies to these Corporate Governance Principles.

5. The Board of Managing Directors is aware of the extreme importance of detecting at an early stage developments that could threaten Deutsche Bank and of acting accordingly. It therefore imposes high demands on Group-internal risk management and risk controlling.

1. The task of the Supervisory Board is to advise the Board of Managing Directors regularly on the management of business and to supervise it (including the achievement of long-term goals). The Supervisory Board appoints and recalls the members of the Board of Managing Directors and, in cooperation with the Board of Managing Directors, arranges for long-term successor planning. A re-appointment of a member of the Board of Managing Directors prior to one year before the end of the appointment period only takes place under special circumstances. The age limit for members of the Board of Managing Directors is 65.
2. The Supervisory Board may, over and above the regulations of the Articles of Association, make certain types of business dependent on its approval. It determines the information and reporting duties of the Board of Managing Directors.
3. The members of the Supervisory Board maintain silence on the contents of their meetings and on confidential information and secrets of Deutsche Bank. In particular, they are obliged to maintain silent on confidential reports they receive and confidential discussions. The members of the Supervisory Board ensure that the staff members entrusted with handling the mandate-related work maintain silence accordingly.
4. The Supervisory Board has Terms of Reference.
5. The representatives of the shareholders and of the employees prepare the Supervisory Board meetings separately with members of the Board of Managing Directors. If necessary, the Supervisory Board meets without the Board of Managing Directors.
6. The Supervisory Board regularly examines the efficiency of its activities.
7. The Supervisory Board issues the audit mandate for Deutsche Bank's Annual Financial Statements and Consolidated Financial Statements to the Auditor of the Annual Financial Statements. Here, the Supervisory Board may determine specific points of emphasis for the audit and/or extend the statutory object and scope of the audit of the Annual Financial Statements. The issuance of the mandate also includes the agreement on the audit fee. To ensure the independence of the Auditor, the Supervisory Board observes the provisions of national and international law and also takes care that
 - any consultancy fees of the appointed Auditor's corporate group charged to Deutsche Bank Group are not inappropriately higher than the fees attributable to the audit of the Annual Financial Statements. Moreover, the Supervisory Board takes care that the auditing fees are comparable to those charged by a third-party company without additional consulting services;

Tasks and duties of the Supervisory Board

- no auditor is employed on the audit of the Annual Financial Statements who, over the preceding ten years, has signed the Auditors' Report on the audit of Deutsche Bank's Annual or Consolidated Financial Statements in more than six years;
 - the Auditor of the Annual Financial Statements is not exposed to any conflicts of interest. The Auditor of the Annual Financial Statements must state to the Supervisory Board or the Audit Committee whether, and where applicable, which professional, financial and other relationships exist between the Auditor and its executive bodies and head auditors on the one hand, and Deutsche Bank AG and its Group companies and the members of their executive bodies on the other hand, that could call his independence into question. This statement includes the extent to which other services were performed for Deutsche Bank AG or Group companies, especially in the consultancy field, or are contracted for the following year;
 - the Auditor of the Annual Financial Statements informs the Chairman of the Supervisory Board or of the Audit Committee without delay of any grounds for disqualification or impartiality occurring during the audit, unless such grounds are eliminated;
 - the Auditor of the Annual Financial Statements reports to the Supervisory Board without delay on all facts and events of importance for the tasks of the Supervisory Board which arise during the performance of the audit of the Annual Financial Statements; and
 - the Auditor of the Annual Financial Statements informs the Supervisory Board or notes in the Auditors' Report if, during the performance of the audit of the Annual Financial Statements, the Auditor comes across facts which show a misstatement by the Board of Managing Directors and Supervisory Board in the statement of compliance with the German Corporate Governance Code.
8. The members of the Supervisory Board ensure that they have enough time available and exercise their duties carefully and conscientiously. If a member of the Supervisory Board takes part in less than half of the meetings of the Supervisory Board in a financial year, this will be noted accordingly in the Report of the Supervisory Board.
9. The Chairman of the Supervisory Board maintains regular contact with the Spokesman of the Board of Managing Directors and consults with him on the strategy, business development and risk management of Deutsche Bank AG and its Group companies.

Composition of the Supervisory Board

1. The Supervisory Board is comprised pursuant to legal regulations of Supervisory Board members representing the shareholders and the employees.
2. The members representing the employees are elected in accordance with the Co-determination Act and the applicable election statutes.

3. In its election proposals to the General Meeting, the Supervisory Board takes care that candidates have the knowledge, abilities, salient experience, also taking into account Deutsche Bank's international activities, the time available needed and sufficient independence to fulfil their duties. Furthermore, Supervisory Board members do not exercise any directorships or similar positions or advisory tasks for important competitors. The Supervisory Board should not include more than two former members of the Board of Managing Directors. The age limit for members of the Supervisory Board is 70.
4. With regard to the membership of committees, the determining factor, in addition to the provisions of law, is the salient qualification of members.
5. To respect the needs of changing requirements during one term, the election and re-election of those members of the Supervisory Board who are to be elected by the General Meeting are at staggered dates. For representatives of the employees on the Supervisory Board, the present regulation remains in force.

Rules to avoid conflicts of interest

1. The members of the Board of Managing Directors, in exercising their corporate management function, pursue no private interests contrary to the interests of the company.
2. Members of the Board of Managing Directors must disclose important personal interests in transactions of Deutsche Bank Group and other conflicts of interest arising in connection with their activities for Deutsche Bank to the Supervisory Board without delay and must inform the other members of the Board of Managing Directors of this.
3. The terms and conditions of all transactions between Deutsche Bank Group and members of the Board of Managing Directors as well as persons or companies related to them must comply with normal industry standards. Important transactions require the approval of the Supervisory Board.
4. Loans may only be extended by the Deutsche Bank Group to members of the Board of Managing Directors or to persons or companies related to them on the basis of a unanimous resolution by all members of the Board of Managing Directors and only with explicit approval by the Supervisory Board. The resolutions of the Board of Managing Directors and Supervisory Board must be taken before the loan is granted.
5. Members of the Board of Managing Directors use business opportunities attributable to Deutsche Bank AG or to its Group companies neither for themselves nor for persons or companies related to them.
6. Members of the Board of Managing Directors are also forbidden from transacting, outside of their activities for Deutsche Bank, either for themselves or for persons or companies related to them, business which conflicts with the interests of Deutsche Bank AG or of Group companies.

Board of Managing Directors

7. During their employment with Deutsche Bank, the members of the Board of Managing Directors are subject to a comprehensive prohibition of competition.
8. The acceptance of supervisory board or management board mandates and/or other administrative or similar honorary offices by a member of the Board of Managing Directors must not detract from his duties as a member of the Board of Managing Directors nor from his time for these duties. Each member of the Board of Managing Directors does not accept more than five supervisory board mandates in listed companies outside of the Deutsche Bank Group. The assumption of side-line activities, in particular, of supervisory board mandates outside the Deutsche Bank Group, requires the approval of the other members of the Board of Managing Directors and the Supervisory Board. Members of the Board of Managing Directors do not, in principle, assume the chairmanship of supervisory boards of Group-external companies.
9. The purchase and sale of shares of Deutsche Bank AG and of its Group companies and of options or other derivatives based on such shares by members of the Board of Managing Directors and the Supervisory Board are subject to the respective national and international compliance regulations. The Board of Managing Directors ensures compliance with them by comprehensive compliance regulations valid throughout the Group. The Chief Compliance Officer submits a report at least once a year, which is also furnished to the Supervisory Board. Members of the Board of Managing Directors and employees may not solicit or accept payments or other benefits in addition to their compensation either for themselves or for third parties if this could adversely affect the interests of the Group or the customers. In addition, the respective Conditions of Employment apply to employees.

Mandates of members of the Board of Managing Directors on supervisory boards and similar bodies

1. Where members of the Board of Managing Directors of Deutsche Bank AG or members of the management bodies or senior executives of Group companies have mandates on supervisory boards or similar supervisory bodies at companies outside the Group, they act in the interest of the respective company. The respective mandate holder is personally responsible for the exercise of the rights and duties arising from such a mandate.
2. The respective mandate holder is obliged to maintain silence on all confidential information obtained within the framework of the mandate. This also applies in his relations with Deutsche Bank. By the same token, the mandate holder must also observe his duties of confidentiality towards the bank and its customers in the exercise of the mandate.
3. Where a mandate holder uses the services of bank employees to support him personally in the exercise of a mandate, these employees are subject to the same duty of confidentiality as the mandate holder. The respective employees may not pass on confidential information obtained in this connection either inside or outside the bank.

4. In the exercise of the mandate, the mandate holder must endeavour to avoid conflicts of interest. In particular, he must ensure, as far as possible, in accepting a mandate that conflicts of interest cannot arise from its exercise. If unavoidable conflicts of interest arise from the exercise of a mandate, the mandate holder, while protecting the interests of the company, must abstain from participating in deliberations and votes on matters which are the basis of his conflict of interest or resign from the mandate.

1. Members of the Supervisory Board must disclose conflicts of interest to the Supervisory Board which may result from a consultant or directorship function with clients, suppliers, lenders or other business partners. If unavoidable conflicts of interest arise from the exercise of a mandate, the mandate holder, while protecting the interests of the company, must abstain from participating in deliberations and votes on matters which are the basis of his conflict of interest or resign from the mandate. In its Report to the General Meeting, the Supervisory Board will disclose any conflicts of interest which have occurred together with their treatment.
2. In the exercise of their office, members of the Supervisory Board pursue no private interests or interests of persons or companies related to them which conflict with the interests of Deutsche Bank AG and Group companies.
3. Members of the Supervisory Board use business opportunities attributable to Deutsche Bank AG or to its Group companies neither for themselves nor for persons or companies related to them.
4. The terms and conditions of all transactions between Deutsche Bank Group and members of the Supervisory Board as well as persons or companies related to them must comply with normal industry standards.
5. Loans may only be extended by Deutsche Bank Group to members of the Supervisory Board or to persons and companies related to them on the basis of a unanimous resolution by all members of the Board of Managing Directors and only with explicit approval by the Supervisory Board. The resolutions of the Board of Managing Directors and Supervisory Board must be taken before the loan is granted.
6. Members of the Supervisory Board may not solicit or accept payments or other benefits either for themselves or for third parties if this can adversely affect the interests of the Group or customers. Advisory and other service contracts between a member of the Supervisory Board and Deutsche Bank AG or Group companies require the Supervisory Board's approval.

Supervisory Board

Committees of the Supervisory Board

Chairman's Committee

The Chairman's Committee, presided over by the Chairman of the Supervisory Board, has a consultative function vis-à-vis the Board of Managing Directors and prepares the decisions to be taken by the Supervisory Board. It also has functional responsibility for concluding, amending and terminating the employment and pension agreements of members of the Board of Managing Directors. The members of the Committee also decide on the approval of the Supervisory Board for transactions with members of the Board of Managing Directors and Supervisory Board and with persons and companies related to them.

Audit Committee

The Audit Committee has functional responsibility for questions concerning reporting and the audit of the Annual Financial Statements and Consolidated Financial Statements of Deutsche Bank AG and the Group respectively, including the internal monitoring system. The Audit Committee resolves on the audit mandate to the Auditor of the Annual Financial Statements, where necessary stating specific points of emphasis for the audit, and takes care that the Auditor of the Annual Financial Statements has the independence required. It prepares the examination of the Annual Financial Statements and Consolidated Financial Statements by the Supervisory Board. Here, the Committee brings in the Auditor of the bank's Annual Financial Statements. Furthermore, the Committee resolves on the Auditor's compensation. It also arranges to receive reports from Internal Audit on points of emphasis in and the results of the audit. As a rule, the Chairman of the Audit Committee is neither the Chairman of the Supervisory Board nor a former member of the Board of Managing Directors.

Credit and Market Risk Committee

The Credit and Market Risk Committee monitors the management of market risks and the credit matters of the Group. It deals with credits requiring approval and transactions made subject to its approval. The Committee also takes receipt of reports from the Board of Managing Directors on credit portfolios, markets and techniques which are of special importance owing to the related risks or obligations, or for other reasons. Furthermore, the Committee decides on important temporary shareholdings acquired in other companies if the value of the shareholding does not exceed 3% of the equity capital recognized for regulatory reporting.

Mediation Committee

The Mediation Committee makes personnel proposals to the Supervisory Board if the necessary two-thirds majority for the appointment and recall of members of the Board of Managing Directors has not been obtained. This Committee is prescribed by the German Co-determination Act.

Performance-related compensation

Structure

The Supervisory Board determines the size and structure of the compensation of members of the Board of Managing Directors. Here, the total compensation is to be proportionate to the duties and performance of the members of the Board of Managing Directors and to the economic situation, performance and outlook of Deutsche Bank AG, taking into account its peer companies. The Board of Managing Directors determines the compensation of senior executives.

The compensation of members of the Board of Managing Directors and senior executives of Deutsche Bank incorporates, in adequate measure, performance incentives reflecting the contribution to long-term value creation that are in line with international industry standards. They include stock option programs and performance-related incentives based on the development of the share price and on Deutsche Banks' continuing profitability. When stock options and similar rights are granted to members of the Board of Managing Directors and employees of Deutsche Bank, care is taken that rights under a stock option program or similar programs may first be exercised after two years have elapsed. Changing performance targets retroactively is excluded. Within the scope of the individual target agreements with the Board of Managing Directors, the Supervisory Board determines criteria for appraising the performance of the individual members of the Board of Managing Directors.

The members of the Supervisory Board receive a fixed remuneration component and a remuneration component oriented on the company's long-term results. The total compensation takes into account the scope of tasks as well as the economic situation and performance of Deutsche Bank AG. The Chair and Deputy Chair positions on the Supervisory Board as well as the chair and membership of committees are taken into account separately in determining the compensation.

Disclosure

The structure, total volume, exercise prices and exercise periods of stock options and comparable instruments created by Deutsche Bank as well as allocations of such options and rights in the reporting period must be published in the Annual Report in total for all members of the Board of Managing Directors. Suitable measures, such as the imposition of black-out periods, ensure that the requirements of the insider laws are observed.

All transactions by the members of the Board of Managing Directors and Supervisory Board in shares of Deutsche Bank AG or derivatives on these shares are reported to the German Federal Financial Supervisory Authority (BAFin) and Deutsche Bank without delay and are published by the bank soon thereafter.

The individual compensation of the members of the Board of Managing Directors of Deutsche Bank is reported subdivided according to fixed and variable, performance-related and long-term incentive components for each financial year in the Annual Report.

The compensation of the members of the Supervisory Board is reported subdivided according to fixed and performance-related components for each financial year in the Annual Report. Payments made or advantages extended to Supervisory Board members for individually provided services, in particular, for advisory or referral services, are listed separately and individualized in the Annual Report.

Reporting and transparency

Content and dissemination of reporting

1. Regular financial reporting (annual reports, quarterly reports) takes place on an up-to-date basis. The Consolidated Financial Statements are made publicly accessible within 90 days of the end of the financial year. Quarterly reports, which contain segment information and earnings per share figures in accordance with internationally accepted accounting principles, are published within six weeks of the end of the reporting period. The quarterly reports are reviewed by the Auditor of the Annual Financial Statements. The results of this limited review are published.
2. The Annual Report includes information on the size of the shareholdings (including existing option rights) of the individual members of the Board of Managing Directors and of the Supervisory Board in Deutsche Bank AG and its Group companies as well as on changes compared with the previous year.
3. In the Annual Report, the Board of Managing Directors reports all equity shareholdings exceeding 5% of the company's capital. The information includes the name and domicile of the company, amount of the shareholding, amount of equity and operating result of the previous financial year. Exceptions only apply to equity shareholdings which are of minor importance in presenting the bank's asset, liability, financial and profit situation, or where such information could be substantially detrimental to Deutsche Bank or the other company. The Annual Report also contains information on all equity shareholdings in non-consolidated companies which exceed 5% of capital; sentence 2 applies mutatis mutandis.
4. The Annual Report also specifies the owners of all notified holdings of 5% or more of the voting rights of Deutsche Bank AG. Furthermore, relationships are explained with shareholders considered as „related persons“ pursuant to applicable accounting regulations.
5. As soon as Deutsche Bank is notified or learns in some other way that, by purchase, sale or in some other way, another party's holdings exceed or fall below 5, 10, 25, 50 or 75% of the voting rights of Deutsche Bank, this fact is disclosed without delay by the Board of Managing Directors.

Auditing and controlling

1. Deutsche Bank issues financial reports in accordance with internationally accepted accounting principles. The audit of the Consolidated Financial Statements by the auditors mandated by the Supervisory Board is carried out in accordance with the German auditing regulations and the Generally Accepted Auditing Standards in the United States.
2. Deutsche Bank attaches particular importance to its risk management system, also in the interests of its shareholders. The effectiveness of this system is reviewed continuously. The risk management system is commented on separately in the Annual Report.

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