Deutsche Bank AG Johannesburg
Risk & Capital Management

Managing risk for our clients

#Positive Impact

Deutsche Bank AG Johannesburg
Pillar 3 disclosure

For the half year ended 30 June 2025

Deutsche Bank AG Johannesburg

Pillar 3 disclosure

Contents

1. Overview

The following information is compiled in terms of the requirements of the Banks Act 1990 (as amended) and Regulation 43(1)(e)(iv) and 43(2) of the Banking Regulations, whereby banks (including foreign branches) are obliged to report certain qualitative and quantitative information with regards to their risk profile and capital adequacy on a regular basis to the public, which incorporates the revised Basel III Pillar 3 requirements on market discipline.

Reporting framework

The information disclosed in this report is based on the definitions, calculation methodologies and measurements as defined by the Amended Regulations. All tables, diagrams, quantitative information and commentary in this risk and capital management report are unaudited unless otherwise noted.

References to fixed format templates as required under the revised Pillar 3 disclosure requirements are made throughout this document and highlighted in the relevant sections.

Period of reporting

This report is in respect of the half year ended 30 June 2025, including comparative information {where applicable) for the half year ended 30 June 2024.

2. Financial performance

In terms of the requirements of the Banks Act and Regulations relating to Banks, the financial results presented below have been prepared in accordance with Financial Reporting Standards issued from time to time, with additional disclosure when required.

Whilst branches of foreign banks are not required to publish financial statements the information provided below is required in terms of their Pillar 3 disclosures.

Financial position/balance sheet[1]

The balance sheet reflects what the branch owns, owes and the equity that is attributable to shareholders at 30 June 2025.

Assets	June 2025 R'000	June 2024 R'000
Cash and balances with central bank	397,574	297,360
Short term negotiable securities	8,477,585	4,667,446
Loans and advances to customers	12,922,033	11,793,311
Investment and trading securities	951,735	1,940,807
Derivative financial instruments	3,420,225	3,801,864
Pledged assets	1,111,518	129,807
Property and equipment	10,526	24,688
Other assets	3,838,798	2,878,169
Total assets	**31,132,401**	**25,534,634**
Liabilities		
Deposits, current accounts and other creditors	20,415,261	15,761,798
Derivative financial instruments and other trading liabilities	5,594,119	5,188,956
Other liabilities	3,433,102	2,863,257
Total liabilities	**29,442,482**	**23,814,011**
Equity		
Total equity attributable to equity holders	1,688,150	1,720,623
Dotation capital	2,068,639	2,068,639
Retained earnings	(383,777)	(347,593)
Total equity	**1,688,150**	**1,720,623**
Total equity and liabilities	**31,130,632**	**25,534,634**

1 Source: 30 June 2025 BA 100 (unaudited)

2. Financial performance……continued

Results of operations/income statement[2]

The income statement reflects the revenue generated by the branch as well as the costs incurred in generating that revenue for the half year ended 30 June 2025.

	June 2025 R'000	June 2024 R'000
Net Interest Income	131,177	15,177
Non Interest Revenue	23,432	91,497
Operating Income	154,609	106,674
Operating Expenses	146,732	144,036
Loss before income tax	7,877	(37,362)
Income tax expense / (income)	-	-
Loss for the year	**7,877**	**(37,362)**

2 Source: 30 June 2025 BA 120 (unaudited)

3. Financial position

Capital adequacy

In terms of the requirements of the Banks Act and Regulations relating to Banks, the branch has complied with the minimum capital requirements for the period under review.

The branch's regulatory capital is split into two tiers:

- Tier 1 capital, which is comprised solely of Common Equity Tier 1 capital, which includes dotation capital, and appropriated retained earnings.
- Tier 2 capital, which includes a general allowance for credit impairment.

The minimum capital requirements are defined by three ratios:

- Common Equity Tier 1 capital as a percentage of risk weighted assets;
- Tier 1 capital as a percentage of risk weighted assets; and

Total qualifying capital as a percentage of risk weighted assets.

Summary of risk weighted assets and regulatory capital requirements

		RWA	RWA	Minimum capital requirements[1]
		June 2025 R'000	June 2024 R'000	June 2025 R'000
1	**Credit risk (excluding counterparty credit risk) (CCR)**	3,685,946	2,637,894	423,884
2	Of which standardized approach (SA)	3,685,946	2,637,894	423,884
3	Of which: internal ratings-based (IRB) approach	-	-	-
4	**Counterparty credit risk**	2,656,212	2,619,866	305,464
5	Of which standardized approach for counterparty credit risk (SA-CCR)	2,656,212	2,619,866	305,464
6	Of which internal model method (IMM)	-	-	-
	Of which Current Exposure Method (CEM)	-	-	-
7	**Equity positions in banking book under market-based approach**	-	-	-
8	**Equity investments in funds – look-through approach**	-	-	-
9	**Equity investments in funds – mandate-based approach**	-	-	-
10	**Equity investments in funds – fallback approach**	-	-	-
11	**Settlement risk**	-	-	-
12	**securitization exposures in banking book**	-	-	-
13	Of which: securitization internal ratings-based approach (SEC-IRBA)	-	-	-
14	Of which: securitization external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
15	Of which: securitization standardized approach (SEC-SA)	-	-	-
16	**Market risk**	763,413	562,538	87,792
17	Of which standardized approach (SA)	763,413	562,538	87,792
18	Of which internal model approaches (IMA)	-	-	-
19	**Operational risk**	601,233	577,673	69,142
20	Of which Basic Indicator Approach	601,233	577,673	69,142
21	Of which Standardized Approach	-	-	-
22	Of which Advanced Measurement Approach	-	-	-
23	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	-	-	-
24	**Floor adjustment**	-	-	-
25	**Other Assets Risk**	37,366	45,434	4,297
	Total (1+4+7+8+9+10+11+12+16+19+23+24+25)	**7,744,170**	**6,443,405**	**890,580**

(1) Minimum capital requirements - This value is 11.5%, consisting of a Pillar 1 requirement of 8.00%, Pillar 2A of 1%, Idiosyncratic risk of 1% and a Capital Conservation Buffer of 2.5%.

4. Capital structure

Capital composition

The branch is applying the Basel Ill regulatory adjustments in full as implemented by the South African Reserve Bank (SARB).

Total Qualifying Capital & Reserves	June 2025 R'000	June 2024 R'000
Tier 1		
Common Equity Tier 1 capital: instruments and reserves	**2,071,927**	**2,068,216**
Dotation Capital	2,068,639	2,068,639
Accumulated other comprehensive income (and other reserves) (1)	3,288	(423)
Retained earnings (appropriated)	0	0
Common Equity Tier 1 capital: regulatory adjustments	**(408,336)**	**(352,859)**
Deferred tax assets	-	-
Other Regulatory adjustments: Accumulated losses	(383,776)	(347,592)
Other Regulatory adjustments: Intangible assets	(2,407)	
Other Regulatory adjustments: Prudent valuation adjustments (2)	(16,467)	-
Debit Value Adjustment: Cumulative gains and losses due to changes in own fair valued liabilities	(5,686)	(5,267)
Tier 1 capital (T1)	**1,663,591**	**1,715,357**
Tier 2		
Provisions	10,929	1,347
Tier 2 capital (T2)	**10,929**	**1,347**
Total capital (TC = T1 + T2)	**1,674,520**	**1,716,704**
Total risk weighted assets	**7,744,170**	**6,443,405**
Capital ratios		
Common Equity Tier 1 (as a percentage of risk weighted assets)	21.48%	26.62%
Tier 1 (as a percentage of risk weighted assets)	21.48%	26.62%
Total capital (as a percentage of risk weighted assets)	**21.62%**	**26.64%**

Reconciliation of accounting capital to regulatory capital	June 2025 R'000	June 2024 R'000
Accounting capital - as reported per unaudited financial statements	**2,071,927**	**2,067,103**
Dotation capital	2,068,639	2,068,639
Retained earnings	-	-
Accumulated other comprehensive income (and other reserves) (1)	3,288	(423)
Less: Unappropriated Income	-	-
	2,071,927	2,068,216
Add: General allowance for credit impairments	10,929	1,347
	2,082,856	2,069,563
Less: Regulatory adjustments and deductions	(408,336)	(352,859)
Total regulatory capital	**1,674,520**	**1,716,704**

5. Leverage position

Illustrated below is DBJ's leverage position as measured by the Basel III leverage ratio.

The leverage ratio was introduced as a complementary measure to the risk-based capital framework to help ensure broad and adequate capture of both the on-and off-balance sheet sources of banks leverage.

This simple, non-risk based "Backstop" measure will restrict the buildup of excessive leverage in the banking sector to avoid destabilizing deleveraging processes that can damage the broader financial system and the economy.

	June 2025 %	**June 2024 %**
Leverage Ratio	**4.90**	**5.95**
Specified minimum ratio as **per SARB**	4.00	4.00

6. Credit risk

The tables illustrated below presents key measurement metrics of DBJ's credit position as at 30 June 2025, as required by the revised Pillar 3 disclosures.

Credit quality of assets

The table below provides a comprehensive picture of the credit quality of a bank's on- and off-balance sheet assets.

		Gross carrying values of:			Net values
		Defaulted exposures	Non-defaulted exposures	Allowances/impairments	R'000
1	Loans	-	13,656,564	-	13,656,564
2	Debt Securities	-	10,550,295	-	10,550,295
3	Off-balance sheet exposures	-	2,492,062	-	2,411,006
4	**Total**	**-**	**26,698,921**	**-**	**26,698,921**

Changes in stock of defaulted loans and debt securities

The table below identifies the changes in a bank's stock of defaulted exposures, the flows between non-defaulted and defaulted exposure categories and reductions in the stock of defaulted exposures due to write-offs.

		June 2025
1	Defaulted loans and debt securities at end of the previous reporting period	
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4±5)**	-

Credit risk mitigation techniques - overview

The table below discloses the extent of use of credit risk mitigation techniques.

	R'000	Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans	11,622,553	-	-	2,034,011	2,253,000	-	-
2	Debt securities	10,550,295	-	-	-	-	-	-
3	**Total**	**22,172,848**	**-**	**-**	**2,034,011**	**2,253,000**	**-**	**-**
4	Of which defaulted	-	-	-	-	-	-	-

7. Credit risk…… continued

Standardized approach - credit risk exposure and credit risk mitigation (CRM) effects

The table below Illustrates the effect of CRM (comprehensive and simple approach) on standardized approach capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

	Exposures before CCF and CRM R'000		Exposures post CCF and CRM R'000		RWA and RWA density R'000	
Asset classes	**On-balance sheet amount**	**Off-balance sheet amount**	**On-balance sheet amount**	**Off-balance sheet amount**	**RWA**	**RWA density**
Sovereigns and their central banks	10,631,288	-	10,631,288	-	-	0%
Non-central government public sector entities	266,720	-	266,720	-	266,720	100%
Multilateral development banks	-	-	-	-	-	0%
Banks	5,528,560	-	5,528,560	-	88,927	2%
Securities firms	-	-	-	-	-	0%
Corporates	7,780,291	2,492,062	7,780,291	52,965	3,554,961	2%
Regulatory retail portfolios	-	-	-	-	-	0%
Secured by residential property	-	-	-	-	-	0%
Secured by commercial real estate	-	-	-	-	-	0%
Equity	-	-	-	-	-	0%
Past-due loans	-	-	-	-	-	0%
Higher-risk categories	-	-	-	-	-	0%
Other assets	-	-	-	-	-	0%
Total	**24,206,858**	**2,492,062**	**24,206,858**	**52,965**	**3,910,608**	**16%**

7. Credit risk…… continued

Standardized approach - exposures by asset classes and risk weights

The table below presents the breakdown of credit risk exposures under the standardized approach by asset class and risk weight (corresponding to the riskiness attributed to the exposure according to standardized approach).

Asset Class / Risk weight	0% R'000	10% R'000	20% R'000	35% R'000	50% R'000	75% R'000	100% R'000	150% R'000	Others R'000	Total credit exposures amount (post CCF and post-CRM) R'000
Sovereigns and their central banks	10,631,288	-	-	-	-	-	-	-	-	10,631,288
Non-central government public sector entities (PSEs)	-	-	-	-	-	-	266,720	-	-	266,720
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-	-
Banks	5,083,925	-	444,635	-	-	-	-	-	-	5,528,560
Securities firms	-	-	-	-	-	-	-	-	-	-
Corporates	3,469,329	-	-	-	1,691,138	-	2,672,789	-	-	7,833,256
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**19,184,542**	-	**444,635**	**-**	**1,691,138**	**-**	**2,939,509**	**-**	**-**	**24,259,823**

8. Counterparty credit risk

Analysis of counterparty credit risk (CCR) exposure by approach as at 30 June 2025

		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post CRM	RWA
1	SA-CCR (for derivatives)	1,680,953	1,571,717		1.4	4,553,742	729,381
2	Internal Model Method (for derivatives and SFTs)			-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					276,612	70,604
5	VaR for SFTs					-	-
6	**Total**	**1,680,953**	**1,571,717**			**4,830,354**	**799,985**

Credit valuation adjustment (CVA) capital charge as at 30 June 2025

The table provides the CVA regulatory calculations (with a breakdown by standardized and advanced approaches).

		EAD post-CRM R'000	RWA R'000
	Total portfolios subject to the Advanced CVA capital charge		
1	(i) VaR component (including the 3×multiplier)		-
2	(ii) Stressed VaR component (including the 3×multiplier)		-
3	All portfolios subject to the Standardized CVA capital charge	1,569,807	1,856,227
4	**Total subject to the CVA capital charge**	**1,569,807**	**1,856,227**

9.Counterparty credit risk ……continued

Standardized approach -- CCR exposures by regulatory portfolio and risk weights as at 30 June 2025

The table provides a breakdown of counterparty credit risk exposures calculated according to the current exposure method approach: by portfolio (type of counterparties) and by risk weight (riskiness attributed according to standardized approach).

Regulatory Portfolio - R'000	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
									-
Sovereigns	-	-	-	-	-	-	-	-	48,909
Non-central government public sector entities (PSEs)	-	-	850,604	-	-	-	-	-	850,604
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-	-
Banks	2,159,700	-	103,856	28,746	-	34,622	-	-	2,326,923
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	372,040	-	-	372,040
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	**2,159,700**	**-**	**954,460**	**28,746**	**-**	**406,662**	**-**	**-**	**3,549,568**

Composition of collateral for CCR exposure as at 30 June 2025

The table provides a breakdown of all types of collateral posted or received by banks to support or reduce the counterparty credit risk exposures related to derivative transactions or to SFTs, including transactions cleared through a CCP.

	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	391,070	-	-	-	-
Cash – other currencies	-	-	-	-	-	-
Domestic sovereign debt	1,165,807	-	-	-	1,704,857	2,363,835
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**1,165,807**	**391,070**	**-**	**-**	**1,704,857**	**2,363,835**

10. Liquidity risk

Liquidity coverage ratio (LCR)

Illustrated below is DBJ's short-term liquidity position as measured by the LCR as at 30 June 2025.

		Total Unweighted Value 30 June 2025 R'000	Total Weighted Value 30 June 2025 R'000
	High-Quality Liquid Assets		
1	Total High-Quality Liquid Assets (HQLA)	**9,326,438**	**9,326,438**
	Cash Outflows		
2	Retail deposits and deposits from small business customers, of which:	-	-
3	Stable deposits	-	-
4	Less-stable deposits	-	-
5	Unsecured wholesale funding, of which:	16,950,911	9,379,428
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	-	-
7	*Non-operational deposits (all counterparties)*	16,950,911	9,379,428
8	Unsecured debt	-	-
9	Secured wholesale funding	348,201	-
10	Additional requirements, of which:	-	-
11	Outflows related to derivative exposures and other collateral requirements	-	-
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	2,492,062	129,900
14	Other contractual funding obligations	-	-
15	Other contingent funding obligations	-	-
16	**Total Cash Outflows**	**19,791,174**	**9,509,328**
	Cash Inflows		
17	Secured lending (e.g. reverse repos)	1,785,185	-
18	Inflows from fully performing exposures	6,062,704	4,086,611
19	Other cash inflows	177,090	162,206
20	**Total Cash Inflows**	**8,024,979**	**4,248,817**
21	**Total HQLA**		**9,326,438**
22	**Total Net Cash Outflows**		**5,260,511**
23	**Liquidity Coverage Ratio (%)**		**177%**

	LCR for the period 1 April 2023 to 30 June 2023	**Quarter ending June 2023**
1	Total High-Quality Liquid Assets (HQLA)	11,076,218
2	Total Net Cash Outflows	5,611,074
3	**Liquidity Coverage Ratio (%)**	**202%**

11.1 Operational risk

Risk Weighted Assets	June 2025 R'000	June 2024 R'000
Operational risk	601,233	577,673

11.2 Market risk

	Risk Weighted Assets	June 2025 R'000	June 2024 R'000
	Outright products		
1	Interest rate risk (general and specific)	548,466	282,802
2	Equity risk (general and specific)	-	-
3	Foreign exchange risk	214,947	279,736
4	Commodity risk	-	-
	Options		
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitization	-	-
9	**Total**	**763,413**	**562,538**

11.3 Interest rate risk in the banking book

The equity sensitivity analysis below shows how the value of DBJ's economic value of equity (EVE) and net interest income would be impacted by specified interest rates scenarios as per local banking regulations.

Economic value of equity sensitivity		June 2025 R'000	June 2024 R'000
Parallel shifts up and down			
Increase	(400bps)	(8)	(20,904)
Decrease	(400bps)	7	21,097

The maximum loss when applying the regulatory required Standard Outlier tests for delta EVE was 0.001% of our Tier 1 regulatory capital at June 30, 2025 from a short rate up scenario. Consequently, outright interest rate risk in the banking book is considered immaterial for the branch.