



Business & Human Rights
Resource Centre

- via e-Mail -

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Banking on Climate Change, Fossil Fuel Finance Report Card 2020

Dear Ladies and Gentlemen,

Climate protection is one of the focal points of our sustainability approach. We support the Paris Agreement and are committed to its goals and to moving to a low-carbon economy. This commitment is an integral part of our corporate culture. Deutsche Bank's Code of Conduct also reflects this attitude.

In addition to that, respecting human rights is a guiding principle embedded in our Code of Conduct. We endorse international standards and guidelines such as the UN Guiding Principles on Business and Human Rights and the Core Labor Standards of the International Labor Organization (ILO). Our Human Rights Statement reinforces this commitment and outlines the approach we take to address this important issue. Our principle is not to engage in any activities or business relationships where there is clear evidence of human rights' violations.

As a global financial intermediary, we have a role to play in facilitating the transition of economies towards sustainable and low-carbon growth. We seek to ensure that our risk management processes help to avoid negative environmental and social impacts arising from our core businesses and promote sustainable business.

Under our Environmental and Social (ES) Policy Framework the following restrictions are applied in order to reduce our support for fossil fuels:

- No financing for new coal-power facilities and a reduction in existing exposures to power companies heavily dependent on coal;
- No financing of new thermal coal mines. We have met our 2016 commitment to reduce our existing exposure to thermal coal mines by 20 % by 2020. Residual exposures are extremely small, and we will continue to review our portfolio in this area;





- ES due diligence required for climate-intensive sectors, such as oil and gas, metals, and mining, as well as utilities. This process includes a review and sign-off by the control function Group Sustainability; and
- In 2019, the industry concentration thresholds for the oil and gas, utilities and steel, metals, and mining sectors were lowered, with inherent long-term climate risks taken into account.

Furthermore, we understand sustainable finance to be business activities that support the transition to a low-carbon economy by directing financial flows towards more sustainable and climate-friendly solutions. We use our market expertise, products, and solutions to drive our customers' transformation towards this direction.

We offer a range of sustainable finance solutions geared towards our clients' specific needs. In doing so, we can play to our strength as a universal bank.

For our commercial and corporate clients, we create individual lending offerings to advance their own business transformation to low carbon models.

Our Investment Bank assists companies and governments in gaining access to sustainable financing on the capital markets.

In our Asset Management, we are focusing on mainstreaming ESG by integrating ESG aspects into our investment strategies, as well as the respective product portfolio and services. We are continuously growing the number of sustainable investment products available for institutional and private investors.

None of the above mentioned commitments expect us to change the business model overnight. We are working on a gradual transformation. The same applies for our client relationships. It is important for us to maintain dialogue with our clients and support them to shape the transformative process into a low-carbon economy, not to terminate it. This also counts for our client exposures to the fossil fuels sector and those clients with a diversified product portfolio.

Kind Regards,

Deutsche Bank AG
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