Deutsche Bank

Annual Report 2021
Switzerland

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(Chair since January 2021)

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Wolfram Lange

Frank Krings

Audit Committee

Catherine Stalker*, Chair

Dr Andreas J. Bär*, Vice Chair

Frank Krings

Credit Committee

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(Chair since January 2021)

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Jaclyn Haug
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* Complies with the requirements of independence according to FINMA Circular 2017/01, margin nos. 17–22

Claudio de Sanctis (Chair, since January 2021)
Claudio de Sanctis is a member of Deutsche Bank's Group Management Committee, CEO of Deutsche Bank EMEA and the global Head of the International Private Bank (IPB). De Sanctis became Head of the IPB upon its creation in June 2020. He had previously been Global Head of Deutsche Bank Wealth Management since November 2019 after joining the Bank in December 2018 as Head of Deutsche Bank Wealth Management Europe. Based in Zurich, he was also the Chief Executive Officer of Deutsche Bank (Switzerland) Ltd., as part of which he spent most of his time heading Wealth Management Europe. He was previously Head of Private Banking, Europe, at Credit Suisse, which he joined in 2013 as Market Area Head Southeast Asia for Private Banking, Asia Pacific. Before then, he spent seven years at UBS Wealth Management Europe, most recently as Market Head Iberia and Nordics. Earlier in his career, he was Head of Key Clients Unit Europe at Private Banking in Barclays, focusing on UHNW clients and he also worked at Merrill Lynch Private Wealth Management EMEA. De Sanctis earned a BA degree in philosophy at La Sapienza University of Rome.

Catherine Stalker (Vice Chair)
Catherine Stalker has been Vice Chair of the Board of Directors and Chair of the Audit Committee since November 2019. Prior to being elected to the Board in May 2017, Catherine Stalker was Head of Legal & Compliance at Deutsche Bank (Switzerland) Ltd. and Country Head of Legal Switzerland as well as a member of the Executive Board. She transferred from Credit Suisse, where she held different legal and compliance roles as well as a corporate development role with Winterthur Insurance. Previously, she worked for PricewaterhouseCoopers Ltd, SAirGroup and Grand Metropolitan plc in London. Catherine Stalker holds a law degree from the University of Zurich and a master's degree in law (LL.M) from the UCLA School of Law, Los Angeles.

Dr Andreas J. Bär
Andreas Bär joined the Board of Directors in 2012. He studied law in Switzerland and the US and has a doctorate from the University of Zurich in the field of banking law. As a trained attorney at law, he was a partner for many years and is now counsel at the distinguished law firm Bär & Karrer AG in Zurich, where he predominantly deals with commercial law. He mainly advises wealthy private clients, single and multi-family offices and their advisors, both in Switzerland and abroad, on wealth structuring, estate planning and certain issues regarding the structuring and running of family offices. He serves on various other boards, including outside the financial services industry and family offices. Mr Bär was, inter alia, a member of the Board of Julius Baer Group Holding.

Elisabeth Meyerhans Sarasin
Elisabeth Meyerhans Sarasin joined the Board of Directors in April 2016. She is the founder of Meyerhans & Partner, an advisory boutique specialising in strategic communications. She chairs the Board of SVA Sozialversicherung Aargau and of Limea AG and is a member of the Board of Dareal Holding AG, of DWS CH Ltd and of the Board of Trustees of AXA Stiftung Berufliche Vorsorge. Previously, she held positions at Neue Zürcher Zeitung, Bank Vontobel and the Federal Department of Finance (FDF) in Berne. From 2007 to 2010, she was Secretary-General of the FDF. She has a master's degree in business administration from the University of St. Gallen (HSG).

Christina A. Pamberg
Christina Pamberg joined the Board of Directors in April 2016. She is a partner at Alcyon Holding, a privately owned investment vehicle. Christina is also Chairwoman of the Board (government appointee) of Banque Cantonale du Jura, where she chairs the Credit Committee and is a member of the HR Committee. Furthermore, she sits on the Advisory Board of Level 20, a not-for-profit organisation and on the Board of Invest Europe, the European private equity trade association. Prior to her current roles, she worked for Salomon Smith Barney, HarbourVest Partners UK Ltd and Kohlberg Kravis Roberts & Co, among others. Christina Pamberg holds a BA from Amherst College, an MBA from INSEAD and completed the AMP at Harvard Business School.

Wolfram Lange
Wolfram Lange joined the Board of Directors in September 2018. He is the Global Divisional Control Officer (DCO) of Deutsche Bank International Private Bank. Wolfram Lange joined Deutsche Bank in 2005 as Deputy to the Global COO for Private Wealth Management and took over the COO role for Private Wealth Management EMEA in 2007. Prior to his current role, Wolfram held roles as the DCO for Wealth Management and also as Global Head of Risk, Governance & Regulatory Affairs for AWM, Deutsche Bank's former Asset and Wealth Management division. Before joining Deutsche Bank, he worked at McKinsey & Company in London, where he focused on a broad range of projects for the financial services industry.

Frank Krings
Frank Krings has been a member of the Board of Directors, the Audit Committee and the Credit Committee since November 2020. Over the past two and a half decades, he has held statutory board and management roles at banks, asset management and investment companies, industry associations and chambers of commerce in numerous developed and emerging market jurisdictions across Europe and Asia. Currently, Frank Krings is Deutsche Bank Group's Chief Executive Officer for Western Europe and the President and General Manager of Deutsche Bank in France. He also serves on the Board of the Association Française des Banques (AFB). In the Grand Duchy of Luxembourg, he is a member of the Supervisory Board and the Risk Committee of Deutsche Bank Luxembourg S.A.; he is also an elected member of the plenary assembly of the Luxembourg Chamber of Commerce and a member of its Audit Committee. Further, he is the Chairman of Istanbul-based Deutsche Bank A.Ş., a member of its Audit Committee and the Chairman of its Compensation Committee. Mr Krings is of French and German nationality, and graduated with a combined degree in business administration and electrical engineering from Brunswick Technical University.

Executive Board

Marco Pagliara, International Private Bank EMEA, CEO

Marco Pagliara is the CEO of Deutsche Bank (Switzerland) Ltd., Head of International Private Bank EMEA and Chief Country Officer for Switzerland. He joined Deutsche Bank from Goldman Sachs in June 2019 as Market Head Northern & Eastern Europe, which comprises our businesses in the UK and the Nordics, in Luxembourg and domestic Switzerland and in Emerging Europe. He was appointed to the Executive Board in July 2019. Marco started his career at McKinsey & Company Inc. in Milan before joining Goldman Sachs in 2002. He held various management positions at Goldman, lastly heading the wealth management business in Continental Europe and Switzerland in Zurich and served as the General Manager of Goldman Sachs Bank AG (Switzerland). Marco holds a degree in business administration from Bocconi University and an MBA in Finance from Columbia Business School, New York.

Yiping Li, COO (since January 2021)

Yiping Li was appointed Chief Operating Officer IPB EMEA and COO at Deutsche Bank (Switzerland) Ltd. in January 2021. Prior to this, she held various positions within Deutsche Bank Luxembourg S.A., including Chief Operating Officer Wealth Management EMEA and Head Wealth Management for Deutsche Bank in Luxembourg, where she was responsible for the local Wealth Management platform, as well as for the entire Benelux market region. Before Yiping Li joined Deutsche Bank, she worked as Chief Operating Officer at Credit Suisse in Luxembourg. Yiping Li holds a Bachelor of Science in Business Information Systems and in Computer Science and Technology from the Beijing Technical University, China, as well as from the Saxion Hogescholen Deventer, the Netherlands, respectively. She also holds a Master of Science degree in information system engineering from the University of Twente, the Netherlands.

Stephen Warren, CFO

Stephen Warren has been CFO for Deutsche Bank (Switzerland) Ltd. since December 2017 and is also Head of Group Finance, Switzerland, where he directly oversees the financials of Deutsche Bank AG, Zurich Branch (CIB). During the past 19 years at Deutsche Bank in London, Geneva and Zurich, he has held various positions, including CFO of Deutsche Asset Management Switzerland, member of the Board of DB Switzerland Pension Fund, and senior management positions in Group Finance within the Wealth Management, Investment Banking and Asset Management divisions. Prior to joining Deutsche Bank, Stephen Warren was a KPMG senior audit manager. He is also a qualified professional accountant.

Dr Clemens Kaiser, Markets

Clemens Kaiser is Head of Wealth Management Germany International & Austria with coverage teams in Zurich, Luxembourg and Vienna and Location Head for the Zurich office. Prior to joining Deutsche Bank Switzerland in 2006, he worked for Deutsche Bank Wealth Management after joining the Group as a graduate trainee in 2000 and has held various positions in different international locations. Clemens Kaiser holds a PhD in finance and a degree in business administration from the University of Tübingen.

Markus Reiter, Legal (until August 2021)

Markus Reiter was Head of Legal at Deutsche Bank (Switzerland) Ltd. from April 2017 to August 2021, Head WM Legal Europe as well as Country Head of Legal Switzerland. From April 2017 until March 2019, he also held the Country Head of Compliance position for Deutsche Bank in Switzerland. Prior to that, he was Head of Legal Asset Management in Germany, Central & Eastern Europe before becoming Head of Legal at Deutsche Bank Asset & Wealth Management in that region. He joined Deutsche Bank in 1996 and has held various positions in the Bank's Legal Department, covering different divisions and regions. Markus Reiter studied law at the University of Constance.

Laurence Harari Lehmann, Compliance

Laurence Harari Lehmann joined Deutsche Bank in 2015, covering the role of Country Head of Compliance for Deutsche Bank in Switzerland. In this capacity, she oversees the compliance activities for all legal entities of Deutsche Bank in Switzerland. Laurence Harari Lehmann is currently Head of Compliance Switzerland and Head of Wealth Management Compliance Europe. Before joining Deutsche Bank, she held senior compliance positions at Merrill Lynch in London and Credit Suisse in Zurich. Laurence Harari Lehmann holds a law degree from the University Paris I, Sorbonne, and a master's degree in law from the University of Chicago Law School.

Chantal Dreher, Legal (since August 2021)

Chantal Dreher has been Head of Legal at Deutsche Bank (Switzerland) Ltd. as well as Country Head of Legal Switzerland since August 1, 2021. She joined Deutsche Bank (Switzerland) Ltd. in 2005 as Senior Legal Advisor and was appointed Head of the Wealth Management Legal Team in 2013. Before joining Deutsche Bank Chantal Dreher worked as a lawyer in two major Swiss law firms for seven years and as Compliance Officer at Credit Lyonnais (Switzerland) Ltd from 1998 to 2000. Chantal Dreher holds a law degree from the University of Geneva and is a licensed attorney-at-law.

Dear readers

Deutsche Bank (Switzerland) Ltd. (DBS) is part of Deutsche Bank's International Private Bank (IPB) unit, which services Wealth Management clients globally as well as private clients and small and medium-sized enterprises in Italy, Spain, Belgium and India. The unit is headed by Claudio de Sanctis. He is also based in Zurich, thus emphasizing the importance of Switzerland as a location of Deutsche Bank.

Over the last few years, Deutsche Bank (Switzerland) Ltd. focused on selected markets and client segments and invested in client advisers and technologies. Office space in Zurich was further reduced, resulting in considerable cost savings. This will fully come into effect in 2022 as the project costs were incurred in the reporting year. The reduction in office space was combined with a new and innovative workplace concept that the Bank introduced during 2021.

Despite ongoing uncertainties due to the coronavirus pandemic, 2021 was a strong year both for financial markets and for Deutsche Bank (Switzerland) Ltd.

In 2021, strict protective measures that had been introduced in 2020 in order to fight the pandemic – working from home when possible and holding virtual client events – were imposed and lifted or adapted repeatedly. Towards the end of the year, the Bank had to reintroduce mandatory work from home whenever possible. Nevertheless, it was possible to have many in-person meetings and even events accompanying the Lucerne festival as well as a high-profile event at the Baur au Lac in Zurich during the summer. Overall, the health crisis was again an opportunity not only to meet our clients' needs, but also to demonstrate the Bank's resilience. In 2021 we saw positive development of the asset base and strong performance of our sophisticated lending services. However, this success was not achieved at the cost of increased risk as we continued our investments in strengthening and harmonizing our control framework and risk management functions.

Financial results 2021

We were able to rely on robust systems and processes during the second year of the COVID-19 pandemic. We are thus pleased to report that the Bank confirmed the previously reported increased operating results, but also attracted considerable net new money and new clients.

At CHF 259.2 million, operating income is slightly up from the previous year. Total credit provisions remain well below peers and decreased from CHF 10.9 million the previous year to CHF 5.7 million.

The cost base increased by CHF 6.4 million, from CHF 250.5 million the previous year to CHF 256.9 million, mainly due to restructuring and higher personnel expenses. The restructuring charges will have a positive effect on the cost base from 2022 onwards.

At the end of the year, the Bank reported CHF 24.6 billion of assets under management, compared with CHF 21.4 billion at the end of 2020. Net new assets inflows of CHF 1.8 billion were achieved in 2021, while the impact of FX translation to our CHF reporting currency as well as the market performance amounted to CHF 1.5 billion. Net new lending of CHF 640 million increased the overall credit book from CHF 4.3 billion to CHF 4.9 billion by year-end (adjusted for FX effects) as the Bank continues to develop its credit offering. This also demonstrates the Bank's ability to meet its clients' financial requirements even under extraordinary conditions, such as during the coronavirus pandemic.

The Bank retains a very solid capital base, which is well above the minimum regulatory level required. It also has ample liquidity: the liquidity coverage ratio, which demonstrates the Bank's ability to cover short-term liquidity needs, was comfortably above the minimum regulatory requirements.

Investments to promote growth and cost-cutting measures bear fruit

In the reporting year, we once again invested significantly in the core areas of our business.

Employees

In 2021, as in the previous years, Deutsche Bank (Switzerland) Ltd. hired many client advisers and investment managers to serve and acquire clients in selected growth markets and core client segments. The results were apparent in 2021. We are pleased once again to report considerable net new money and a growing loan portfolio. The Bank is continuing to invest in relationship managers and technology, but also aims to further strengthen and align the risk management and support functions which are crucial for our business.

Process and cost-efficiency

As in the previous years, the Bank took a series of efficiency measures that had, and will continue to have, a positive effect on costs. Apart from reducing the real estate footprint, fully cost-effective in 2022, digitalisation is the main lever. We took advantage of the COVID-19 pandemic to step up implementation of our digitalisation strategy.

Client coverage

Following the creation of the International Private Bank (IPB) unit in the previous year, Switzerland remains a key booking centre and coverage location for IPB's Wealth Management. The unit provides a full range of Wealth Management services to sophisticated high-net-worth (HNW) and ultra-high-net-worth (UHNW) individuals, entrepreneurs and family offices in accordance with a dedicated service model. The offering comprises innovative CIO-led investment solutions, ESG-compliant investment solutions, a comprehensive range of lending and financing solutions, as well as access to the global DB Group proposition including Investment Bank, Corporate Bank and Asset Management.

From its coverage hubs in Zurich and Geneva, Deutsche Bank (Switzerland) Ltd. provides onshore coverage for HNW and UHNW individuals located in Switzerland. It has dedicated coverage teams for each language region, offshore coverage for clients in the EMEA region (Europe excluding Germany, Italy and Spain, plus Middle East and Africa), as well as offshore coverage for UHNW clients with a European nexus from emerging markets outside of EMEA (APAC [Asia/Pacific] and Latin America). In addition to client coverage, a range of management and support functions for IPB are located in Switzerland, with Claudio de Sanctis and Alessandro Caironi, Head of IPB Advisory & Sales and Lending, in charge. EMEA is also managed from Switzerland, with Marco Pagliara, CEO of Deutsche Bank (Switzerland) Ltd. and Head of IPB EMEA, being based in Zurich.

Build-up of new teams

During the reporting year, the Bank appointed Paul Sayers as Head of International Private Bank (IPB) Africa. Together with a new team of three Senior Relationship and Investment Managers, he will focus on sub-Saharan Africa, mainly Nigeria and South Africa. The team has decades of combined experience in the South African and Nigerian markets. Their business is being booked in Geneva and Zurich because clients from Africa appreciate Switzerland as their number one booking centre due to its long tradition of private banking, its stability and neutrality. The collective experience and reputation of Paul Sayers and his team will be most valuable in achieving IPB's strategic ambitions in the Middle East and Africa, that is to solidify, diversify and grow our book of clients domiciled on the African continent.

Further, Raoul Zehnder, based in Zurich, joined the Bank on 1 October 2021 with four other team members to manage ultra-high-net-worth (UHNW) and global family office clients. Their focus is particularly on the UK (resident non-domiciled clients) and Northern Europe. Raoul also took over market responsibility for French- and Italian-speaking Switzerland.

Concerning the Nordics business in Switzerland, there is a clear alignment between the desk in Switzerland and the Market Head of Nordics in Stockholm. This will enable the team in Switzerland to add a lot to the Nordics business.

With regard to the UK business booked in Switzerland, this is a new area and a key business priority. The structure is the same as for the Nordics: the new UK Desk in Switzerland is aligned with the Market Head UK in London. The offshore UK side is particularly interesting for resident non-domiciled clients who live in London but interested in an offshore booking centre. Accordingly, the Bank is now building a new business in Zurich.

The coming year

The strategic plan anticipates sustained growth in invested assets and lending activities, driven by the new hires in 2021 and our existing successful teams and aided by continued strict cost discipline across the Bank. This growth will be supported by a strong balance sheet, robust capital ratios and comfortable liquidity reserves. Local roots combined with the global presence of Deutsche Bank AG (Group) are a major competitive advantage. Our objective is to be the preeminent private bank for high-net-worth (HNW) and ultra-high-net-worth (UHNW) individuals, entrepreneurs and family offices from Switzerland and abroad who know that their sophisticated Swiss private banking needs will be satisfied comprehensively. We see a lot of potential for growth in this respect, especially as Deutsche Bank (Switzerland) Ltd. provides an unparalleled range of Wealth Management services. In addition, it is able to draw on a large and global network of specialists and has access to solutions from the Corporate Bank, the Investment Bank and DWS, the asset management arm of Deutsche Bank.

While we consider DBS's fundamentals for future growth intact, the war in Ukraine may negatively impact our business and our financial results in 2022. It is too early to make qualified predictions, let alone to quantify them. However, if the Ukraine crisis were to cause a prolonged downturn of the local, regional or global economy, this may prevent us from meeting our targets.

Changes to the Bank's management bodies

Board of Directors
Claudio de Sanctis was elected Chairman of the Board of Directors in January 2021, replacing Fabrizio Campelli, who stepped down in December 2020 to take on different responsibilities within Deutsche Bank.

Executive Board
Yiping Li took on the position as COO in January 2021. She replaces Dr Peter Seeburger, who stepped down in December 2020 to take on different responsibilities within Deutsche Bank. Chantal Dreher was elected to the Executive Board in August 2021. She replaces Markus Reiter, who stepped down simultaneously to take on different responsibilities within Deutsche Bank. Pierre-Alexandre Pisivin was elected to the Executive Board in April of the reporting year and stepped down in December 2021.

Thanks
Despite the commercial success achieved in the reporting year, 2021 will primarily be remembered for its quickly changing COVID-19 restrictions. The pandemic demanded great flexibility and adaptability from all stakeholder groups. Client meetings took place by video conference, staff worked from home, and trading volumes in some cases were significantly above normal levels. When the Bank successively returned to in-person meetings and increased office presence, another wave of infections forced us back into working from home and video-conferencing towards the end of the year. The Bank was able to overcome these challenges due to the proven robust infrastructure and the flexibility of our staff. We would once more like to thank our clients for putting their trust in us despite the difficult circumstances. And we would like to thank our employees, who showed patience during the second year of the pandemic and the necessary flexibility as well as their usual determination in putting clients at the centre of what they do – this year and beyond.

Chairman of the Board of Directors
Claudio de Sanctis

Chief Executive Officer
Marco Pagliara

Regulatory Information

Disclosure in accordance with FINMA Circular 2016/01

Capital

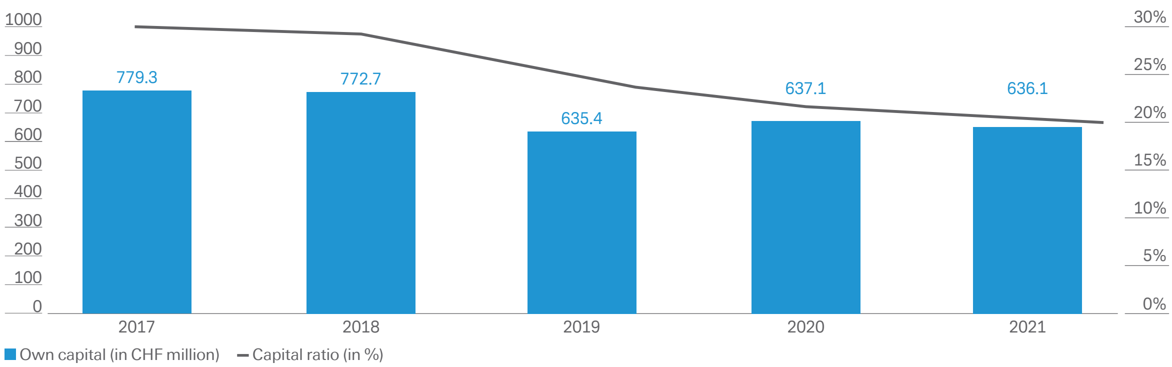
In accordance with paragraphs 12 and 13 of FINMA Circular 2016/1, Deutsche Bank (Switzerland) Ltd. as a foreign-controlled bank is partially exempt from the extensive disclosure requirements, provided that comparable disclosures are published at Group level in the foreign country in question. More information on consolidated capital adequacy within the Deutsche Bank Group can be found in the chapter on regulatory capital in Deutsche Bank AG's financial report for 2021.

As at the end of 2021, Deutsche Bank (Switzerland) Ltd. had surplus capital of around CHF 381 million compared with CHF 402 million in the previous year. The key figures for publication set out in FINMA Circular 2016/1 can be seen in the table below.

Disclosures in accordance with FINMA Circular 2016/01	2021	2020
Eligible capital (CHF 000)		
Common Equity Tier 1 (CET1)	584,398	584,785
Tier one capital (T1)	584,398	584,785
Total capital	636,700	637,087
Risk-weighted assets (RWA) (CHF 000)		
Total risk-weighted assets (RWA)	3,203,191	2,943,758
Minimum capital requirements (CHF 000)	256,255	235,501
Risk-based capital ratios (as a percentage of RWA)		
CET1 ratio (%)	18.24%	19.87%
T1 ratio (%)	18.24%	19.87%
Total capital ratio (%)	19.88%	21.64%
Additional CET1 requirements (buffers) as a percentage of RWA		
Capital conservation buffer requirement according to Basel minimum requirements (%)	2.50%	2.50%
Countercyclical buffer requirement according to Basel minimum requirements (%)	0.01%	0.01%
Total of bank CET1 specific buffer requirements according to Basel minimum requirements (%)	2.51%	2.51%
CET1 available after meeting the bank's minimum capital requirements (%)	11.88%	13.64%
Target capital ratios according to Annex 8 of the Capital Adequacy Ordinance (CAO) (% of RWA)		
Capital conservation buffer according to CAO Annex 8 (%)	3.20%	3.20%
Countercyclical capital buffer according to CAO Art. 44 and Art. 44a (%)	0.01%	0.01%
CET1 capital target (%) according to CAO Annex 8 incl. countercyclical buffer according to CAO Art. 44 and 44a	7.41%	7.41%
T1 capital target according to CAO Annex 8 incl. countercyclical buffer according to CAO Art. 44 and 44a	9.01%	9.01%
Total capital target according to CAO Annex 8 incl. countercyclical buffer according to CAO Art. 44 and 44a	11.21%	11.21%
Basel III leverage ratio		
Leverage ratio exposure (CHF 000)	10,230,387	7,997,340
Basel III leverage ratio [1]	5.72%	7.31%

1) The end of the COVID-19 exemptions for leverage ratio in 2021 had a substantial impact on our ratio.

Own capital / capital ratio



The Bank benefited from a one-off capital injection by its parent company of over CHF 250 million in 2013. It was decided in 2015 to return CHF 100 million of this subsidy to the Group by means of an extraordinary dividend from capital contribution reserves. It was decided in 2019 to return CHF 112 million of this subsidy to the Group by means of an extraordinary dividend from retained earnings. With a total capital ratio of 19.9% (previous year: 21.6%), Deutsche Bank (Switzerland) Ltd.'s capital base is still comfortable when compared with the minimum total capital ratio under supervisory law of 11.2%.

Liquidity

The Asset and Liability Committee is tasked by the Executive Board to manage and monitor liquidity risk. A regular reporting process is in place to monitor all liquidity risks.

The minimum requirement in accordance with the Liquidity Ordinance Art. 31a is 100%. The Q4 2021 liquidity coverage ratio, which represents cover of short-term liquidity requirements, increased by 30 percentage points compared with the Q4 2020 average (129%). Deutsche Bank (Switzerland) Ltd. holds a solid buffer compared with the minimum regulatory requirement.

Short-term liquidity ratio, LCR	Q=Quarter Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
LCR numerator: total of high-quality liquid assets (CHF 000)	1,451,451	1,274,453	1,222,461	1,180,952	1,018,077
LCR denominator: total net cash outflows (CHF 000)	910,339	913,605	923,987	911,161	787,601
Liquidity coverage ratio, LCR (in a %)	159%	139%	132%	130%	129%

Balance Sheet

Assets

CHF 000	Notes	31.12.2021	31.12.2020
Liquid assets		1,259,946	1,122,477
Amounts due from banks		3,371,230	3,041,084
Amounts due from customers	9.1	3,124,181	2,504,567
Mortgage loans	9.1	1,786,817	1,765,451
Trading portfolio assets	9.2	4	130
Positive replacement values of derivative financial instruments	9.3	142,448	123,598
Financial investments	9.4	56,724	65,701
Accrued income and prepaid expenses		128,567	157,077
Non-consolidated participations	9.5	-	–
Tangible fixed assets	9.6	35,289	28,698
Intangible assets	9.7	22	200
Other assets	9.8	31,695	23,879
Total assets		9,936,923	8,832,862

Liabilities

CHF 000		31.12.2021	31.12.2020
Amounts due to banks		5,408,403	4,700,976
Amounts due in respect of customer deposits		3,531,551	3,185,717
Negative replacement values of derivative financial instruments	9.3	140,987	122,043
Accrued expenses and deferred income		116,002	116,559
Other liabilities	9.8	85,921	49,431
Provisions	9.12	69,661	73,351
Reserves for general banking risks	9.12	14,000	14,000
Bank's capital	9.13	100,000	100,000
Capital reserve		168,158	168,158
of which tax-exempt capital contribution reserve		168,158	168,158
Legal reserve		47,171	47,171
Retained earnings reserve		254,338	254,338
Profit carried forward / loss carried forward		1,118	2,035
Profit / loss (result for the period)		-387	-917
Total liabilities		9,936,923	8,832,862

Off-balance-sheet transactions

CHF 000		31.12.2021	31.12.2020
Contingent liabilities	9.1, 9.23	108,559	106,482
Irrevocable commitments	9.1	17,550	12,153
Obligations to pay up shares and make further contributions	9.1	83,164	26,438

Income Statement

CHF 000	Notes	2021	2020
Result from interest operations			
Interest and discount income [1]		65,364	72,930
Interest and dividend income from trading portfolios		-	-6
Interest and dividend income from financial investments		55	238
Interest expense [1]		-14,189	-29,201
Gross result from interest operations		51,230	43,961
Changes in value adjustments for default risks and losses from interest operations		-3,958	-6,622
Subtotal net result of interest operations		47,272	37,339
Result from commission business and services			
Commission income from securities trading and investment activities		119,947	106,284
Commission income from lending activities		2,560	2,990
Commission income from other services		28,584	30,609
Commission expense		-10,215	-5,019
Subtotal result from commission business and services		140,876	134,864
Result from trading activities and the fair value option	10.1	10,729	9,421
Other result from ordinary activities			
Result from the disposal of financial investments		–	–
Income from participations		1,208	1,093
Result from real estate		901	801
Other ordinary income		58,806	67,984
Other ordinary expense		–	–
Subtotal other result from ordinary activities		60,915	69,878
Operating income		259,792	251,502
Operating expenses			
Personnel expenses	10.3	-138,617	-132,584
General and administrative expenses	10.4	-111,721	-111,351
Subtotal operating expenses		-250,338	-243,935
Value adjustments on participations and depreciation of tangible fixed assets and amortisation of intangible assets		-6,475	-5,851
Changes to provisions and other value adjustments, and losses		-171	-742
Operating result		2,808	974
Extraordinary income	10.5	–	–
Extraordinary expenses	10.5	–	–
Taxes	10.6	-3,195	-1,891
Profit / loss result for the period		-387	-917
Compensation of losses			
Profit / loss result for the period		-387	-917
Profit carried forward at year-end		1,118	2,035
Balance sheet profit		731	1,118
Amounts available for the general meeting		731	1,118
Profit distribution			
Dividend payment		–	–
- thereof distribution from the legal capital reserves		–	–
Retained earnings / loss to be carried forward		731	1,118

1) In 2020 Interest discount income and interest expense have each been reduced by CHF 7 million due to a reclassification.

Statement of Changes in Equity

CHF 000	Bank's capital	Capital reserve	Legal reserves from retained earnings	Reserves for general banking risks	Other reserves from retained earnings	Result for the period	Total
Equity at 01.01.2021	100,000	168,158	47,171	14,000	256,373	-917	584,785
Other allocations to (transfers from) the other reserves	–	–	–	–	-917	917	–
Profit / loss (result for the period)	–	–	–	–	–	-387	-387
Equity at 31.12.2021	100,000	168,158	47,171	14,000	255,456	-387	584,398

Notes to the Annual Financial Statements

1 Company Name, Legal Form and Registered Office of the Bank

Deutsche Bank (Switzerland) Ltd., with its head office in Geneva and a branch office in Zurich, is a wholly owned subsidiary of Deutsche Holdings (Luxembourg) S.à r.l., Luxembourg, which is a consolidated entity of the Deutsche Bank Group. Deutsche Bank (Switzerland) Ltd. is one of the companies for which Deutsche Bank AG has issued a Declaration of Backing in its Annual Report 2021, within the supplementary information disclosures.

Incorporated in 1980, Deutsche Bank (Switzerland) Ltd. specialises in asset management and investment advisory services for International Private Bank clients (wealth management), which also includes portfolio management and collateralised lending. The Bank conducts its activities predominantly in offices rented under long-term leases.

2 Accounting and Valuation Principles

2.1 General principles

Bookkeeping, accounting and valuation procedures comply with the Swiss Code of Obligations, the Swiss Federal Banking Act and its ordinance, as well as the Swiss Financial Market Supervisory Authority (FINMA) guidelines governing accounting practices for banks, securities dealers, financial groups and conglomerates in accordance with FINMA Circular 2020/1 and its Accounting Ordinance. These company financial statements are free from material misstatement and present the economic position of the Bank such that third parties can make a reliable assessment. The financial statements may contain hidden reserves.

In the Notes, the individual figures are rounded for publication; the calculations are, however, performed using figures that have not been rounded, with the result that small rounding discrepancies may occur.

2.2 General valuation principles

These annual financial statements are drawn up on the assumption of the continuation of the Bank as a going concern. Therefore, all positions are recognised on a going-concern valuation basis. Assets are recognised in the balance sheet as such if these are available due to past events, a cash inflow is probable and their value can be reliably estimated. Liabilities are recognised in the balance sheet as such if these arise from past events, a cash outflow is probable and their amount can be reliably estimated. Detailed positions reported in the balance sheet are measured individually. The transitional provision that requires individual valuations for tangible fixed assets to be carried out no later than 1 January 2021 is not applied.

Assets and liabilities, and income and expenditure, are generally not offset. Receivables and payables are offset only in the event of value adjustments to the corresponding asset item.

2.3 Detailed Accounting and Valuation Principles

2.3.1 Liquid assets

Liquid assets include cash holdings in Swiss francs and foreign bank notes, as well as sight deposits with the Swiss National Bank. These items are recognised at nominal value.

2.3.2 Amounts due from banks, amounts due from customers and mortgages

Amounts due from banks, customers and mortgages are recognised at their nominal value less any required value adjustments.

Precious metals trading balances on metals accounts are measured at fair value if the corresponding metals are traded on a liquid market.

Impaired loans, i.e. amounts due from customers for which it is unlikely that the obligor will be able to meet future obligations, are valued on an individual basis and the value loss is covered by specific value adjustments. The value reduction of impaired loans is measured on the basis of the difference between the book value of the loan and the estimated recoverable amount. The amount estimated to be recoverable is deemed to be the liquidation value.

If a receivable is deemed to be irrecoverable, in part or in full, or if a debt waiver is granted, the receivable is written off and charged against the corresponding value adjustment.

If recoveries from receivables that were already written off at an earlier date cannot be used for other similar value adjustments at the same time, they are credited to the income statement under “Changes in value adjustments for default risks and losses from interest operations”.

As a FINMA Category 4 Bank, the Bank makes use of the option according to Art. 25 para. 1 let. c FINMA Accounting Ordinance and continues to apply the existing approach with value adjustments for latent default risks. No value adjustments have been made for latent default risks.

Specific value adjustments are deducted from the corresponding asset item in the balance sheet.

Impaired loans are reclassified as performing if the outstanding principal amounts and interest expenses are paid on schedule in line with the contractual agreements and further credit rating criteria. The reversal of value adjustments is reported in the income statement under “Changes in value adjustments for default risks and losses from interest operations”.

2.3.3 Amounts due to banks and in respect of customer deposits

These items are recognised at their nominal value.
Precious metals liabilities on metals accounts are valued at fair value.

2.3.4 Trading and amounts due to trading

The trading portfolios are generally valued and recognised in the balance sheet at fair value.

Foreign exchange gains and losses resulting from valuation changes are recognised under “Result from trading activities and the fair value option”. Interest and dividend income from trading is credited in the income statement under “Interest and dividend income from trading portfolios”. No refinancing costs for trading are credited to “Interest and discount income”.

2.3.5 Positive and negative replacement values of derivative financial instruments

Derivative financial instruments are primarily used on behalf of clients in asset and liability management and foreign exchange trading.

Derivative financial instruments are valued at fair value and, in principle, represent trading activities. Replacement values of derivative financial instruments from client transactions resulting from contracts traded over the counter are disclosed. Exchange-traded contracts from client transactions are accounted for if no daily margining takes place. Replacement values from trading activities are accounted for under “Positive replacement values of derivative financial instruments” on the asset side or the item “Negative replacement values of derivative financial instruments” on the liability side. Valuation gains are recognised through income in the item “Result from trading activities and the fair value option”.

Fair value is based on market rates, prices quoted by traders, discounted cash flow and option premium models.

2.3.6 Financial investments

Financial assets cover debt instruments, equities and physical holdings of precious metals. For financial assets that are valued at the lower of cost or market, a write-up is recognised up to a total of the historical acquisition cost, provided the fair value that was depreciated below the acquisition cost subsequently rises again. The value adjustment balance is recognised under the items “Other ordinary expenses” and “Other ordinary income”.

Debt instruments not intended to be held until maturity (available for sale) are valued at the lower of cost or market. Value adjustments from the subsequent valuation are recognised under the item “Other ordinary expenses” or “Other ordinary income” for each item. Value adjustments relating to default risk are recognised under the item “Changes in value adjustments for default risks and losses from interest operations”.

The valuation of equity securities and own physical precious metal holdings is carried out at the lower of cost or market. Own physical holdings of precious metals that are used to cover liabilities from precious metals accounts are also valued at fair value in line with the precious metals accounts. Value adjustments are recognised under “Other ordinary expenses” or “Other ordinary income” for each item.

2.3.7 Participations

The term participations covers equity securities owned by the Bank in undertakings where those securities are held with the intention of a permanent investment irrespective of the percentage of voting shares held. The participation is held at acquisition value less any necessary value adjustments. The value of the participation is reviewed at each balance sheet date and any impairment of the value is charged to the result for the period.

2.3.8 Tangible fixed assets

Investments in tangible fixed assets are capitalised if they are used beyond a reporting period and exceed the minimum capitalisation threshold of CHF 1,000. Tangible fixed assets are recognised in the balance sheet at acquisition cost less planned accumulated depreciation and amortisation over their estimated useful life. Tangible fixed assets are written off on a linear basis over a period subject to a conservative estimate of their useful life under "Value adjustments on participations and depreciation and amortisation of tangible fixed and intangible assets". The estimated useful life of a given category of tangible fixed assets is as follows:

Asset category	Useful life
Additions to / renovation of leasehold properties	10 years
Acquired or self-developed software for core banking systems	10 years
Furniture	8 years
Operating equipment, telecommunications	5 years
Acquired or self-developed software (except for core banking systems)	5 years

On the balance sheet date, the tangible fixed assets are tested for signs of impairment. This check is triggered by indications that individual assets could be affected by impairment losses. If such signs are confirmed, the recoverable amount is determined. If an impairment loss is found, the book value is reduced to the recoverable amount and the impairment loss is debited under the item "Value adjustments on participations and depreciation of tangible fixed assets and amortisation of intangible assets".

Realised gains from the sale of tangible fixed assets are recognised under "Extraordinary income", and realised losses under "Extraordinary expenses".

2.3.9 Intangible assets

Purchased intangible assets are recognised in the balance sheet if they will generate measurable benefits for the company over several years. Internally produced intangible assets are not recognised in the balance sheet. Intangible assets are recognised and measured at acquisition cost. Intangible assets are amortised on a straight-line basis over their carefully estimated useful life via the item "Value adjustments to investments, depreciation and amortisation of fixed assets and intangible assets". The estimated useful life for the individual classes of intangible assets is:

Asset class	Useful life
Licences	3 years

On the balance sheet date, intangible assets are tested for signs of impairment. This test is based on indications that individual assets may be impaired in value. If there are any such indications, the recoverable amount is determined. The recoverable amount is determined for every asset (single valuation). An asset is impaired if its carrying amount exceeds the recoverable amount.

Realised gains from the sale of intangible assets are recognised as "Extraordinary income", while realised losses are charged to "Extraordinary expenses".

2.3.10 Accrued income/expenses and prepaid expenses/deferred income

These items mainly consist of accrued interest, taxes payable and other accruals and deferrals.

2.3.11 Other assets and other liabilities

These items comprise mainly indirect taxes, settlement account balances and other payables from goods and services.

2.3.12 Provisions

Legal and factual liabilities are valued on a regular basis. If a cash outflow is probable and can be reliably estimated, a corresponding provision is created.

Existing provisions are measured on each balance sheet date. Depending on the revaluation results, the provisions will be increased, maintained or reversed. Provisions are included as follows under the individual captions of the income statement:

Provisions for deferred tax:	"Taxes"
Pension provisions:	"Personnel expenses"
Other provisions:	"Changes to provisions and other value adjustments, and losses" with the exception of restructuring provisions

Provisions are released in the income statement if they are no longer required.

2.3.13 Reserves for general banking risks

The reserves for general banking risks are precautionary reserves raised for banking business risks in the course of operations.

The establishment and reversal of reserves are recognised in the income statement under "Changes to reserves for general banking risks". The reserves for general banking risks are taxed.

2.3.14 Taxes

Current taxes are recurring taxes on capital and income, generally on an annual basis. Transaction-related taxes are not categorised as current taxes.

Amounts due to current capital and income taxes are reported under "Accrued expenses and deferred income".

Current capital and income tax expenses are reported in the income statement under "Taxes".

2.3.15 Off-balance-sheet transactions

Off-balance-sheet transactions are recognised at their nominal value. For foreseeable risks, provisions are raised under liabilities in the balance sheet.

2.3.16 Pension obligations

Deutsche Bank (Switzerland) Ltd. operates a staff pension foundation for its employees. The Bank's pension obligations and the assets serving as cover are held separately by this legally autonomous foundation. The pension scheme is treated as a defined-contribution scheme under Swiss GAAP FER 16. The pension scheme contributions made by Deutsche Bank (Switzerland) Ltd. are recognised as personnel expenses. The employee pension fund provides both mandatory and supplementary cover. The insurance scheme is based on a semi-autonomous policy, with death and invalidity risks reinsured externally.

The Bank determines annually whether the pension fund results in a financial benefit or a financial liability for Deutsche Bank (Switzerland) Ltd. An economic benefit is used only for the insured party and is therefore not recognised in the balance sheet by the Bank, but the Bank does disclose it in the Notes to the financial statements. Any financial liability is reported under the item "Provisions"; the establishment and reversal of the provisions is reported under the item "Personnel expenses".

2.3.17 Employee share ownership programmes

Employee share ownership programmes are in place for the members of the Executive Board and for employees. Employees receive bearer shares in the Deutsche Bank Group according to their seniority, hierarchy level and individual work performance. For the sale of these shares, there is a vesting period of at least four years.

The liability is recorded under "Accrued expenses and deferred income" and valued on each balance sheet date. The resulting change to the fair value is adjusted in the income statement under the item "Personnel expenses".

2.3.18 Changes to the accounting and valuation principles

Effective as of 1 January 2020, the Bank has adopted the new FINMA Accounting Ordinance and FINMA Circular. 2020/1 "Accounting – banks". In 2021 there were no changes to the accounting and valuation principles.

2.3.19 Recognition of business transactions

All business transactions completed on the balance sheet date are recognised in the Bank's books on the trade date and are valued from that time in accordance with the principles set out above. Foreign exchange spot transactions and foreign exchange forwards that have been traded but not yet settled are reported in the balance sheet from the value date. These transactions are reported under "Positive replacement values of derivative financial instruments" or "Negative replacement values of derivative financial instruments" between the trade date and the settlement date.

2.3.20 Treatment of overdue interest charges

Overdue interest charges and corresponding fees are not collected as interest earned. Interest charges and fees that have been due for more than 90 days but have not been paid, however, are recognised as such. In the event of current account limits, interest charges and fees are considered to be overdue if the approved credit limit has been exceeded for more than 90 days. Overdue interest charges are not cancelled retroactively. The amounts due from interest charges that accumulated before the expiry of the 90-day period are written off under the item "Changes in value adjustments for default risks and losses from interest operations".

2.3.21 Foreign currency translation

Transactions in foreign currencies are recognised at the current rate. On the balance sheet date, assets and liabilities are translated at the closing rate (average rate on the balance sheet date). The gains or losses resulting from foreign currency translation are recognised under "Result from trading activities and the fair value option".

The following rates are used for currency translation:

	31.12.2021	31.12.2020
USD	0.91114	0.88394
EUR	1.03615	1.08155
GBP	1.23409	1.20830
JPY	0.00791	0.00856

2.3.22 Treatment of the refinancing of trading positions

Refinancing costs for trading are not debited to trading income.

3 Risk Management

3.1 Information on risk management

Given our broad range of business activities, it is crucial to identify, measure, aggregate and manage risks effectively and to support our various business activities with adequate capital.

We have dedicated and integrated Legal, Risk & Treasury functions, which operate independently of the business areas. The importance of focusing heavily on risk management and the ongoing need to enhance risk management practices became particularly evident during the last financial market crisis.

The Board of Directors is kept apprised of the situation with regard to the Bank's assets, liabilities, liquidity, capital and financial results as well as the related risks. The Board of Directors has reviewed an analysis of the material risks to which the Bank is exposed, based on data and tools used by the Bank as part of its risk management process. Risk management essentially addresses interest rate risks, other market risks, credit risks, operational risks and liquidity risks. Within this review, the Board of Directors has also included the internal control system, which monitors and mitigates risk. Internal Audit regularly reviews the Bank's internal control system and reports its findings to the Audit Committee and the Board of Directors.

The Asset and Liability Committee (ALCO) is responsible for balance sheet management, including investment of the Bank's own funds.

3.2 Market risk

The market risks arising from interest rate exposure in the Bank's books and currency risks are monitored using a Group-wide value-at-risk model and interest rate sensitivity risk analysis. However, capital backing requirements for market risks are determined using the standard method provided for in Art. 82, para. 1 (b), CAO. As at the end of 2021, there were no significant outstanding risk positions.

3.3 Credit risk

The Board of Directors has approved the credit risk appetite and general guidelines in the "Credit Risk Management Principles of Deutsche Bank (Switzerland) Ltd.". Under these guidelines, the Board of Directors' Credit Committee has the ultimate power to approve loans. The Head of Risk Management or his deputy kept the Board of Directors informed about the quality and development of the credit portfolio at four ordinary meetings of the Board of Directors. The Risk Management team forms part of the Deutsche Bank Group's integrated Risk Management function, which reports to the Chief Risk Officer of the Deutsche Bank Group. Credit risk, in addition to operational risk, is the main component of the Bank's overall risk. The Bank measures and manages this risk in accordance with the following principles:

- Credit decisions are made on the basis of uniform standards in all parts of the Group.
- Approval of credit limits for business partners and management of our individual loan commitments must comply with our portfolio guidelines and credit strategies.
- Each loan granted and any material change in a credit facility extended to a business partner (e. g. duration, collateral structure or key contractual conditions) must be approved at the appropriate authorisation level.
- Staff with the requisite qualifications, experience and training are authorised to approve loans, and this authorisation is reviewed on a regular basis.

Credit risk rating

One key element of the loan approval process is the performance of a detailed risk assessment of every loan granted to a business partner. The risk assessment takes account of the business partner's creditworthiness, the collateral provided including any relevant safety margins, and other relevant risks for the credit facility or loan. The resulting risk rating not only affects the structure of the transaction and the credit decision but also determines the authorisation required for the granting or renewal of the loan or any material changes to its term and defines the extent of monitoring required in each individual case.

The Bank uses internal valuation methods, score cards and a rating scale to assess its business partners' creditworthiness. Our 21-notch rating scale is calibrated with reference to the measure of probability of default based on statistical analyses of historical defaults in our portfolio. This scale makes it possible to compare internal ratings with market practices and enhances the mutual comparability of the various sub-portfolios. Loan commitments are generally measured individually. When the Bank determines internal risk ratings for its business partners, it compares its assessments with the risk ratings given by leading international rating agencies, wherever possible.

3.4 Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulties in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Asset and Liability Committee (ALCO) is responsible for the oversight of the implementation of the Bank's policy for managing liquidity risk. Treasury manages the Bank's liquidity position on a day-to-day basis. Liquidity reports are submitted regularly to the ALCO.

The Bank's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation.

3.5 Operational risks

The Bank has implemented a framework for managing operational risks which includes:
- collecting, categorising and analysing loss data as part of a variety of risk management processes and for senior management information
- analysing the root causes of significant operational risk events and subsequent follow-ups
- analysing information from external sources such as FINMA, SNB or Swiss Bankers Association related to operational risks
- risk & control assessment processes comprising bottom-up assessments of the risks generated by business and infrastructure functions, and the effectiveness of the controls in place to manage them in line with DB Group standards
- internal reports (compliance reports, internal audit reports etc.) and reports of external auditors
- monitoring of the operational risk profile by use of key risk indicators

The Group guidelines for managing operational risks define the tasks and responsibilities for management and reporting. The provisions contained in these guidelines are supplemented by divisional standards and internal directives. By maintaining back-up systems, we help minimise the operational risks arising from the utilisation of our communications, IT and processing systems. The Bank provides ongoing staff training to rectify operational shortcomings and limit errors. Internal directives are continually adapted to meet the latest requirements.

The Compliance and Legal departments ensure that the Bank's business activities comply with the applicable regulatory guidelines and due diligence obligations. They are responsible for reviewing requirements and developments introduced by the supervisory authorities, legislative bodies and other organisations. Compliance with the "know-your-customer" principle and the provisions of the Anti-Money Laundering Act is considered very important. The principles for preserving the Group's reputation have been revised and apply to all Deutsche Bank units in Switzerland. The Deutsche Bank (Switzerland) Ltd. Executive Board is responsible for reviewing specific risks.

4 Business Policy for the Use of Derivative Financial Instruments

Derivative financial instruments are used for trading purposes.

Trading in derivative financial instruments takes place with standardised and OTC instruments on the Bank's behalf and on behalf of clients. No trading takes place in credit derivatives, and the Bank does not engage in market making.

5 Explanation of the Method Used to Identify Default Risks and Determine Whether a Value Adjustment Is Needed

Methods used for identifying default risk

A counterparty is in default when a payment obligation is past due for more than 90 days or when the Bank expects that an exposure will not be fully recovered. The Bank identifies default risks based on the occurrence of loss events. A loss event occurs when there are conclusive signs that future contractual payments of principal and/or interest become unlikely or, at the latest when these payments are more than 90 days overdue. Exposures for which a loss event has occurred are generally considered as impaired. Value adjustments for default risks are deducted from the corresponding assets, except for off-balance-sheet exposures, for which a provision is recorded.

Value adjustments and provisions for impaired exposures

Value adjustments on impaired loans are determined individually by counterparty according to Art. 24 para. 4 FINMA Accounting Ordinance. Impaired exposures and any collateral are valued at their liquidation value, taking into consideration the counterparties' creditworthiness.

6 Explanation of the Valuation of Collateral, in Particular Key Criteria for the Calculation for the Current Market Value and the Lending Value

The Bank has set out the methods, procedures and responsibilities for the valuation of collateral for loans in specific directives and procedures. The valuation of mortgage collateral is based on recognised valuation methods including hedonic models, discounted cash flow models and expert appraisals depending on the property type and transaction. The models used and critical valuation parameters are regularly reviewed.

Loan-to-value ratios for mortgage lending are based on the marketability of the property including additional parameters like location or type of property (residential, commercial etc.). For loans secured by financial assets, loan-to-value ratios are based on the risks of the collateral (volatility, liquidity etc.). Financial assets are valued at the current market price or at a price determined by a valuation model.

7 Events after the Reporting Period

On 24 February 2022, Russia commenced a large-scale invasion against Ukraine. In response, the West has moved to impose broad-based sanctions targeting Russia, including but not limited to certain Russian banks and the Russian Central Bank, companies, parliamentary members and members of the Russian elite and their families. It is possible that additional sanctions and other measures may be imposed in the future. Developments with regards to the military conflict are fast moving and the extent of any financial and non-financial impact on Deutsche Bank (Switzerland) Ltd. and the Group are currently not known.

Overall, the potential financial and non-financial impact of the ongoing situation on Deutsche Bank (Switzerland) Ltd. will depend on how the crisis unfolds. Given the uncertainty of the situation, it is currently not possible to estimate any future impact on the financial statements.

8 Auditor

In line with the appointment of Ernst & Young as Group Auditor for Deutsche Bank AG, E&Y Switzerland was elected as statutory auditor at the last Annual General Meeting of Shareholders.

9 Information on the Balance Sheet

9.1 Presentation of collateral for loans and off-balance-sheet transactions, as well as impaired loans

CHF 000		Type of collateral Secured by mortgage	Type of collateral Other collateral	Type of collateral Unsecured	Type of collateral Total
Loans (before netting with value adjustments)					
Amounts due from customers		153,674	2,892,781	81,825	3,128,280
Mortgage loans		1,788,450	–	–	1,788,450
Residential property		904,636	–	–	904,636
Office and business premises		883,814	–	–	883,814
Total loans (before netting with value adjustments)	31.12.2021	1,942,124	2,892,781	81,825	4,916,730
	31.12.2020	1,788,677	2,431,202	61,114	4,280,993
Total loans (after netting with value adjustments)	31.12.2021	1,940,491	2,888,682	81,825	4,910,998
	31.12.2020	1,786,820	2,431,202	51,996	4,270,018
Off-balance sheet					
Contingent liabilities		–	100,459	8,100	108,559
Irrevocable commitments		10,051	4,587	2,912	17,550
Obligation to pay up shares and make further contributions		–	83,164	–	83,164
Total off-balance sheet	31.12.2021	10,051	188,210	11,012	209,273
	31.12.2020	4,796	131,240	9,037	145,073

CHF 000		Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
Impaired loans	31.12.2021	54,304	48,572	5,732	5,732
	31.12.2020	23,094	12,119	10,975	10,975

9.2 Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)

CHF 000	31.12.2021	31.12.2020
Assets		
Trading portfolio assets		
Equity securities	4	130
Total trading portfolio assets	4	130
	–	–
Total assets	4	130

9.3 Presentation of derivative financial instruments (assets and liabilities)

CHF 000		Trading instruments Positive replacement values	Trading instruments Negative replacement values	Trading instruments Contract volume	Hedging instruments Positive replacement values	Hedging instruments Negative replacement values	Hedging instruments Contract volume
Interest rate instruments							
Swaps		11,562	11,558	953,143	–	–	–
Foreign exchange / precious metals		–	–	–	–	–	–
Forward contracts		33,346	31,662	2,798,480	–	–	–
Options (OTC)		34,756	34,983	2,869,989	–	–	–
Equity securities / indices		–	–	–	–	–	–
Options (OTC)		62,784	62,784	944,872	–	–	–
Total before netting agreements	31.12.2021	142,448	140,987	7,566,484	–	–	–
	of which determined using a valuation model	109,102	109,325	4,768,004	–	–	–
	31.12.2020	123,598	122,043	8,014,338	–	–	–
	of which determined using a valuation model	92,029	92,029	4,479,251	–	–	–

CHF 000		Positive replacement values (cumulative)	Negative replacement values (cumulative)
Total after netting agreements	31.12.2021	142,448	140,987
	31.12.2020	123,598	122,043

CHF 000	Central clearing houses	Banks and securities dealers	Other customers
Breakdown by counterparty			
Positive replacement values (after netting agreements)	–	42,119	100,329

9.4 Breakdown of financial investments

CHF 000	Book value 31.12.2021	Book value 31.12.2020	Fair value 31.12.2021	Fair value 31.12.2020
Breakdown of financial investments				
Debt instruments	–	4,137	–	4,137
of which not intended to be held to maturity (available for sale)	–	4,137	–	4,137
Equity securities	64	60	94	91
Precious metals	56,660	61,504	56,660	61,504
Total	56,724	65,701	56,754	65,732
of which securities eligible for repo transactions in accordance with liquidity requirements	–	4,137	–	4,137

9.5 Participations

The share of the total capital in SIX Group AG remains unchanged at 1.4% compared with the previous year. The book value is CHF 1.00.

9.6 Presentation of tangible fixed assets

CHF 000	Acquisition cost	Accumulated depreciation	Carrying amount 31.12.2020	2021 Reclassification	2021 Additions	2021 Disposals	2021 Depreciation	2021 Reversals	Carrying amount 31.12.2021
Proprietary or separately acquired software	29,366	-14,401	15,965	–	10,237	–	-3,530	–	22,671
Other tangible fixed assets	85,213	-72,480	12,733	–	2,661	–	-2,777	–	12,618
Total tangible fixed assets	114,579	-85,881	28,698	–	12,898	–	-6,307	–	35,289

The acquisition cost of other tangible fixed assets was adjusted by CHF 120,000 in 2021, in respect of tangible fixed assets that are no longer used.

CHF 000	31.12.2021
Operating leases	
Future lease payments	
Within 1 year	5,492
From 1 to 5 years	19,362
More than 5 years	–
Total of future lease payments	24,854
- thereof commitments which can be terminated within one year	48

Tangible fixed assets are written off on a linear basis over a period subject to a conservative estimate of their useful life under the item “Value adjustments on participations and depreciation and amortisation of tangible fixed and intangible assets”. The estimated useful life of a given category of tangible fixed assets is as follows:

Asset category	Useful life
Additions and renovations in third-party properties	10 years
Acquired or self-developed software for core banking systems	10 years
Furniture	8 years
Operating equipment, telecommunications	5 years
Acquired or self-developed software (except for core banking systems)	5 years

9.7 Intangible assets

CHF 000	Cost value	Accumulated amortisation	Carrying amount 31.12.2020	Additions 2021	Disposals 2021	Amortisation 2021	Carrying amount 31.12.2021
Licences	3,930	-3,730	200	–	–	-178	22
Total intangible assets	3,930	-2,768	200	–	–	-178	22

Asset category	Useful life
Licences	3 years

9.8 Breakdown of other assets and other liabilities

CHF 000	31.12.2021	31.12.2020
Other assets		
Indirect taxes	5,766	5,341
Others	25,930	18,538
Total other assets	31,695	23,879
Other liabilities		
Indirect taxes	4,076	2,900
Other liabilities	81,845	46,531
Total other liabilities	85,921	49,431

9.9 Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership*

CHF 000	31.12.2021 Book value	31.12.2021 Effective commitments	31.12.2020 Book value	31.12.2020 Effective commitments
Assets pledged or assigned as collateral for own liabilities				
Amounts due from banks	48,143	–	28,462	–
Total assets pledged or assigned as collateral for own liabilities	48,143	–	28,462	–

* without securities financing transactions

9.10 Disclosure of liabilities relating to own pension schemes, and number and nature of equity instruments of the Group held by own pension schemes

CHF 000	31.12.2021	31.12.2020
Liabilities relating to own pension schemes		
Amounts due to customers	24,497	23,426
Negative replacement values of financial instruments	1,797	2,058
Total liabilities relating to own pension schemes	26,294	25,484

The Group's pension fund does not hold equity securities of the Deutsche Bank Group.

9.11 Disclosure on the economic situation of own pension schemes

CHF 000	31.12.2021 Nominal value*)	31.12.2021 Waiver of use	31.12.2021 Net amount	31.12.2020 Net amount	Influence of the ECR on personnel expenses 2021	Influence of the ECR on personnel expenses 2020
Employer contribution reserves (ECR)						
Pension fund of Deutsche Bank and affiliated companies	486	–	486	486	–	–
Pension fund of former Sal. Oppenheim jr. & Cie, Switzerland	727	–	727	727	–	–
Total	1,213	–	1,213	1,213	–	–

*) Share of Deutsche Bank (Switzerland) Ltd.

CHF 000	Surplus / deficit coverage 31.12.2021	Economic share of the organisation 31.12.2021	Economic share of the organisation 31.12.2020	Change from previous year	Amounts paid for 2020	Pension fund expenses in personnel expenses 31.12.2021	Pension fund expenses in personnel expenses 31.12.2020
Presentation of economic benefit / financial liabilities and pension expenses							
Pension plans with overfunding:							
Pension fund of Deutsche Bank (Switzerland) Ltd. and affiliated companies	71,816	–	–	–	–	10,769	12,011
Pension fund of Bank Sal. Oppenheim jr. & Cie, Switzerland	10,078	–	–	–	–	–	–
Pension plans with underfunding	–	–	–	–	–	–	
Total	81,894	–	–	–	–	10,769	12,011

Basis:
Audited financial statement 2020 of the Pension Fund including the employer contribution reserves according to FER 26.
Audited financial statement 2020 of the pension fund of Bank Sal. Oppenheim jr. & Cie (Switzerland) Ltd.

The coverage level of the Pension Fund is estimated at 117.5% as at year-end 2020 (previous year: 115.4%), which does not represent an economic benefit.

9.12 Presentation of value adjustments and provisions, reserves for general banking risks, and changes therein during the current year

CHF 000	Balance at 31.12.2020*	2021 Use in conformity with designated purpose	2021 Re-classifications	2021 Currency differences	2021 Past due interest, recoveries	2021 New charges charged to income	2021 Releases to income	Balance at 31.12.2021
Provisions for pension benefit obligations	2,038	-171	–	–	–	–	-63	1,804
Provisions for restructuring	109	-73	–	–	–	–	-36	–
Other provisions	72,302	-6,009	–	18	–	1,778	-232	67,857
Total provisions	73,351	-6,253	–	18	–	1,778	-331	69,661
Reserves for general banking risks	14,000	–	–	–	–	–	–	14,000
Value adjustments for default and country risks	10,975	-9,408	–	201	–	4,299	-335	5,732
thereof value adjustments for default risks in respect of impaired loans / receivables	10,975	-9,408	–	201	–	4,299	-335	5,732

Other provisions include mainly silent reserves and legal provisions as well as provisions for holidays.
The reserves for general banking risks are taxed.

* The prior year balance of the position Other provisions has been adjusted from CHF 71.2 mn to CHF 72.3 mn due to a reclassification.

9.13 Presentation of the Bank's capital

	31.12.2021 Nominal value CHF 000	31.12.2021 No. of shares	31.12.2021 Capital entitled to dividend CHF 000	31.12.2020 Nominal value CHF 000	31.12.2020 No. of shares	31.12.2020 Capital entitled to dividend CHF 000
Bank's capital						
Share capital	100,000	100,000	100,000	100,000	100,000	100,000
- thereof fully paid in	100,000	100,000	100,000	100,000	100,000	100,000
Total Bank's capital	100,000	100,000	100,000	100,000	100,000	100,000

9.14 Number and value of shares or options on equity securities held by all executives and directors and by employees, and disclosures on any employee participation scheme

	No. of participation rights 31.12.2021	Value of participation rights 31.12.2021 (CHF 000)	No. of participation rights 31.12.2020	Value of participation rights 31.12.2020 (CHF 000)
Members of the General Management	83,473	823	112,073	1,097
Employees	412,357	4,096	457,661	4,433
Total	495,830	4,919	569,734	5,530

The Group operates incentive plans under which eligible employees are awarded share units depending on seniority, hierarchy and individual performance.

Restricted Equity Awards
The deferred equity portion is delivered as a Restricted Equity Award ("REA") which vests on a pro rata basis over four years (or five years in the case of the Senior Management Group).

Restricted Incentive Awards
The non-equity based portion is granted as deferred cash compensation (Restricted Incentive Award, RIA) which vests on a pro rata basis over four years (or five years in the case of the Senior Management Group). Specific forfeiture provisions apply during the deferral period.

Equity Upfront Awards
In addition to the above deferred awards, all Material Risk Takers receive 50% of their upfront (non-deferred) award in the form of an Equity Upfront Award (EUA). The EUA is vested at grant but it is subject to a 12-month retention period. The value of the EUA is linked to the Bank's share price during the retention period and is therefore tied to the sustained performance of the Bank. Specific forfeiture provisions apply during the retention period in addition to a service requirement.

The total cost for the year of the employee share participation plan amounts to CHF 3.9 mn.
This amount is booked in the position "Personnel expenses".

9.15 Disclosure of amounts due from / to related parties

CHF 000	Amounts due from 31.12.2021	Amounts due from 31.12.2020	Amounts due to 31.12.2021	Amounts due to 31.12.2020
Group companies	3,362,957	3,012,642	5,544,924	4,845,899
Associated companies	56,317	92,097	24,005	20,681
Transactions with members of governing bodies	–	–	–	1,529
Other related parties	–	–	58	819

Loans and advances to governing bodies are amounts due from members of the Board of Directors, Management Board, the statutory auditors as well as companies they control. Loans to the governing bodies are advanced with the usual conditions for Bank staff and loans to companies controlled by these are granted in accordance with the usual conditions for Bank customers.

There are no material off-balance-sheet transactions with governing bodies or related parties.

9.16 Disclosure of significant participants

CHF 000	31.12.2021 Nominal	31.12.2021 Percentage	31.12.2020 Nominal	31.12.2020 Percentage
Significant participants				
With voting rights				
Deutsche Holdings (Luxembourg) S.à r.l., Luxembourg	100,000	100%	100,000	100%

Deutsche Holdings (Luxembourg) S.à r.l., a wholly owned subsidiary of Deutsche Bank AG, Frankfurt am Main, is the sole shareholder and holds all voting rights.
BlackRock Inc., New York has held 5.23% of the Deutsche Bank shares since December 2020.
The Capital Group Companies, Inc., has held 5.20% since November 2021.
No other shareholders are known to be holding 5% or more of the capital stock or voting rights of Deutsche Bank AG as at 31.12.2021.

9.17 Disclosure of own shares and composition of the capital stock

CHF 000	31.12.2021	31.12.2020
Non-distributable reserves		
Non-distributable capital reserves	2,829	2,829
Non-distributable reserves from retained earnings	47,171	47,171
Total of non-distributable reserves	50,000	50,000

9.18 Presentation of the maturity structure of financial instruments

CHF 000	At sight	Callable	Due within 3 months	Due within 3 to 12 months	Due within 12 months to 5 years	Due after 5 years	No maturity	Total
Assets / financial instruments								
Liquid assets	1,259,946	–	–	–	–	–	–	1,259,946
Amounts due from banks	344,723	37,198	2,311,976	347,853	283,923	45,557	–	3,371,230
Amounts due from customers	32,956	240,187	2,378,525	253,188	137,041	82,284	–	3,124,181
Mortgage loans	–	11,608	150,171	178,309	1,435,437	11,292	–	1,786,817
Trading portfolio assets	4	–	–	–	–	–	–	4
Positive replacement values of derivative financial instruments	142,448	–	–	–	–	–	–	142,448
Financial investments	56,724	–	–	–	–	–	–	56,724
Total 31.12.2021	1,836,801	288,993	4,840,672	779,350	1,856,401	139,133	–	9,741,350
Total 31.12.2020	1,563,801	165,570	4,353,995	747,600	1,667,034	125,008	–	8,623,008
Debt capital / financial instruments								
Amounts due to banks	8,193	10	3,602,496	708,939	1,006,481	82,284	–	5,408,403
Amounts due in respect of customer deposits	3,285,429	–	195,210	50,456	456	–	–	3,531,551
Negative replacement values of derivative financial instruments	140,987	–	–	–	–	–	–	140,987
Total 31.12.2021	3,434,609	10	3,797,706	759,395	1,006,937	82,284	–	9,080,941
Total 31.12.2020	3,111,724	7,854	2,954,163	460,422	1,393,762	80,811	–	8,008,736

9.19 Presentation of assets and liabilities by domestic and foreign origin in accordance with domicile principle

CHF 000	31.12.2021 Domestic	31.12.2021 Foreign	31.12.2020 Domestic	31.12.2020 Foreign
Assets				
Liquid assets	1,258,856	1,090	1,121,372	1,105
Amounts due from banks	8,438	3,362,792	17,046	3,024,038
Amounts due from customers	336,032	2,788,149	305,167	2,199,400
Mortgage loans	115,160	1,671,657	113,820	1,651,631
Trading portfolio assets	-	4	-	130
Positive replacement values of derivative financial instruments	5,145	137,303	7,885	115,713
Financial investments	56,711	13	65,687	14
Accrued income and prepaid expenses	9,120	119,447	6,960	150,117
Non-consolidated participations	-	-	-	-
Tangible fixed assets	35,289	-	28,698	-
Intangible assets	22	-	200	-
Other assets	13,895	17,800	12,645	11,234
Total assets	1,838,668	8,098,255	1,679,480	7,153,382

CHF 000	31.12.2021 Domestic	31.12.2021 Foreign	31.12.2020 Domestic	31.12.2020 Foreign
Liabilities				
Amounts due to banks	1,474	5,406,929	4,281	4,696,695
Amounts due in respect of customer deposits	519,530	3,012,021	442,291	2,743,426
Trading portfolio liabilities	-	-	-	-
Negative replacement values of derivative financial instruments	7,099	133,888	9,329	112,714
Accrued expenses and deferred income	58,006	57,996	47,382	69,177
Other liabilities	73,393	12,528	35,213	14,218
Provisions	69,661	-	73,351	-
Reserves for general banking risks	14,000	-	14,000	-
Bank's capital	100,000	-	100,000	-
Capital reserve	168,158	-	168,158	-
Legal reserve	47,171	-	47,171	-
Retained earnings reserve	254,338	-	254,338	-
Profit carried forward / loss carried forward	1,118	-	2,035	-
Profit / loss (result for the period)	-387	-	-917	-
Total liabilities	1,313,561	8,623,362	1,196,632	7,636,230

9.20 Breakdown of total assets by country or group of countries (domicile principle)

CHF 000	31.12.2021 Absolute	31.12.2021 %	31.12.2020 Absolute	31.12.2020 %
Switzerland	1,838,668	18.5%	1,679,480	19.0%
Rest of Europe	6,208,457	62.5%	5,648,847	64.0%
North America	49,522	0.5%	37,079	0.4%
South America	1,054,041	10.6%	904,582	10.2%
Asia	645,949	6.5%	384,627	4.4%
Africa	130,239	1.3%	166,882	1.9%
Australia / Oceania	10,047	0.1%	11,365	0.1%
Total assets	9,936,923	100.0%	8,832,862	100.0%

9.21 Breakdown of total assets by credit rating of country groups (risk domicile view)

CHF 000		31.12.2021 Absolute	31.12.2021 %	31.12.2020 Absolute	31.12.2020 %
Internal rating system	Standard & Poor's rating				
1 - Superior	AAA to AA-	8,889,370	89.4%	7,872,488	89.2%
2 - Good	A+ to A-	141,871	1.4%	154,337	1.7%
3 - Medium	BBB+ to BBB-	655,846	6.6%	577,607	6.5%
4 - Speculative	BB+ to B-	214,490	2.2%	165,641	1.9%
5 - Risk	CCC+ and lower	24	0.0%	9,986	0.1%
6 - No rating	No rating	35,322	0.4%	52,803	0.6%
Total assets		9,936,923	100.0%	8,832,862	100.0%

Rating for debt instruments according to Standard & Poor's (S&P).
Where no rating from S&P is available, the Moody's rating is applied.

9.22 Presentation of assets and liabilities broken down by the most significant currencies for the Bank

CHF 000	31.12.2021 CHF	31.12.2021 EUR	31.12.2021 USD	31.12.2021 Others
Assets				
Liquid assets	1,258,620	1,241	43	42
Amounts due from banks	178,182	1,098,113	1,734,797	360,138
Amounts due from customers	215,723	901,603	1,657,146	349,709
Mortgage loans	115,160	37,460	-	1,634,197
Trading portfolio assets	-	-	4	-
Positive replacement values of derivative financial instruments	34,239	16,762	81,421	10,026
Financial investments	51	13	-	56,660
Accrued income and prepaid expenses	13,516	102,225	8,076	4,750
Non-consolidated participations	-	-	-	-
Intangible assets	35,289	-	-	-
Tangible fixed assets	22	-	-	-
Other assets	11,522	1,581	17,692	900
Total assets shown in balance sheet	1,862,324	2,158,998	3,499,179	2,416,422
Delivery entitlements from spot exchange, forward forex and forex options transactions	859,969	723,426	2,593,120	1,511,121
Total assets	2,722,293	2,882,424	6,092,299	3,927,543

CHF 000	31.12.2021 CHF	31.12.2021 EUR	31.12.2021 USD	31.12.2021 Others
Liabilities				
Amounts due to banks	820,044	1,278,523	1,485,612	1,824,224
Amounts due in respect of customer deposits	270,169	803,292	1,909,525	548,565
Negative replacement values of derivative financial instruments	32,550	16,762	81,622	10,053
Accrued expenses and deferred income	40,364	65,060	7,149	3,429
Other liabilities	18,411	17,424	22,356	27,730
Provisions	69,224	437	-	-
Reserves for general banking risks	14,000	-	-	-
Bank's capital	100,000	-	-	-
Capital reserve	168,158	-	-	-
Legal reserve	47,171	-	-	-
Retained earnings reserve	254,338	-	-	-
Profit carried forward / loss carried forward	1,118	-	-	-
Profit / loss (result for the period)	-387	-	-	-
Total liabilities shown in the balance sheet	1,835,160	2,181,498	3,506,264	2,414,001
Delivery obligations from spot exchange, forward forex and forex options transactions	857,141	723,115	2,592,912	1,512,513
Total liabilities	2,692,301	2,904,613	6,099,176	3,926,514
Net position per currency	29,992	-22,189	-6,877	1,029

9.23 Breakdown of contingent liabilities and contingent assets

CHF 000	31.12.2021	31.12.2020
Guarantees to secure credits and similar	84,149	88,696
Performance guarantees and similar	24,410	17,786
Total contingent liabilities	108,559	106,482

9.24 Breakdown of fiduciary transactions

CHF 000	31.12.2021	31.12.2020
Fiduciary deposits with third-party companies	121,893	261,681
Fiduciary deposits with Group companies and linked	2,282,244	1,395,241
Total fiduciary transactions	2,404,137	1,656,922

9.25 Breakdown of managed assets and presentation of their development

CHF 000	31.12.2021	31.12.2020
Type of managed assets		
Assets under discretionary asset management agreements	4,115,533	3,322,799
Other managed assets	20,529,166	18,099,700
Total managed assets (including double counting)	24,644,699	21,422,499
thereof: double counting	-	-
thereof: Wealth Management	24,644,699	21,422,499

CHF 000	31.12.2021	31.12.2020
Presentation of the development of managed assets		
Total managed assets (including double counting) at the beginning of the period	21,422,499	21,775,984
+/- net new money inflow or net new money outflow	1,800,314	953,433
+/- price gains / losses, interest, dividends and currency gains / losses	1,524,071	-1,306,918
+/- other effects	-102,185	-
Total managed assets (including double counting) at end	24,644,699	21,422,499
- thereof: net new money inflow / outflow Wealth Management	1,800,314	953,433

Assets under management consist of client assets held or managed by the Bank for investment purposes. These assets can, in turn, be broken down into discretionary asset management mandates and other client assets. "Custody only" assets are defined as assets deposited at the Bank for transaction and custodial purposes only. Here the Bank provides no further services to the client. "Custody only" assets are not included in assets under management.

Only deposits and withdrawal of cash and deliveries or transfers of securities are taken into account when computing net new assets inflow and outflow. The net new assets do not include interest, commissions and fees charged.

10 Information on the Income Statement

10.1 Breakdown of the result from trading activities and the fair value option

CHF 000	2021	2020
Breakdown by business area		
Result from trading from commercial customers	215	193
Result from trading from private customers	7,406	9,188
Result from own trading	3,107	40
Total result from trading activities	10,729	9,421

CHF 000	2021	2020
Breakdown by underlying risk and based on the use of the fair value option		
Result from trading activities from		
Interest rate instruments (including funds)	19	-85
Equity securities (including funds)	2,989	44
Foreign currencies	7,721	9,462
Total result from trading activities	10,729	9,421

10.2 Disclosure of material refinancing income in the item “Interest and discount income” as well as material negative interest

Refinancing income related to “Interest and discount income”

No refinancing costs of the trading assets portfolio have been credited to the position “Interest and discount income”.

Negative interest

Asset-related negative interest is debited to “Interest and discount income”.
Liability-related negative interest states as in reduction of “Interest expenses”.

CHF 000	2021	2020
Asset-related negative interest (reduction in interest and discount income) 1)	11,245	7,622
Liability-related negative interest (reduction in interest expense) 1)	10,413	4,540

1) In 2020 Asset-related negative interest has been adjusted from CHF 4.1 million to CHF 7.6 million and Liability-related negative interest has been adjusted from CHF 1.0 million to CHF 4.5 million.

10.3 Breakdown of personnel expenses

CHF 000	2021	2020
Salaries (meeting attendance fees and fixed compensation to members of the Bank's governing bodies, salaries and benefits)	113,216	107,963
of which expenses relating to share-based compensation and alternative forms of variable compensation	26,252	19,461
Social insurance benefits	21,892	21,836
Other personnel expenses	3,509	2,785
Total personnel expenses	138,617	132,584

Personnel:
The number of employees increased from 466 to 471.
This corresponds to a full-time equivalent of 451.7 (previous year: 450.5) employees.

10.4 Breakdown of general and administrative expenses

CHF 000	2021	2020
Office space expenses	11,431	8,064
Expenses for information technology and communications technology	49,857	46,420
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	415	340
Fees of audit firm	972	1,050
of which for financial and regulatory audits	972	1,050
of which for other services	–	–
Other operating expenses	49,046	55,477
Total general and administrative expenses	111,721	111,351

10.5 Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks, and value adjustments and provisions no longer required

No material amounts booked over the period 2021.

10.6 Presentation of current taxes, deferred taxes, and disclosure of tax rate

CHF 000	2021	2020
Capital and income tax expenses	3,195	1,891
Total tax expenses	3,195	1,891
Weighted average tax rate (based on business result)	113.8%	194.1%

The tax expenses include taxes not arising from the operating result.

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To the General Meeting of
Deutsche Bank (Switzerland) Ltd, Geneva

Zurich, 5 April 2022

Report of the statutory auditor on the financial statements

As statutory auditor, we have audited the financial statements of Deutsche Bank (Switzerland) Ltd, which comprise the balance sheet, income statement, equity statement, and notes (pages 11 to 34), for the year ended 31 December 2021.

Board of Directors' responsibility
The Board of Directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and the company's articles of incorporation.

Report on other legal requirements
We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Philipp Müller *Licensed audit expert* *(Auditor in charge)*	Darko Miodragovic *Licensed audit expert*

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Deutsche Bank (Switzerland) Ltd.: Independence, expertise and global reach

The Swiss bank with a global background

Deutsche Bank (Switzerland) Ltd. is a bank under Swiss law. It is one of the most important foreign banks in Switzerland and combines a global presence with in-depth knowledge of its domestic market. Swiss and international private as well as institutional clients and independent asset managers rely on our passion for sustainable financial solutions – both regionally and worldwide. Clients can expect the outstanding service of a Swiss bank while also putting their faith in the strength of Deutsche Bank AG. Switzerland is the centre for the wealth management business in the EMEA region (Europe excluding Germany, Italy and Spain; including Middle East and Africa). In addition, parts of the Asia Pacific (APAC) and Latin America business are managed from Switzerland.