

News | April 9, 2018

## A message from Christian Sewing on his appointment as CEO

Christian Sewing, Deutsche Bank's new CEO, sent out the following message to all employees on April 9, 2018

Dear colleagues,

The past few weeks have been full of noise and I know from many personal conversations that you have been concerned and still are. I am also aware that many of you greatly appreciate John Cryan – just as I do.

First of all, I therefore want to thank John for our nearly three years on the Management Board together, and for his enormous contribution to our bank. He has led us through an extremely difficult period and I would like – both personally and on your behalf – to express my sincere thanks to John for all he achieved for our bank and for us.

I am taking up a role that I have had great respect for ever since I started at Deutsche Bank in 1989 as an apprentice. Since then, apart from two years when I worked outside the bank, I have worked passionately for this excellent institution. Wherever I worked, whether it was in the Bielefeld branch or in Hamburg, as a junior corporate client advisor in Toronto, as Chief Credit Officer in Japan, or during my six years as a risk manager in London – I always felt proud to be working for Deutsche Bank, and I still do today.

The challenge ahead is a big one for all of us. We all know and sense how fast our industry is changing. The time pressure is on and the expectations are high from all sides – our clients, our investors, the regulators, politicians and the media.

Two stakeholder groups are now my main focus: our clients and you my valued colleagues. The expertise and drive of our employees around the globe is what characterises our bank. I would like to repeat what Paul Achleitner, the Head of our Supervisory Board, said: “We trust in the great ability of this bank and its many talents.” Obviously, we will selectively strengthen our team externally. But we will look internally first to make the best use of your talents. And we have all achieved a lot. We cleaned up our bank. We have developed a sufficient capital buffer, our liquidity is particularly high and the quality of our balance sheet is one of the best in the world.

However, we know that we will have to develop further. This is for us to actively manage. We have to make decisions faster and more clearly, we have to collaborate better, and we have to put team spirit at the heart of what we do. To unlock our bank's greatest potential we must all think more about how to support our colleagues. This is what will make Deutsche Bank more successful. Rest assured that I will emphasise a team approach. That will be the first imperative for the Management Board: teamwork starts with us and in particular between Garth, Karl and myself.

Only when we demonstrate teamwork as well as a fighting spirit will we be able to achieve our most important goals. What are those? For 2018, these goals are easy to identify and each of us must contribute to achieving them. First and foremost, it is crucial that we reach our revenue and cost targets in all areas:

With regard to our revenues we have to regain our hunger for business, achieve improvements in all business divisions and set the bar higher. Our start to the year was solid but “solid” cannot be our ambition. All of us can contribute to growth, both in business divisions and infrastructure functions.

Our adjusted costs must not exceed 23 billion euros in 2018. This is non-negotiable. We have largely put in place the programmes to get there, now we will implement them with discipline. Setbacks like in the fourth quarter of 2017 are not to be repeated under any circumstances. Each division and each of us has to internalise this.

In terms of learning from past mistakes – which is important – we have made good progress. But we have to regain our speed again. To this end we will revise our internal processes to eliminate bureaucracy and duplication.

It does not need saying that we want to and have to become profitable again. And for that we need to be successful, that's our lifeline. In sharp contradiction though is how we missed some of our targets for costs and revenues. There may have been good reasons in some cases. But it was damaging for our bank. The new leadership team will not accept this anymore. We'll have to take tough decisions and execute them.

Naturally you will have questions about what our strategy will be going forward. Like other banks, all our businesses face dramatic changes in our industry – here we are not alone. In response to this, we have restructured our three business divisions significantly in recent years: a few weeks ago, we successfully listed our asset manager DWS on the Frankfurt Stock Exchange despite unfavourable market conditions. The integration of our Private & Commercial Bank in Germany with Postbank is making good progress, and we expect to merge the two legal entities in the second quarter of 2018 – seven months after the plan to integrate them was announced.

In our Corporate & Investment Bank we are also doing well in important business areas globally. We have been able to recover market share in key areas. But we also know that we'll have to further adapt our revenue, cost and capital structure. Therefore we'll thoroughly analyse how we want to position this pillar of our bank in a difficult market environment. The priority is to leverage our strengths and to allocate our investments accordingly. And at the same time we will look to free up capacity for growth by pulling back from those areas where we are not sufficiently profitable.

Finally, there is one thing that's particularly important for me: we should focus less on ourselves and more on our clients. They are our reason to be. And our approach should be to offer them convincing solutions and not just products. If we add value for our clients, we deserve our share of it – but only then.

It is also clear that there is no such thing as a free lunch. We will have to fight to succeed and my team and I are ready to do so. Because it's worth it! It's time to finally deliver to our full potential.

On that note, I'd like to ask for your full support for me and the leadership team. I'm looking forward to working with you, and I will start a close and regular dialogue in the following weeks.

With best wishes,

Christian Sewing