

# Deutsche bonuses quadruple despite third-straight loss

Bank chief executive John Cryan takes pay cut

Olaf Storbeck in Frankfurt MARCH 16, 2018

Bonuses at Deutsche Bank in 2017 more than quadrupled to €2.2bn while Germany's largest lender reported the third annual post-tax loss in a row.

Chief executive John Cryan and the other members of the management board waived their variable pay, though. Total compensation for the 12 most senior top executives at Deutsche still rose 13 per cent per cent to €29.2m. Mr Cryan, however, took a pay cut of €400,000 and earned €3.4m last year.

The rising pay, disclosed in Deutsche's 2017 annual report which was published on Friday morning, reflects the lender's decision to return to its "normal system of variable compensation" in 2017, after an 80 per cent cut in bonuses to €500m in 2016. Less than half of the 2017 bonuses will be deferred to future years.

At the bank's annual press conference in February, Mr Cryan had called the higher 2017 bonuses a "one-off investment" necessary "to secure our franchise and to strengthen our position in key sectors", adding that "in the coming years, these kind of bonus payments will only be justified if the bank performs correspondingly".

Deutsche's ongoing battle against its high cost base is reflected in a sharp drop in graduate hires, which compared to 2016 fell by close to a quarter to just 619 people. The overall number of employees fell by 2.2 per cent of 97,535.

The lender made little progress in promoting women into top positions. The share of female managing directors and directors rose by just 0.6 percentage points to 21.9 per cent. Yet the bank stressed that the number of women at these levels is up 15 per cent since 2011. Among newly hired graduates, women account for 37 per cent of the staff.