Deutsche Bank

Sustainable Finance Framework

Effective as of January 1st, 2024

Content

1 Scope

This Framework applies to Deutsche Bank Group globally, to the Corporate Bank and Investment Bank divisions, as well as to the Private Bank except for investments. It is binding for all these business divisions in all locations globally and irrespective of Deutsche Bank's legal form in certain locations (unless stated otherwise in this Framework). It covers all types of sustainable financing, including products with environmental, social, governance (ESG) characteristics manufactured by Deutsche Bank and irrespective of inclusion into Sustainable Finance targets; see section 4.4. Reporting ↘.

For all investment solutions within the Private Bank, the complementary classification framework "ESG Investments Framework" should be applied.

DWS is not in scope of this Framework as DWS sets its own sustainability strategy and follows DWS specific policies in relation to environmental and social matters. (Responsibility (dws.com)) ↗

This Sustainable Finance Framework is dynamic in its nature and is subject to regular reviews. It may be expanded as required to amend and/or add qualifying economic activities and/or eligibility criteria to keep pace with market developments, including regulatory developments related to taxonomies and respective sustainable finance standards.

Capitalised terms have the meaning ascribed to them in the Glossary ↘ section.

2 Sustainability strategy

Deutsche Bank's commitment to sustainability is long-standing. The bank's sustainability journey follows a firm sustainability mission: "At Deutsche Bank, 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, are built on this commitment."

Sustainability is a central component of the "Global Hausbank" strategy. This is reflected in the bank's governance, with three fora entirely devoted to sustainability:

1. The Group Sustainable Committee, chaired by the CEO, acting as the senior decision-making body for sustainability-related matters at group level.

2. The Sustainability Strategy Steering Committee being responsible for sustainability transformation management and supervision.

3. The Sustainability Council having the mandate to foster knowledge exchange within the bank.

The Chief Sustainability Office, headed by the Chief Sustainability Officer with a direct reporting line to the Chief Executive Officer, has the mandate to develop the bank's sustainability strategy and advance its implementation. It also coordinates the work of the Group Sustainability Committee, the Sustainability Strategy Steering Committee, and the Sustainability Council.

To underpin its commitment to sustainability, Deutsche Bank has formally endorsed universal sustainability frameworks and initiatives. The bank is a member of the United Nations (UN) Environment Programme Finance Initiative and signatory to the Ten Principles of the UN Global Compact, the Principles for Responsible Banking, and the Net-Zero Banking Alliance. Sustainable Finance is one of the key pillars of the bank's sustainability strategy. The Management Board has set an ambitious quantitative Sustainable Finance target: Generate a cumulative €500 billion in sustainable financing and investments by 2025, excluding DWS.

Deutsche Bank's Sustainable Finance target is designed to support relevant global agreements, such as the UN Sustainable Development Goals (SDGs) and the Paris Agreement on climate change.

3 About this framework

3.1 Purpose

This Sustainable Finance Framework outlines the methodology and summarizes associated procedures for classifying transactions and financial products and services offered by Deutsche Bank as sustainable for which further internal technical criteria are available and applied.

3.2 Deutsche Bank's related frameworks

This Sustainable Finance Framework is part of a broader set of publicly available frameworks, providing a frame of reference for engaging with clients and business partners with the aim of identifying and leveraging sustainable finance opportunities.

Sustainable Instruments Framework

This document ↗ describes the bank's methodology for the issuance of 'use-of-proceeds'-based Green and/or Social Financing Instruments and is aligned with the ICMA Green Bond Principles as well as the ICMA Social Bond Principles.

ESG Investments Framework

This document sets criteria for the classification of investment products and services within the Private Bank as sustainable.

Environmental and Social Policy Framework

The bank's approach to managing environmental and social (ES) risks is stipulated by the respective requirements of Deutsche Bank's Reputational Risk Framework and underlying sectoral guidelines, jointly forming the Environmental and Social Policy Framework. This document ↗ is a summary of Deutsche Bank's environmental and social due diligence requirements.

4 Implementation of this framework

4.1 Classification of products/services

Deutsche Bank product suite with ESG characteristics

Deutsche Bank works continuously on its ESG product suite, offering to support clients in their transition to a low carbon, sustainable business models.

Prior to the launch of any new product with ESG characteristics (and regardless of the application of standards, processes, and procedures such as the New Product Approval process), Group Sustainability will carry out an assessment of the proposed product ESG characteristics to opine on their suitability, taking into consideration sectoral and cross-sectoral minimum requirements and exclusions. An overview of products with ESG characteristics is available in Annex 5: Overview of approved sustainable finance products.

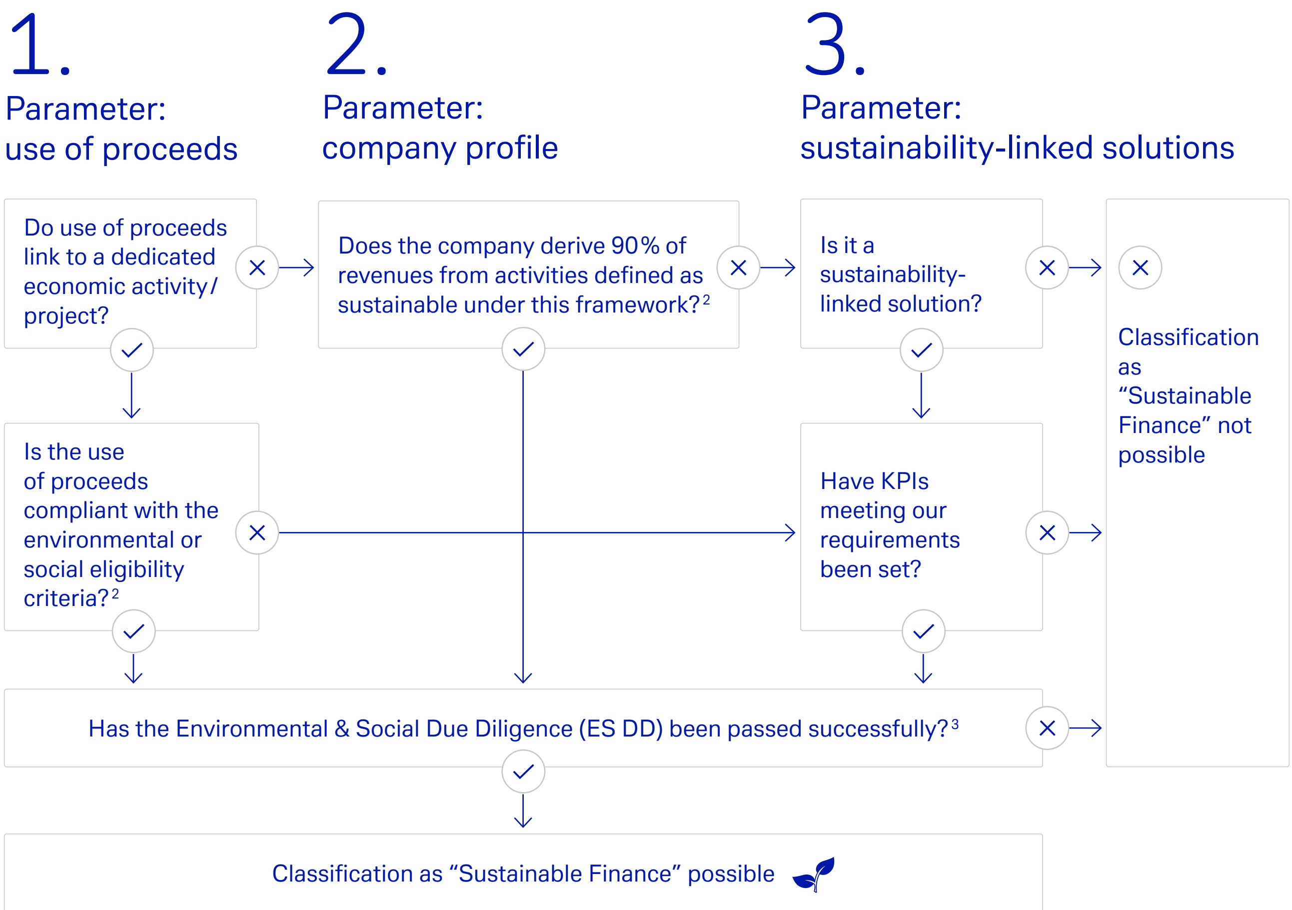
4.2 Classification of transactions/clients

Sustainable financing

Under this Sustainable Finance Framework, any financing[1] can be classified as sustainable under one of the three parameters below if it contributes to the achievement of the Paris Agreement goals and/or the Sustainable Development Goals (SDGs) and is in line with Deutsche Bank's objectives for environmental and social sustainability:

- Parameter 1: use of proceeds
- Parameter 2: company profile
- Parameter 3: sustainability-linked solutions

Classification parameters



[1] Including but not limited to asset-based lending, corporate-level lending, trade finance, and sustainability-linked loans as well as capital markets instruments including but not limited to green, social, and sustainability-linked bonds, sustainability-linked hedging, or other instruments.
[2] The eligibility criteria are aligned on the best effort basis with the EU Taxonomy and the internationally acknowledged principles e.g. ICMA Social and Green Bond Principles for the classification of economic activities.
[3] Transaction/client profile undergoes an ESDD either as required per DB ES Policy Framework, or on a best effort basis for low-risk sectors.

Use of proceeds (Parameter 1)
Where a dedicated use of proceeds can be determined, environmental and/or social eligibility criteria (Annexes 1 and 2) will be applied to determine whether the underlying economic activities can be classified as sustainable.[4] There are two basic considerations: First, activities helping to sustain, improve, and protect the environment; and second, activities enabling social development, especially in marginalized target groups but also in certain cases for the general public.

Company profile (Parameter 2)
If the use of proceeds is not specified or dedicated to facilitating a certain activity (e.g. general corporate purposes), the eligibility of financing for classification as sustainable will be assessed based on the company profile. Companies are assessed according to their share of revenues from environmental and/or social activities. Financing is eligible if the company:

1. derives ≥90% of its revenues from environmentally and/or socially sustainable activities as outlined in Annexes 1 and 2 ↘ and activities can be attributed to one or multiple areas of a company[5]; and

2. is not involved in any excluded activities (according to Deutsche Bank's exclusion criteria Annex 3 ↘).

Sustainability-linked solutions (Parameter 3)
Deutsche Bank supports sustainability-linked financial solutions that incentivize clients to achieve ambitious, predetermined Sustainability Performance Targets (SPTs).

Sustainability-linked solutions are any type of financial products promoting positive environmental or social purposes; characterized by linking pricing to the achievement of measurable goals. The following requirements have been set up for sustainability-linked solutions. Those requirements are based on recognized industry standards, such as the LMA/LSTA/APLMA Sustainability-Linked Loan Principles, the ICMA Sustainability-Linked Bond Principles, and the ISDA Guidance for Sustainability-linked Derivatives. The predetermined SPTs need to be:
— ambitious and consistent,
— material for clients' business and core economic activities, and
— verifiable and reportable.

SPTs should be linked to underlying key performance indicators (KPIs) that should address the key sector-specific ESG challenges faced by a client and its industry in a holistic way and be linked to the client's overall sustainability and/or transition strategy. SPTs should be verifiable and reported regularly by the client. Preferably, they should be measured and audited by a recognized and reputable external provider. The bank encourages its clients to follow the industry standards for sustainability-linked solutions outlined above.

4.3 Eligibility criteria

Environmentally sustainable activities
The bank's classification of economic activities as environmentally sustainable is based on the six guiding objectives in the EU Taxonomy:

1. Climate change mitigation: Economic activities enabling, directly or indirectly, a substantial reduction in GHG emissions and/or an increase in energy efficiency.

2. Climate change adaptation: Measures adapting to acute and chronic physical risks caused or intensified by climate change.

3. Sustainable use of water and marine resources: Protection of marine and terrestrial (living) resources incl. water, critical and high-carbon stock ecosystems, and other primary resources.

4. Transition to a circular economy: Prevention of waste as well as the promotion of recycling and reusing material.

5. Prevention of pollution: Pollution protection as well as the control and general reduction of resource use.

6. Protection of ecosystem and biodiversity: Restoration of biodiversity and ecosystems.

[4] Corporate issuances supported through Investment Bank's Debt Capital Market business based on clients' own eligibility criteria deviating from this Sustainable Finance Framework may be classified as Sustainable Finance provided there is Second Party Opinion confirming ICMA compliance.
[5] 90% does not have to be generated by one activity only; a combination of activities is also possible. In exceptional cases, when revenues are not a possible or meaningful indicator, e.g. for nonprofit organizations, a reasonable substitute can be considered by Group Sustainability.

Environmental criteria under objectives 1 and 2, climate change mitigation and climate change adaptation, are based on recognized market standards and principles and consider the technical screening criteria of the EU Taxonomy as further guidance.

For objectives 3 to 6, classification will be made on a case-by-case assessment by Group Sustainability. Technical Screening Criteria will be considered if available, given EU Taxonomy development in this area.

Tables 1 and 2 in Annex 1: Eligibility criteria for environmentally sustainable activities outline the criteria used to assess eligibility for parameters 1, use of proceeds and 2, company profile.

Socially sustainable activities

Deutsche Bank defines socially sustainable activities in accordance with recognized international standards such as the ICMA Social Bond Principles (SBP).

Eligible activities are defined as those that directly address or mitigate a specific social issue and/or seek to achieve positive social outcomes for a target population. The definition of a target population can vary depending on local contexts and target population(s) may include the general public, but especially include Socially Disadvantaged Groups[6].

Where possible, positive social outcome should be measured using quantitative metrics.

The bank's classification of activities as socially sustainable is based on the following guiding objectives

1. Access to basic infrastructure: Enablement of basic human rights, e.g. food provision, labor protection, clean drinking water, sewers, sanitation, transportation, and energy.
2. Access to essential services: Access to healthcare, education, and financial services.
3. Affordable housing: Building of affordable housing.
4. SME financing and microfinancing: Equal access to banking, financial services, and other economic resources. Financing/advisory services for micro, small, and medium-sized enterprises.
5. Employment generation: Prevention of unemployment stemming from socioeconomic crises.
6. Food security and sustainable food systems: Enablement of physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste; and improved productivity of small-scale producers.
7. Socioeconomic advancement and empowerment: Access to and control over assets, services, resources, and opportunities; equitable participation and integration into the market and society, including reduction of income inequality.

Table 3 in Annex 2: Eligibility criteria for socially sustainable activities outlines the set of criteria used to assess eligibility for parameter 1, use of proceeds, and parameter 2, company profile.

[6] Socially Disadvantaged Groups are defined as populations which are excluded in their local society for reasons that may be tied to age, sex, disability, race, ethnicity, origin, religion, economic or other status.

4.4 Governance

Deutsche Bank has put in place robust governance processes to ensure that all transactions and financial products and services classified as sustainable are compliant with this Framework.

Governance principles

— This Sustainable Finance Framework has been reviewed and approved by the DB Group Sustainability Committee.

— We seek an external validation of the Framework, also known as Second Party Opinion (SPO), which we renew regularly.

— Eligibility criteria under the environmental objective 1, climate change mitigation, and objective 2, climate change adaptation, are based on established market standards and principles and, where practicable, consider the Technical Screening Criteria of the EU Taxonomy[7] as further guidance.

— For environmental objectives 3 to 6, the classification will be based on a case-by-case assessment by Group Sustainability. Technical Screening Criteria will be added upon availability, also in the context of the EU Taxonomy development in this area.

— As the overall understanding of environmental and social matters evolves and regulations and standards are developed, the bank will review the eligibility criteria on a regular basis, at least annually.

— An external assessment by an independent third party (e.g. SPO), may be accepted to substantiate the assessment of compliance with Deutsche Bank's eligibility criteria under this Framework.

— Group Sustainability may refer to market data and benchmarks as further complementary guidance to an internal assessment.

— The Sustainable Finance Governance Forum is established and led by Group Sustainability to discuss changes to the Framework.

— Deutsche Bank applies a risk-based approach and prescribes a mandatory ES due diligence for sectors and activities having an inherently elevated potential for negative environmental and social impacts.

— For sectors that are currently not within the scope of the mandatory environmental and social due diligence under the Environmental and Social Policy Framework, such due diligence will be conducted by the business and by Group Sustainability on a best-effort basis.

— Classification as Sustainable Finance where material environmental and/or social concerns have been identified through the environmental and social due diligence process may be escalated through Deutsche Bank's regular reputational risk process in line with existing policies and procedures.

Validation process

Eligible financings as defined by this Sustainable Finance Framework will be reviewed and verified following a three-step validation process:

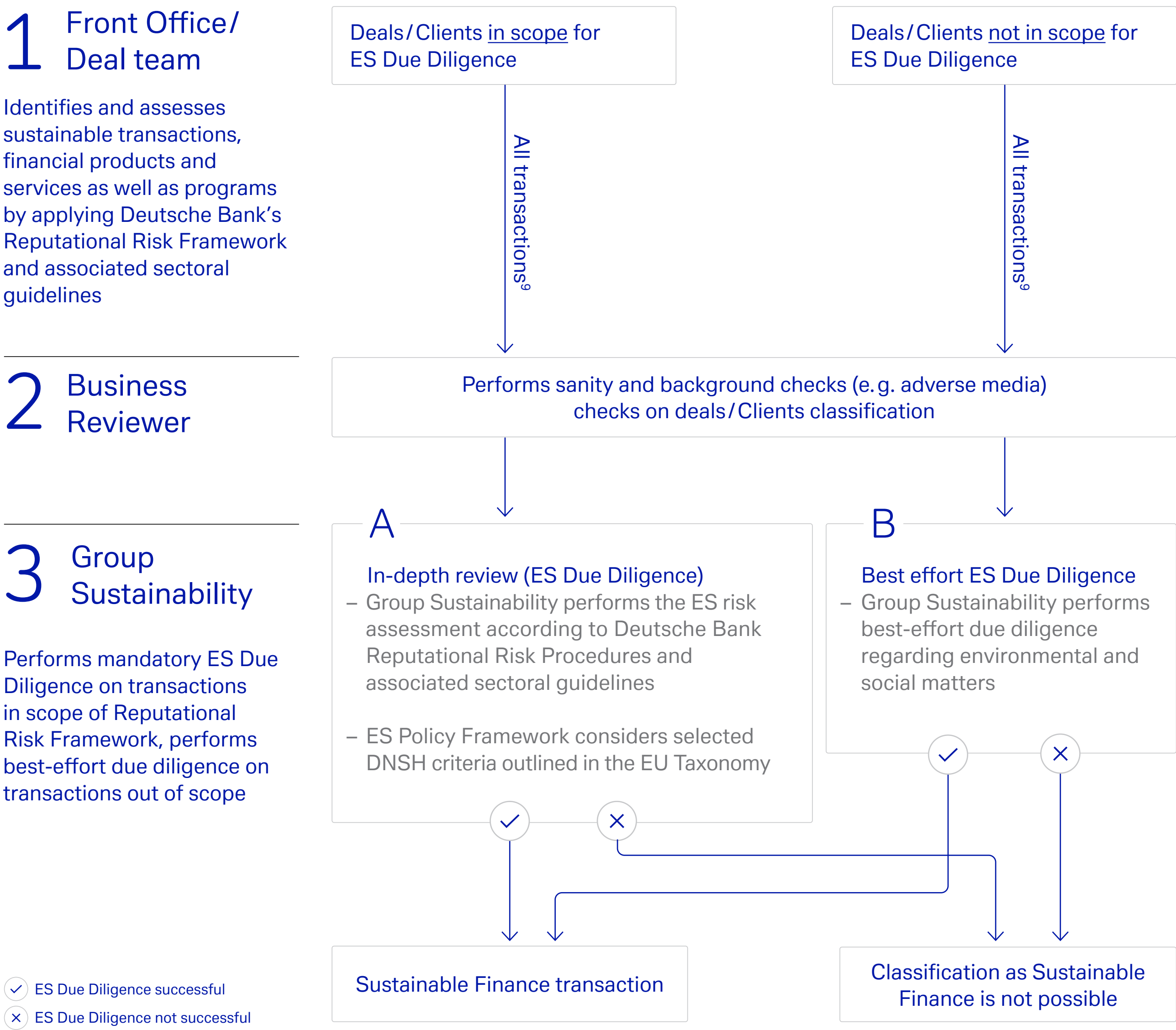
1. Front-office representatives will identify transactions, financial products, and services as well as programs[8] for each business activity in their area of responsibility and conduct a preliminary environmental and/or social sustainable finance eligibility assessment following the Sustainable Finance Framework.

2. Dedicated Business Reviewers nominated by the business divisions will perform sanity checks on classified cases.

3. Group Sustainability verifies the Sustainable Finance classification of all transactions, financial products, services, and programs issued under the Sustainable Finance Framework and conducts a front-office-independent environmental and social due diligence check to confirm that any financing classified as Sustainable Finance does not have material negative environmental and/or social impacts and is compliant with sectoral and cross-sectoral minimum requirements and exclusions as per Deutsche Bank's environmental and social due diligence requirements also summarized in the ES Policy Framework.

[7] EU Taxonomy Regulation (Regulation (EU) 2020/852) (the EU Taxonomy) as of April 26, 2021.
[8] Based on sample checks for small-scale preapproved "Sustainability Programs" according to Annex 5: Overview of approved Sustainable Finance Products.

Three-step validation process



Post-closure monitoring

The bank has established effective, parameter-specific processes for post-closure monitoring[10] to evaluate compliance with all relevant criteria of the Framework:

— For deals or programs[11] within the scope of parameter 1, based on the generally established processes for the monitoring of use of proceeds, the respective business unit monitors whether the proceeds are allocated properly. Sustainability programs will be reviewed regularly, annually at least. The validation can be based on sample checking for standardized programs.

— Clients within the scope of parameter 2 will be reviewed on a periodic basis by Group Sustainability, with the support of the business, whether they continue to qualify. If based on review results a client ceases to qualify for parameter 2, new deals will not be classified as Sustainable Finance, and existing deals may be declassified[12] if the bank deems the transaction involves major ESG controversies.

[9] According to the requirements from the Reputational Risk Framework and ES Policy Framework.
[10] In alignment with the regulation.
[11] Preapproved programs will be reviewed regularly, annually at least. The validation can be based on sample checking for standardized programs.
[12] Declassification leading to a restriction of marketing or labelling as SF and if part of the green/social asset pool, asset will be removed; no adjustments of SF volume as principle of classification at inception applies.

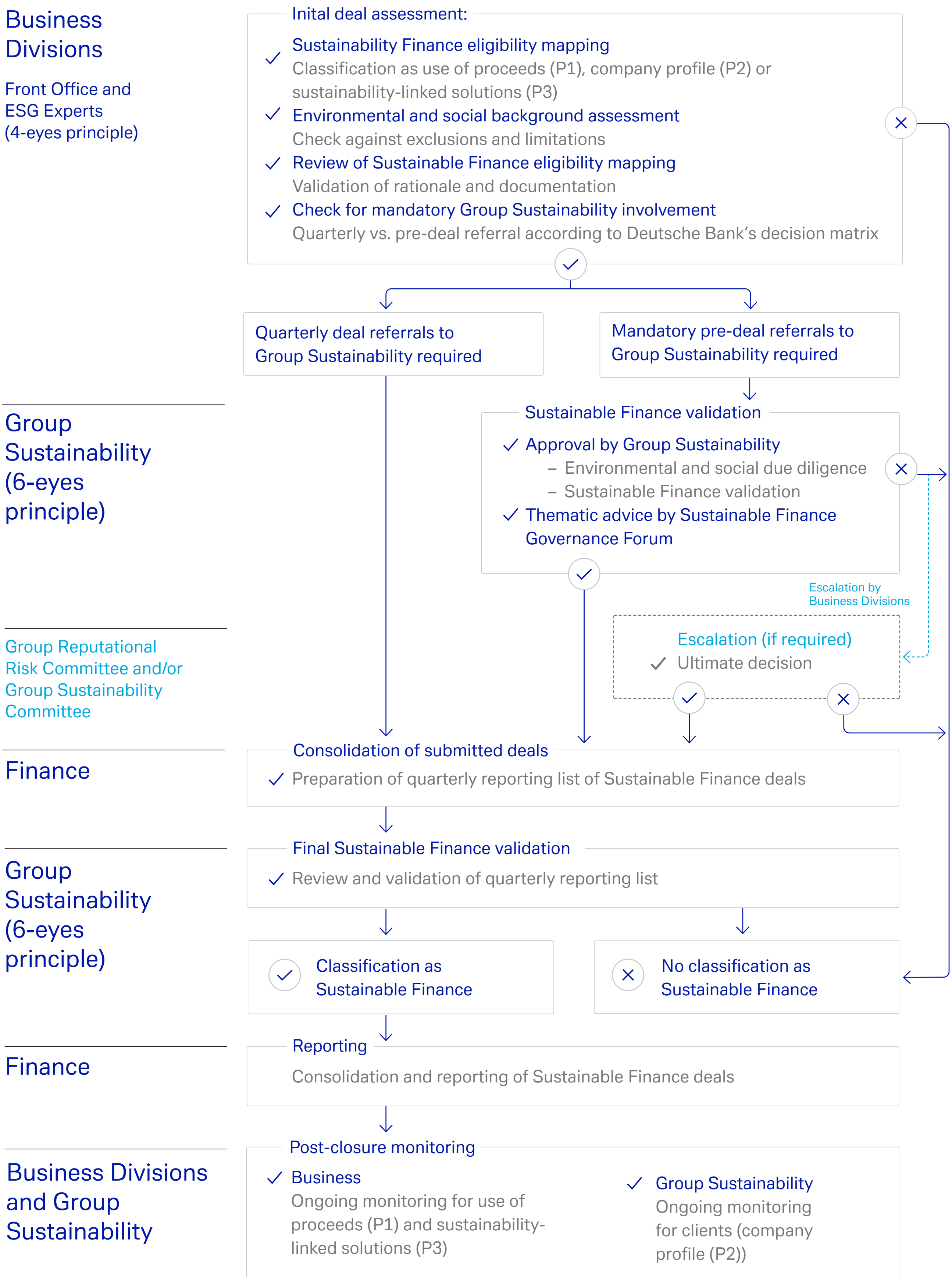
— Prior to the closure of each deal within the scope of parameter 3, agreement will be made between client and Deutsche Bank on
  – SPT reporting frequency and methodology,
  – whether independent and external verification will be required (which has to be in line with international standards), and
  – whether the reporting will be public or private. The business is ultimately responsible for monitoring the agreed SPTs after the deal execution.

Any identified noncompliance will be addressed and resolved or result in a declassification of the transaction, taking in consideration contractual agreements.

4.5 Reporting

Deutsche Bank's progress on sustainable financing and investments volume as defined in the Sustainable Finance Framework is published quarterly as part of the quarterly financial results and annually in its regulatory Non-Financial Report ↗. The contribution to the overall Sustainable Finance volume financed or facilitated by Deutsche Bank is calculated and reported based on established practices for measuring performance within the categories of Financing, Facilitation, and Investments. In total, it is not a balance sheet value but includes the total flow of capital arranged by Deutsche Bank towards the low-carbon economy and positive societal impacts (Annex 4: Reporting methodology).

Schematic Sustainable Finance classification process[13]



[13] Deviations from Schematic Sustainable Finance classification process possible.

5 Annexes

Annex 1: Eligibility criteria for environmentally sustainable activities

The tables 1 and 2 below outline economic activities that are eligible for classification as environmentally sustainable activities, including the set of criteria to be used to assess the eligibility. All economic activities that comply with the requirements of the EU Taxonomy can be considered eligible, apart from nuclear energy.

Furthermore, the table maps SDGs to industrial sectors based on a high likelihood to contribute positively to the Global Indicators for the SDGs and targets. This mapping is not exhaustive, but directive.

Single solutions may contribute to further SDGs and can be mapped accordingly if a positive contribution to the respective indicators of an SDG is achieved. The "Global indicator framework for the SDGs and targets of the 2030 Agenda for Sustainable Development" providing a list of all SDGs and their indicators can be accessed here: https://unstats.un.org/sdgs/indicators/indicators-list/ .

Table 1: Environmentally sustainable activities – Climate change mitigation

Activity	Eligibility Criteria
Manufacturing (SDGs 3, 7, 12, 13, 14)	
Renewable energy technologies	— Manufacturing of renewable energy technologies and key components in relation to renewable energies defined in this Framework, e.g. wind, solar (solar thermal and solar photovoltaic) and geothermal energy — Rechargeable batteries, battery packs and accumulators that result in substantial GHG emission reductions in transportation, stationary and off-grid energy storage, and other industrial applications — Recycling of end-of-life batteries
Low-carbon technologies for transport	— The activity manufactures, repairs, maintains, retrofits, repurposes, or upgrades vehicles to transport passengers or freight (on rail, road, or water) that either already – meet, or with the activity going forward, will meet the criteria defined for the respective vehicle in the Transport & Storage section — Any activity related to vehicles that are dedicated to the transport of fossil fuels or any blended fossil fuels are not eligible even if meeting the criteria mentioned for the respective vehicle in the Transport & Storage section
Energy-efficiency equipment for buildings	— One or more of the following products and their key components meeting defined standards: – Building envelope and windows – Electrical heat pumps and district heat exchangers – Key product/components for buildings that improve energy efficiency – Smart home, Automations, Monitoring systems that aims to improve energy efficiency — Gas/oil boilers and combination/hybrid systems of both or partly power-based are not eligible
Cement	— The activity manufactures gray cement clinker or – Cement from gray clinker or alternative hydraulic binder meeting defined CO_2e emissions thresholds per tonne of gray cement clinker/cement and clinker/alternative hydraulic binder

Activity	Eligibility Criteria
Aluminium	— The activity manufactures – Primary aluminum where the economic activity complies with two of the following criteria until 2025 and with all of the following criteria after 2025 meeting the defined thresholds for • GHG emissions (Scope 1) in CO_2e/t Al • Average carbon intensity for the indirect GHG emissions in CO_2e/kWh • Electricity consumption for the manufacturing process in MWh/t Al – Secondary aluminum
Iron and steel	— The activity manufactures iron and steel with one of the following technologies (EC 2019): – Direct reduction with natural gas for production of DRI combined with electric arc furnaces (EAF) steelmaking – Scrap-based electric arc furnaces (EAF) steelmaking (so-called secondary steel) – Technologies that utilize a significant amount (> 20%) of CO_2-free hydrogen or CCS (cf. Agora 2019) — Coking and on-site sintering plants are not eligible
Hydrogen	— Green hydrogen or green hydrogen-based synthetic fuels with electrolyzers powered by renewable energy — Key equipment for the production of green hydrogen
Organic basic chemicals	— Organic basic chemicals with GHG emissions resulting from production processes meeting defined emissions thresholds
Ammonia	— Ammonia from green hydrogen
Other low-carbon technologies	— The manufacturing, distribution and/or installation of products or services that increase the energy efficiency of non-GHG intensive industrial processes by minimum 20% of life-cycle emission savings compared to the best performing alternative technology/product/solution available on the market. — This threshold doesn't apply to manufacturing activities for which eligibility criteria are defined in this document (e.g. steel, cement etc.) — For economic activities which fall in the EU Taxonomy scope, the EU Taxonomy thresholds will be applied as a guidance

Energy

Electricity generation from renewable sources	— Generation of electricity from renewable sources – Solar photovoltaic (PV) technology – Concentrated solar power (CSP) technology – Wind power (onshore/offshore) – Ocean energy technologies – From hydropower that complies with defined criteria: • For electricity generation facility with capacity below 25 MW: Run-of-river plant without an artificial reservoir; • For projects with capacity below 100 MW: Power density of the electricity generation facility is above 5 W/m^2; or • Life-cycle emissions threshold of 100 g CO_2e/kWh for electricity production. – From geothermal energy if defined standards as acceptable in induced seismicity are met
Production of heating/cooling or cogeneration of heating/cooling and power from renewable sources	— The construction and operation of facilities producing heating/cooling or cogenerating heating/cooling from – Solar thermal heating – Solar energy – Geothermal energy if defined standards as acceptable in induced seismicity are met

Activity	Eligibility Criteria
Electricity generation from fossil gaseous fuels	— High-efficiency gas power plant meeting defined emissions thresholds, with a clear transition pathway to switch to 100% CO_2-free fuels (e.g.biogas or green hydrogen) or to carbon capture and storage (CCS) in the second part of the asset lifetime and not later than 2035. In addition, the gas power plant and replacing an existing high emitting electricity generation activity — High-flexibility gas power plant meeting defined emissions thresholds that operates only at times where peaking power is required
Electricity generation from renewable non-fossil gaseous and liquid fuels	— The activity generates electricity using renewable non-fossil gaseous and liquid fuels of renewable origin — For facilities using bioenergy (biomass, biogas or bioliquids) respective criteria will apply
Production of or cogeneration of heating/cooling and power from renewable non-fossil gaseous and liquid fuels	— The activity generates heating/cooling or cogenerates heating/cooling and power using renewable non-fossil gaseous and liquid fuels of renewable origin meeting defined emissions thresholds — For facilities using bioenergy (biomass, biogas or bioliquids) respective criteria will apply
Production of or cogeneration of heating/cooling and power from bioenergy (biomass, biogas, or bioliquids)	— Facilities that meet defined emissions thresholds and use the following eligible feedstock: – Third-generation sources from algae; or – Second-generation sources, including waste, residues and certified sustainable nonfood/feed crops; or – First-generation sources limited to certified sustainable food/feed crops with low indirect land use change (iLUC) risk — Any feedstock production that competes with food production, sacrifices forest areas, or areas with high biodiversity or carbon pools in soil is excluded. Biomass or biogas from first-generation palm, soy, peat, and non-sustainably produced crops is excluded
Manufacture of biogas or biofuels for use in transportation and of bioliquids	— Manufacture of biogas or biofuels for use in transportation, including sustainable aviation fuels, and of bioliquids meeting defined emissions thresholds and using eligible feedstock — Eligible feedstocks include: – Third-generation sources from algae; or – Second-generation sources, including waste, residues, and certified sustainable nonfood/feed crops; or – First-generation sources limited to certified sustainable food/feed crops with low indirect land use change (iLUC) risk — Any biofuels produced from biomass that sacrifices forest areas, or areas with high biodiversity or carbon pools in soil are excluded. Biofuels from first-generation palm, soy, peat, and non-sustainably produced crops are excluded
Transmission and distribution of electricity	— All transmission and distribution infrastructure on trajectory to full decarbonization[1] and irrespective of this, e.g.: – Infrastructure directly connecting renewable energy or integrating renewable energy into existing transmission networks – Electric vehicle (EV) charging stations and electric infrastructure for public transportation – Equipment and infrastructure where the main objective is an increase of the renewable electricity generation or use of renewable electricity generation – Installation of highly efficient transmission and distribution transformers – Installation of equipment to increase the controllability and observability of the electricity system and to enable the development and integration of renewable energy sources
Storage of electricity	— The construction and operation of facilities that store energy and return it at a later time in the form of electricity
Storage of thermal energy	— The activity stores thermal energy, including Underground Thermal Energy Storage (UTES) or Aquifer Thermal Energy Storage (ATES)

[1] A system is deemed to be on a trajectory to full decarbonisation if either (A) more than 67% of newly connected generation capacity in the system is below the generation threshold value of 100 g CO_2e/kWh measured on a product carbon footprint (PCF) basis, over a rolling five-year period; or (B) the average system grid emissions factor is below the threshold value of 100 g CO_2e/kWh measured on a PCF basis, over a rolling five-year average period.

Activity	Eligibility Criteria
Transmission and distribution networks for renewable and low-carbon gases	— Activities include e.g.: – Construction or operation of new transmission and distribution networks dedicated to green hydrogen or other low-carbon gases – Conversion/repurposing of existing natural gas networks to 100% green hydrogen – Retrofit of gas transmission and distribution networks that enables the integration of green hydrogen and other low-carbon gases in the network, including any gas transmission or distribution network activity that enables the increase of the blend of green hydrogen or other low- carbon gasses in the gas system — The activity includes leak detection and repair of existing gas pipelines and other network elements to reduce methane leakage
District heating/cooling distribution	— Installation/Modernisation of district heating/cooling systems meeting defined requirements where the system is not in any way reliant on new heating/cooling capacity powered by fossil fuels
Installation and operation of electric heat pumps	— The activity of installation and operation of electric heat pumps meeting defined refrigerant threshold
Production of heating/cooling using waste heat	— The construction and operation of facilities that produce heat/cool using waste heat
Storage of hydrogen	— Construction of green hydrogen storage facilities — Conversion of existing underground gas storage facilities into storage facilities dedicated to green hydrogen-storage

Water and Waste

Construction, extension, renewal and operation of water collection, treatment, and supply systems	— Water management systems meeting defined energy consumption tresholds (kWh/m³)
Construction, extension, renewal and operation of wastewater collection and treatment	— Wastewater treatment plants meeting defined capacity/energy consumption thresholds
Collection and transport of non-hazardous waste in single or comingled fractions	— All collected and transported non-hazardous waste that is segregated/separated and intended for preparation for reuse or recycling operations
Material recovery from separately collected non-hazardous waste	— The activity converts at least 50%, in terms of weight, of the processed and separately collected non-hazardous waste into secondary raw materials that are suitable for the substitution of virgin materials in production processes
Anaerobic digestion of biowaste/sewage sludge	— Production of biogas incl. controls for methane leakage either used directly for the generation of electricity or heat, upgraded to bio-methane for injection in the natural gas grid, or used as vehicle fuel or as feedstock in chemical industry
Composting of biowaste	— The compost produced is used as fertilizer or soil improver and meets the defined requirements
Landfill gas capture and utilization	— Landfill gas capture and utilization in permanently closed landfills, meeting defined requirements — Landfill gas produced is used for the generation of electricity or heat as biogas or upgraded to bio-methane for injection into the natural gas grid, or used as vehicle fuel or as feedstock in the chemical industry

Activity	Eligibility Criteria
Real Estate	
Construction of new buildings, acquisition, and ownership of buildings	— Construction, acquisition, and operation of new and existing highly energy-efficient buildings in the commercial and residential real estate sector meeting defined criteria or disposing of an internationally and/or nationally recognized certification, e.g. by – BREEAM[2] – DGNB[3] – HQE[4] – LEED[5]
Renovation of existing buildings	— Renovation of residential and commercial buildings leading to energy savings of at least 30% in comparison to the baseline performance of the building before the renovation — The building renovation complies with the energy performance standards set out in the applicable building regulations for “major renovations” transposing the Energy Performance of Buildings Directive — For buildings built before December 31, 2020: after the renovation, the building is within the top 15% of the national or regional building stock
Installation, maintenance, and repair of energy efficiency equipment	— Activities meeting defined energy-efficiency standards include e.g.: – Addition of insulation to the existing building envelope – Replacement of existing windows/doors – Installation and replacement of energy-efficient light sources – Installation, replacement, maintenance, and repair of heating, ventilation, and air conditioning (HVAC) and water heating systems, incl. equipment related to district heating service, with highly efficient technologies – For standardized retail business, individual measures that support local energy efficiency targets in the respective countries will be accepted following a case-by-case assessment
Energy efficiency improvements	— Installation, maintenance, and repair of – Charging stations for electric vehicles in buildings (and parking spaces attached to buildings) – Instruments and devices for measuring, regulating, and controlling energy performance of buildings – Renewable energy technologies — For standardized retail business, individual measures that support local energy efficiency targets in the respective countries will be accepted following a case-by-case assessment

[2] Building Research Establishment Environmental Assessment Methodology.
[3] Deutsche Gesellschaft für Nachhaltiges Bauen.
[4] Haute Qualité Environnementale.
[5] Leadership in Energy and Environmental Design.

Transportation and Storage[6]

Activity	Eligibility Criteria
Passenger interurban/freight rail transportation	— Locomotives, passenger railcars and freight wagons with zero direct (tailpipe) emissions or meeting defined emissions thresholds in g CO_2/pkm. — Rail fleet improvement or replacement with non-emitting technologies — Leasing or renting companies are eligible if the company is providing its services only for equipment that meets the above criteria
Urban and suburban passenger land transportation, road passenger transportation	— Any zero-direct emissions vehicles for urban or suburban passenger transport activities (e.g. light rail transit, metro, tram, other rapid transit systems, trolleybus, bus, and rail) — Other vehicles meeting defined emissions thresholds in g CO_2/pkm — Leasing or renting companies are eligible if the company is providing its services only for equipment that meets the above criteria
Operation of personal mobility devices, cycle logistics	— Personal mobility or transportation devices meeting defined criteria
Freight transportation services by road	— Vehicles for freight transport with a mass over 3.5 tonnes meeting defined emissions thresholds in g CO_2/tkm — Transport infrastructure energy-efficiency measures — Vehicles that are dedicated to the transportation of fossil fuels or fossil fuels blended with alternative fuels are not eligible
Transportation by motorcycles, passenger cars, light commercial vehicles, and category L vehicles	— Vehicles for passenger or freight transportation with a mass below 3.5 tonnes (motorcycles, passenger cars, light commercial vehicles) meeting defined emissions thresholds in g CO_2/tkm — Transportation infrastructure energy-efficiency measures — Leasing or renting companies are eligible if the company is providing its services only for equipment that meets one of the above criteria — Vehicles that are dedicated to the transportation of fossil fuels or fossil fuels blended with alternative fuels are not eligible
Inland passenger/freight water transportation	— Passenger/freight vessels on inland waters involving vessels that are not suitable for sea transport with zero direct (tailpipe) CO_2 emissions or meeting defined criteria — Leasing or chartering companies are eligible if the company is providing its services only for equipment that meets the above criteria — Vessels that are dedicated to the transportation of fossil fuels or any blended fossil fuels are not eligible even if they meet the defined criteria
Retrofitting of inland water passenger and freight transportation	— Retrofitting of inland water passenger or freight transport vessels involving vessels that are not suitable for sea transport if defined requirements are fulfilled — Retrofitting vessels that are dedicated to the transportation of fossil fuels or any blended fossil fuels are not eligible even if they meet the defined criteria
Sea and coastal passenger/freight water transportation, vessels for port operations, and auxiliary activities	— Vessels designed and equipped for – Transportation of freight or for the combined transportation of freight and passengers on sea or coastal waters – Performing passenger transportation on sea or coastal waters (e.g. ferries, water taxies and excursions, cruise, or sightseeing boats) – Port operations and auxiliary activities — The vessels either have zero direct (tailpipe) emissions or have to comply with defined emissions thresholds — Leasing or chartering companies are eligible if the company is providing its services only for equipment that meets the above criteria — Vessels that are dedicated to the transportation of fossil fuels or any blended fossil fuels are not eligible even if they meet the defined criteria

[6] For all transport and storage activities it applies that financing leasing or renting companies are eligible in the event that the company is providing its services only for equipment that meets the above criteria, or the financing is specifically linked to (segregated for) leasing/renting activities for equipment that meets the sector criteria.

Activity	Eligibility Criteria
Retrofitting of sea and coastal freight and passenger water transportation	— Retrofitting and upgrading of existing vessels for the transport of freight or passengers on sea or coastal waters, and of vessels required for port operations and auxiliary activities if defined minimum fuel consumption reduction thresholds are met — Retrofitting or replacement of vessels that are dedicated to the transportation of fossil fuels or any blended fossil fuels are not eligible even if they meet the defined criteria
Infrastructure for personal mobility, cycle logistics	— Construction, modernization, maintenance, and operation of infrastructure dedicated to personal mobility, e.g.: – Pavements and pedestrian zones, bike lanes and other infrastructure ("park and ride") – Electrical charging and hydrogen refueling installations for personal mobility devices
Infrastructure for rail transport	— Construction of railways and subways including adjacent infrastructure — Modernization of railways and subways including adjacent infrastructure meeting defined requirements — Infrastructure that is dedicated to the transportation of fossil fuels or any blended fossil fuels is not eligible
Infrastructure enabling low-carbon road transport and public transport	— Construction, modernization, maintenance, and operation of infrastructure that enables the shift to a low-carbon road and public transport meeting defined requirements (e.g. electric charging points, signaling systems for metro and tram) — Infrastructure that is dedicated to the transportation of fossil fuels or any blended fossil fuels is not eligible
Infrastructure enabling low-carbon water transport	— Construction, modernization, maintenance of infrastructure that enables the shift to a low-carbon water transport infrastructure meeting defined requirements (e.g. operation of vessels with zero direct CO_2 emissions, provision of shore-side renewable electrical power to vessels at berth) — Infrastructure that is dedicated to the transportation of fossil fuels or any blended fossil fuels is not eligible
Low-carbon airport infrastructure	— Construction, modernization, and maintenance of infrastructure that enables the shift to a low-carbon aerial transport infrastructure meeting defined criteria (e.g. electric charging points, electricity grid connection upgrades, hydrogen refueling stations) — Infrastructure that is dedicated to the transportation of fossil fuels or any blended fossil fuels is not eligible

Information and Communications Technology (ICT)

Data-driven solutions for GHG emissions reductions	— Energy-efficient data centers and equipment for data processing, hosting, and related activities that help ensure: – The operator of the activity has implemented all relevant practices listed as "expected practices" in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency, or in the CEN-CENELEC document CLC TR50600-99-1 "Data center facilities and infrastructures – Part 99-1: Recommended practices for energy management[7]"; and the implementation of these practices is verified by an independent third party and audited at least every three years. The global warming potential of refrigerants used in the data center cooling system does not exceed 675; or – The data center meets the Power Usage Effectiveness (PUE) thresholds defined by the bank as the key metric used under the European Code of Conduct
Data-driven solutions for GHG emissions reductions	— Rollout or replacement of ICT solutions that are predominantly used for the provision of data and analytics enabling GHG emissions reductions

[7] Issued on July 1, 2019, by the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC), (version of June 30, 2022)

Activity	Eligibility Criteria

Agriculture and Forestry

Agriculture

Activities that fulfill either of the following:

- Growing of perennial and non-perennial crops that both:
  - Avoid or reduce absolute GHG emissions through the application of appropriate management practices incl. e.g. nutrient management plans and soil management plans
  - Maintain and/or increase existing carbon stocks Activities supporting biodiversity protection and promotion (e.g. pollution/wastewater treatment, replacement of nitrogen- and phosphate-based fertilizers)
- Activities carried out under organic food labels meeting defined minimum criteria

In addition to the above, any activity must meet the following criteria:

- Production is not undertaken on land that had any of the following status in or after January 2008 and no longer has that status:
  - Wetlands, namely land that is covered with or saturated by water permanently or for a significant part of the year;
  - Continuously forested areas (as defined by the FAO); or
  - Peatland, unless evidence is provided that the cultivation and harvesting of the raw material does not involve drainage of previously undrained soil.
- Activity doesn't use certain fertilizers/pesticides following international norms such as the Stockholm Convention on Persistent Organic Pollutants

Forestry

- Afforestation activities on non-forested land, reforestation (including after extreme events), rehabilitation, forest management/conservation activities meeting defined criteria such as:
  - Continued compliance with the Sustainable Forest Management (requirements is demonstrated by PEFC, SFI and/or FSC certification);
  - Plans to increase above ground carbon stocks over longer period of time;
  - An afforestation/reforestation/forest conservation plan that follows the best relevant practices laid down and can be evidenced
- Forest management for productive use in compliance with the Sustainable Forest Management requirements demonstrated by PEFC, SFI and/or FSC certification
- Any activity that takes place in one of the following areas is excluded:
  - Areas with High Conservation Value (HCV) or HCV Forests (HCVF) that are converted into new plantations
  - Areas on UNESCO World Heritage Sites, wetlands on the Ramsar list;
  - Any other areas that represent carbon sinks or stocks or other habitats that are already under sustainable agricultural or forest management;
  - Areas surrounded by preserved environment that would be affected by the planned activity and where the preservation status aligns with commonly accepted principles (to be decided case by case); and
  - Areas that would not be considered as forest according to the FAO definition

Table 2: Environmentally sustainable activities – Other Principles (1b, 2, 3)

Activity	Eligibility Criteria

Climate Change Adaptation (Principle 1b)

Activities adapting to climate change

Activities in all sectors meeting the following general criteria:
— The activity reduces material physical climate risks identified in a risk assessment to the extent possible and on a best-effort basis by integrating physical and non-physical measures and under consideration of context – and location – specifics
— The activity and its adaptation measures do not increase risk for or adversely affect the adaptation efforts of other people, nature[8], and assets, i.e. are consistent with sectoral, regional, and/or national adaptation efforts
— The activity favors nature-based solutions or relies on blue or green infrastructure to the extent possible
— The activity's reduction of physical climate risks can be measured by monitoring adaptation results and measuring them against defined indicators
— Activity related to the extraction, transportation, distribution, and sale of fossil fuels are excluded
— Activities for rehabilitation, mitigation or offsetting detrimental impacts by the same entity/project owner are excluded

Adapting activities in focus cover measures/solutions in areas such as e.g.:
— Water
  – Flood and stormwater defense
  – Rainwater harvesting systems
  – Desalination: Average carbon intensity of a plant's energy must be at or below 100 g CO_2/kWh over the remaining lifetime of the plant (according to Climate Bond Initiative)
— Real estate
  – Green roofs and walls, water retention gardens, porous pavements
  – Increase of plants and parks in urban areas
— Cement
  – Increase capacity of drainage systems in plants to make the facilities resilient to flooding
— Energy (excluding fossil fuels)
  – Grid resilience, back-up generation, and storage
  – Adoption of structural strengthening of hydropower facilities (e.g. dams, spillways, turbine houses, switchyards, ancillary infrastructure, etc.)
  – Increasing the height of poles supporting power lines
  – Installing conductors with hotter operating limits
  – Using "low-sag" conductors
— ICT
  – Data collection for vulnerability reduction to loss of power and direct disruption during extreme events
  – Information support systems, such as climate observation, systems for monitoring GHG emissions and early warning systems
  – Development and/or use of ICT solutions for the exclusive purpose of collecting, transmitting, storing, and using data to facilitate GHG emission reductions.
— Health
  – Infrastructure for the provision of emergency medical response and disease control services
  – Treatment and monitoring for diseases that might increase due to climate change (e.g. vector-borne diseases)
  – Treatment of respiratory conditions from wildfires
— Nature-based climate adaptation solutions
  – Regeneration or extension of natural forests and coastal natural buffer zones

[8] Consideration should be given to the viability of "green" or "nature-based-solutions" over "gray" measures to address adaptation.

Activity	Eligibility Criteria
Activities enabling adaptation of an economic activity	— Activities are referred to as enabling per Article 11(1), point (b), of Regulation (EU) 2020/852, need to provide a technology, product, service, information, or practice, or promote their uses with one of the following primary objectives: – Increasing the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets, and of other economic activities; or – Contributing to adaptation efforts of other people, of nature, of cultural heritage, of assets, and of other economic activities — Activities that develop and/or facilitate adaptation solutions demonstrated through an assessment of the risks the activity will address and an assessment of the effectiveness of the activity in reducing those risks — Activities need to support other activities to make a substantial contribution to at least one of the principles outlined in the EU Taxonomy — All activities must meet the same general criteria as outlined for activities adapting to climate change — Activities must show a positive impact on the environment over its life cycle — Exclusion of activities that lead to a "lock-in" of assets that would undermine long-term environmental goals

Principle 2 and 3

Protection, restoration, and promotion of natural resources and healthy ecosystems/biodiversity	Case-by-case assessment of activities[9] in all sectors that contribute to protecting, conserving, or restoring biodiversity or to achieving the good condition of ecosystems, or to protecting ecosystems that are already in good condition, through: — Nature and biodiversity conservation — Sustainable land use and management — Sustainable forest management[10] — Activities enabling the activities above
Pollution protection and control, general reduction of resource use, and protection of marine and terrestrial resources	— Case-by-case assessment of activities[11] in all sectors that contribute to pollution protection, general reduction of resource use, and protection of marine and terrestrial resources through, e.g.: – Decontamination and/or remediation of soil, groundwater, industrial plants/sites, shores – Measures and technologies that enhance the conservation and sustainable use of oceans and rivers – Preventing pollutant emissions into air, water, or land, other than greenhouse gases – Preventing any adverse impact on human health and the environment due to the production, use or disposal of chemicals – Activities enabling the activities above
Transition to a circular economy	— Case-by-case assessment of activities in all sectors that contribute to a transition to a circular economy through: – Product design – Use of recycled material – Replacement of hazardous/toxic materials with sustainable or recyclable materials – Recovery of materials from previously discarded products — In addition, activities in manufacturing must meet the following criteria, e.g.: – Design for durability, upgradability, reparability, or reuse (min. of ten trips or rotations); – Design for recycling in packaging – Use of recycled material and substitution of virgin materials – Second-hand products, incl. related services like repairing/refurbishing/ remanufacturing; and — In addition, activities in real estate meeting the following criteria, e.g.: – Construction and renovation: Reuse or recycling of demolition and construction waste – Circular design of buildings

[9] These activities refer either to an entity's/project's core business or value-added activities undertaken by an entity/project unrelated to its own previous detrimental impacts, e.g. clean-up of own spills or offsetting own environmental damage is not eligible.
[10] The forests will not have any productive use. For forest management with productive use the eligibility criteria under the category "Agriculture and Forestry" will be applied.
[11] These activities refer either to a company's/project's core business or value-added activities undertaken by a company/project unrelated to its own caused pollution, e.g. clean-up of own spills or offsetting own environmental damage is not eligible.

Annex 2: Eligibility criteria for socially sustainable activities

Deutsche Bank defines social activities in accordance with the ICMA Social Bond Principles (SBP).

The table below outlines economic activities that are eligible for classification as socially sustainable activities. Impact indicators are used to capture the tangible social change facilitated by Sustainable Finance and should be of a quantitative nature where possible.

As for environmentally sustainable activities, the table maps SDGs to activity topics based on a high likelihood to contribute positively to the Global Indicators for the SDGs and targets.

Table 3: Socially sustainable activities

Socially sustainable activities target primarily mitigation of social issues for socially disadvantaged or underserved groups. Socially disadvantaged groups are defined as populations that are excluded in their local society for reasons that may be tied to age, sex, disability, race, ethnicity, origin, religion, economic, or other situations of vulnerability due to discrimination or poverty. In certain circumstances the socially sustainable activities may also target the general public e.g. healthcare and education.

All activities have to be reviewed to determine if “do no significant harm,” socially as well as environmentally, is kept.

Eligible activities	Impact indicators
Access to Basic Infrastructure	
— Projects providing/expanding access to renewable energy, clean drinking water, sanitation — Development of telecommunication networks and related infrastructure	— Number of people with access to clean electricity — Number of people with access to clean drinking water and equitable sanitation — Area covered by telecom infrastructure
Access to Essential Services	
— Improve access to healthcare and/or affordability of standard treatments/medicines — Enhance access to education — Inclusive access without discrimination on the basis of sex or other factors, e.g. race, disability — Financing and investments related to the promotion and enhancement of access of elderly and/or vulnerable people to adequate housing with special care, e.g. elderly housing facilities, skilled nursing facilities	— Number of people benefitting from healthcare products/services — Cost reduction for standard treatments and medicines — Improved range of affordable medical services/medicines — Number of educational institutions funded — Number of students supported — Number of years of newly accessible education provided — Equal access to education, healthcare and information — Number of beneficiaries from facilities — Activities have to be publicly available rather than based on a private system. This is highlighted through health-care available in a public healthcare system, publicly funded schools, etc.

Eligible activities	Impact indicators

Affordable Housing

— Affordable housing	— Rental costs compared to the national/regional rent index — Share of underserved tenants (the majority of units in the building/project are restricted to disadvantaged/low-income families/individuals, whose annual income is below the median income for the area) — Number of people with access to adequate and safe housing

SME[1] Financing and Microfinance

— Equal access to banking, financial services and other economic resources — Financing/advisory services for micro, small, and medium-sized enterprises — Overall socioeconomic advancement	— Number of SMEs financed — Number of jobs created/retained — Number of local SME suppliers and smallholder farmers in the supply chain — Number of new accounts opened in underserved areas — Number of products aimed at financial inclusion – product characteristics, e.g. level of interest rates, to be appropriate/in line with the market — Number of applicants for products targeted at underserved populations — Number of financial literacy initiatives put into place — Number of beneficiaries/participants of financial literacy initiatives

Food Security

— Investments aiming to enhance agricultural productivity with practices taking biodiversity into consideration	— Production output per hectare — Water required per kg of output — Number of people with affordable access to safe, nutritious, and sufficient food

[1] SMEs in Europe as defined by Art. 2 of the annex to the EU Recommendation 2003/361. According to this, SMEs have up to 249 employees and an annual turnover not exceeding €50 million or a balance sheet total not exceeding €43 million.
SMEs in the rest of the world as defined either by local standards or by the World Bank Group. According to the World Bank Group (Link 1), Micro, Small and Medium Enterprises (MSMEs) are most commonly defined as enterprises with less than 250 employees globally.

Annex 3: Main positions and minimum standards of environmental and social due diligence[1]

Area	Enhanced due diligence/norm compliance	Environmental and/or social principles applied
Cross-sectoral		
Human rights	Yes	No engagement in business activities where the bank has substantiated evidence of material adverse human rights impacts without appropriate mitigation, e.g. child and forced labor[2]
Deforestation	Yes	No direct involvement in deforestation of primary tropical forests
World Heritage Sites	Yes	No activity within or in close proximity to World Heritage Sites, unless the respective government and UNESCO agree that such activity will not adversely affect the site's outstanding universal value
Sectoral		
Industrial agriculture and forestry	Yes	Soft commodities (e.g. soy, beef, timber): Expectations regarding membership in certification as well as environmental and social management schemes for growers and primary processers, including public commitment to the No Deforestation, No Peat and No Exploitation standard New development of related lands is only permissible if a High Conservation Value assessment determines that the land is not of High Conservation Value
Palm oil	Yes	Minimum requirement of a time-bound implementation plan for the Roundtable on Sustainable Palm Oil certification by 2025 at the latest
Metals and mining	Yes	Enhanced ES due diligence requirements; potential exclusions based on outcome
Oil and gas	Yes	Oil sands: No financing of new projects involving exploration, production, and transportation/processing Arctic region: No financing of new oil and gas projects in the Arctic region (as demarcated by the 10°C July isotherm boundary) Oil and gas extracted by means of hydraulic fracturing: No financing of projects in countries with extremely high water stress
Thermal coal power and mining	Yes	No financing of new coal power plants and new thermal coal-mining projects or the associated infrastructure Scope of the policy effective as of May 2023 includes companies with a) a thermal coal revenue dependency of 30% or above, b) an absolute thermal coal production of 10 megatons p.a. or above, or c) a thermal coal power capacity of 10 gigawatts or above For corporations within the scope of the policy: No financing if no credible diversification plans, including the phasing-out of thermal coal by 2030 in OECD countries and 2040 in non-OECD countries Exclusions for financing Mountain Top Removal mining
Hydropower	Yes	Enhanced ES due diligence requirements; potential exclusions based on outcome
Nuclear energy	Yes	Enhanced ES due diligence requirements; potential exclusions based on outcome and exclusion for certain jurisdictions
Tobacco	Yes	Enhanced due diligence requirements with a focus on electric cigarettes and cannabis; potential exclusions based on outcome
Defense/controversial weapons	Yes	Enhanced due diligence requirements with exclusions including controversial weapons, conflict countries, private military security companies, as well as civilian-use automatic and semi-automatic firearms, and human-out-of-the-loop weapon systems
Adult entertainment	Yes	Enhanced due diligence requirements; exclusion of any business directly associated with adult entertainment (commercial enterprises related to the sale or purchase of sex-related services, ranging from individual workers in prostitution to the pornographic entertainment industry), the associated branded products or services, or prostitution
Gaming	Yes	Enhanced due diligence required; exclusion of online gambling business-to-consumer operators with exposure to markets where gambling is prohibited

[1] The detailed requirements are laid out in Deutsche Bank's Environmental and Social Policy Framework, except for tobacco, defense, adult entertainment, and gaming, which are covered by the relevant Reputational Risk documents.
[2] For further details, please also see "Human Rights" below as well as Deutsche Bank's Statement on Human Rights.

Annex 4: Reporting methodology

This Reporting Methodology takes the origination role view and does not necessarily correlate to Deutsche Bank's balance sheet commitment/balance sheet disclosure.

For the origination role view, the bank takes the following approach:

- Sole lead arranger – full notional amount
- For deals where Deutsche Bank might have multiple roles, e.g. sole structuring bank and joint lead arranger, we will only consider the bank's apportioned value according to the highest of our roles as mandated lead arranger/lead arranger/arranger as per the product-specific rules outlined below
- The Cutoff date for deal submission to ESG Finance is as defined in the quarter end process.
- The below rules assume that the full amount of loan/issuance/all tranches of a financing are classified as "sustainable" under DB SF Framework. In financial structures where not all assets or not the entire financing is classified as sustainable – a pro-rata approach is applied.

Definition	Reporting scope
Facilitation	
Debt Capital Markets (DCM) fixed-income instruments: green, social, sustainable, sustainability-linked bonds or covered bonds etc.	
— Bond issuances that qualify as green, social, sustainable, or sustainability-linked as defined by Deutsche Bank's Sustainable Finance Framework, the International Capital Markets Association (ICMA) Green and/or Social Bond Principles, Sustainability-linked Bond Principles (GBP, SBP, SLBP), or the Climate Bonds Initiative (CBI) — Note: Deutsche Bank's own issuances under the bank's Sustainable Instruments Framework cannot be counted as DCM origination volumes	— Deutsche Bank's apportioned value being an origination volume calculated as deal notional value/number of mandated lead arranger/lead arranger/arranger (based on the highest role performed by Deutsche Bank) — Securitization deals allow for lending volume as well as securitization volume to be classified with the same origination volume approach based on the bank's role
Equity Capital Markets (ECM) green, social, sustainable equity issuances	
— Corporate or project equity issued for a company, or a project classified as sustainable based on Deutsche Bank's Sustainable Finance Framework	— Deutsche Bank's apportioned value being the bank's placement amount calculated as number of shares multiplied by share price on the issuance date
Equity Capital Markets (ECM) de-SPAC capital markets advisory	
— De-SPAC origination advisory includes negotiating the terms of the acquisition with the target company, gaining SPAC shareholder approval, and executing the transaction through regulatory filings and approvals — The target company and the ultimately listed company should be companies with a sustainable profile (in principle P2 companies). If the De-SPAC transaction involves pure-play pre-revenue R&D companies, 100% of the activities of the underlying and the ultimately listed company should be aligned with the eligible environmental activities as per the Sustainable Finance Framework. Pre-revenue companies with a social focus are subject to a case-by-case review	— De-SPAC: The portion of the original IPO distributed by Deutsche Bank through a De-SPAC transaction to be counted toward the Sustainable Finance target — SPAC IPOs are not eligible, as this is simply an event of raising a pool of capital
Sustainable (green, social), sustainability-linked derivatives	
— Derivative transactions, FX, cross-currency, or interest rates swaps in support of corporates classified as sustainable (P2) or for supporting and enabling sustainable economic activities as defined by Deutsche Bank's Sustainable Finance Framework — ESG-linked derivatives as defined by Deutsche Bank's Sustainable Finance Framework, incl. the Guidelines for Sustainability-linked Derivatives issued by the International Swaps and Derivatives Association (ISDA)	— A conservative value is applied that is below the notional value

Definition	Reporting scope
Financing	
Bilateral sustainable (green, social), sustainability-linked loans	
— Loans and sustainability-linked refinancings[1] aligned to Deutsche Bank's Sustainable Finance Framework and/or the Loan Market Association (LMA) Green and/or Sustainability-linked Loan Principles (GLP, SLLP)	— Total loan value — Pro-rata approach where not all assets or not the entire financing qualifies as sustainable — For existing loans already reported once, only increases to those loans will be captured in the periods following the initial reporting
Syndicated sustainable (green, social), sustainability-linked loans	
— Loans and sustainability-linked refinancings[1] aligned to Deutsche Bank's Sustainable Finance Framework and/or the Loan Market Association (LMA) Green and/or Sustainability-linked Loan Principles (GLP, SLLP)[2]	— Deutsche Bank's apportioned loan value, if no (lead) arranger role, otherwise — Deutsche Bank's apportioned value being an origination volume calculated as deal notional value/number of mandated lead arranger/lead arranger/arranger (based on the highest role performed by the bank) — For existing loans already reported once, only increases to those loans related to DB amount will be captured in the periods following the initial reporting
Sustainable (green, social), sustainability-linked credit facilities (revolving credit facilities, guarantee lines)	
— Global Trade Finance instruments and sustainability-linked refinancings[1] aligned to Deutsche Bank's Sustainable Finance Framework and/or the Loan Market Association (LMA) Green and/or Sustainability-linked Loan Principles (GLP, SLLP)	— Total facility/guarantee notional amount (equivalent to drawn plus undrawn) — Bid bonds; to be submitted as "Pending by deal" and only counted if tender wins the bid — For existing facilities/guarantees already reported once, only increases to those facilities/guarantees will be captured in the periods following the initial reporting
Syndicated sustainable (green, social), sustainability-linked credit facilities (revolving credit facilities, guarantee lines)	
— Global Trade Finance instruments and sustainability-linked refinancings[1] aligned to Deutsche Bank's Sustainable Finance Framework and/or the Loan Market Association (LMA) Green and/or Sustainability-linked Loan Principles (GLP, SLLP)	— Deutsche Bank's apportioned loan value, if no (lead) arranger role, otherwise — Deutsche Bank's apportioned value being an origination volume calculated as deal notional loan value/number of mandated lead arranger/lead arranger/arranger (based on the highest role performed by the bank)
Sustainability-linked Supply Chain Finance (SSCF)	
— Funding provided to a client's suppliers based on pre-defined sustainability performance metrics and thresholds. The choice of metrics will follow recognized principles for sustainability-linked solutions	— Total facility volume with a current haircut of 10% in reflection of ESG rating distribution; the haircut will be reviewed annually and adjusted if required.
Sustainability-linked overdrafts	
— Sustainability-linked Overdrafts follow the standard sustainability-linked structures and link the overdraft conditions to the ESG performance of the client	— Overall overdraft limits (drawn plus undrawn), calculated only once — For existing overdraft facilities already reported once, only increases to those facilities will be captured in the periods following the initial reporting
Sustainable (green, social) repos	
— Structures under the Repurchase Agreements (repos) where Deutsche Bank lends money used for sustainability purposes against collateral based on the minimum acceptance criteria for counterparties' eligibility	— Notional amount of the reverse repo loan
Energy-efficiency lending programs	
— Mortgages and lending programs specifically designed to finance energy-efficiency measures across retail clients and SME clients offered by Deutsche Bank's Private Bank and Corporate Bank	— Due to specifics of retail banking and SME lending, the reporting is based on agreed rules, which are regularly reviewed and monitored through dedicated Deutsche Bank internal controls

[1] For refinancings of sustainability-linked loans (bilateral or syndicated), KPIs need to be reviewed and adjusted as necessary. The introduction of new or adjusted KPIs is not mandatory but requires a case-by-case decision. In contrast to refinancings, extension options cannot be reported against the bank's sustainable finance volumes.
[2] Green, Social and Sustainability-linked Loan Principles are issued as collaboration between LMA, LSTA and APLMA.

Annex 5: Overview of approved sustainable finance products

This Annex provides an overview of Sustainable Finance Products approved under this Framework, which go beyond the financial structures[1] that can be classified as sustainable under one of the three parameters (see section 4.1. Classification logic). The overview is regularly updated and extended with new products.

Approved product	Definition	Sustainable Finance volume target
Liability products[2]		
Deutsche Bank Green Bonds	Bonds issued under Deutsche Bank's Sustainable Instruments Framework. The Sustainable Instruments Framework is aligned to the International Capital Market Association (ICMA) Green Bond Principles and to Deutsche Bank's overall Sustainable Finance Framework. It defines the assets with which the bond is backed and what the proceeds may be used for. Please find links to Deutsche Bank's first two bond issuances (Link 1; Link 2).	Not counted under sustainable DCM issuance but can be included as assets under management if distributed to our retail clients
Green Deposits	Customer deposits where funds are held for a fixed tenor and invested in the bank's Green Asset Pool as defined in Deutsche Bank's Sustainable Instruments Framework. Deutsche Bank has formulated sustainability-related exclusion and qualifying minimum criteria to be applied to counterparties interested in Green Deposit offerings. Please find the link to Deutsche Bank's product launch (Link 1).	Not counted
Green Repos	For Green Repos transactions, Deutsche Bank allocates the funding received from clients against the bank's Green Asset Pool as defined in Deutsche Bank's Sustainable Instruments Framework. Deutsche Bank has formulated sustainability-related exclusion and qualifying minimum criteria to be applied to counterparties interested in the Green Repos offering. There are also requirements on collaterals. Please find the link to Deutsche Bank's product launch (Link 1).	Not counted
Sustainability-linked financing solutions beyond solutions covered under the Sustainable Finance Framework P3, i.e. sustainability-linked bonds, credit facilities, loans, and derivatives		
Sustainability-linked Supply Chain Finance (SSCF)	The product is designed to help promote the sustainability objectives of clients regarding their supply chain. Funding provided to a client's suppliers will be based on predefined sustainability performance metrics and thresholds. The choice of metrics will follow recognized principles for sustainability-linked solutions, i.e. should be material to the client's core sustainability and business strategy and address relevant environmental, social, and/or governance challenges within its supply chain. Please find links to two customer success stories (Link 1; Link 2).	Counted as P3
Sustainability-linked Overdrafts	Sustainability-linked Overdrafts are an ESG offering amending the pricing of a regular Cash Management Overdraft Facility. Sustainability-linked Overdrafts link the pricing of the facility to changes of a client's ESG KPI. For the pilot stage, this KPI will be the client's ESG rating, as determined by a third-party ESG rating specialist. If a client's ESG rating changes above or below a certain threshold, their pricing will be adjusted accordingly. While offering this innovation, Deutsche Bank considers the client's overall sustainability strategies and targets. Please find the link to Deutsche Bank's product launch (Link 1).	Counted as P3

[1] Including but not limited to asset-based lending, corporate-level lending, trade finance, and sustainability-linked loans, as well as capital markets instruments including but not limited to green, social, and sustainability-linked bonds, sustainability-linked hedging, or other instruments.
[2] For Liability products, Deutsche Bank raises green liabilities that are referenced against our Green Asset Pool. For more information, please refer to Deutsche Bank's Green Financing – Deutsche Bank (db.com).

Approved product	Definition	Sustainable Finance volume target
Derivatives beyond ESG-linked derivatives covered under the Sustainable Finance Framework P3		
Green/Sustainable Derivatives	Derivatives can play an important role as risk management instruments for supporting and enabling sustainable economic activities and projects. Approved derivatives do not have to be entered into at the same time as an underlying is created, but it must be evidenced that: (1) they are primary hedges of the risk type they are hedging (e.g. not novations); (2) they are a fundamental facilitator of the green/sustainable underlying being created/continuing to perform in a manner that supports its sustainability classification; and (3) there is a clear linkage specifically to a green activity/contract and this is linked back to the trade confirmation.	Counted as P1
Sustainable programs		
Umweltkredit	The Umweltkredit program, i.e. loans with a dedicated use of proceed for environmental purposes, is offered to SMEs in Germany for financing energy-efficient building renovation, renewable energies, and e-mobility. The loan amount can range from 10,000 euros to 250,000 euros. Please find the link to the product landing page (Link 1 in German).	Counted as P1
Subsidized loans (KfW)	Through close collaboration with KfW, Germany's nationwide development bank, we support private and corporate clients with government-subsidized loans or procurement of guarantees. Of the subsidized amounts, a substantial share was provided for various corporate investments in energy efficiency, environmental protection, or renewable energies, as well as in private clients' projects to build, purchase, renovate, or modernize residential properties.	Counted as P1
BHW KlimaDarlehen	The BHW KlimaDarlehen program offers clients loans at fixed interest rates and with a deferred repayment structure. With these loans, clients receive immediate financing for energy modernization measures, such as thermal insulation, renewal of windows, or heating systems. Provision of documentation for energy modernization measures is a prerequisite for receiving these loans under the BHW program.	Counted as P1
Structured investment products and ESG index solutions manufactured by the Investment Bank		
Green Bond Structured Notes	Green Bond Structured Notes are structured investments products offered to our retail and institutional clients with funding allocated to the bank's Green Asset Pool as defined in Deutsche Bank's Sustainable Instruments Framework. Eligible underlying will have to comply with defined minimum criteria, including rating and exclusion criteria. In case of indices as an underlying for Green Bond Structured Notes, the requirement to demonstrate a dedicated ESG strategy should occur.	Counted as P3
ESG Index Solutions	Deutsche Bank offers Deutsche Bank's manufactured indices with ESG features. The current offering constitutes three options: — ESG Screening, which applies a predefined filter to the universe to remove the worst ESG scores/ratings — ESG Tilting, which adjusts the weights to reduce the overall exposure to worse ESG scores and increase the overall exposure to the strongest ESG names — ESG Targeted, which sets a defined ESG score that the selection process must meet or exceed Offering of indices with ESG features is subject to periodic internal review.	Not counted

[3] BHW Bausparkasse AG is a German bank providing terminating deposits and mortgage loans. It is a wholly owned subsidiary of Deutsche Bank AG. For further information, see BHW Bausparkasse AG.

6 Glossary

Term	Definition
APLMA	Asia Pacific Loan Market Association
Business Reviewer	Second-party performing sanity check on classification as Sustainable Finance by the Front Office (FO)
Committee	Decision-making forum established pursuant to the "Committee Governance Policy – Deutsche Bank Group" for a specific purpose and an unlimited period of time
Deutsche Bank AG	Deutsche Bank AG including its branches and representative offices
Deutsche Bank Group	Deutsche Bank AG and Legal Entities in which Deutsche Bank AG (directly or indirectly) holds an equity or voting capital share of more than 50%
DNSH	"Do no significant harm" assessment
Employee	Any individual with an employment contract directly with a Legal Entity of Deutsche Bank Group
ESG	Environmental, social, and governance
EU Taxonomy	Refers to EU Taxonomy Regulation (Regulation (EU) 2020/852) (the EU Taxonomy)
ICMA	International Capital Markets Association
ICT	Information and Communications Technology
ISDA	International Swaps and Derivatives Association
LMA	Loan Market Association
LSTA	Loan Syndications and Trading Association
Management Board (of Deutsche Bank AG)	Governing body of Deutsche Bank AG responsible for managing Deutsche Bank AG
SBP	Social Bond Principles
SDG	Sustainable Development Goal as defined by the United Nations ↗
SME	Small- and medium-sized enterprises
Socially Disadvantaged Group	Populations that are excluded in their local society for reasons that may be tied to age, sex, disability, race, ethnicity, origin, religion, or economic or other status
SPT	Sustainability Performance Targets
Sustainable Finance	Any type of financial services classified as sustainable under this taxonomy
Sustainability-linked solutions	Financial instruments with a structure based on predetermined overall or specific Sustainability Performance Targets
UN	United Nations
UN Guiding Principles on Business and Human Rights	Set of guidelines for states and companies to prevent, address, and remedy human rights abuses committed in business operations
UN Nations Global Compact	Nonbinding United Nations pact to encourage businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation
UN Principles for Responsible Banking	Unique framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the SDGs and the Paris Agreement
Unit	Refers to the organizational areas within Deutsche Bank Group, such as corporate divisions and infrastructure functions, as per the Deutsche Bank Business Allocation Plan

Disclaimer

There are currently no uniform criteria nor a common market standard for the assessment and classification of financial services and financial products as sustainable, green or social. This can lead to different parties assessing the sustainability of financial services and financial products differently. In addition, there are various new regulations on ESG (Environment, Social and Corporate Governance) and sustainable finance, which need to be substantiated, and further draft legislation is currently being developed, which may lead to financial services and financial products currently classified as sustainable, green or social not meeting future legal requirements for qualification as sustainable.

The transition to a sustainable economy is a long-term undertaking. In its current stage, we are confronted with the limited availability of reliable data. It is inevitable to use estimates and models until improved data will become available. Our expectations on the increase of data quality are based on reporting obligations as currently developed. New regulations on reporting will become effective in the coming years.

This document 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. We reserve the right to update measurement techniques and methodologies in the future.

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This document 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 update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the USA, 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.

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

Imprint

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