



Media Release

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Deutsche Bank uses Distributed Ledger Technology to provide global beneficial ownership transparency

Deutsche Bank Securities Services has successfully piloted a solution using distributed ledger technology (DLT) to enable further automation of custodial services.

The solution addresses the transparency requirements within many custodial services, such as around the tax processing of asset holdings at an ultimate beneficial owner level, and streamlines complex data and reconciliation processes for both the bank and its clients.

Currently, this level of information is not generally disclosed to, or captured by, sub-custodians, with data provided in spreadsheets as and when needed and across multiple levels of disclosure. This leads to the manual collation of data and reconciliation challenges for the counterparts in the value chain.

Deutsche Bank's solution allows for sharing of the same information to authorised counterparts, removing duplication and, at the same time, permitting access to the beneficiary details to the relevant party only. Importantly, the solution will function without disrupting the effective omnibus settlement account structure currently in place – which hugely benefits global custodians and/or counterparts up the value chain – minimising the impact on current infrastructure and operations.

The first implementation of the solution will help reform the shareholder information disclosure in Europe for global and sub-custodians, as set out in the Shareholder Rights Directive II, followed by tax processing automation and further product build-out. After initial implementation in Europe, the solution will subsequently be rolled out to other regions in which Deutsche Bank Securities Services operates.

Going forward, it could also be used by broker dealers to provide desk-level transparency, especially important as the industry becomes more focused on disciplining inefficient trade settlement performance through measures such as settlement failure penalties, as stipulated in the Central Securities Depository Regulation.

“We are very excited about the opportunities that this solution, and the underlying technology, can bring for our future service model. We continue to remain focused on delivering products that increase efficiencies in the value chain, providing relevant and tangible benefits for our clients,” said Jeslyn Tan, Global Head of Product Management, Securities Services.

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“At Deutsche Bank, we continue to demonstrate that innovation is at its best when aimed at solving our clients’ real-world problems and helping drive operational cost efficiencies,” commented Michaela Ludbrook, Global Head of Securities Services.

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About Deutsche Bank

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This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our revenues and in which we hold a substantial portion of our assets, the development of asset prices and market volatility, potential defaults of borrowers or trading counterparties, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and methods, and other risks referenced in our filings with the U.S. Securities and Exchange Commission. Such factors are described in detail in our SEC Form 20-F of 16 March 2018 under the heading “Risk Factors”. Copies of this document are readily available upon request or can be downloaded from www.db.com/ir.