

## SECOND PARTY OPINION (SPO)

---

Verification of the Sustainability Quality of the Issuer and the Green Asset Pool

Deutsche Bank AG  
11 November 2022

### VERIFICATION PARAMETERS

---

Type(s) of instrument(s) contemplated	<ul style="list-style-type: none"><li>Green Financing Instruments, which include, but are not limited to (Covered) Bonds, Commercial Papers ('CPs'), Repurchase Agreements ('Repos'), and Deposits</li></ul>
Relevant standards	<ul style="list-style-type: none"><li>Green Bond Principles, administered by the International Capital Market Association, updated June 2021</li></ul>
Scope of verification	<ul style="list-style-type: none"><li>Deutsche Bank AG Green Financing Framework (as of June 30, 2022)</li><li>Deutsche Bank AG Green Asset Pool (as of June 30, 2022)</li></ul>
Lifecycle	<ul style="list-style-type: none"><li>Pre-issuance verification</li></ul>
Validity	<ul style="list-style-type: none"><li>Valid as long as the Framework remains unchanged</li></ul>

## CONTENT

SCOPE OF WORK .....	3
ASSESSMENT SUMMARY .....	4
SPO ASSESSMENT .....	5
PART I: GREEN FINANCING INSTRUMENTS LINK TO DEUTSCHE BANK'S SUSTAINABILITY STRATEGY	5
A. ASSESSMENT OF DEUTSCHE BANK'S ESG PERFORMANCE.....	5
B. DEUTSCHE BANK'S EXPOSURE TO ESG RISKS .....	6
C. CONSISTENCY OF GREEN FINANCING INSTRUMENTS WITH DEUTSCHE BANK'S SUSTAINABILITY STRATEGY.....	8
PART II: ALIGNMENT WITH GREEN BOND PRINCIPLES .....	10
PART III: SUSTAINABILITY QUALITY OF THE ELIGIBLE CATEGORIES .....	19
A. CONTRIBUTION OF THE ELIGIBLE GREEN ASSETS TO THE UN SDGs .....	19
B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND OPPORTUNITIES ASSOCIATED WITH THE ASSET POOL AND THE ELIGIBILITY CRITERIA .....	23
ANNEX 1: Methodology .....	29
ANNEX 2: ISS ESG Corporate Rating Methodology .....	30
ANNEX 3: Quality management processes.....	31
About ISS ESG SPO.....	32

## SCOPE OF WORK

Deutsche Bank AG (hereafter 'Deutsche Bank' or 'the Issuer') commissioned ISS Corporate Solutions to assist with its Green Financing Instruments (including but not limited to (Covered) Bonds, Commercial Papers ('CPs'), Repurchase Agreements ('Repos') and Deposits) by assessing three core elements to determine the sustainability quality of the instruments:

1. Green Financing Instrument's link to Deutsche Bank sustainability strategy – drawing on Deutsche Bank's overall sustainability profile and issuance-specific Use of Proceeds categories (see Annex 2).
2. Deutsche Bank's Green Financing Framework – benchmarked against the International Capital Market Association's (ICMA) Green Bond Principles (GBP).
3. The Asset Pool<sup>1</sup> – whether the eligible assets contribute positively to the UN SDGs and perform against ISS ESG's asset-specific key performance indicators (KPIs) (See Annex 1).

---

<sup>1</sup> The ISS ESG risk assessment is limited to the scope of the asset pool provided by Deutsche Bank as of June 30, 2022, and on the underlying Framework dated June 30, 2022.

## ASSESSMENT SUMMARY

SPO SECTION	SUMMARY	EVALUATION <sup>2</sup>
<p><b>Part 1:</b></p> <p><b>Green Financing Instruments link to Issuer's Sustainability strategy</b></p>	<p>According to the ISS ESG Corporate Rating published on June 20, 2022, the Issuer shows a high sustainability performance against the industry peer group on key ESG issues faced by the Commercial Banks &amp; Capital Markets sector. The Issuer ranks 17<sup>th</sup> out of 300 companies within its sector. The institution is facing severe controversies relating to weaknesses in anti-money laundering controls.</p> <p>The Use of Proceeds financed through the Green Financing Instruments are consistent with the Issuer's Sustainability strategy and material ESG topics for the Issuer's industry. The rationale for issuing Green Financing Instruments is clearly described by the Issuer.</p>	<p><b>Consistent with Issuer's Sustainability strategy</b></p>
<p><b>Part 2:</b></p> <p><b>Alignment with GBP</b></p>	<p>The Issuer has defined a formal concept for its Green Financing Instruments regarding the Use of Proceeds, Processes for Project Evaluation and Selection, Management of Proceeds, and Reporting. This concept is in line with the Green Bond Principles.</p>	<p><b>Aligned</b></p>
<p><b>Part 3:</b></p> <p><b>Sustainability quality of the Asset Pool</b></p>	<p>The overall Sustainability quality of the Asset Pool in terms of sustainability benefits, risk avoidance and minimisation is good based on the ISS ESG assessment. The Green Financing Instruments will (re-)finance eligible assets which include Green Buildings, Renewable Energy, Energy Efficiency, and Clean Transportation.</p> <p>Those Use of Proceeds categories have a significant contribution to SDGs 7 'Affordable and clean energy', 11 'Sustainable cities and communities' and 13 'Climate action'. The environmental and social risks associated with those Use of Proceeds categories are well managed.</p>	<p><b>Positive</b></p>

<sup>2</sup> ISS ESG's evaluation is based on the Deutsche Bank's Green Financing Framework, on the analysed Asset Pool as received on June 30, 2022 and on the ISS ESG Corporate Rating updated on the June 20, 2022 and applicable at the SPO delivery date.

## SPO ASSESSMENT

### PART I: GREEN FINANCING INSTRUMENTS LINK TO DEUTSCHE BANK'S SUSTAINABILITY STRATEGY

#### A. ASSESSMENT OF DEUTSCHE BANK'S ESG PERFORMANCE

The ISS ESG Corporate Rating provides material and forward-looking environmental, social and governance (ESG) data and performance assessments.

COMPANY	INDUSTRY	DECILE RANK	TRANSPARENCY LEVEL
<b>DEUTSCHE BANK AG</b>	<b>COMMERCIAL BANKS &amp; CAPITAL MARKETS</b>	<b>1</b>	<b>VERY HIGH</b>

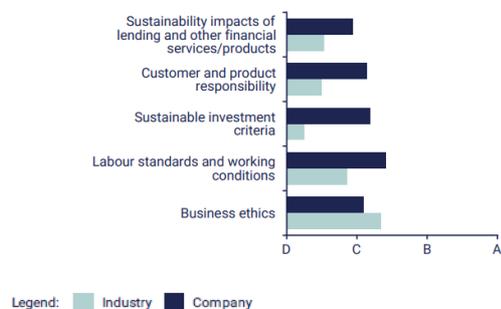
This means that the company currently shows a high sustainability performance against peers on key ESG issues faced by the Commercial Banks & Capital Markets industry and obtains a Decile Rank relative to the industry group of 1, given that a decile rank of 1 indicates highest relative ESG performance out of 10.

#### *ESG performance*

As of June 20, 2022, this Rating places Deutsche Bank 17<sup>th</sup> out of 300 companies rated by ISS ESG in the Commercial Banks & Capital Markets industry.

Key challenges faced by companies in terms of sustainability management in the Commercial Banks & Capital Markets industry are displayed in the chart on the right, as well as the Issuer's performance against those key challenges in comparison to the average industry peers' performance.

**Key Issue Performance**



Leveraging ISS ESG's Corporate Rating research, further information about the Issuer's ESG performance can be found on ISS ESG Gateway at: <https://www.issgovernance.com/esg/iss-esg-gateway/>.

The consistency between the issuance subject to this report and the Issuer's sustainability strategy is further detailed in Part I.C of the report.

## B. DEUTSCHE BANK'S EXPOSURE TO ESG RISKS

This section aims to provide an overall level of information on the ESG risks to which the Issuer is exposed through its business activities, providing additional context to the issuance assessed in the present report.

### ESG risks associated with the Issuer's industry

The Issuer is classified in the Commercial Banks & Capital Markets, as per ISS ESG's industry classification scheme. Key challenges faced by companies in terms of sustainability management in this industry are displayed in the table below. Please note, that this is not a company-specific assessment but areas that are of particular relevance for companies within that industry.

ESG KEY ISSUES IN THE INDUSTRY
Sustainability impacts of lending and other financial services/products
Customer and product responsibility
Sustainable investment criteria
Labour standards and working conditions
Business ethics

### Sustainability impact of products and services portfolio

Using a proprietary methodology, ISS ESG assessed the contribution of Deutsche Bank's current products and services portfolio to the Sustainable Development Goals defined by the United Nations (UN SDGs). This analysis is limited to the evaluation of final product characteristics and does not include practices along Deutsche Bank's production process.

PRODUCT/SERVICES PORTFOLIO	ASSOCIATED SHARE OF NET SALES <sup>3</sup>	DIRECTION OF IMPACT	UN SDGS
Promoting Sustainable Buildings	1%	CONTRIBUTION	

### Breaches of international norms and ESG controversies

#### At Issuer level

At date of publication the Issuer is facing severe controversy relating to weaknesses in anti-money laundering controls. The New York State (NY) Department of Financial Services (DFS) announced in July 2020 that it had fined Deutsche Bank AG and two of its subsidiaries, including Deutsche Bank AG

<sup>3</sup> For companies in the financial sector, the total business volume (including e.g., loan volume, assets under management, underwriting volume) is used as a reference value to calculate the percentage above. The financial year of reference is 2020.

/New York Branch/, \$150 million over anti-money laundering (AML) compliance infringements and lax oversight of financial transactions of convicted sex offender Jeffrey Epstein, who was a client at Deutsche Bank between 2013 and 2018. Media previously reported in June 2019 that Deutsche Bank was under investigation by the United States (U.S.) Federal Bureau for Investigation (FBI) over potential AML compliance violations, including the bank's handling of so-called suspicious activity reports (SARs) in relation to former U.S. President Donald Trump. As part of a 2017 settlement with the U.S. DFS and the United Kingdom (U.K.) Financial Conduct Authority (FCA), Deutsche Bank has been working with an independent compliance monitor, whose scope was widened to address the infringements mentioned in the July 2020 NYDFS consent order. The FCA noted at the time the bank's cooperation and commitment to a remediation program to mitigate money laundering risks. In communication with ISS ESG in May 2022, the bank stated that its control functions and business divisions "are working hard to put the processes and structures in place to prevent the recurrence of a large number of litigation cases and regulatory investigations." The statement above represents ISS ESG's opinion. Deutsche Bank's statement on individual proceedings is published in the Bank's Annual Report 2021, p. 278.

At industry level

Based on a review of controversies over a 2-year period, the top three issues that have been reported against companies within the Commercial Banks & Capital Markets industry are as follows: Failure to mitigate climate change impacts, Failure to prevent money laundering, and anti-competitive behaviour.

Please note, that this is not a company-specific assessment but areas that can be of particular relevance for companies within that industry.

## C. CONSISTENCY OF GREEN FINANCING INSTRUMENTS WITH DEUTSCHE BANK'S SUSTAINABILITY STRATEGY

### *Key sustainability objectives and priorities defined by the Issuer*

The Issuer states that sustainability continues to be a component of its “Global Hausbank” strategy, set in 2022. Since then, the Issuer has made progress in embedding sustainability into its business practices. The sustainability principles are anchored in the Code of Conduct.<sup>4</sup>

The annual Non-Financial Report<sup>5</sup> available on the Issuer’s website discloses material non-financial information, determined by means of an annual materiality assessment. The assessment, based on the GRI standards, considers external expectations and internal business relevance of non-financial topics. The Issuer supplements the assessment with an analysis of whether a non-financial topic is relevant to understand its current or future development, financial position, performance, or cash flows.

In 2020, the Issuer set a target of achieving at least EUR 200 billion in sustainable financing and ESG investment by year-end 2025. Given the progress the Issuer has been making, this target was brought forward to the end of 2023, and finally to the end of 2022. In addition, Deutsche Bank aims to achieve a further € 100 billion per year from 2023 to 2025, reaching a cumulative total of over € 500 billion by the end of 2025.

The Issuer has established a Sustainable Financing Framework to establish a bank-wide consistent definition of what constitutes sustainable finance.<sup>6</sup> Engagements include ending global business activities in thermal coal mining by 2025 unless credible diversification plans can be demonstrated, maintaining the carbon neutrality of its operations, and using 100% renewable electricity by 2025, including an interim target of 85% by 2022. The Issuer is committed to enhancing the sustainability expertise and activity in all business areas as well as further developing its climate and ESG risk management Frameworks and Environmental and Social Policy Framework.<sup>7</sup>

To carry out the sustainability mission and achieve the targets, the Issuer has embedded sustainability holistically throughout the bank, focusing our efforts on the following four dimensions:

- Sustainable Finance
- Policies and Commitments
- People and operations
- Thought Leadership and Stakeholder Engagement

The Issuer has endorsed universal Frameworks and Initiatives and international standards, including:

- UN Sustainable Development Goals
- UNEP FI Principles of Responsible Banking
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, including the ILO Core Labor Standards
- UN Guiding Principles on Business and Human Rights

<sup>4</sup> [Deutsche Bank Group - Code of Conduct](#)

<sup>5</sup> [Deutsche Bank Non-Financial Report 2021](#)

<sup>6</sup> [Sustainable Financing Framework – Deutsche Bank Group](#)

<sup>7</sup> [Environmental and Social Policy Framework – Deutsche Bank](#)

- The Equator Principles

By signing the Paris Pledge for Action in 2015, the Issuer demonstrated its commitment to contribute to the goals of the Paris Agreement. In addition, the Issuer joined the German Financial Sector's collective commitment to Climate Action in June 2020. Furthermore, the Issuer joined the Net Zero Banking Alliance as a founding member in April 2021 committing to align the operational and attributable emissions from their portfolios with pathways to net-zero by 2050 or sooner. The Issuers white paper "Toward net zero emissions" as well as its Non-Financial Report (section Toward a sustainable and carbon-neutral economy" give a comprehensive overview of its approach to sustainability and combating climate change.

Moreover, Deutsche Bank was appointed as a member of the ICMA's working group on Sustainability-Linked Bonds. The Issuer is one of the 13 banks that founded the Green Bond Principles in 2014, which guide the development of the green bond market.

### *Rationale for Issuance*

As part of its broader sustainability strategy, Deutsche Bank AG has established its Green Financing Framework. The goals are to ensure that the clients have access to financing that helps them to pursue the necessary transition to an environmentally sustainable future and to ensure that Deutsche Bank's commitment and beliefs have been put into practice with this Framework.

### *Contribution of Use of Proceeds categories to sustainability objectives and priorities*

ISS ESG mapped the Use of Proceeds categories financed under the Green Financing Instruments with the sustainability objectives defined by the Issuer, and with the key ESG industry challenges as defined in the ISS ESG Corporate Rating methodology for the Commercial Banks & Capital Markets. Key ESG industry challenges are key issues that are highly relevant for a respective industry to tackle when it comes to sustainability, e.g., climate change and energy efficiency in the buildings sector. From this mapping, ISS ESG derived a level of contribution to the strategy of each Use of Proceeds category.

USE OF PROCEEDS CATEGORY	SUSTAINABILITY OBJECTIVES FOR THE ISSUER	KEY ESG INDUSTRY CHALLENGES	CONTRIBUTION
Renewable Energy	✓	✓	Contribution to a material objective
Energy Efficiency	✓	✓	Contribution to a material objective
Green Buildings	✓	✓	Contribution to a material objective
Clean Transportation	✓	✓	Contribution to a material objective
Information and Communication Technology (ICT)	✓	✓	Contribution to a material objective

**Opinion:** ISS ESG finds that the Use of Proceeds categories of the Green Financing Instruments are consistent with the Issuer's sustainability strategy and material ESG topics for the Issuer's industry. The rationale for issuing Green Financing Instruments is clearly described by the Issuer.

## PART II: ALIGNMENT WITH GREEN BOND PRINCIPLES

### 1. Use of Proceeds

#### FROM ISSUER'S FRAMEWORK

An amount corresponding to the net proceeds from any Green Financing Instrument issued under the Framework shall be used to finance Deutsche Bank's Green Asset Pool (the Green Asset Pool). The pool is composed of both loans to and investments in corporations, assets or projects, which supports the transition to a clean, energy efficient and environmentally sustainable global economy and are in line with the requirements of this Framework (Eligible Green Assets). Deutsche Bank commits on a best-efforts basis to reach full allocation within one year following each Green Financing Instrument issuance.

In order to be eligible for inclusion in the Green Asset Pool, the loan or investment must fall in at least one of the sectors described in the table below (Eligible Sectors). In case of general corporate loans, at least 90% of the turnover of the corporation needs to be attributable to Eligible Sectors and fulfil the respective requirements. In addition to outlining the required eligibility criteria, the table below also maps the Eligible Sectors to the relevant GBP category and the SDGs.

GBP CATEGORY	ELIGIBILITY CRITERIA
Renewable Energy	<p>Loans or investments in corporations, assets or projects related to renewable energy projects, including, but not limited to, wind (onshore/offshore), solar (photovoltaic /concentrated solar power), geothermal energy, hydropower and biomass.</p> <p><u>Eligibility requirements under the current version of the EU Taxonomy<sup>8</sup> to be considered:</u></p> <ul style="list-style-type: none"> <li>• Asset/project loans: life cycle emissions threshold of 100g CO<sub>2</sub>e / kWh for electricity production from hydropower, geothermal energy, and renewable non-fossil gaseous and liquid fuels</li> <li>• Electricity generation facilities that produce electricity from hydropower, meeting at least one of the following criteria <ul style="list-style-type: none"> <li>○ electricity generation facility is a run-of-river plant without an artificial reservoir</li> <li>○ the power density of the electricity generation facility is above 5 W/m<sup>2</sup></li> <li>○ Life-cycle emissions threshold of 100 g CO<sub>2</sub>e/kWh for electricity production<sup>9</sup></li> </ul> </li> <li>• Bio-mass specific: facilities using certified feedstock and operating above 80% of GHG emissions-reduction in relation to the relative fossil fuel comparator set out in RED II increasing to 100% by 2050</li> </ul>

<sup>8</sup> Delegated act on sustainable activities for climate change adaptation and mitigation objectives : [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=PL\\_COM:C\(2021\)2800](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=PL_COM:C(2021)2800)

<sup>9</sup> The life cycle GHG emissions are calculated using Recommendation 2013/179/EU or, alternatively, using ISO 14067:2018162, ISO 14064-1:2018163 or the G-res tool164. Quantified life cycle GHG emissions are verified by an independent third party

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Energy Efficiency</p>	<p>Loans or investments in corporations, assets or projects related to the development and implementation of products or technology that reduce the use of energy. Examples include, but are not limited to: energy efficient lighting (e.g. LEDs), energy storage (e.g. fuel cells), improvement in energy services (e.g. smart grid meters)</p> <p><u>Eligibility requirements under the current version of the EU Taxonomy to be considered:</u></p> <ul style="list-style-type: none"> <li>• Energy efficiency is mentioned across various activities, as such no general threshold can be applied, and decisions need to be made on a case-by-case basis depending on the sector and activity specific background</li> </ul>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Green Buildings</p>	<p>Loans or investments in corporations, assets or projects related to the construction, acquisition, operation and renovation of new and existing buildings (with a minimum energy efficiency upgrade) in the commercial and residential real estate sector, meeting at least one of the following criteria:</p> <ul style="list-style-type: none"> <li>• Buildings which meet at least one of the following certifications: <ul style="list-style-type: none"> <li>○ BREEAM “Excellent” or higher,</li> <li>○ DGNB “Gold” or higher,</li> <li>○ Green Mark “Gold Plus” or higher</li> <li>○ Green Star “5 Star” or higher</li> <li>○ HQE “Excellent”, or higher</li> <li>○ LEED “Gold” or higher,</li> <li>○ NABERS Energy “5 Star” or higher</li> <li>○ or where needed, other internationally and/or nationally recognized certification that is comparable to the above thresholds</li> </ul> </li> <li>• For buildings built after 31 December 2020: <ul style="list-style-type: none"> <li>○ Net primary energy demand of the new construction must be at least 10% lower than the primary energy demand resulting from the relevant ‘nearly zero-energy building’ (‘NZEB’) requirements.</li> </ul> </li> <li>• For buildings built before 31 December 2020: <ul style="list-style-type: none"> <li>○ Buildings within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence (see below), which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings, or</li> <li>○ Buildings<sup>10</sup> with an Energy Performance Certificate (EPC) class of at least A or B, or</li> <li>○ Buildings<sup>11</sup> which satisfy the minimum requirements as defined in <i>Energieeinsparverordnung 2009 (EnEV 2009)</i></li> </ul> </li> </ul> <p>For its loan portfolio related to real estate activities, Deutsche Bank worked with the engineering consultant Drees &amp; Sommer to develop a robust methodology for selecting green buildings from its loan portfolio. It is at Deutsche Bank’s discretion to use also other information as proxy to derive compliance with the eligibility criteria. The selection</p>

<sup>10</sup> Only for German residential real estate building

<sup>11</sup> Only for German residential real estate building

	<p>process takes into account the national and regional background, in which the buildings are located. Further information on the eligibility threshold and selection process can be found in the Annex.</p> <p>Renovation of existing buildings that meet at least one of the following criteria:</p> <ul style="list-style-type: none"> <li>• Energy savings of at least 30% in comparison to the baseline performance of the building before the renovation</li> <li>• Building renovation compliant with energy performance standards set in the applicable building regulations for ‘major renovations’ transposing the Energy Performance of Buildings Directive</li> </ul> <p>Loans or investments in assets or projects related to the installations, maintenance and repair of individual measures that improve energy efficiency of the buildings, including, but not limited, to upgrade of windows, improvement of insulation, installation of heating, deployment of smart meters, installation of renewable energy generation capacity, among others.</p> <p>Buildings that are used for the purpose of occupation in the ordinary course of business by fossil fuel extraction or manufacturing of fossil fuel activities are explicitly excluded.</p>
<p>Clean Transportation</p>	<p>Loans or investments in corporations, assets or projects related to the development, manufacture, acquisition, financing, leasing, renting and operation of means of clean transportation, incl. required and dedicated components, for rail and road transport (passenger and freight), water transport (passenger and freight), personal mobility or transport devices, and infrastructure for low carbon transport (land and water), meeting at least one of the following criteria:</p> <p><u>Eligibility requirements under current version of the EU Taxonomy to be considered:</u></p> <ul style="list-style-type: none"> <li>• Any zero direct (tailpipe) emission vehicles or vessels</li> <li>• Passenger and freight rail transport using trains and wagons that have zero direct (tailpipe) CO<sub>2</sub> emission when operated on a track with necessary infrastructure, and use a conventional engine where such infrastructure is not available (bi-mode)</li> <li>• Other means of transportation in an urban and suburban context which confirm to the respective vehicle specific thresholds set by the EU Taxonomy</li> <li>• Until 31 December 2025, hybrid and dual fuel vessels which derive at least 25% (sea and coastal water transport) and 50% (inland passenger water transport) of their energy from zero direct (tailpipe) CO<sub>2</sub> emission fuels or plug-in power for their normal operation</li> <li>• Other means of water transportation which confirm to the respective vessel specific thresholds set by the EU Taxonomy confirmed by third party on an individual basis</li> <li>• Personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity. This includes the provision of freight transport services by (cargo) bicycles</li> </ul>

	<ul style="list-style-type: none"> <li>• Infrastructure required for zero direct emissions transport and low carbon transport incl. infrastructure/equipment for electric vehicles and active mobility, among others</li> </ul> <p>Activities dedicated to the transportation of fossil fuel are explicitly excluded</p>
<p>Information and Communications Technology (ICT)</p>	<p>Loans or investments in corporations, assets or projects related to acquisition and capital expenditure relating to energy-efficient data centers and equipment (buildings, cooling, power and data distribution equipment and monitoring systems) for data processing, hosting and related activities: Storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres, incl. edge computing, meeting the one of the criteria below:</p> <ul style="list-style-type: none"> <li>• 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 CEN-CENELEC document CLC TR50600-99-1 "Data centre facilities and infrastructures - Part 99-1: Recommended practices for energy management"<sup>12</sup>. The implementation of those practices is verified by an independent third-party and audited at least every three years</li> <li>• The data center meets the Power Usage Effectiveness (PUE) thresholds defined by the bank as the key metric under the European Code of Conduct</li> </ul>
	<p>Other Eligible Sectors might be added upon future updates of the Framework.</p>

**Exclusions:** Deutsche Bank explicitly excludes non-committed or non-performing exposures, as well as loans to businesses or projects that are involved in the following operations from being eligible for the Green Asset Pool:

- Activities related to the exploration and production of fossil fuels
- Nuclear and nuclear-related technologies
- Weapons, alcohol, tobacco, gambling, and adult entertainment
- Deforestation and degradation of forests

In addition to the requirements specific to the Eligible Sectors, all loans originated by Deutsche Bank that are potentially eligible for inclusion in the Green Asset Pool are tested against the bank’s Environmental and Social Policy Framework (ES Policy Framework). The ES Policy Framework evaluates potential environmental and social risks that could arise from transactions or interactions with clients, and with specific principles and guidelines determine the best course of action.

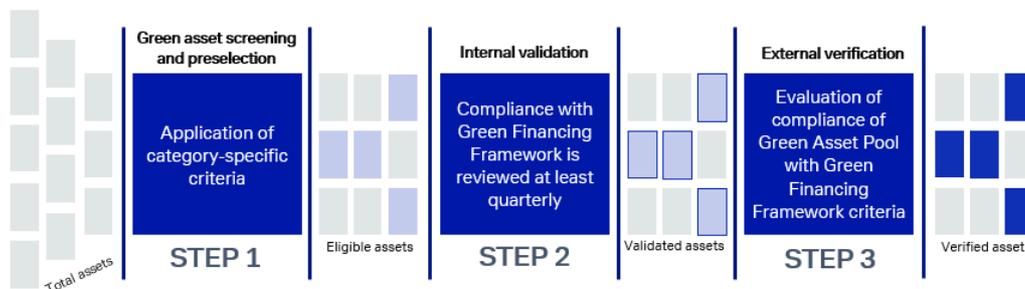
**Opinion:** ISS ESG considers the Use of Proceeds description provided by Deutsche Bank’s Green Financing Framework as aligned with the ICMA’s Green Bond Principles. In addition to the Green Project categories proposed by the standard, the Issuer completes the project list with the project category Information and Communications Technology (ICT). Criteria are outlined in a transparent manner. Environmental and social benefits are described. A detailed assessment of the Use of Proceeds categories is provided in Part III of this report. The Green Bond Principles recommends that Issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced, and, to the extent relevant, the expected look-back period for refinanced eligible Green Projects.

<sup>12</sup> Issued on 1 July 2019 by the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization ([CENELEC](http://www.cenelec.eu)).

## 2. Process for Asset Evaluation and Selection

### FROM ISSUER'S FRAMEWORK

To identify Eligible Green Assets that are in line with the Eligible Sectors and related criteria defined in the "Use of Proceeds" section, Deutsche Bank follows a three-step process: i. green asset screening and pre-selection, ii. internal validation, and iii. external verification.



#### Step 1: Green asset screening and pre-selection

For each of the Eligible Sectors, Deutsche Bank has put in place category-specific selection criteria that are used by the respective originating business areas to identify eligible items in their portfolio. The selection criteria are in accordance with conditions outlined in section 2.2 Use of Proceeds and might be extended by the evolving criteria around the do-no-significant-harm assessment as proposed through the EU Taxonomy in the future.

#### Step 2: Internal validation

Deutsche Bank has formed a Green Financing Forum (the Forum) consisting of representatives from Group Sustainability, Treasury, various control functions, and origination/front office units and convenes at least at quarterly intervals. Selected members of the Forum are assigned dedicated responsibility to oversee and perform the governance process of Deutsche Bank's green bond operation.

In fact, Group Sustainability bears the responsibility for performing the internal validation of preselected assets provided by the origination/front office units. The internal validation process ensures compliance of preselected assets with the Framework and an ES due diligence will be conducted to confirm that Eligible Assets do not have material negative environmental and/or social impact. Group Sustainability has full discretion to object to the inclusion of any asset, ultimately blocking them from being included in the Green Asset Pool in case of relevant concerns. Generally, the identification of Eligible Green Assets and inclusion in the Green Asset Pool is a mere designation and does not imply nor prevent any change in ownership, pledge or lien for the benefit of third parties and is a process independent from the allocation of any financial assets as collateral for any financing transactions<sup>13</sup>. Furthermore, Group Sustainability and Treasury are in charge of any further developments of the Deutsche Bank's Green Financing Framework. The Forum will be informed and/or consulted on the inclusion of newly added green assets, as well as on adjustments to the Framework.

Potential future changes to the Framework's selection criteria will not affect the treatment of Eligible Green Assets retroactively, in other words, Eligible Green Assets that went successfully through the preselection and validation steps will not be affected by ex-ante Framework changes and will remain in the Green Asset Pool. Ex-post removal (other than through maturity or sale of the asset) or substitution of assets from the Green Asset Pool is generally possible if new information concerning Eligible Green Assets emerges that

<sup>13</sup> Eligible Green Assets already included in the use of proceeds of an outstanding green financing instrument will be excluded from being eligible for the inclusion into the Green Asset Pool.

warrant their removal from the Green Asset Pool. A process for such removal will also be overseen by Group Sustainability and Treasury.

**Step 3: External verification**

A reputable verifier is mandated to evaluate on an annual basis the compliance of the Green Asset Pool with the requirements set by this Framework. Any issue regarding one or multiple green assets in the pool raised by the verifier in this process can lead to the ex-ante exclusion of the respective asset(s), following the exclusion process as described in step two.

**Opinion:** *ISS ESG considers the Process for Asset Evaluation and Selection description provided by Deutsche Bank's Green Financing Framework as aligned with the ICMA's Green Bond Principles. Assets are to be validated by Group Sustainability to ensure compliance of pre-selected assets with the Framework. In addition, the Issuer engages with external expertise and ensures through an internal validation process compliance of the current assets pool with the Eligibility Criteria, reserving the option to run non-eligible assets through an ex-ante exclusion process. Finally, the Issuer conducts an E&S screening process with respect to the identification and mitigation of relevant ESG risks.*

### 3. Management of Proceeds

#### FROM ISSUER'S FRAMEWORK

An amount corresponding to the net proceeds of any Green Financing Instrument issued by Deutsche Bank under the Framework, irrespective of the legal form of the instrument, will be used to finance Deutsche Bank's Green Asset Pool. The Eligible Green Assets stem from all different Eligible Sectors as defined in section 2.2 Use of Proceeds, subject to the asset selection and evaluation process. The Green Asset Pool is expected to grow in size over time as further sectors are added to the Framework.

Eligible Green Assets validated by Group Sustainability are documented in the Deutsche Bank Green Asset Inventory (the Inventory), which represents the technical mapping of the Green Asset Pool. The Inventory is populated based on information provided by all parties involved in the asset selection process. Flagging assets to be documented in the Inventory is a mere designation and does not imply any change in ownership, pledge or lien for benefit of third parties or change in assignment to legal entity, branch or division.

Deutsche Bank strives, at any point in time, to maintain a larger total amount of Eligible Green Assets than the total net proceeds of all Green Financing Instruments outstanding. To maintain a buffer of Eligible Green Assets in the Inventory over net proceeds of Green Financing Instruments, Deutsche Bank is dedicated to substitute maturing loans or other financings with an appropriate alternative as timely as practically possible. The Inventory is routinely monitored by Deutsche Bank's Treasury unit to detect potential shortfalls. Should a shortfall occur, Treasury will direct at its own discretion, the shortfall amount towards its liquidity portfolio, consisting of cash and/or cash equivalents, and/or other liquid marketable instruments.

**Opinion:** *ISS ESG finds that the Management of Proceeds proposed by Deutsche Bank's Green Financing Framework aligns with the ICMA's Green Bond Principles. The Issuer strives to maintain a larger total amount of eligible green assets than the total net proceeds of all Green Financing Instruments outstanding. In addition, the Issuer commits to reaching full allocation within one year after issuance, reflecting best market practices. In line with current market practices, Deutsche Bank commits to direct shortfalls towards its liquidity portfolio, consisting of cash and/or cash equivalents, and/or other liquid marketable instruments.*

## 4. Reporting

### FROM ISSUER'S FRAMEWORK

As long as there is any Green Financing Instrument outstanding, Deutsche Bank is committed to publish relevant information and documents regarding our Green Financing Instruments in a dedicated Green Financing Report, which will be made available on our investor relation website ([www.db.com/ir/](http://www.db.com/ir/)) on an annual basis. The report is split in two parts (i) the allocation reporting and (ii) the impact reporting, whereby each report will contain details including, but not limited to:

#### Allocation reporting

- Confirmation that the Use of Proceeds of Green Financing Instruments outstanding are in alignment with the eligibility criteria set by the Framework
- The total amount of outstanding Green Financing Instruments in the respective categories (bonds, deposits, etc.) and the share of proceeds used for financing or re-financing purposes
- The amount of net proceeds allocated within each Eligible Sector, as well as the balance of net proceeds not yet allocated to Eligible Green Assets (if any)
- In addition, the reporting may include, but is not required to, illustrative examples describing Eligible Green Assets to which net proceeds of Green Financing Instruments have been allocated, which are subject to confidentiality commitments to clients

#### Impact reporting

Subject to feasibility and data availability, the impact reporting will focus on the following information:

- Asset-specific results (where possible) and related environmental impact indicators (such as CO2 emissions avoided)
- Asset category aggregated results and related environmental impact indicators (such as CO2 emissions avoided)

An overview of selected impact indicators for the respective categories to be financed are outlined in the appendix of the underlying Framework. In case other Eligible Sectors will be added in the future, the Framework update would also include the addition of the respective impact reporting indicators for those asset categories.

**Opinion:** ISS ESG finds that the reporting proposed by Deutsche Bank's Green Financing Framework is aligned with the GBP. The Issuer is transparent on the expected level of Use of Proceeds allocation reporting and has defined targets for its impact reporting, communicating the expected and/or achieved impact of the projects. The Issuer commits to the use of mainly qualitative performance indicators. The annual reporting will be made publicly available.

## External review

### FROM ISSUER'S FRAMEWORK

The review results are documented in a Second Party Opinion, which confirms that the Framework meets the GBP at time of its publication. The Second Party Opinion will be made available on Deutsche Bank's investor relations webpage ([www.db.com/ir/](http://www.db.com/ir/)).

In order to ensure sustained compliance of all issued Green Financing Instruments with the methodology set out in this Framework, Deutsche Bank will further appoint ISS ESG or any other party as the successor for ISS ESG as an annual verifier.

## PART III: SUSTAINABILITY QUALITY OF THE ELIGIBLE CATEGORIES

### A. CONTRIBUTION OF THE ELIGIBLE GREEN ASSETS TO THE UN SDGs

Based on the assessment of the sustainability quality of the asset pool and using a proprietary methodology, ISS ESG assessed the contribution of the Deutsche Bank's Green Financing instruments to the Sustainable Development Goals defined by the United Nations (UN SDGs).

This assessment is displayed on 5-point scale (see Annex 2 for methodology):

<b>Significant Obstruction</b>	<b>Limited Obstruction</b>	<b>No Net Impact</b>	<b>Limited Contribution</b>	<b>Significant Contribution</b>
------------------------------------	--------------------------------	--------------------------	---------------------------------	-------------------------------------

Each of the Asset Pool's Use of Proceeds categories has been assessed for its contribution to, or obstruction of, the SDGs:

USE OF PROCEEDS	CONTRIBUTION OR OBSTRUCTION	SUSTAINABLE DEVELOPMENT GOALS
<b>Renewable Energy<sup>14</sup></b> <b>Solar Energy</b> <i>Photovoltaic/concentrated solar power</i>	<b>Significant Contribution</b>	
<b>Renewable Energy<sup>14</sup></b> <b>Wind Energy</b> <i>Onshore/Offshore</i>	<b>Significant Contribution</b>	
<b>Renewable Energy<sup>14</sup></b> <b>Renewable non-fossil gaseous and liquid fuels</b> <i>Emissions threshold of 100g CO<sub>2</sub>e / kWh for electricity production</i>	<b>Significant Contribution</b>	
<b>Renewable Energy<sup>14</sup></b> <b>Electricity production from hydropower</b> <i>One of the following to be met: Lifecycle emissions threshold of 100g CO<sub>2</sub>e / kWh or Electricity production facilities with capacity &lt;10MW or electricity generation facility is a run-of-river plant without an artificial reservoir or the power density of the electricity generation facility is above 5 W/m<sup>2</sup></i>	<b>Significant Contribution</b>	
<b>Renewable Energy<sup>14</sup></b> <b>Electricity production from hydropower</b> <i>One of the following to be met: Lifecycle emissions threshold of 100g CO<sub>2</sub>e / kWh or Electricity production facilities with capacity &gt;10MW and &lt;100MW or electricity generation</i>	<b>Limited Contribution</b>	

<sup>14</sup> Eligibility requirements under the current version of the EU Taxonomy considered

<p>facility is a run-of-river plant without an artificial reservoir or the power density of the electricity generation facility is above 5 W/m<sup>2</sup></p>		
<p><b>Renewable Energy<sup>15</sup></b> <b>Electricity production from Geothermal</b> Emissions threshold of 100g CO<sub>2</sub>e / kWh for electricity production</p>	<p><b>Significant Contribution</b></p>	
<p><b>Renewable Energy<sup>15</sup></b> <b>Biomass</b> Facilities using certified feedstock and operating above 80% of GHG emissions reduction in relation to the relative fossil fuel comparator set out in RED II, increasing to 100% by 2050</p>	<p><b>Limited Contribution</b></p>	
<p><b>Energy Efficiency</b> Development and implementation of products or technology that reduce the use of energy, e.g., Energy-efficient lighting (e.g., LEDs), energy storage (e.g., fuel cells)</p>	<p><b>Limited Contribution</b></p>	
<p><b>Green Buildings</b> Buildings which meet at least one of the following certifications:</p> <ul style="list-style-type: none"> <li>• BREEAM “Excellent”</li> <li>• DGNB “Gold” or higher</li> <li>• Green Mark “Gold Plus” or higher</li> <li>• Green Star “5 Star” or higher</li> <li>• HQE “Excellent” or higher</li> <li>• LEED “Gold” or higher</li> <li>• or other internationally and/or nationally recognized certification that is comparable to the above thresholds</li> </ul>	<p><b>Significant Contribution<sup>15</sup></b></p>	
<p><b>Green Buildings</b> For buildings built after 31 December 2020:</p> <ul style="list-style-type: none"> <li>• Net primary energy demand of the new construction must be at least 10% lower than the primary energy demand resulting from the relevant ‘nearly zero-energy building’ (‘NZEB’) requirements.</li> </ul> <p>For buildings built before 31 December 2020:</p>	<p><b>Significant Contribution</b></p>	

<sup>15</sup> Eligibility requirements under the current version of the EU Taxonomy considered.

- Buildings within the top 15% of the national or regional building stock (PED)
- Buildings<sup>16</sup> with an Energy Performance Certificate (EPC) class of at least A or B, or
- Buildings<sup>16</sup> which satisfy the minimum requirements as defined in Energieeinsparverordnung 2009 (EnEV 2009)

<p><b>Green Buildings</b> Renovation of existing buildings<sup>17</sup></p>	<p>Significant Contribution<sup>18</sup></p>	
<p><b>Clean Transportation</b> <b>Passenger and freight rail</b> Trains operating with conventional fossil fuel engines where the infrastructure does not allow zero direct (tailpipe) CO<sub>2</sub> emissions<sup>19</sup></p>	<p>Limited Contribution</p>	
<p><b>Clean Transportation</b> Trains operating on infrastructure with zero direct (tailpipe) CO<sub>2</sub> emissions</p>	<p>Significant Contribution<sup>18</sup></p>	
<p><b>Clean Transportation</b> Other forms of passenger land transport which are zero direct (tailpipe) CO<sub>2</sub> emissions</p>	<p>Significant Contribution<sup>18</sup></p>	
<p><b>Clean Transportation</b> <b>Water Passenger Transport</b> E.g., Hybrid and dual fuel vessels</p>	<p>Limited Contribution<sup>18</sup></p>	

<sup>16</sup> Only for German residential real estate buildings

<sup>17</sup> Meeting at least one of the following criteria: Energy savings of at least 30% in comparison to the baseline performance of the building before the renovation; Building renovation compliant with energy performance standards set in the applicable building regulations for 'major renovations' transposing the Energy Performance of Buildings Directive.

<sup>18</sup> This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an Issuer's product and service portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories that are based on the Technical Screening Criteria defined by the EU Taxonomy Technical Annex, a significant contribution to climate change mitigation is attested. It is noted that assets compliance with EU Taxonomy is not evaluated in this SPO.

<sup>19</sup> Activities dedicated to the transportation of fossil fuel are explicitly excluded.

<p><b>Clean Transportation</b> <b>Water Passenger Transport</b> <i>with confirmation on an individual case by case basis by third party that they meet the EU Taxonomy eligibility criteria</i></p>	<p><b>Significant Contribution<sup>20</sup></b></p> <p><b>Limited Contribution</b></p>	<p><b>13 CLIMATE ACTION</b></p> <p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>
<p><b>Clean Transportation</b> <b>Transportation Infrastructure</b> <i>Infrastructure/equipment for zero direct emissions electric vehicles and active mobility (e.g., bicycles)</i></p>	<p><b>Significant Contribution<sup>20</sup></b></p> <p><b>Limited Contribution</b></p>	<p><b>13 CLIMATE ACTION</b></p> <p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p>
<p><b>Information and Communications Technology (ICT)</b> <i>Energy-efficiency considering data centers and equipment (buildings, cooling, power, and data distribution equipment, and monitoring systems) for data processing, hosting, and related activities including edge computing</i></p>	<p><b>Limited Contribution</b></p>	<p><b>7 AFFORDABLE AND CLEAN ENERGY</b></p> <p><b>13 CLIMATE ACTION</b></p>

<sup>20</sup> This assessment differs from the ISS ESG SDG Solutions Assessment (SDGA) proprietary methodology designed to assess the impact of an Issuer's product and service portfolio on the SDGs. For the projects to be financed under Use of Proceeds categories that are based on the Technical Screening Criteria defined by the EU Taxonomy Technical Annex, a significant contribution to climate change mitigation is attested. It is noted that assets compliance with EU Taxonomy is not evaluated in this SPO.

## B. MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND OPPORTUNITIES ASSOCIATED WITH THE ASSET POOL AND THE ELIGIBILITY CRITERIA<sup>21</sup>

### Renewable energy - Wind, Solar and Hybrid power

The selected Use of Proceeds categories have a positive contribution to the SDGs 7 'Affordable and clean energy' and 13 'Climate action'. The table below presents the findings of an ISS ESG assessment of the assets<sup>22</sup> (re-) financed against ISS ESG KPIs.

#### ASSESSMENT AGAINST ISS ESG KPI RENEWABLE ENERGY

##### Site selection

- ✓ 92.8% of assets are not located in key biodiversity areas (Ramsar sites, IUCN protected areas I-IV). For the remaining assets, no information is available.
- ✓ 86.8% of assets underwent environmental impact assessments at the planning stage. For the remaining assets, no information is available.

##### Community dialogue

- ✓ 86.8% of assets feature community dialogue as an integral part of the planning process (e.g., sound information of communities, community advisory panels and committees, surveys and dialogue platforms, grievance mechanisms, and compensation schemes). For the remaining assets, no information is available.

##### Environmental aspects of construction and operation

- ✓ 78.8% of assets meet high environmental standards during the construction phase (e.g., noise mitigation, minimisation of environmental impact during construction work). For the remaining assets, no information is available.
- ✓ 78.8% of assets provide for measures to protect habitat and wildlife during the operation of the power plant (e.g., measures to protect birds and bats). For the remaining assets, no information is available.

##### Working conditions during construction and maintenance work

- 27.9% of assets provide for high labour and health and safety standards for construction and maintenance work (e.g., ILO Core Conventions).

<sup>21</sup> This assessment takes into account requirements based on national and local legislation, as well as whether the assets are located in designated countries as outlined by the Equator Principles. The Equator Principles is a risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in development projects. Deutsche Bank became a signatory to the Equator Principles in July 2020.

<sup>22</sup> The share of assets is based on the total value of AUM in MU per 30.06.2022 in the specific eligible category.

## Renewable energy - Biomass

As a Use of Proceeds category, Renewable energy has a positive contribution to the SDGs 7 'Affordable and clean energy' and 13 'Climate action'. The table below presents the findings of an ISS ESG assessment of the assets (re-) financed against ISS ESG KPIs.

### ASSESSMENT AGAINST ISS ESG KPI ENERGY EFFICIENCY

#### Consideration of environmental aspects during planning and construction

- ✓ 100% of assets are not located in key biodiversity areas (Ramsar sites, IUCN protected areas I-IV).
- ✓ 100% of assets underwent environmental impact assessments at the planning stage.
- ✓ 100% of assets meet high environmental standards and requirements during the construction phase (e.g., noise mitigation, minimization of environmental impact during construction work).

#### Environmental aspects of construction and operation

- ✓ 100% of assets provide for high standards regarding the environmentally safe operation of plants (e.g., air emissions, disposal of residues).
- ✓ 100% of assets apply cogeneration technology.

#### Safety aspects of waste to energy plants

- ✓ 100% of assets provide for high safety standards (e.g., regarding fire, and explosions).

#### Community dialogue

- ✓ 100% of assets feature community dialogue as an integral part of the planning process and construction phase (e.g., sound information of communities, community advisory panels and committees, surveys and dialogue platforms, grievance mechanisms and compensation schemes).

#### Working conditions during construction and operation

- ✓ 100% of assets provide for high labour and health and safety standards for construction and maintenance work (e.g., ILO Core Conventions).

## Green commercial and residential real estate

As a Use of Proceeds category, green commercial and residential real estate has a positive contribution to the SDGs 11 “Sustainable cities and communities”. The table below presents the findings of an ISS ESG assessment of the assets (re-) financed against ISS ESG KPIs.

### ASSESSMENT AGAINST ISS ESG KPI

#### Site selection

- ✓ For more than 95% of assets it can be confirmed that they are not located in key biodiversity areas (Ramsar sites, IUCN protected areas IIV) or are subject to a legally mandated Environmental Impact Assessment (EIA).
- 31.5% of the assets are located within 1 km from one or more modalities of public transport. For the rest of the building portfolio, no information is available. Is noted however, that most buildings for which no detailed information is available will be located in Germany, a country in which on average, over 90% of all households have access to either a bus station within a distance of 600m or a train station within a distance of 1200m<sup>23</sup>.

#### Construction standards

- 27% of assets provide for sustainable procurement regarding building materials (e.g. recycled materials, third-party certification of wood-based materials). The remaining assets do not provide enough information for sustainable procurement regarding building materials.

#### Water use minimization in buildings

- 27% of assets provide for measures to reduce water consumption (e.g., water metering, high efficiency fixtures and fittings, rainwater harvesting). The remaining assets do not provide enough information regarding the measures to reduce water consumption.

#### Labour and Health & safety

- ✓ 74.7% of assets provide for high labour and health and safety standards for construction and maintenance work (e.g., in line with the ILO Core Conventions).

#### Safety of building users

- ✓ 100% of assets have safety of users’ policy such as emergency exits, fire sprinklers, alarm systems.

<sup>23</sup>[Anbindung Öffentlicher Verkehr | Deutschlandweites Erreichbarkeitsranking \(allianz-pro-schiene.de\)](#)

## Energy efficiency

As a Use of Proceeds category, Energy efficiency has a positive contribution to the SDGs 7 'Affordable and clean energy' and 13 'Climate action'. The table below presents the findings of an ISS ESG assessment of the assets (re-)financed against ISS ESG KPIs.

### ASSESSMENT AGAINST ISS ESG KPI ENERGY EFFICIENCY

#### Improvement in Energy efficiency

- ✓ 100% of assets provide an improvement in energy efficiency as they are being purchased under Energy Saving Agreements.

#### Environmental aspects of items

- ✓ 70% of assets do not contain substances of concern. For the remaining assets, no information is available.
- ✓ 35% of assets can be recycled at the end of their lives. For the remaining assets, no information was available.
- No information is available whether assets apply good and binding environmental standards within the supply chain.

#### Working conditions during construction and maintenance work

- There is little information available to what extent the assets provide for high labour and health and safety standards for construction and maintenance work (e.g., ILO Core Conventions).

#### Users' safety

- ✓ 100% of assets ensure operational safety (i.e., control centre, electrical flow, and consumption monitoring).

## Clean Transportation

As a Use of Proceeds category, Clean transportation has positive contribution to the SDGs 7 'Affordable and clean energy' and 13 'Climate action'. The table below presents the findings of an ISS ESG assessment of the assets (re-) financed against ISS ESG KPIs.

### ASSESSMENT AGAINST ISS ESG KPI CLEAN TRANSPORTATION INFRASTRUCTURE

#### Site selection

- ✓ For 53.5% of assets, it is confirmed that the location is not in key biodiversity areas (Ramsar sites, IUCN protected areas I-IV). There is no information available for the remaining assets financed under this category.
- ✓ 100% of assets underwent environmental impact assessments at the planning stage.

#### Community dialogue

- ✓ 100% of assets feature community dialogue as an integral part of the planning process (e.g., sound information of communities, community advisory panels and committees, surveys and dialogue platforms, grievance mechanisms and compensation schemes).

#### Environmental aspects of construction

- ✓ 100% of assets meet high environmental standards during the construction phase (e.g., resource efficiency, renaturation)

#### Working conditions during construction and maintenance work

- ✓ 53.5% of assets provide for high labour and health and safety standards for construction and maintenance work (e.g., ILO core conventions).

#### Social aspects of public transport infrastructure

- ✓ 53.5% of assets provide for measures to reduce transport-related noise emissions (e.g., low-noise tracks).
- ✓ 100% of assets that have a transport safety management system in place (i.e., policies, responsibilities, risk assessments and monitoring, training, emergency management).

## DISCLAIMER

1. Validity of the Second Party Opinion (SPO): Valid as long as the Framework remains unchanged.
2. ISS Corporate Solutions, Inc. (“ICS”), a wholly owned subsidiary of Institutional Shareholder Services Inc. (“ISS”), sells/distributes SPOs which are prepared and issued by ISS ESG, the responsible investment arm of ISS, on the basis of ISS ESG’s proprietary methodology. In doing so, ISS adheres to standardized procedures to ensure consistent quality of responsibility research worldwide.
3. SPOs are based on data provided by the Issuer/Borrower and ISS does not warrant that the information presented in this SPO is complete, accurate or up to date. Neither ISS or ICS will have any liability in connection with the use of these SPOs, or any information provided therein.
4. Statements of opinion and value judgments given by ISS are not investment recommendations and do not in any way constitute a recommendation for the purchase or sale of any financial instrument or asset. In particular, the SPO is not an assessment of the economic profitability and creditworthiness of a financial instrument but refers exclusively to the social and environmental criteria mentioned above.
5. This SPO, certain images, text and graphics contained therein, and the layout and company logo of ICS, ISS ESG, and ISS are the property of ISS and are protected under copyright and trademark law. Any use of such ISS property shall require the express prior written consent of ISS. The use shall be deemed to refer in particular to the copying or duplication of the SPO wholly or in part, the distribution of the SPO, either free of charge or against payment, or the exploitation of this SPO in any other conceivable manner.

The Issuer/Borrower that is the subject of this report may have purchased self-assessment tools and publications from ICS or ICS may have provided advisory or analytical services to the Issuer/Borrower. No employee of ICS played a role in the preparation of this report. If you are an ISS institutional client, you may inquire about any Issuer/Borrower's use of products and services from ICS by emailing [disclosure@issgovernance.com](mailto:disclosure@issgovernance.com).

This report has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While ISS exercised due care in compiling this report, it makes no warranty, express or implied, regarding the accuracy, completeness or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. In particular, the research and scores provided are not intended to constitute an offer, solicitation or advice to buy or sell securities nor are they intended to solicit votes or proxies.

Deutsche Börse AG (“DB”) owns an approximate 80% stake in ISS HoldCo Inc., the holding company which wholly owns ISS. The remainder of ISS HoldCo Inc. is held by a combination of Genstar Capital (“Genstar”) and ISS management. ISS has formally adopted policies on non-interference and potential conflicts of interest related to DB, Genstar, and the board of directors of ISS HoldCo Inc. These policies are intended to establish appropriate standards and procedures to protect the integrity and independence of the research, recommendations, ratings and other analytical offerings produced by ISS and to safeguard the reputations of ISS and its owners. Further information regarding these policies is available at <https://www.issgovernance.com/compliance/due-diligence-materials>.

© 2022 | Institutional Shareholder Services and/or its affiliates

## ANNEX 1: Methodology

### ISS ESG GREEN BOND KPIS

The ISS ESG Green Bond KPIS serve as a structure for evaluating the sustainability quality – i.e., the social and environmental added value – of the Use of Proceeds of Deutsche Bank’s Green Finance Instruments.

It comprises firstly the definition of the Use of Proceeds category offering added social and/or environmental value, and secondly the specific sustainability criteria by means of which this added value and therefore the sustainability performance of the assets can be clearly identified and described.

The sustainability criteria are complemented by specific indicators, which enable quantitative measurement of the sustainability performance of the assets, and which can also be used for reporting. If most assets fulfil the requirement of an indicator, this indicator is then assessed positively. Those indicators may be tailor-made to capture the context-specific environmental and associated social risks.

### ENVIRONMENTAL AND SOCIAL RISK ASSESSMENT METHODOLOGY

ISS ESG evaluates whether the assets included in the asset pool match the eligible project category and criteria listed in the Green Bond KPIS.

All percentages refer to the number of assets within one category (e.g., wind power). Additionally, the assessment “no or limited information is available” either indicates that no information was made available to ISS ESG or that the information provided did not fulfil the requirements of the ISS ESG Green Bond KPIS.

The evaluation was carried out using information and documents provided to ISS ESG on a confidential basis by Deutsche Bank (e.g., Due Diligence procedures). Further, national legislation and standards, depending on the asset location, were drawn on to complement the information provided by the Issuer.

### ASSESSMENT TO THE CONTRIBUTION AND ASSOCIATION TO THE SDG’s

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary method, ISS ESG identifies the extent to which Deutsche Bank’s Green Financing Instruments contribute to related SDGs.

## ANNEX 2: ISS ESG Corporate Rating Methodology

ISS ESG Corporate Rating provides relevant and forward-looking environmental, social, and governance (ESG) data and performance assessments.

For more information, please visit:

<https://www.issgovernance.com/file/publications/methodology/Corporate-RatingMethodology.pdf>

## ANNEX 3: Quality management processes

### SCOPE

Deutsche Bank commissioned ISS ESG to compile the Green Finance Instruments SPO. The Second Party Opinion process includes verifying whether the Green Financing Framework aligns with the Green Bond Principles as administered by the International Capital Market Association and to assess the sustainability credentials of its Green Finance Instruments, as well as the Issuer's sustainability strategy.

### CRITERIA

Relevant Standards for this Second Party Opinion

- ICMA Green Bond Principles
- ISS ESG Key Performance Indicators relevant for Use of Proceeds categories selected by the Issuer

### ISSUER'S RESPONSIBILITY

Deutsche Bank's responsibility was to provide information and documentation on:

- Framework
- Asset pool
- Documentation of ESG risks management at the asset level

### ISS ESG'S VERIFICATION PROCESS

ISS ESG is one of the world's leading independent environmental, social and governance (ESG) research, analysis and rating houses. The company has been actively involved in the sustainable capital markets for over 25 years. Since 2014, ISS ESG has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

ISS ESG has conducted this independent Second Party Opinion of the Green Finance Instruments to be issued by Deutsche Bank based on ISS ESG methodology and in line with the ICMA Green Bond Principles.

The engagement with Deutsche Bank took place from December 2021 to November 2022.

### ISS ESG'S BUSINESS PRACTICES

ISS has conducted this verification in strict compliance with the ISS Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behaviour and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

## About ISS ESG SPO

ISS ESG is one of the world's leading rating agencies in the field of sustainable investment. The agency analyses companies and countries regarding their environmental and social performance.

As part of our Sustainable (Green & Social) Bond Services, we provide support for companies and institutions issuing sustainable bonds, advise them on the selection of categories of projects to be financed and help them to define ambitious criteria.

We assess alignment with external principles (e.g. the ICMA Green / Social Bond Principles), analyse the sustainability quality of the assets and review the sustainability performance of the Issuer themselves. Following these three steps, we draw up an independent SPO so that investors are as well informed as possible about the quality of the bond from a sustainability perspective.

Learn more: <https://www.isscorporatesolutions.com/solutions/esg-solutions/green-bond-services/>

For Information about SPO services, contact:

**Federico Pezzolato**

SPO Business Manager EMEA/APAC

[Federico.Pezzolato@isscorporatesolutions.com](mailto:Federico.Pezzolato@isscorporatesolutions.com)

+44.20.3192.5760

For Information about this Green Finance Instruments SPO, contact: [SPOOperations@iss-esg.com](mailto:SPOOperations@iss-esg.com)

### Project team

**Project lead**

Johanna-Charlotte Flemmig  
Associate Vice President  
SPO Operations

**Project support**

Rafael Heim  
Associate  
ESG Consultant

**Project supervision**

Marie-Bénédicte Beaudoin  
Associate Director  
Head of ISS ESG Climate Services