



# **Principles for Responsible Banking**

## **Responsible Banking Progress Statement 2024**

# Deutsche Bank – Principles for Responsible Banking

## Update on progress 2024

Deutsche Bank aspires to contribute to an environmentally sound, socially inclusive, and well-governed world. The bank strives to support its clients in accelerating their own transformation. Deutsche Bank’s advice as well as its products and solutions shall be built on this.

Since 2019, Deutsche Bank is a signatory of the Principles for Responsible Banking (PRB) and discloses annually an update on this commitment. This disclosure document summarizes the bank’s approach to adhering to the commitment.

Climate change and loss of natural habitats and biodiversity are two of the most fundamental threats to the planet. While the intricate relationship between climate and nature is recognized, the real-world impact of synergies, trade-offs, and unintended consequences is still underappreciated. The ability of land and oceans to absorb vast amounts of carbon, if managed and protected appropriately, is an example of these synergies. Due to these complex interlinkages of ecosystem services and the climate on our planet, Deutsche Bank addresses both Nature and Climate change as part of its Sustainability strategy.

To focus on these core areas, Deutsche Bank defined Climate change as its first impact area and Nature as its second impact area under the PRB. In the following, each principle is separately addressed.

<b>Principle<sup>1</sup> 1: Alignment</b>
<b>Instructions</b> Briefly describe the bank’s sustainability strategy, and which international frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year. This part of the statement could also refer to the disclosure elements Business model, Strategy and Risk management.
<b>Content</b> Deutsche Bank aspires to contribute to an environmentally sound, socially inclusive, and well-governed world. The bank strives to support its clients in accelerating their own transformation. Deutsche Bank’s advice as well as its products and solutions shall be built on this commitment.  Sustainability, which includes Environmental, Social and Governance (ESG) dimensions, has been a central part of Deutsche Bank’s strategy since 2019. It is one of the three thematic pillars

<sup>1</sup> Both table headings (principles) and instructions are provided by UNEP FI.

that underpin Deutsche Bank's corporate strategy and support its vision to be the Global Hausbank: the European Champion and first choice for its clients.

Deutsche Bank sees it as its responsibility to support and, where possible, accelerate the historic transformation towards a more sustainable society and economy. The bank has embedded sustainability into its governance and operations as well as in its products and services, focusing on four pillars: Sustainable Finance, Policies & Commitments, People & Own Operations and Thought Leadership & Stakeholder Engagement.

As part of Deutsche Bank's long-standing commitment to sustainability, the bank has formally endorsed universal sustainability frameworks and initiatives. Furthermore, the bank supports several organizations that promote sustainability, and collaborates in industry initiatives at the global, EU, and national level. The bank contributes its expertise to help shape the transition toward a sustainable and climate-neutral economy. For example, the Deutsche Bank is a member of the UN's Environment Programme Finance Initiative (1992), a signatory to the ten principles of the UN Global Compact (2000), the Principles for Responsible Investment (through DWS, 2008), the Principles for Responsible Banking (2019) and the Net-Zero Banking Alliance (2021).

#### Links & references

Initial Transition Plan, p. 7  
Sustainability Statement 2024, pp. 191, 217  
[Sustainability Strategy Website](#)

## Principle 2: Impact & Target Setting

### Instructions

Briefly describe the bank's most significant impact areas and the steps taken to identify, measure and manage them—including impact analysis process and results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank's transition/action plan, and progress made. Explain how the bank addressed interlinkages.

### Content

Deutsche Bank's management of climate and environmental risks is part of its broader sustainability strategy and supports the commitment to align the bank's portfolio with net-zero by 2050. Deutsche Bank embeds climate and environmental risks into its business-as-usual risk management frameworks, processes, and appetite.

Climate transition and physical risks present growing risks to the bank's sectoral and regional portfolios. Managing climate transition and physical risks is a key component of Deutsche Bank's risk management and wider sustainability strategy, where 2024 materiality assessments and climate stress test results conclude that potential credit risk impacts are well-contained in the short-term.

To conclude on the materiality assessment, Deutsche Bank has completed a Double Materiality Assessment (DMA) in accordance with CSRD. In 2024, Climate change has been derived as a

material topic which consequently was reported on in the Sustainability Statement whereas Nature (i.e. Biodiversity and ecosystems in ESRS terms) does not meet the CSRD materiality threshold, yet.

It is Deutsche Bank's aim to align the operational and attributable emissions from its portfolios with pathways to net-zero by 2050 or sooner.

Deutsche Bank's targets cover sectors accounting for a significant proportion of financed emissions of its corporate loan book as well as key sources of global Scope 3 emissions of clients.

Targets for each sector are as follows:

- Oil and Gas (Upstream): 23% reduction in Scope 3 upstream financed emissions by 2030, and 90% reduction by 2050, in millions tones of CO<sub>2</sub>
- Power Generation: 69% reduction in Scope 1 physical emission intensity by 2030 and 100% reduction by 2050, in kilograms of CO<sub>2</sub> equivalent per megawatt hour
- Automotive (Light Duty): 59% reduction in tailpipe emission intensity by 2030 and 100% reduction by 2050, in grammes of CO<sub>2</sub> per vehicle kilometer
- Steel: 34% reduction in Scope 1 and 2 physical emission intensity by 2030 and 92% reduction by 2050, in kilograms of CO<sub>2</sub> equivalent per tone
- Coal Mining: 49% reduction in Scope 3 absolute financed emissions by 2030 and 97% reduction by 2050, in million tons of CO<sub>2</sub>
- Cement: 29% reduction in Scope 1 and 2 physical emission intensity by 2030 and 98% reduction by 2050, in kilograms of CO<sub>2</sub> equivalent per tone
- Shipping: Scope 1 scoring of 0% achieved by 2030 and 2050 based on the Poseidon Principles Portfolio Level Alignment Score
- Commercial Aviation: Scope 1 scoring of 0% achieved by 2030 and 2050 based on the Pegasus Guidelines Alignment Score

After exceeding its accelerated target of € 200 billion in sustainable financing and ESG investments by the end of 2022 with a cumulative total of € 215 billion, Deutsche Bank is committed to achieve € 500 billion in sustainable financing and ESG investments by year-end 2025. In 2024, Deutsche Bank achieved an incremental sustainable financing and ESG investments volume as defined in Deutsche Bank's Sustainable Finance Framework and Deutsche Bank's ESG Investments Framework of € 93 billion ending the year with cumulative volumes of € 373 billion (excluding Asset Management (DWS)). In addition to this volume, Asset Management (DWS) reported ESG assets under management of € 163 billion in 2024, an increase of € 29 billion compared to 2023.

Below are some of Deutsche Bank's achievements made in 2024:

- January 2024: Publication of updated Sustainable Finance Framework; Publication of the Sustainable Instruments Framework which expands Deutsche Bank's Green Financing Framework by two social asset categories
- June 2024: Published the Green Financing Instruments Report for 2023 including allocation reporting and impact reporting on Deutsche Bank's Green Asset Pool and Liabilities
- July 2024: Issuance of Deutsche Bank's inaugural € 500 million social bond
- November 2024: Publication of Deutsche Bank ESG Investments Framework

#### Links & references

Initial Transition Plan, pp. 36-37  
Sustainability Statement 2024, pp. 259, 64, 270, 219  
[Our Carbon Footprint Website](#)

### Principle 3: Clients & Customers

#### Instructions

Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/ action plans/transition plans to encourage sustainable practices/activities. Note any changes in the reporting year. This part of the statement could also refer to the disclosure elements Client and customer engagement and Business opportunities.

#### Content

Deutsche Bank's Code of Conduct serves as the foundation of the bank's purpose. Its aim is to foster a diverse and inclusive environment where employees' opinions are valued and speaking up and raising concerns are encouraged. A collaborative and respectful atmosphere is essential for the success of both employees and the bank clients, stakeholders and communities.

"Client centricity" is articulated in Deutsche Bank's Code of Conduct in the pillar "Our clients" as well as under the critical behavior "Striving for excellent client experience" which encompasses among others learning about clients and understanding their needs, actively seeking out and adapting to client feedback. Acknowledging that Deutsche Bank services different types of clients related activities are aligned to the bank's business divisions. As of December 31, 2024, these were the following four: Corporate Bank, Investment Bank, Privat Bank and Asset Management.

#### Links & references

Initial Transition Plan, p. 10  
Sustainability Statement 2024, pp. 212, 313  
Code of Conduct, p. 4  
[Specialist ESG Information Website](#)

### Principle 4: Stakeholders

#### Instructions

Briefly describe how the bank consults, engages and collaborate/partner with relevant stakeholders for the purpose of implementing the Principles, including understanding impacts, setting ambitious targets, advocating for effective regulations and policies for the transition sustainable economy, and establishing collaboration/partnerships to contribute to address significant impacts. Note any changes in the reporting year. This part of the statement could also refer to the disclosure element Stakeholder engagement and consultation.

### Content

Fair and open dialog with all its stakeholder groups is very important to Deutsche Bank. The bank wants to understand their expectations and concerns about its strategy, business activities and social responsibilities. This helps the bank identify its potentially positive and negative impacts.

Deutsche Bank's core stakeholders, i.e., those persons or groups of persons identified that can materially affect or be affected by the bank, belong to the following groups: clients, employees, investors, regulators, and society at large, including e. g. media and non-governmental organizations. The bank has clearly defined responsibilities towards stakeholder engagement.

Each business division and infrastructure function has mandates for interaction with their assigned stakeholder group for deriving material topics in stakeholder interests and for ensuring that their feedback and demands are taken seriously.

### Links & references

Initial Transition Plan, p. 6  
Sustainability Statement 2024, p. 214  
Code of Conduct, p. 7  
[Specialist ESG Information Website](#)

## Principle 5: Governance & Culture

### Instructions

Briefly describe the key governance structures in place (Board and executive level) and related accountability mechanisms, and how these support the bank's management of significant impacts and risks, including target implementation and monitoring of action/ transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning & development). Note any changes or progress in the reporting year. This part of the statement could also refer to the disclosure elements Governance structure for implementation of principles, Promoting a culture of responsible banking and Risk and due diligence processes and policies.

### Content

Deutsche Bank's governance of climate and environmental risks varies by activity. The governance of the activities that drive the bank's transformation, including those needed to fulfill Deutsche Bank's pledge to achieve net-zero by 2050, is led by dedicated steering committees and also leverages existing governance structures. By contrast, the governance of business-as-usual activities is incorporated into the bank's existing risk management governance structure.

The Group Risk Committee, chaired by the Chief Risk Officer and established by the Management Board, has the mandate to oversee risk- and capital-related matters. This includes overall responsibility for the bank's Climate and Environmental Risk Management Framework. The Committee approves the bank's Climate and Environmental Risk Appetite, including appetite for deviation from the net-zero decarbonization pathways. A few other committees are responsible for the development and management of specific elements of climate and environmental risk:

- The Enterprise Risk Committee, which is composed of senior risk experts from various risk disciplines, and focuses on enterprise-wide risk trends, events, and cross-risk portfolios. The committee oversees the development of the bank's holistic Climate and Environmental Risk Management Framework
- The Non-Financial Risk Committee which oversees, governs and coordinates the management of non-financial risks group-wide and establishes a cross-risk and holistic perspective of the bank's key non-financial risks, including risks to own infrastructure, employees, and key processes arising from climate and environmental risks
- The Group Reputational Risk Committee, which is responsible for the oversight, governance, and coordination of reputational risk management, including potential reputational risks arising from transactions linked to climate and broader environmental and social issues

The minutes of the meetings are shared with the members of the Group Risk Committee; the minutes of the Group Risk Committee are shared with the Management Board.

The bank also established a Net-Zero Forum, responsible for the assessment of new transactions with a significant impact on the bank's financed emissions and/or net-zero targets; members of the forum are senior representatives from Business, Risk, and the Chief Sustainability Office.

Climate and environmental topics are also regularly discussed in business unit risk councils and other committees and fora.

#### Links & references

Initial Transition Plan, pp. 50-51

Sustainability Statement 2014, pp. 258-259

Code of Conduct, p. 17

[Specialist ESG Information Website](#)

## Principle 6: Transparency & Accountability

### Instructions

Provide an overview of disclosure framework the bank is using (both regulatory and voluntary). In case third-party assurance has been obtained, provide details on the scope of assurance.

### Content

The bank disclosed detailed information on its climate risk management in its Sustainability Statement 2024. An external auditor performed a limited assurance on the report, including the 2030 decarbonization targets set in the sectors the bank is focusing on, in compliance with regulatory requirements.

The Sustainability Statement of Deutsche Bank Group for the year ended 31 December 2024 was prepared according to Section 315c (1) in conjunction with Sections 289c to 289e of the German Commercial Code (HGB). As the European Corporate Sustainability Reporting Directive (CSRD) was not transposed into German law as of 31 December 2024, the bank applied the

European Sustainability Reporting Standards (ESRS) as reporting framework as allowed by Section 315c (3) HGB in conjunction with Section 289d HGB and, on that basis, discloses governance, strategy, impact, risk and opportunity management, metrics and targets for material sustainability matters.

In addition, the Sustainability Statement complies with the disclosure obligations under Article 8 (1) and (3) of the Taxonomy Regulation (Regulation (EU) 2020/852) and the respective specifications in Articles 4 and 10 (5) of the associated Disclosures delegated Act (Delegated Regulation (EU) 2021/2178).

**Links & references**

Initial Transition Plan

Sustainability Statement 2024, p. 192

Annual Report 2024, p. 384

[Specialist ESG Information Website](#)

[Approach to Sustainability Website](#)



**Contact for inquiries**

Deutsche Bank AG  
Frankfurt, Germany  
Phone: +49 69 910-00  
[deutsche.bank@db.com](mailto:deutsche.bank@db.com)