



Deutsche Bank Statement on Human Rights February 2023

Content

03 – Introduction	
04 – Deutsche Bank’s commitment to human rights	
04 – Human rights governance	
05 – Assessment of human rights risks	
05 – Employees	
06 – Clients	
08 – Suppliers	
09 – Raising concerns, and access to effective remedy	
09 – Reporting	
09 – Approval	

Introduction

Deutsche Bank AG makes this statement on behalf of the Deutsche Bank Group (Deutsche Bank, the bank)¹. Deutsche Bank is committed to enabling economic growth and societal progress by creating a positive impact for its clients, employees, investors, and also for the communities affected by its business activities.

Deutsche Bank's commitment to respecting human rights is long-standing, having voluntarily endorsed and aligned with international standards along the way. While it remains the governments' legal obligation to protect against human rights abuses by persons, including businesses, through appropriate policies, legislation, and adjudication, Deutsche Bank acknowledges its corporate responsibility pursuant to the "Protect, Respect and Remedy" framework of the [UN Guiding Principles on Business and Human Rights](#) ↗ (UNGP). These responsibilities include the need to respect human rights by avoiding adverse human rights impacts from their own activities and by seeking to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products, or services.

As such, Deutsche Bank has established policies and processes to ensure human rights are respected in its business activities and across its operations.

¹ Excluding DWS

Deutsche Bank's commitment to human rights

Deutsche Bank regards fundamental human rights to be universal, as these are recognized and defined in the Universal Declaration of Human Rights. Implementing human rights laws and embedding international human rights standards within a global financial institution is a complex task. In achieving this task, Deutsche Bank is guided by the UNGP, the [OECD Guidelines for Multinational Enterprises](#), [the International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#) (including its Core Labour Standards), and [UN Global Compact](#).

Being a global financial institution results in Deutsche Bank being subject to multiple international and domestic human rights laws and regulations. In circumstances where domestic laws offer a level of human rights protection that falls short of international standards, Deutsche Bank will take an appropriate approach to uphold the principles of internationally recognized human rights.

The commitment to respecting human rights is anchored in Deutsche Bank's Code of Conduct, in which Deutsche Bank articulates its values and beliefs and minimum standards of behavior. Deutsche Bank requires all employees and members of its Management Board to follow the letter and the spirit of this Code, as well as other applicable policies and procedures to promote compliance with high ethical standards.

Human rights governance

Deutsche Bank's Human Rights Forum ("the Forum"), co-chaired by Deutsche Bank's Chief Sustainability Officer and Head of Group Sustainability, was established to ensure oversight of Deutsche Bank's human rights management. The Forum, which meets every two months, consists of representatives of Deutsche Bank's business divisions and infrastructure functions. Its mandate is to oversee Deutsche Bank's management approach, to monitor human-rights-related trends, to collect and share learnings from within Deutsche Bank, to liaise with external experts, and to initiate strategic human-rights-related projects. The Forum reports to Deutsche Bank's Group Sustainability Committee, chaired by Deutsche Bank's CEO. The Forum also supplements Deutsche Bank's established risk management and due diligence processes within its business activities and operations.

A dedicated role, the Head of Human Rights, was established in 2022 (hiring in progress) and will be responsible for advancing the integration of the topic across the bank. This is expected to include the definition of specific roles and responsibilities across Deutsche Bank and coordination of processes and communication channels to evaluate the effectiveness of the bank's human rights management approach. Further responsibilities of the Head of Human Rights will include: development of overarching standards for human rights management; defining risk management standards in collaboration with risk management and other functions; coordination of strategic human rights projects; representation of Deutsche Bank in relevant networks; and acting as a point of escalation for human-rights-related incidents.

To further develop the bank's human rights management approach, Deutsche Bank uses and connects a range of information and sources, including in-house research, Deutsche Bank's various complaints channels, media reports, dialog with individual business partners, consultation with independent experts, and ongoing discussion with peers on general trends and developments. Deutsche Bank's human rights governance benefits from the exchange of ideas and experiences afforded by its membership in the Thun Group of Banks, which Deutsche Bank joined in 2012.

Assessment of human rights risks

Deutsche Bank is a partner and catalyst for business activities and economic development around the globe. As such, it takes steps to prevent, minimize, and/or resolve human rights violations by understanding where its operations might trigger a negative impact on human rights. In accordance with the recommendations of the UNGP, Deutsche Bank undertakes human rights due diligence within its focus areas, namely its employees, its client base, and its supplier relationships. The measures undertaken by Deutsche Bank are proportional to the scale and complexity of the bank.

Deutsche Bank's risk-based approach is structured across four domains: geographical risk, industry risk (client and supplier industries), volume (expected contract volume for supplier contracts), and numbers of Deutsche Bank employees. Deutsche Bank gathers external data issued on human rights databases and identifies high-risk areas and profiles. Deutsche Bank undertakes due diligence to identify and assess the nature of the actual and potential adverse human rights impacts with which it may be directly or indirectly linked. Accordingly, Deutsche Bank undertakes due diligence to assess the potential adverse human rights impacts that Deutsche Bank may cause or contribute to through its own operations, or which may be directly linked to its supply chain, products, or services by its business relationships. These assessments are further enhanced by direct engagement with both clients and suppliers, by consultation with external stakeholders, and through participation in multiple external initiatives.

A systematic risk analysis is conducted on an annual level and in case of new circumstances, covering Deutsche Bank's own operations and supply chain, as well as with regard to Deutsche Bank's clients' business.

Employees

Deutsche Bank aims to be an "employer of choice" for existing and future employees. Deutsche Bank strives to create a workplace that is both diverse and supportive and that is always welcoming to dialog and constructive feedback. Deutsche Bank encourages high standards of conduct and work performance and is committed to providing a working environment free from harassment, including sexual harassment, discrimination, and retaliation.

Given the business activities it undertakes and the geographical areas in which it operates, Deutsche Bank's own operations have only limited exposure to adverse impacts from human rights violations.

Deutsche Bank continues to monitor the safeguarding of human rights using a risk-based approach and focusing on those geographical areas where human rights issues are most likely to occur and where the bank has a material presence. For this purpose, Deutsche Bank follows a three-step approach:

1. Abstract risk analysis of countries where Deutsche Bank has its own operations, based on publicly available data for human rights. Based on the risk profile for each country, Deutsche Bank will identify the most relevant risk for operation in that country.
2. Specific risk analysis for each country, starting with countries with the highest risk profile related to human rights. For this purpose, Deutsche Bank will conduct a gap analysis and determine if relevant preventive measures are in place to cover the main identified risks.
3. Preventive actions will be taken if any gaps are identified.

Deutsche Bank's Human Resources department ensures that risk assessment, implementation of preventative measures, and remediation of any adverse impacts from human rights violations that impact Deutsche Bank's employees are embedded within its operational processes. Group Sustainability supports Human Resources to define strategic approaches and standards.

Deutsche Bank is guided by the International Labour Organization's (ILO) Declaration on Fundamental Principles² and Rights at Work as well as applicable labor laws in the different jurisdictions in which it operates, and has policies and processes in place to ensure, among other things, that:

- Child labor or forced labor is never accepted within its business operations
- Workplace accidents and job-related illnesses are reduced through a prevention-oriented workplace protection system focusing on both physical and mental health
- Individual employee data is handled in line with respective privacy laws
- Disrespectful behavior, discrimination, or harassment, including sexual harassment, (or any threatening, hostile, or abusive behavior) is not tolerated
- Deutsche Bank's workforce is diverse to enrich interactions with clients, employee work life, and the communities in which Deutsche Bank operates
- Adequate compensation packages are offered to attract and retain talent

Deutsche Bank complies with all applicable laws, rules, and regulations of the countries in which it operates. This includes sovereign state legislation on collective agreements, bargaining, and freedom of association. In countries where internationally recognized standards may not be fully implemented, Deutsche Bank will take an appropriate approach to honor the principles of internationally recognized human rights.

Any issues concerning the safeguarding of human rights (e.g. raised by the whistleblowing process or adverse media screening) are addressed in cooperation with multiple functions, e.g. Human Resources, Group Sustainability, Compliance, Legal, etc., as applicable. If necessary, any decisions on how to rectify issues would be escalated through existing channels.

Clients

In conducting business with its clients, Deutsche Bank might be exposed to the risk of indirectly contributing to or being directly linked to a range of events that impact human rights. Certain sectors of the economy have an inherently higher risk of negatively impacting human rights. Furthermore, certain jurisdictions might lack local laws and regulations that adequately protect human rights and rights-holders. Deutsche Bank's corporate clients operate in all sectors of the global economy, including some of these sectors and jurisdictions.

To identify, prevent, and/or mitigate adverse human rights impacts, Deutsche Bank considers whether it could be exposed to any risk of contributing to (or being directly linked to) human rights violations through the business activities of, and association with, its clients. For this purpose, Deutsche Bank has identified sectors and jurisdictions with enhanced risk of human rights violations and regularly reviews its clients' business from a sectoral and geographical risk exposure perspective. Deutsche Bank will not engage in business activities where Deutsche Bank has substantiated evidence of material adverse human rights impacts and it is determined through Deutsche Bank's internal processes that such adverse human rights impacts cannot be avoided or appropriately mitigated.

Deutsche Bank's Group Sustainability function is responsible for developing policy requirements related to the identification and management of adverse impacts on human rights in Deutsche Bank's business with its clients.

² The latest version of the ILO Declaration on Fundamental Rights at Work includes five core principles: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; (d) the elimination of discrimination in respect of employment and occupation; and (e) a safe and healthy working environment

In cases where financing activities are linked to an actual or perceived impact on human rights, Deutsche Bank initiates environmental and social (ES) due diligence, including potential referral to the reputational risk process, where escalation to a senior body is required. The reputational risk process includes divisional and regional-level committees, and the Group Reputational Risk Committee (co-chaired by the Chief Risk Officer and Head of Corporate Bank) is the ultimate decision-making body (as the process is further described in the [Non-Financial Report](#)).⁷

For those sectors and geographical areas identified as being at higher risk of an adverse impact on human rights, Deutsche Bank has established social due diligence requirements. These requirements build on international standards such as the UNGP and the ILO Core Labour Standards and integrate human rights considerations such as child and labor rights, the health and safety of workers and communities, and the rights of indigenous peoples. These ES requirements are part of Deutsche Bank's Global Reputational Risk Framework. The summary of these provisions is disclosed in Deutsche Bank's [ES Policy Framework](#).⁸

While assessing human-rights-related practices, Deutsche Bank adheres to national laws and regulations and, where appropriate, it additionally embeds industry-specific and internationally recognized best practices and standards (e.g. the Voluntary Principles on Security and Human Rights, which are particularly relevant for the extractive industries).

As a signatory to the Equator Principles, Deutsche Bank's due diligence for project financing within the scope of the Equator Principles' application follows the respective requirements, including the IFC Performance Standards (PS) (e.g. the IFC PS 5 and 7, which specifically address social topics such as resettlement and the rights of indigenous peoples).

Deutsche Bank's internal due diligence is enhanced by the use of external tools/databases (which are available to support the risk evaluation process) and, where appropriate, by direct interaction with clients as well as consultation with potentially affected groups and other relevant stakeholders. In selected cases, Deutsche Bank may choose to engage independent subject matter experts to support the due diligence process and to assist with evaluating potential risks and possible mitigation actions.

The bank-wide framework for the prevention of financial crime prevents, deters, and detects client activities that might be linked to potential human rights violations. Being a global financial institution that provides a broad range of products and services exposes Deutsche Bank to diverse financial crime risks, including modern slavery and human trafficking (MSHT). The Principles for the Management of Financial Crime Risks outline the responsibilities and accountabilities of the Anti-Financial Crime (AFC) function and of all employees at Deutsche Bank and describe the essential organizational requirements and relevant processes for the management of financial crime risks across the 1st and 2nd Line of Defense (LoD). Global AFC policies define minimum standards for managing financial crime risks, including those with implications for human rights. These bank-wide policies are supplemented by country-specific policies and procedures that reflect national laws and regulations.

Senior internal committees such as the Group Reputational Risk Committee and Deutsche Bank's Group Sustainability Committee are regularly updated on the topic of human rights. In addition, the ongoing assessment of the effectiveness of Deutsche Bank's due diligence approach is informed by the findings of the complaints process described below in the "Raising concerns, and access to effective remedy" section.

Suppliers

Deutsche Bank appreciates that human rights risks may arise that sit outside its direct business activities and operations namely within its supply chain. Deutsche Bank maintains an active overview of its direct suppliers' human rights performance.

Pursuant to the Deutsche Bank Supplier Code of Conduct, Deutsche Bank takes steps to understand the risk of human rights violations in its supply chain, validating its assessment through supplier engagement, and supporting suppliers to reduce risk and remediate adverse human rights impacts where possible. On an annual basis, Deutsche Bank analyzes the direct supplier portfolio according to geographical risk, industry risk, and expected volume, by making use of both external and internal data. The outcome of the analysis guides the development and continuous improvement of the risk management approach.³

Deutsche Bank's [Supplier Code of Conduct](#)  sets out certain basic expectations and requirements for its suppliers. Deutsche Bank's core values and beliefs provide the ethical and behavioral framework to guide the procurement decisions Deutsche Bank makes every day. Deutsche Bank holds its direct suppliers to the same standards of excellence it applies to areas such as health and safety, human rights, environmental sustainability, diversity and inclusion, ethics, and other responsible business practices. Deutsche Bank expects its direct suppliers to align with the requirements of the Supplier Code of Conduct throughout their own organizations and also across their own supply chains and gives preference to suppliers whose policies and practices regarding human rights are consistent with those at Deutsche Bank. Moreover, Deutsche Bank expects its direct suppliers to comply with the prohibitions mentioned in the German Act on Corporate Due Diligence in Supply Chains of July 16, 2021.

Deutsche Bank engages in long-term relationships with its suppliers wherever possible. Should one of Deutsche Bank's suppliers or indirect suppliers fail to comply with applicable human-rights-related requirements, then upon verification of this fact, Deutsche Bank insists on a remediation plan and reserves the right to terminate the relationship if necessary.

Deutsche Bank has implemented a Third-Party Risk Management (TPRM) process that is compliant with legal requirements such as the German Act on Corporate Due Diligence in Supply Chains. TPRM is a single framework and integrated technology suite to cover the full third-party life cycle. All suppliers must be assessed for 'inherent risk and materiality' through an 'inherent-risk questionnaire' as the first step in the process. The outcome drives the requirements for pre-contract due diligence, and screening checks are performed to gain insight into the effectiveness of the supplier's controls related to sustainability risk, including human rights risks.

Based on any control gaps or weaknesses, appropriate mitigation actions must be identified and agreed upon with the supplier. Deutsche Bank has established a portfolio of mitigating actions that encourage suppliers to improve their control environments to uphold human rights in their ecosystem. Once the risk assessment process is complete, contractual requirements are generated based on the identified risks.

In the event a negative impact is reported and identified, the issue will be further investigated, including definition of appropriate remediation measures. The process of investigation, consultation, and negotiation with the supplier is supported by supplier managers who maintain the business relationship with the respective supplier.

³ An initial risk analysis revealed that hotspots in terms of risks for negative human rights impacts in Deutsche Bank's supply chain are Asia from a geographical perspective, and business travel, marketing/gifts, IT hardware, and security/reception from a service perspective

Raising concerns, and access to effective remedy

Deutsche Bank encourages all its stakeholders to contact Deutsche Bank if they have clear evidence of Deutsche Bank's failure to respect human rights in its own operations or as a result of its business relationships.

Anyone can contact Deutsche Bank to make complaints or bring matters to Deutsche Bank's attention. Deutsche Bank is committed to making complaints channels accessible, particularly for those stakeholders most vulnerable to potential adverse impact. Following a risk-based approach, Deutsche Bank has established dedicated channels to raise issues on human rights internally and externally. Up-to-date information on external channels, including the complaints channels, is accessible on Deutsche Bank's human rights website, including the detailed procedure for the external complaints process.

If any human rights concerns are raised, Deutsche Bank's Group Sustainability function will need to be involved. Justified and credible complaints will always trigger a remediation process that includes investigative steps, research, and consultation on the alleged issue. Depending on the outcomes of such due diligence, appropriate measures will be agreed upon and implemented to remediate existing impacts. These measures will be monitored systematically over time by the Head of Human Rights. Additionally, Deutsche Bank makes sure that any complaints are addressed according to Deutsche Bank's external complaints procedure, which ensures business divisions are involved and incidents are effectively tracked. Reporters of human rights incidents will be updated regularly about the progress of the investigation and implementation of remedial actions.

At least on an annual basis, Deutsche Bank collects data and information from the complaints channels and remediation processes to assess the effectiveness of the approach. Such information includes statistics on complaints and adverse impacts, feedback from internal and external stakeholders including affected stakeholders, and insights from the annual risk assessment regarding the development of Deutsche Bank's human rights risk profile. In case of any gaps in terms of effectiveness, complaints and remediation processes are enhanced accordingly.

Reporting

Deutsche Bank reports regularly on its management of human-rights-related risks. Specific regular reports include the annual Modern Slavery and Human Trafficking Statement (prepared in accordance with UK and Australian legislative requirements), and the human-rights-related progress update within Deutsche Bank's annual Non-Financial Report. From 2024 onwards, Deutsche Bank will also publish an annual report in accordance with the requirements of the German Act on Corporate Due Diligence in Supply Chains. The most up-to-date reports are accessible via [Deutsche Bank's human rights website](#).⁷

Approval

This statement has been approved by the CEO and management board on 28/2/2023.



Christian Sewing
Chief Executive Officer



Jörg Eigendorf
Chief Sustainability Officer

Contact

Deutsche Bank AG
Frankfurt, Germany
Phone: +49 69 910-00
report.misconduct@db.com