



From Ambition to Impact

Deutsche Bank Sustainability Strategy

#PositiveImpact

February 2024

From ambition to impact

Deutsche Bank's sustainability strategy at a glance (as of February 2024)



*We aspire to contribute to an **environmentally sound, socially inclusive and well-governed world**. We strive to **support our clients in accelerating their own transformation**. Our advice as well as our products and solutions shall be built on this commitment.*

Sustainable Finance



Systematically develop business towards sustainable finance

- Achieve cumulative sustainable financing and investment volumes since January 2020 of € 500 billion by the end of 2025 (excl. DWS)¹⁾
- Position Deutsche Bank as partner of choice for supporting clients' transition towards net zero
- Scale up client transition dialogues by building out advisory and financing capabilities
- Enhance scalability of green and social asset origination and allocation

Policies & Commitments



Develop and maintain robust governance and risk management for environmental and social issues

- Align our lending and investment portfolios to net-zero by 2050 (Net-Zero Banking Alliance) and make CO₂ emissions an integral part of our decision making
- Implement climate-risk methodology for portfolio analysis and target setting
- Strengthen policies for carbon intense sectors

Be a role model by transforming our operations towards sustainable behaviour and cultural change

- Reduce emissions linked to our own operations and supply chain²⁾ by 46 % by 2030 (2019 baseline)
- Implement data-driven and scalable sustainability business model
- Decarbonize supply chain and remediate Human Rights adverse impacts by active vendor management
- Strengthen governance and control capabilities and empower employees to establish sustainability as core of our culture
- Achieve ambitious gender diversity targets

Publicly advocate sustainable transformation and engage with all stakeholder groups

- Drive standard setting via involvement in national and international bodies
- Expand dedicated in-house research #dbSustainability
- Foster stakeholder engagement through Deutsche Bank's sustainability ambassadors
- Lead by example with holistic reporting on the progress of our own transformation

People & Own Operations



Thought Leadership & Stakeholder Engagement



UN Sustainable Development Goals – our focus





Sustainable Finance

As of February 2024 and non-exhaustive



Achievements

- Facilitated EUR 279bn in sustainable financing and investment¹⁾ by Q4 2023 (cumulative since January 2020; excluding DWS) [↗](#)
- Signed an **agreement between Deutsche Bank's Private Bank in Germany and World Wide Fund For Nature (WWF) Germany** for an initial 2-year advisory service to **further advance its sustainable finance offering** [↗](#)
- Selected deal highlights:
 - Completed a **deal-contingent interest rate hedge and a tailored financing for Hai Long**, Taiwan's largest offshore wind project to date. The deal is Deutsche Bank's **fourth large scale project financing and hedging transaction in the offshore wind sector in Taiwan** (Investment Bank FIC) [↗](#)
 - Acted as mandated lead arranger, underwriter, bookrunner, and sustainability structuring agent on the **AUD 4.6bn sustainability-linked loan (SLL) for AirTrunk**, a hyperscale data center specialist. This SLL is the **first for a data center to combine carbon, energy, water and gender as part of the loan's KPIs** and won 'ESG Loan Deal of 2023' at the prestigious IFR Asia Awards [↗](#)
 - Facilitated **€ 140m Structured Export Finance for the electrification of Yerköy-Kayseri high speed rail line**, contributing to the decarbonization of the Turkish transport sector and the economic development of central Turkey (Corporate Bank)
 - Acted as **Joint Bookrunner on Heidelberg Materials' € 750m 10-year sustainability-linked senior bond transaction**, which features a step-up event in case one or both CO₂ emission targets are not achieved by predefined dates (Investment Bank O&A)

2024+ priorities

- Continuous **refinement of divisional strategies** and **expansion of sustainability offering** (e.g. project finance, energy modernization, ESG focused DPM solutions)
- Strengthen **sector specific sustainability capabilities**



Policies & Commitments

As of February 2024 and non-exhaustive



Achievements

- As **founding member** of the **Net Zero Banking Alliance (NZBA)**, committed to **net-zero by 2050** [↗](#)
- **Published** white paper ‘**Residential Real Estate – Leading to Net Zero**’ [↗](#)
- Published our ‘**Initial Transition Plan – Status Quo and the Way Forward**’ (excl. DWS) [↗](#)
- Set net zero targets **for 2030 and 2050 in seven carbon intensive sectors**; covering 55% of total financed emissions of the corporate loan book as at year-end 2022
- **Disclosed CO₂ footprint for our corporate loan portfolio** (30.5 MtCO₂e/y) and European residential real estate portfolio (3.9 MtCO₂e/y) as at year-end 2022; covering ~60% of total loan exposure
- Set up **Net Zero Forum** to assess CO₂-intensive transactions and clients’ transition strategies
- Raised **ambition that at least 90% of high emitting clients** in most carbon intensive sectors that engage in new corporate lending transactions **shall have a net zero commitment from 2026 on**
- **Tightened thermal coal policy** [↗](#)
- **Updated Environmental & Social Policy Framework and Sustainable Finance Framework and published Sustainable Instruments Framework** [↗](#)
- **First bank joining #BackBlue** – a Blue Finance Commitment which ensures that the ocean is incorporated in finance and insurance decisions [↗](#)

2024+ priorities

- **Widen scope of decarbonization** (e.g. including Aviation sector in net zero target regime and disclosing facilitated emissions)
- **Further operationalization of net zero targets and climate risk management** (e.g. divisional carbon budgets)
- **Enhance Environmental / Social (ES) and Sustainable Finance requirements** (e.g. updated Oil & Gas guideline, ESG Investments Framework, ES requirements related to ocean protection)



People & Own Operations

As of February 2024 and non-exhaustive



Achievements

- CEO-led **Group Sustainability Committee** established in 2020, and Chief Sustainability Officer appointed in 2022
- **Sustainability-linked management board remuneration** [↗](#)
- Pathways for more **female representation** (35% of Managing Directors, Directors and Vice Presidents by 2025) developed and on-track [↗](#)
- Raised ambition to **reduce total energy consumption from 20% to 30% by 2025** compared to 2019 baseline
- **Exceeded annual target for switching to renewable energy** (including certificates) which stands at 97% at year-end 2023
- **Vendors** with contract value >EUR 500k p.a. **required to provide external sustainability rating** [↗](#)
- 80% of total vendor spend expected to submit greenhouse gas emissions to the **Carbon Disclosure Project (CDP)** by 2025
- **Developed regional sustainability governance concept** as accelerator for the regional sustainability transformation
- **Implemented key requirements** of the **German Supply Chain Due Diligence Act**

2024+ priorities

- **Build out capabilities** for deal validation, policy development and risk management
- Detail **emission reduction roadmap** for our own operations and supply chain [↗](#)



Thought Leadership & Stakeholder Engagement

As of February 2024 and non-exhaustive



Achievements

- Hosted 2nd **Sustainability Deep Dive** [↗](#) and 3rd **dbAccess Global ESG Conference** in March 2023
- Set up external **Nature Advisory Panel** to help the bank assess nature-related risks and opportunities [↗](#)
- Joined the **Glasgow Financial Alliance for Net Zero (GFANZ)** working group to mobilize private capital for Indonesia's Just Energy Transition Partnership (JETP) [↗](#)
- CEO representation in the **GFANZ Principals Group** and CSO representation in NZBA Transition Plan Contact Group [↗](#)
- Disclosed **ESG sector reports**, i.e. Oil & Gas, Utilities, Metals & Mining [↗](#)
- **Funded a chair for Sustainable Finance** for the **European School of Management and Technology Berlin (ESMT)**
- Acted as **Co-Lead of Net Zero Banking Alliance's Real Estate Working Group** and contributed to publish its emerging practice **paper on 'Climate Target Setting for Real Estate Sector Financing'**
- Hosted a **conference on 'Decarbonizing Industry – a German Lens'** with six German industrials at **COP 28** in Dubai [↗](#)

2024+ priorities

- Host **Deutsche Bank Climate & Security Day** alongside the London Climate Action week
- Leverage **Steering Committee Membership of the Impact Disclosure Taskforce** to attract capital for developing countries
- Representation at **UN Climate Conference (COP29)** in Azerbaijan

Disclaimer



The transition to a sustainable economy is a long-term undertaking. In its current stage, we are confronted with the limited availability of climate related data. Use of estimates and models is inevitable until improved data becomes available. Our expectations for increasing data quality are based on reporting obligations as currently developed. New regulations on reporting will likely become effective in the coming years. Harmonized standards and calculation methods are expected to be developed and will also improve data quality.

This presentation includes metrics that are subject to measurement uncertainties resulting from limitations inherent in the underlying data and methods used for determining such metrics. The selection of different, but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. The information set forth herein is expressed as of end of January 2024, and we reserve the right to update its measurement techniques and methodologies in the future.

We have measured the carbon footprint of our corporate loan portfolio in accordance with the standards we discuss in our report on corporate loan portfolio financed emissions and net-zero-aligned pathways for focus sectors ([Towards net-zero emissions](#)). Furthermore, we have measured the carbon footprint of our European Real Estate loan portfolio in accordance with the standards we discuss in our report on [Residential Real Estate – Leading to Net-zero](#). In doing so, we partly used information from third-party sources that we believe to be reliable, but which has not been independently verified by us, and we do not represent that the information is accurate or complete. The inclusion of information contained in this document should not be construed as a characterization regarding the materiality or financial impact of that information.

If emissions have not been publicly disclosed, these emissions may be estimated according to the Partnership for Carbon Accounting Financials (PCAF) standards. For borrowers whose emissions have not been publicly disclosed, we estimate their emissions according to the PCAF emission factor database. Since there is no unified source of carbon emission factors (including sustainability-related database companies, consulting companies, international organizations, and local government agencies), the results of estimations may be inconsistent and uncertain.

Past performance and simulations of past performance are not a reliable indicator and therefore do not predict future results.

This presentation 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 Aktiengesellschaft. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to publicly update any of them in consideration of new information or future events. By their very nature, forward-looking statements involve risks and uncertainties. Several important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions on 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 most recent SEC Form 20-F under the heading “Risk Factors.” Copies of this document are readily available upon request or can be downloaded from our [website](#).