DBK.0014.0001.0001

PART 7.5A OF THE CORPORATIONS REGULATIONS 2001

INFRINGEMENT NOTICE

To: Deutsche Bank Aktiengesellschaft
Deutsche Bank Place
Level 16, 126-130 Phillip Street
SYDNEY NSW 2000

Take Notice: The Australian Securities and Investments Commission (**ASIC**) gives this infringement notice to Deutsche Bank Aktiengesellschaft (ARBN 064 165 162) (**Deutsche Bank**) under regulation 7.5A.104 of the Corporations Regulations 2001 (**Regulations**). To comply with this notice Deutsche Bank must:

> Pay a penalty to ASIC on behalf of the Commonwealth, in the sum of **$2,000,000.**

This infringement notice is given on 11 June 2026.

The unique code for this notice as required by paragraph 7.5A.106(b) of the Regulations is DBK.0014.0001.0001.

The terms defined in Rule 1.2.3 of the *ASIC Derivative Transaction Rules (Reporting) 2024* (**ASIC Rules**) have the same meaning when used in this notice.

Alleged contraventions

At all relevant times subrules 2.2.1(1) and 2.2.3(1) of the ASIC Rules required Deutsche Bank to report information about each of its Reportable Transactions to a Licensed Repository or a Prescribed Repository, generally by no later than the end of the next Business Day after the requirement to report the information arose. Rule 2.2.6 required Deutsche Bank to take all reasonable steps to ensure the information reported under subrule 2.2.1(1) was and remained complete, accurate and current.

ASIC has reasonable grounds to believe that Deutsche Bank contravened Rule 2.2.6 of the ASIC Rules on 208 business days, in the period from 21 October 2024 and 15 August 2025 (**Relevant Period**), by failing to take all reasonable steps to ensure it accurately reported Direction fields data for:

a. 20,483 outstanding transactions; and

b. 244,091 terminated or matured transactions, 242,673 of which relate to Foreign Exchange (**FX**) trades and 1,418 of which relate to commodity trades.

Background

ASIC first made Derivative Transaction Rules in 2013. Amongst other things, the rules were intended to:

a. give effect to commitments made by the Australian Government to the G20 in relation to trade reporting; and

b. implement an Australian trade reporting regime that achieved the stated objectives of a series of reforms being undertaken globally in over-the-counter (**OTC**) derivative markets, by enhancing the transparency of OTC derivative markets, to both regulators and the public, and to increase the capacity to oversee and monitor systemic risk and prevent and detect market abuse.

On 19 December 2022, the ASIC Rules were made. The revised rules were deliberately released well ahead of time to give reporting entities time to adjust.

In September 2024, ASIC announced it would take a 'measured approach' to compliance between 21 October 2024 and 1 March 2025 (**Measured Compliance Period**) for reporting entities to:

a. make reasonable efforts to comply with the ASIC Rules; and

b. if ASIC identified deliberate, or systemic breaches, or a failure to make all reasonable endeavours to come into compliance, it would take regulatory action.

On 15 August 2025, Deutsche Bank notified ASIC of the inaccurate reporting and later submitted a breach report to ASIC on 11 September 2025 (**September Breach Report**).

The September Breach Report stated that Deutsche Bank suspects it breached Rule 2.2.6 of the ASIC Rules during the Relevant Period.

On 4 February 2026, Deutsche Bank responded to a notice issued by ASIC where it stated amongst other things that:

a. its review to date had not identified any other impacts on Deutsche Bank or its clients due to the reporting error; and

b. what key remedial actions and enhancements it had implemented or had planned, including but not limited to, in January 2026, commencing an internal audit to evaluate the accuracy of its ASIC Rules reporting.

Between 27 February 2026 to 24 March 2026, Deutsche Bank produced material in response to a request from ASIC. In its response, Deutsche Bank noted that:

a. the reporting failures arose from Deutsche Bank deploying a fix in its code to comply with US data reporting requirements which was not subsequently applied in its code to comply with ASIC reporting requirements; and

b. Deutsche Bank's Quality Assurance (**QA**) templates failed to capture all relevant ‘Direction’ fields as required by the ASIC Rules.

On 8 May 2026, Deutsche submitted a second breach report to ASIC (**May Breach Report**), regarding additional reporting inaccuracies it has identified.

As a result of Deutsche Bank’s uplifts to its internal controls and remediation of the ‘Directions’ fields reporting issue, further reporting inaccuracies were identified, and these are outlined by Deutsche Bank in the May Breach Report. ASIC acknowledges the issues identified in the May Breach Report were a result of a broad review by Deutsche Bank of its reporting framework.

Details of alleged contraventions

Deutsche Bank is the holder of an Australian Financial Services licence (**AFS licence**) and a ‘reporting entity’ within the meaning of Rule 1.2.5 of the ASIC Rules. At all relevant times, Deutsche Bank held an AFS licence and was a reporting entity required to comply with the ASIC Rules.

Under Rule 2.2.6 of the ASIC Rules, Deutsche Bank, as a reporting entity, is relevantly required to take all reasonable steps to ensure that information it reports under Rule 2.2.1, whether reported by Deutsche Bank on its own behalf or by any other person on its behalf, is and remains at all times complete, accurate and current.

The obligation provided for in Rule 2.2.6 of the ASIC Rules is expressed by reference to the obligation in Rule 2.2.1. Accordingly, the obligation in Rule 2.2.6 has applied to Deutsche during the Relevant Period.

The ‘Direction’ fields are important mandatory data elements within the ASIC Rules indicating whether the reporting entity is acting as the effective buyer or seller of a transaction at a specified price. This information is critical to enable regulators to accurately determine each entity’s directional exposure and market risk originating from derivative transactions.

During the Relevant Period, on 208 business days when Deutsche was required to report information about reportable OTC derivative transactions, it incorrectly reported the direction information for:

a. 20,483 outstanding transactions; and

b. 244,091 terminated or matured transactions, 242,673 of which relate to FX trades and 1,418 of which relate to commodity trades.

ASIC considers Deutsche’s conduct was systemic and a result of Deutsche’s overall framework for ASIC’s derivative transaction rules having been inadequate to ensure compliance with the revisions made to the ASIC Rules. Although some of the inaccurate reporting occurred during the Measured Compliance Period, in ASIC’s view, as these were breaches of a systemic nature, it is appropriate that ASIC take regulatory action.

Maximum pecuniary penalty in relation to a contravention of Rule 2.2.6

The maximum pecuniary penalty that a Court could order Deutsche Bank to pay for a single contravention of ASIC Rule 2.2.6 is 1,000 penalty units.

For the Relevant Period, a penalty unit was worth:

a. $313 for contraventions occurring between 21 October 2024 and 6 November 2024; and

b. $330 for contraventions occurring between 7 November 2024 and 15 August 2025.

For 208 contraventions of Rule 2.2.6, the maximum available penalty is $68,419,000 for a corporation.

Penalty under the Infringement Notice

The penalty payable under this infringement notice for the alleged contravention of Rule 2.2.6 is $2,000,000.

In determining this matter and the appropriate pecuniary penalty to be applied, I have taken into account the following matters:

1. **Character of the conduct.** The character of the conduct is an aggravating factor in assessing penalty because, despite being subject to the ASIC derivative transaction reporting rules since 2014 and being on notice of the ASIC Rules, Deutsche Bank inaccurately reported critical Direction field data on 208 business days. This inaccurate reporting was due to the incorrect application of a logic code fix and deficient QA controls, which were only identified after notification from an overseas regulator. The failures were not alleged to be dishonest or deliberate, rather they were systemic in nature.
2. **Consequences of the conduct**. The consequences of the conduct are an aggravating factor in assessing penalty, because given the importance of Direction field data, inaccurate reporting weakens supervisory efforts by ASIC and the Reserve Bank of Australia over OTC markets and impairs ASIC's ability to accurately assess risk positions and market activity. Direction field data is critical to enable regulators to accurately determine each entity's directional exposure and market risk originating from derivative transactions. It is not alleged that the reporting failures led to any third-party losses.
3. **Compliance culture.** Deutsche Bank's compliance culture is a neutral factor in assessing penalty. Although Deutsche Banks's reporting failures were identified by an overseas regulator rather than through its own controls, and reflected deficiencies in its internal reporting framework, those matters are balanced by Deutsche Bank's cooperation with ASIC's investigation, its holistic approach to remediation, including to identify further issues and take the relevant steps to notify ASIC of those issues. Deutsche Bank has not been the subject of any ASIC action since once in 2016.

4. **Remediation.** Deutsche Bank's remediation is a mitigating factor in assessing penalty. Deutsche Bank has undertaken a series of remedial actions and enhancements, including to remediate the breach.

5. **Other factors.** In October 2024, when the ASIC Rules were introduced, Deutsche was the eighth largest reporting entity in terms of value of notional positions and was ninth by notional value turnover. It held the sixth largest notional position in the FX asset class and tenth largest notional position in the commodities asset class.

Compliance with the Infringement Notice

Deutsche Bank may choose not to comply with this infringement notice, but if Deutsche Bank does not comply, civil proceedings may be brought against Deutsche Bank in relation to the alleged contraventions.

To comply with this infringement notice, Deutsche Bank must pay the total penalty of $2,000,000 within the compliance period. This penalty can be paid using the method detailed in the email by which this notice is given. The compliance period:

a. starts on the day on which the infringement notice is given to Deutsche Bank; and

b. ends 27 days after the day on which the infringement notice is given to Deutsche Bank;

unless an application is made for an extension.

Deutsche Bank may apply to ASIC for an extension of time to comply with this notice under regulation 7.5A.109 of the Regulations. If Deutsche Bank does so, and the application is granted, the compliance period ends at the end of the further period allowed.

If Deutsche Bank applies for a further period of time in which to comply with this notice, and the application is refused, the compliance period ends on the later of:

a. 28 days after the day on which the infringement notice was given to Deutsche Bank; and

b. b. 7 days after the notice of refusal is given to Deutsche Bank.

Deutsche Bank may apply to ASIC for withdrawal of this notice under regulation 7.5A.111 of the Regulations. If Deutsche Bank does so, and the application is refused, the compliance period ends 28 days after the notice of refusal is given to Deutsche Bank.

Effect of issue and compliance with Infringement Notice

Under sub regulation 7.5A.110(2) of the Regulations, the effects of compliance with this infringement notice are:

a. any liability of Deutsche Bank to the Commonwealth for the alleged contraventions of Rule 2.2.6 of the ASIC Rules is discharged;

b. no civil or criminal proceedings may be brought or continued by the Commonwealth against Deutsche Bank for the conduct specified in the infringement notice as being the conduct that made up the alleged contraventions of Rule 2.2.6 of the ASIC Rules;

c. no administrative action may be taken by ASIC under sections 914A, 915B, 915C or 920A of the Corporations Act against Deutsche Bank for the conduct specified in the infringement notice as being the conduct that made up the alleged contraventions of Rule 2.2.6 of the ASIC Rules;

d. Deutsche Bank is not taken to have admitted guilt or liability in relation to the alleged contraventions; and

e. Deutsche Bank is not taken to have contravened Rule 2.2.6 of the ASIC Rules. However, these effects do not apply if Deutsche Bank has knowingly provided false or misleading information to ASIC or withheld evidence or information from ASIC in relation to the alleged contraventions of Rule 2.2.6 of the ASIC Rules.

Publication

ASIC may publish details of this infringement notice under regulation 7.5A.115 of the Regulations.

[redacted]

Rhys Bollen
as a delegate of the Australian Securities and Investments Commission