



NCOU Assets

Background

- KCP clients proactively want access to bank deleverage assets.

Key Issues

- Conflicts of interest: NCOU to maximise value for DB Group, AWM to act in the best interests of clients
- Valuation Issues: DBAG MTM value of asset versus sale price
- Reputational Risks:
 - AWM presenting DB balance sheet assets to fiduciary clients
 - Transfer to NCOU implies assets are 'non-performing' or "bad" assets

AWM New Proposed Framework

Vis-à-vis KCP Clients

- As on Slide 5.

The AWM Internal Review and Approval Process

Internal Risk Disclosure Review	<ul style="list-style-type: none"> ■ Full disclosure to AWM by NCOU and Group Risk Control Areas (MRM, CRM etc.) of all aspects of the asset and its valuation and any potential risks or liabilities of the asset. <ul style="list-style-type: none"> ■ Review of the above by Private Markets. ■ Resources: Requires transfer or hiring of 1 headcount with expertise in private credit.
KCP Client Exemption List Suitability & Appropriateness Committee	<ul style="list-style-type: none"> ■ KCP Client Exemption List Only: Suitability and Appropriateness Committee identifies only limited KCP clients who have institutional level expertise in the particular asset (either as owner, operators or professional investors of equivalent assets). <ul style="list-style-type: none"> ■ Beefed up "Big Boy Letters": comprehensive undertakings by client as to its standing and appropriateness, as well as, full disclosure and acknowledgement of all potential conflicts; and binding undertaking of non recourse against AWM and DB AG in respect of any issues arising from the asset.
NCOU AWM Exco Committee	<ul style="list-style-type: none"> ■ NCOU Asset AWM Exco Approval Committee. <ul style="list-style-type: none"> ■ Above work of Internal Risk Review and Suitability and Appropriateness Committee to be reviewed by a special committee comprising AWM Exco members and final approval to be given by this committee. ■ Proposed Members: Stephane Farouze, Pierre Cherki, Yves Dermaux and Dario Schiraldi.