



## Slavery and Human Trafficking Statement 2017

This statement is made by Deutsche Bank AG and its relevant subsidiary undertakings pursuant to Section 54 of the United Kingdom's Modern Slavery Act 2015 (the "Act"), and constitutes Deutsche Bank's slavery and human trafficking statement for the financial year ending 31 December 2017.

We deem the respect of human rights as an important part of our corporate responsibility and therefore we welcome the passing of the Modern Slavery Act. The requirements of the Act further reinforce our commitment to combat modern slavery and human trafficking in connection with our business activities, supply chains and investment decision-making. A cross-departmental working group was established in 2016 to identify areas where our existing policies and procedures could be improved. This work continued in 2017.

### ***Our Business***

Headquartered in Frankfurt am Main, Germany, Deutsche Bank is the largest bank in Germany and one of the largest financial institutions in Europe and the world, as measured by total assets of €1,475 billion as of December 31, 2017. As of that date, we employed 97,535 people on a full-time equivalent basis and operated in 60 countries out of 2,425 branches worldwide, of which 65 % were in Germany. We offer a wide variety of investment, financial and related products and services to private individuals, corporate entities and institutional clients around the world.

As of December 31, 2017 the bank was organized into the three corporate divisions: Corporate & Investment Bank (CIB), Private & Commercial Bank (PCB) and Deutsche Asset Management (now DWS Group GmbH & Co. KGaA). More information can be found in our annual report for the financial year 2017<sup>1</sup>.

### ***Our Policies***

Since November 2017 we clearly state in our Code of Business Conduct and Ethics<sup>2</sup> that we are committed to ensuring that there is no modern slavery or human trafficking in our supply chain or in any part of our business.

Addressing this robustly in our client transactions, as well as with our people and vendors, demands that we look to international frameworks and principles of best practice. Our Human Rights Statement<sup>3</sup> and our Environmental and Social (ES) Policy Framework<sup>4</sup>, endorsed by a sub-committee of the Management Board, explain how we translate these frameworks and principles into day-to-day practice.

In these documents, we affirm our commitment to be guided by the various international standards and principles including the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights and the UN Global Compact, to which we are one of the first signatories.

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<sup>1</sup> <https://annualreport.deutsche-bank.com/2017/ar/management-report/business.html>

<sup>2</sup> [https://www.db.com/ir/en/download/Code\\_of\\_Business\\_Conduct\\_and\\_Ethics\\_for\\_Deutsche\\_Bank\\_Group.pdf](https://www.db.com/ir/en/download/Code_of_Business_Conduct_and_Ethics_for_Deutsche_Bank_Group.pdf)

<sup>3</sup> <https://www.db.com/newsroom/en/docs/Deutsche-Bank-Human-Rights-Statement.pdf>

<sup>4</sup> <https://www.db.com/cr/en/docs/DB-ES-Policy-Framework-English.pdf>



We continue to review our policies and procedures to include, where appropriate, commitments addressing slavery and human trafficking considerations in our business activities, supply chains and investment decision-making.

### ***Our People***

With regards to employees and contingent workers within the UK and elsewhere, Deutsche Bank seeks to comply with all applicable national laws, rules and regulations and, where appropriate, has implemented policies, practices and procedures to ensure compliance.

Our employees and contingent workers have access to an Integrity Hotline to report potentially unethical or inappropriate business practices anonymously. This includes reports that can be made against Deutsche Bank, our clients, our suppliers and their respective employees or any other entities or individuals doing business with Deutsche Bank. We operate an anti-retaliation policy regarding whistleblowers.

In 2017 we updated our Whistleblowing Policy with a specific wording on modern slavery and human trafficking. Furthermore, in the UK we updated the Whistleblowing section in the Employee Handbook and the Guidance for Contingent Workers to make individuals aware of the importance of reporting concerns or suspicions regarding possible human rights violations.

To ensure our people are able to recognize and respond to slavery and human trafficking risks, information was communicated in different ways including tailored training to business divisions and infrastructure functions.

### ***Our Clients***

Our ES Policy Framework facilitates the identification, assessment and management of ES risks arising from transactions and client relationships. This framework also addresses human rights issues including modern slavery and human trafficking.

To prevent serious negative human rights impacts through our business activities our business units are initially responsible for identifying potential or actual human rights risks.

To support the business units, the ES Policy Framework acts as a starting point when assessing client relationships or transactions. Its general provisions define sensitive sectors, specify the requirements for ES due diligence, and include criteria for mandatory referral to our sustainability team, Group Sustainability (GS).

Our goal is to increase awareness of ES matters across business lines, and gradually enable our business teams to better assess the ES risks so they can identify and refer transactions with an enhanced risk profile to GS.

In 2017, we continued our training programme and applications of the ES Policy Framework. This involved around 50 sessions for approximately 900 Corporate Finance employees on various topics including human rights and the expectations resulting from the Act.

In addition to the trainings, we have implemented a supplementary control mechanism into our client and transaction management system. For any transaction that triggers certain ES risk criteria, an alert will be sent to the responsible business unit to check if an involvement of GS and an enhanced due diligence might be required.

In 2017, we examined 595 clients and transactions through our ES risk management approach. In a single transaction, a combination of factors may lead to human rights risks, and



a combination of issues, including environmental risks, can lead to a referral to GS. Therefore, we do not separately disclose the number of transactions reviewed specifically from the perspective of a human rights risk. Those referrals are part of our wider ES risk due diligence.

In addition to our internal process, our complaints handling procedures also allow clients or potential clients to report any human rights and labor matters. Our Complaints Handling Policy now also explicitly refers to the sensitive issue of Modern Slavery and Human Trafficking.

### ***Our Vendors***

Deutsche Bank interacts with over 38,000 direct vendors located in more than 40 countries. It is standard practice for vendors to be required to adhere to our Code of Business Conduct and Ethics.

For both new and existing vendors, we aim to conduct a more in-depth analysis regarding the risk that their business practices could have a negative impact on human rights. Our aim is to ensure that the vendors we use are not involved in human rights infringements, and that they have procedures in place to respect human rights and do not contribute to modern slavery and human trafficking activities.

We have included this objective as well as certain contractual requirements addressing modern slavery and human trafficking in our Master Services Agreements with vendors.

Furthermore, we have integrated specific ES criteria including modern slavery and human trafficking into a new vendor certification process to be implemented in 2018. Vendors that meet certain trigger criteria will be subject to an enhanced due diligence. GS acts as a control function in the event that there are issues to address.

In the meantime, the ES criteria required by the new vendor certification process have also been applied as part of our existing vendor risk management process. In 2017, GS reviewed 123 existing vendors based on the criteria nature of business activities and / or the country of operations. Our assessments have not generated any issues. The review process will continue in 2018.

### ***Asset Management***

To account for business operational specifics and in particular the independent fiduciary obligations of asset managers, DWS Group GmbH & Co. KGaA (DWS) – the asset management arm of Deutsche Bank – has established its own Environmental, Social and Governance (ESG) organizational structure<sup>5</sup>, which is led by its Chief Investment Officer for Responsible Investments. DWS Group GmbH & Co. KGaA is a partnership limited by shares incorporated under German law (Kommanditgesellschaft auf Aktien) with headquarter in Frankfurt am Main. Since 23 March 2018, DWS shares are listed on Frankfurt Stock Exchange.

One of the focal points of our activities in this area is to support the integration of environmental, social and governance criteria into DWS's investment and business processes. As a signatory to the Principles for Responsible Investment that are supported by the United Nations, DWS aims to integrate ESG criteria in all its processes. However, given the diversity of the asset management business, different integration approaches apply to different investment teams.

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<sup>5</sup> <https://dws.com/solutions/esg>



Therefore, DWS has developed proprietary ESG software to analyze, assess and rank corporations, as well as sovereigns, on a wide range of ESG indicators. Additionally, this software facilitates screenings on various ESG issues and it enables DWS to check for e.g. UN Global Compact compliance including human rights. This empowers all portfolio- and investment managers to assess risks and opportunities regarding ESG issues consistently and efficiently. This data is made available to DWS's Active<sup>6</sup> and Passive<sup>7</sup> portfolio management teams in order to integrate ESG into their investment processes.

Furthermore, DWS's Alternative<sup>8</sup> investment teams aim to incorporate ESG criteria into their due diligence processes. Within this division, the Sustainable Investment funds are structured to support the UN Sustainable Development Goals. These Sustainable Investment funds adhere to policies with regards to environmental and social issues including human rights.

### **Approval Procedure**

This statement, which will be reviewed annually and updated as required, has been approved by our Management Board on 17 July 2018.

A handwritten signature in blue ink, appearing to read 'Christian Sewing'.

Christian Sewing  
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Garth Ritchie'.

Garth Ritchie  
Head of CIB & UK CEO

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<sup>6</sup> <https://dws.com/capabilities/active>

<sup>7</sup> <https://dws.com/capabilities/passive>

<sup>8</sup> <https://dws.com/capabilities/alternatives>