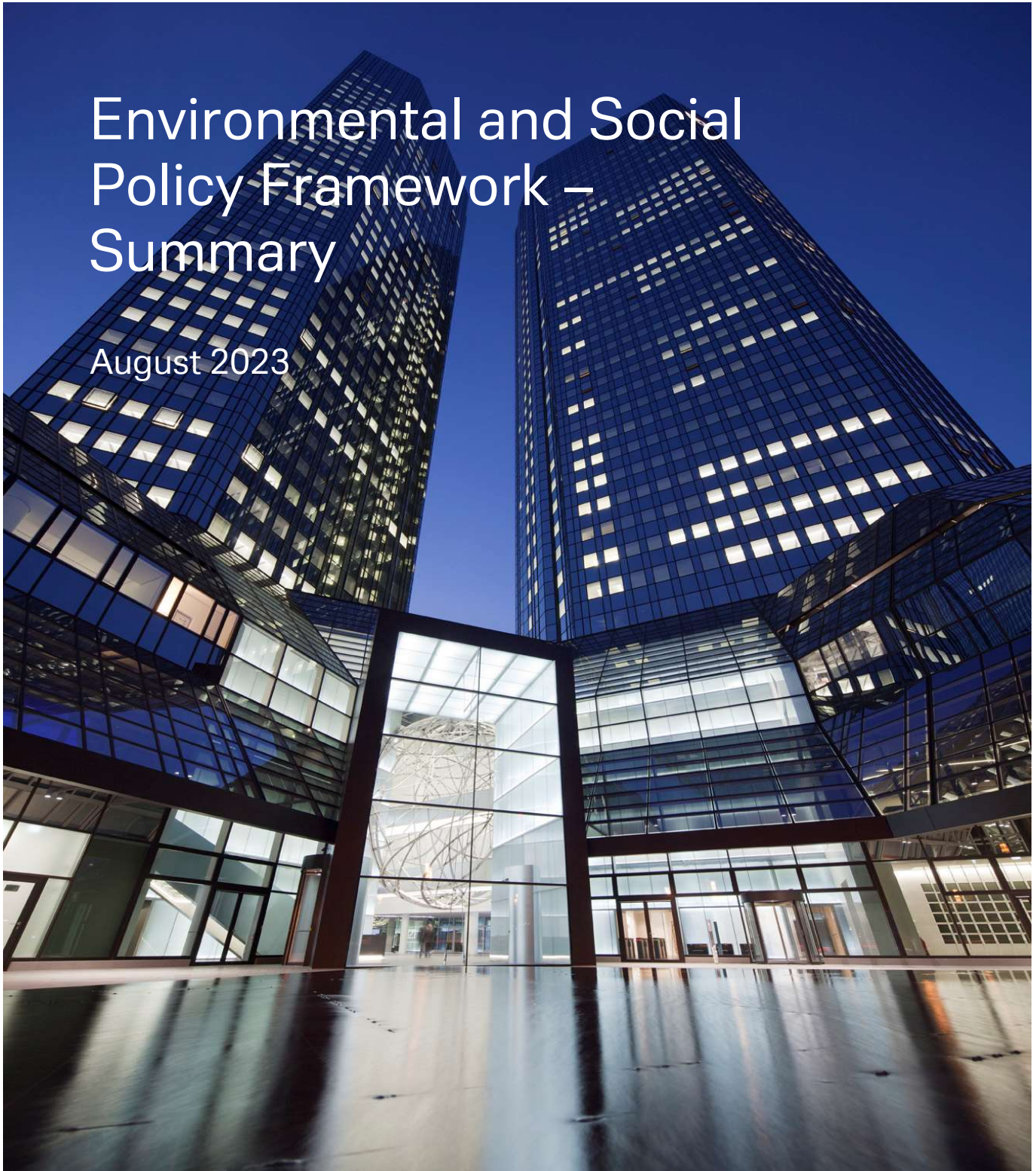




Environmental and Social Policy Framework – Summary

August 2023



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1. Environmental and social risk management

Deutsche Bank's aspiration is to live by the highest standards of integrity. The bank is committed to acting as a responsible partner to all stakeholders and to addressing the impacts that its business operations may have on the environment and society.

Sustainability is a central component of Deutsche Bank's Global Hausbank strategy. Deutsche Bank's sustainability objectives are to promote sustainable business, to ensure that risk management processes are aligned with industry good practices, and to increase transparency.

To this end, the bank regularly provides comprehensive information on its sustainability strategy, including during the [Sustainability Deep Dive in May 2021](#) and [Sustainability Deep Dive in March 2023](#).

The bank has made formal commitments to internationally recognized standards and principles such as the Ten Principles of the United Nations (UN) Global Compact, the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.

In addition, Deutsche Bank became a signatory to the Equator Principles in July 2020. The Equator Principles is a risk management framework, adopted by financial institutions, for determining, assessing, and managing environmental and social (ES) risk in project finance.

As a global bank that offers a wide range of products and services across the Corporate Bank, the Investment Bank, and the Private Bank, Deutsche Bank has clients across all sectors, including those that may be linked to significant ES impacts. The bank, therefore, needs to understand the ES issues associated with an industry, a client, or a transaction, just as the bank does with traditional banking risks.

Doing this effectively is essential to mitigate and manage negative impacts on the environment or society, and to uphold the bank's commitments to international standards. Failing to do this may also lead to reputational and financial risks for Deutsche Bank and restrict the bank's ability to benefit from potential business opportunities. Systematic evaluation of ES risks is therefore an integral part of the bank's risk management process.

2. Purpose of this document

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

3. Introduction

[3.1 Scope of the Framework](#)

The requirements of the Framework apply globally to the lending and trade finance activities of the Corporate Bank, lending and capital markets activities of the Investment Bank, and commercial lending activities of the Private Bank.

DWS operates as a separate legal entity and is not within the scope of the application of the Framework. DWS sets its own sustainability strategy and follows its own (and prevailing) policies in relation to environmental and social matters ([DWS Homepage](#) | [DWS](#)).

The Framework is reviewed annually – or as events occur – based upon continuous dialogue with peers, the industry, NGOs, and other relevant stakeholders to reflect changes in the environment in which we operate. To the extent that such changes affect the statements herein, Deutsche Bank will update the information in this document in a timely manner.

[3.2 Deutsche Bank's related frameworks](#)

This summary of the Environmental and Social Policy Framework is part of a broader set of publicly available frameworks, including:

- [Sustainable Finance Framework \(Sustainable Finance Framework.pdf\)](#)
This outlines the methodology and associated procedures for classifying transactions as well as financial products and services offered by Deutsche Bank as sustainable.
- [Green Financing Framework \(Green Financing Framework \[June 2022, English\].pdf\)](#)
This describes the bank's methodology for the issuance of 'use-of-proceeds-based' Green Financing Instruments and is aligned with the ICMA's Green Bond Principles.

4. Implementation of the Framework

[4.1 Environmental and social due diligence approach](#)

Initially introduced in 2011, the Environmental and Social Policy Framework was substantially revised in 2015. The Framework includes general requirements for ES due diligence and sector-specific ES provisions. It defines rules and responsibilities for risk identification, assessment, and decision-making, and specifies the requirements for environmental and social due diligence. It also covers provisions for deal-independent screening and monitoring of companies from an ES perspective.

In line with the requirements of Deutsche Bank's Global Reputational Risk Framework, the bank's business divisions are initially responsible for identifying ES risks. To support business divisions, the 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 Group Sustainability. For all sectors requiring mandatory involvement of Group Sustainability, detailed sectoral guidelines are available. These offer further guidance on the scope of ES due diligence and outline good industry practice benchmarks and principles.

Deutsche Bank applies a risk-based approach and focuses its attention on sectors that it has defined as having an inherently elevated potential for negative environmental and social impacts. Under the Framework, the following sectors and activities are defined as having an inherently elevated potential for negative environmental and social impacts:

- Metals and mining, including thermal coal mining
- Oil and gas
- Utilities, including thermal coal, hydro and nuclear power
- Industrial agriculture and forestry
- Chemicals
- Industrials and infrastructure projects in certain countries
- Other activities either with a high carbon intensity and/or potential for human rights infringements

This scope of sectors as well as related due diligence requirements are reviewed on a best-effort basis and updated if and when required.

Complementary internal provisions are established for the tobacco industry with a focus on electric cigarettes and cannabis, as well as the defense, gaming, and adult entertainment industries, which are inherently considered to carry an enhanced level of social and governance risk. These are currently not part of this Framework but are covered by the Reputational Risk Framework (see section 4.6). More details can be found in the bank's annual Non-Financial Reports.

4.2 Environmental and social due diligence process

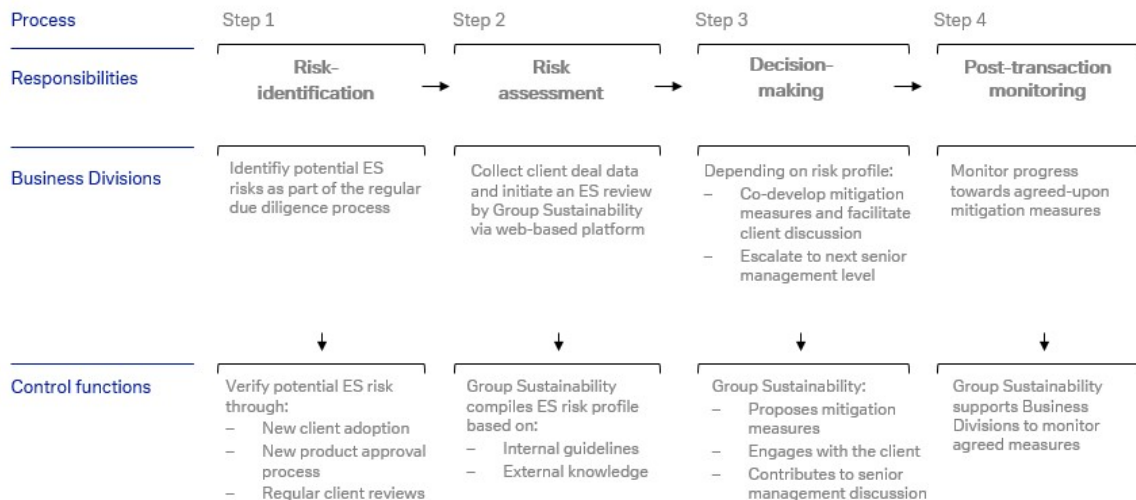
Group Sustainability within the Chief Sustainability Office is responsible for designing environmental and social standards and policies, including this Framework and the Sustainable Finance Framework, and overseeing business adherence. As part of its oversight responsibility, Group Sustainability conducts transactional and client reviews pursuant to the bank’s ES standards and Sustainable Finance standards.

The ES due diligence process includes a discussion of critical issues with clients and remediation actions. The final ES risk profile includes an evaluation of the materiality of the identified ES risks and associated reputational risks. If the risks are deemed to pose a material reputational risk or meet one of the mandatory referral criteria, the transaction will be referred to one of the four Regional Reputational Risk Committees.

If issues are not resolved at the level of a Regional Reputational Risk Committee, the governance structure requires escalation to the Group Reputational Risk Committee (GRRC); ultimately, the Management Board is accountable for the management of reputational risk.

Since 2015, the entire ES risk review process has been supported by a dedicated IT application.

Environmental & Social (ES) Policy Framework – process and responsibilities



4.3 Due diligence principles

Deutsche Bank expects, as a minimum, that clients meet applicable ES laws and regulations relevant to their business processes, consider international best practice approaches, and hold relevant licenses and permits.

The bank’s due diligence process for project finance is based on the requirements of the Equator Principles, including the underlying IFC Performance Standards.

While conducting ES due diligence for non-project finance, Deutsche Bank assesses the client’s overall ES risk management systems and performance, including governance and their capacity to address ES risks. The bank looks for policies and commitments, as well as a responsible approach to stakeholder engagement and disclosure. While conducting due diligence, Deutsche Bank relies on publicly available information such as corporate sustainability disclosure, ES assessments by independent data providers, and media screening tools. In addition, information from the direct exchange with the customer is taken into account, and, depending on the risk profile, more intense ES due diligence may be required in accordance with the bank’s general and sector-specific ES provisions, including the on-site review by independent third parties.

Across sectors subject to ES due diligence, the bank aims to identify material issues that require attention. Some of these issues are cross-sectoral, while others are sector-specific.

4.4 Cross-sectoral issues

Human rights

Deutsche Bank's long-standing commitment to human rights is reflected in its [Statement on Human Rights](#), publicly available since 2015. To address this complex topic, the bank is guided by a wide range of international standards and principles, including the UN's Guiding Principles on Business and Human Rights. The bank integrates human rights considerations into the due diligence process as part of its Environmental and Social Policy Framework.

The bank focuses on the client's measures to avoid any involvement in child and/or forced labor, and the policies and procedures to protect the health and safety of employees and sub-contractors. Furthermore, Deutsche Bank understands that its clients' activities may impact the communities they operate in and expects clients to have processes in place to minimize any negative impact. In particular, during due diligence, the bank focuses on policies and procedures that:

- Protect the health and safety of affected communities
- Ensure respect for land rights and cultural heritage
- Address engagement with communities, including responding to community concerns (for example through grievance mechanisms)

In cases involving resettlement, the bank expects its clients to act in accordance with national laws and regulations, and, where applicable, in alignment with the objectives and requirements of IFC Performance Standard (PS) 5 on Land Acquisition and Involuntary Resettlement.

Deutsche Bank recognizes the vulnerability of Indigenous peoples and their connection to ancestral lands, as defined by the UN Declaration on the Rights of Indigenous Peoples. In cases where the bank can identify potential impacts on Indigenous peoples, the bank expects its clients to act in alignment with the objectives and requirements of the IFC PS 7 on Indigenous People. For circumstances outlined in the IFC PS 7, the bank expects its clients to obtain the free, prior and informed consent of affected communities.

The bank also acknowledges that the economic activities of its clients may require the use of security forces in certain circumstances – as a safeguard against risks arising from the socio-economic environment. In order to avoid abusive behavior by state or private security forces, the Bank verifies that the processes put in place have been developed on the basis of international standards, such as the Voluntary Principles on Security and Human Rights

Deutsche Bank will not engage in business activities where Deutsche Bank has substantiated evidence of material adverse human rights impacts and it is determined through Deutsche Bank's internal processes that such adverse human rights impacts cannot be avoided or appropriately mitigated.

Sensitive and protected locations

Deutsche Bank recognizes that corporate client activities may have material impacts on areas of international or national biodiversity value and high-sensitivity ecosystems and habitats. The bank expects its clients to identify, assess, and mitigate these risks by applying widely accepted international guidance and good international industry practice.

This means implementing the mitigation hierarchy with regard to areas of high biodiversity and/or high-sensitivity ecosystems/habitats. The mitigation hierarchy requires primary impacts to be avoided through site selection, design, or scheduling of activities.

Where avoidance is not possible, impacts should be minimized by reducing their duration, intensity, and extent; on-site restoration should be implemented for impacts that cannot be completely avoided and/or minimized; and, as a last resort, significant residual impacts can be offset through implementation of measurable conservation outcomes.

Depending on the location of activities that require financing, Deutsche Bank will use the following review approach:

- The bank will not finance new projects and activities located in close proximity to World Heritage Sites unless there is a prior consensus with both the government and UNESCO that such operations will not adversely affect the Outstanding Universal Value of the site
- For transactions where the bank is able to identify impacts on areas of international or national biodiversity value and high-sensitivity ecosystems/habitats, an enhanced ES review is required; it will consider the implementation of the mitigation hierarchy with further focus on:
 - Alternative site selection
 - Compliance with national laws and regulations
 - Biodiversity action plans where applicable

Areas of high biodiversity and/or high-sensitivity ecosystems/habitats include Biosphere Reserves¹, Wetlands of International Importance², legally protected areas according to IUCN categories I–VI³, and other nationally protected or sensitive areas. The bank further recognizes the need to protect and preserve areas of cultural heritage. For transactions where the bank is able to identify potential impacts on such areas, an enhanced ES review will be conducted.

Deforestation

Deutsche Bank pays particular attention to avoiding financing deforestation. Forests do not only hold most of the world’s terrestrial biodiversity, but also provide crucial ecosystem services, as they regulate water cycles, provide clean air, and protect soil from erosion. The bank will not finance any activities that are directly linked to deforestation of primary tropical forests. Further requirements are embedded in the bank’s sectoral provisions.

4.5 Sector-specific issues

Deutsche Bank recognizes the risks of climate change and is committed to supporting the transition to a low-carbon, climate-resilient economy. Deutsche Bank was the first global commercial bank to receive Global Climate Fund accreditation, in 2015. By signing the [Paris Pledge for Action](#) in December 2015, the bank welcomed the [universal climate agreement](#) made at the 2015 United Nations Climate Change Conference in Paris. The bank’s corporate financial activities that support renewable energy are growing, while in asset management, building sustainable investment capacities remains one of the bank’s priorities.

The bank further announced its commitment to align the carbon intensity of its lending portfolios with the targets of the Paris Agreement, which the bank has pledged to by joining the [German Financial Sector Collective Commitment on Climate Action](#) (German), in June 2020, and by becoming a founding member of the Net-Zero Banking Alliance initiative in 2021.

¹ Biosphere Reserves are designated under UNESCO’s Man and the Biosphere Programme

² Wetlands of International Importance are protected under the Convention on Wetlands of International Importance from 1971 (Ramsar Convention)

³ Based on their management objectives, there are six categories of protected areas in the IUCN classification system: Ia. Strict Nature Reserve, Ib. Wilderness Area, II. National Park, III. Natural Monument or Feature, IV. Habitat or Species Management Area, V. Protected Landscape or Seascape, VI. Protected Area with Sustainable Use of Natural Resources

Hydropower

Hydropower is the largest source of low-carbon electricity, accounting for one-sixth⁴ of global electricity generation. It is a mature technology, playing a key role as demand for clean, reliable, and affordable energy rises. However, the development of new plants poses complex ES challenges and risks, which depend on the type, place, and scale of the project.

Any transaction involving the financing of a new hydropower plant or the expansion of an existing one requires an enhanced ES review and, potentially, discussion within a Regional Reputational Risk Committee – with potential exclusions based on the outcomes of the ES review.

The bank looks at a number of sector-specific factors, including the client's management systems and track record. Application of the Hydropower Sustainability Assessment Protocol by clients is highly valued. The bank also reviews how a utility company and/or project developer has:

- Taken into account the host country's energy situation, including its national energy strategy
- Addressed analysis of site alternatives
- Assessed river ecosystems and evaluated impacts on threatened and endangered species
- Analyzed the impact on sites of cultural, historic, or religious value or on agricultural land
- Addressed the resettlement of people where applicable

Nuclear energy

Nuclear power is the second-largest source of low-carbon electricity generation worldwide, after hydropower⁴. Deutsche Bank views nuclear power as an important low-carbon source of energy in the transition to a more sustainable energy mix. At the same time, the bank recognizes serious risks such as nuclear accidents or improper nuclear waste disposal. Therefore, the bank's financing for civil nuclear power is subject to strict country- and project-specific criteria.

Any transaction involving the financing of a new nuclear power plant or the expansion of an existing one requires enhanced ES review and, potentially, discussion within a Regional Reputational Risk Committee – with potential exclusions based on the outcomes of the ES review.

The bank will look at a number of sector-specific factors, including the client's management systems and track record, focusing specifically on:

- The status of ratification of the relevant conventions and treaties by the project country, for example, the Convention on Nuclear Safety or Nuclear Non-Proliferation Treaty
- The robustness of national regulatory frameworks
- The cooperation of the project country with the International Atomic Energy Association and application of internationally recognized safety and security standards
- Assessments addressing seismic and/or flood risks

Thermal coal power and mining

Since 2016, the bank has had a thermal coal policy in place covering coal power and coal mining. For coal power, the policy prohibits financing the development of new coal-fired power plants and the expansion of existing coal-fired power plants, irrespective of their location. For thermal coal mining, the existing thermal coal policy prohibits the financing of new thermal coal mines or material expansion of existing thermal coal mines.

The thermal coal policy was further enhanced in March 2018 by clarifying that the bank will not finance new greenfield thermal coal-related infrastructure regardless of whether the infrastructure is related to a new or existing plant or to a new or existing coal mine.

⁴ International Energy Agency (IEA): Hydropower Special Market Report, June 2021 (Hydropower Special Market Report – Analysis – IEA)

In March 2023, the requirements of the thermal coal policy were strengthened, and the criteria used to determine the scope of the policy were tightened. Effective May 2023, the following criteria apply to define if companies fall in the scope of the thermal coal policy in power and mining:

- A thermal coal revenue dependency of 30% or above – a company with such revenue dependency is considered a thermal coal company within the scope of the thermal coal policy
- A company with either an absolute thermal coal production of ten megatons per year or above and/or with ten gigawatts of thermal coal power capacity or above is within the scope of the thermal coal policy

For companies within the scope of the updated policy, the following requirements apply:

For clients to access financing (lending and capital markets), the bank requires credible diversification plans. Existing clients are required to present such plans in 2025, while for new clients such plans are a precondition for financing.

In this context, the bank has defined criteria for the evaluation of transition plans for the phasing out of thermal coal. Phaseout from thermal coal is expected for companies in OECD countries by 2030 and for companies in non-OECD countries by 2040. At the same time, the existing requirement with regard to clients with a thermal coal revenue dependency of more than 50% remains, stipulating the end of financing for such thermal coal companies if there are no credible plans to reduce this dependency to below 50% by 2025 in OECD countries or below 30% by 2030 in non-OECD countries.

State-owned enterprises in Just Energy Transition Partnership (JETP) countries will be allowed to have trajectories for the phaseout from thermal coal business that are aligned with the country's commitments under the JETP program.

Mountain Top Removal

Mountain Top Removal (MTR) is defined as a surface mining method that involves the removal of mountain tops to expose coal seams and the disposal of the associated mining overburden into adjacent valleys. Deutsche Bank recognizes that MTR, while being an established and regulated mining method, continues to be subject to political, judicial, and regulatory scrutiny.

Accordingly, Deutsche Bank will not provide financing and advisory services, including M&A, to mining companies that use MTR as an extraction method and make a material contribution to the total annual MTR coal production in the USA.

Metals and mining

Although the mining industry is an important source of metals and minerals for the global economy, mining operations present a range of environmental and social impacts requiring management and mitigation.

Therefore, any transaction involving financing of mining (the extraction of minerals and metals) requires enhanced ES review, with potential exclusions based on the outcomes of the ES review.

The bank looks at a number of sector-specific factors, including the client's management systems and track record. This includes assessing how the client's ES management system addresses:

- Contamination of water and soil
- Waste management
- Impacts on local ecosystems
- Workplace and community health and safety
- Community consultation, especially where operations are close to tribal areas or places of worship

The bank's review also considers whether the ES management system is certified according to internationally recognized standards such as ISO 14001 and ISO 45001. Furthermore, the bank will positively value the application of best practices such as the Sustainable Development Principles of the International Council of Mining and Metals; the IFC's Environmental, Health and Safety Guidelines for Mining; and the Voluntary Principles on Security and Human Rights.

Oil and gas

Oil and gas (O&G) (exploration, production, processing, and transport) can result in major adverse impacts on the environment and host communities if not adequately managed. Deutsche Bank applies enhanced environmental and social due diligence for transactions in the O&G sector. Depending on the type of involvement, further discussion within a Regional Reputational Risk Committee might be required.

According to the policy in place, the bank will not knowingly finance:

- Oil and gas projects via hydraulic fracturing in countries with extremely high water stress
- New oil and gas projects in the Arctic region; Arctic region being defined based on a 10°C July isotherm boundary, meaning the area does not experience temperatures above 10°C
- New projects involving exploration, production, and/or transport/processing of oil sands

Financing means direct lending and capital market business where the majority of the use of proceeds is linked to the projects outlined above.

Industrial agriculture and forestry

Industrial agriculture and forestry are important to produce a diverse range of soft commodities such as palm oil, soy, beef, coffee, tea, cacao, cotton, rubber, and timber. Industrial developments in these areas are positive for economic growth in certain countries but may have adverse impacts such as deforestation, loss of biodiversity, poor labor conditions, and conflicts with local communities. To address these concerns and to promote sustainable production, Deutsche Bank has introduced a set of guiding principles for clients active in these areas.

In 2014, Deutsche Bank signed the United Nations New York Declaration on Forests. The objective of the signatories is to support all endeavors to end natural forest loss by 2030.

As a member of the Banking Environment Initiative, the Bank is committed to financing the decarbonization of the global economy while protecting and restoring nature.

Any transaction involving financing for companies active in the upstream production and primary processing of the outlined soft commodities (for example growers or operators of mills) in non-OECD countries requires enhanced ES review. In addition to verifying compliance with national legislation and the availability of applicable permits, the bank looks at a number of sector-specific factors, including the client's management systems and track record. An important element of the bank's review is the status of certification, notably:

- For **palm oil**, the bank requires, as a minimum, that the client is a member of RSPO; furthermore, the bank expects the client's operations to be certified in accordance with RSPO or the client's time-bound commitment to achieve RSPO certification in a reasonable timeframe but no later than 2025
- For **timber**, the bank expects clients to be certified according to the Forest Stewardship Council (FSC) (preferred) or the Programme for the Endorsement of Forest Certification (PEFC)
- For **soy**, the bank prefers clients to be either certified according to the Roundtable on Responsible Soy Association or to demonstrate commitment to the Basel Criteria for Responsible Soy Production or the Amazon Soy Moratorium
- For other commodities such as **beef** or **cotton**, the bank expects clients to be guided by industry best practices and initiatives such as the Global Roundtable for Sustainable Beef, the Cattle Agreement, or the Better Cotton Initiative

Deutsche Bank observes developments of the different certification standards and initiatives in the areas outlined above and will update the guidelines if and when necessary.

Furthermore, the bank expects clients to demonstrate:

- Their public commitment (ideally in a policy document) to the No Deforestation, No Peat and No Exploitation standards
- Policies on new developments, including a commitment to conduct a High Conservation Value (HCV) assessment before any new plantation development, which involves identifying and conserving land with a high ecological, cultural, or social value
- Water management and protection provision (e.g. considering water scarcity, the recycling of wastewater, and the responsible use of pesticides and herbicides)
- Measures to protect biodiversity or endangered species and to prevent soil erosion, land degradation, and natural stock depletion

The bank will not finance activities where there is clear and known evidence of clearing of primary forests, areas of HCV or peatlands, illegal logging, or uncontrolled and/or illegal use of fire.

Fisheries

According to the UN Food and Agriculture Organization (FAO), nearly three billion people were provided with almost 20% of their intake of animal protein by fish in 2019. Fisheries and aquaculture support the livelihoods of 10–12% of the world’s population⁵. But today’s fishery industry faces a number of challenges such as illegal, unregulated, and unreported fishing, and over-exploration of important fish stocks. Therefore, responsible fishery practices are essential to “ensuring the effective conservation, management and development of living aquatic resources, with due respect for the ecosystem and biodiversity.”⁶

Any transaction involving the financing of companies active in catching and primary processing of fish outside the EU and USA requires enhanced ES review. This is based on a number of factors specific to the industry, including a client’s management systems, track record, and ability to demonstrate:

- Policies and procedures to regularly monitor the status of targeted fish stocks
- Processes to ensure no breaches of internationally agreed catch limits for the targeted fish stocks, including measures to reduce by-catch
- A commitment to align management systems with recommendations of the FAO’s Code of Conduct for Responsible Fisheries and/or plans to attain the Marine Stewardship Council certification or any other equivalent certification

We will not engage in business relationships where there is clear and known evidence of clients:

- Having recurring material breaches of imposed catch limits
- Not being in compliance with national health and safety requirements at a minimum; please also see the bank’s position on child and forced labor under the “Human rights” section

4.6 Summary of key ES standards

The table below summarizes the bank’s main positions and minimum standards of ES due diligence, including additional provisions on tobacco (electric cigarettes and cannabis), defense, gaming, and adult entertainment covered by the Reputational Risk Framework.

⁵ FAO: The State of World Fisheries and Aquaculture 2022

⁶ FAO: Code of Conduct for Responsible Fisheries

Main positions and minimum standards of environmental and social due diligence

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
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 processors, 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 transport/processing in the Arctic region (as demarcated by the 10°C July isotherm boundary); no financing of new oil and gas projects 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

5. Stakeholder engagement

Regular and meaningful stakeholder dialogue with shareholders, clients, employees, and society at large is fundamental to how Deutsche Bank conducts its business responsibly. It allows the bank to:

- Understand stakeholder concerns
- Prepare for potential future impacts on the bank's business model caused by global trends or regulation
- Minimize risks and detect business opportunities early on
- Make informed decisions, for the bank and when dealing with clients
- Define or improve standards and voluntary commitments across the sector
- Explain the bank's position on sensitive topics
- Promote mutual learning by recognizing the complexity of global issues

The results of the bank's dialogue feed into Deutsche Bank's sustainability as well as ES risk management and annual reporting. They also help the bank to respond constructively to critics, articulate its position on key issues, and explain the functionalities and limitations of financial products and services. Deutsche Bank is aware that the interests of shareholders, clients, employees, and the general public are sometimes in conflict, and that the bank has to negotiate between these interests. The bank remains open to meeting critical stakeholders and considering their input with care and attention.

In addition to regular Investor Relations activities and the Annual General Meeting, the bank's communications with stakeholders follow a threefold strategy: running Deutsche Bank's own events and activities on sustainability themes; taking part in forums, events and working groups; and exchanging with critical stakeholders on ad hoc issues.

6. Transparency toward internal and external stakeholders

Deutsche Bank's senior management receives regular and ad hoc updates on how the bank is managing environmental and social topics covered by this Framework. Furthermore, quarterly updates on reputational risk topics, including those related to environmental and social issues, are provided to the Group Reputational Risk Committee and Regional Reputational Risk Committees.

Deutsche Bank publishes information on the Framework's implementation, including the overview of "Transactions and clients reviewed under the Environmental and Social Policy Framework", in its annual Non-Financial Reports, which have received external limited assurance.

In addition, as a signatory to the Equator Principles, the bank has expanded its annual reporting and provides information on project finance-related transactions within the scope of the Equator Principles.

The bank also regularly publishes sustainability information on its website and social media channels.