General Meeting 2015
Key Topics (Convenience Translation)

Passion to Perform
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Strategy 2020

1. Why did you come up with a new strategy?

Since 2012, we have made significant progress with respect to our Strategy 2015+ aspirations. In particular, our capital (CET 1 ratio up from <6% to 11.1% as of 1Q 2015) and leverage (CRD4 leverage ratio up from <2 to 3.4% as of 1Q 2015) position have improved significantly, and we are better balanced as each of our core businesses contributed more than EUR 1bn in income before income taxes in 2014. Our Operational Excellence Program delivered EUR 3.6bn in run-rate savings and we have invested EUR 6.3bn in efficiencies, controls, and systems per 1Q 2015. We embarked on embedding deep-rooted cultural change. However, we have also faced significant setbacks which have made it more challenging to meet our Strategy 2015+ targets than we originally anticipated. We faced far more significant regulatory headwinds and a continued low interest environment as well as costs from resolving legacy issues and litigation and from high operational and structural complexity as well as retained strategic optionalities.

After completing a rigorous strategy review process we have developed the next phase in our strategy covering the period through 2020, which we refer to as “Strategy 2020”. Strategy 2020 is all about focusing Deutsche Bank to deliver value. We reaffirm our commitment to being a leading global bank based in Germany. In some ways, our strategic course remains constant, and in others Strategy 2020 represents change. First and foremost, our commitment to client centricity remains undimmed. We will continue to place clients at the centre of everything we do. However, we will refocus our resources on clients who offer and value mutually beneficial partnerships with us. Second, we will maintain a global footprint, serving clients across the world. However, we will do this with a more focused geographical platform. Third, we remain committed to a universal banking product offering, but at the same time we will tighten our product perimeter. Further, we refined our five C’s and added a sixth: “Control”. Focusing Deutsche Bank along these key dimensions enables us to deliver value - to shareholders, and to other stakeholders. It enables us to take a proactive stance on the direction of future regulation, which has evolved considerably and continues to evolve. Additionally, it helps us to build a more robust control environment.

2. Which concrete steps will you take in relation to the new strategy?

Re-position CB&S: We intend to deleverage Corporate Banking & Securities (CB&S) and emphasize those business areas that can help us build a more focused, resilient and relationship-driven investment bank. Through these measures, we plan to reduce our CRR/CRD 4 leverage exposure by approximately EUR 200bn (gross) in CB&S by 2018. This is expected to be achieved by a reduction of low-yielding assets, reduced product/client perimeter and derivatives roll-off and is expected to be partially offset by redeployment and growth of approximately EUR 50-70bn. We believe the impact of our exposure reduction aspirations will result in a reduction of revenues on an ongoing basis of approximately EUR 0.6bn and deleveraging charges of approximately EUR 0.8bn by 2018, but that these effects will be more than offset by market growth and revenues from redeploying our assets.
Reshape Retail: We believe that our ability to fully realize the value of our acquisition of Postbank eroded in the face of the changed regulatory environment and our revised strategy. As part of our refocus, we intend to deconsolidate Postbank and launch a re-IPO in 2016. This step should lead to a CRR/CRD 4 leverage exposure reduction of approximately EUR 140bn. Facilitating the implementation of the above, we intend to initiate the process of squeezing-out non-controlling shareholders in Postbank in 2015. This step is intended to provide us with additional flexibility in executing the envisaged re-IPO of Postbank.

Digitalize DB: We plan to invest group-wide up to EUR 1bn by 2020 to deploy additional digital technologies across our platform. We intend to focus on customer experience, revenue opportunities, enabling our platform, and new clients.

Grow GTB and Deutsche AWM: We plan to invest more than EUR 1.5bn by 2020 in our core product engines to accelerate growth in GTB and Deutsche AWM. With respect to GTB, we expect an increase of more than EUR 50bn in our incremental CRR/CRD 4 leverage exposure, which we believe will support our services to corporate clients and financial institutions. With respect to Deutsche AWM, we plan to increase our lending balance sheet by 5-10% per year to support our clients’ needs and to increase relationship managers in key markets by 15% in the next two years. In connection with these activities, we anticipate increasing the balance sheet totals of GTB and Deutsche AWM by approximately 30-40% by 2020.

Rationalize our footprint: We intend to rationalize our geographic footprint with a targeted reduction / exit of presence in 7-10 countries and invest in high growth hubs.

Transform our operating model: We intend to redesign our operating and governance model to achieve higher efficiency by deemphasizing certain products and client segments and locations and modernizing our IT infrastructure and platforms. This is intended to reduce complexity, maintain even stronger controls and achieve easier resolvability with a target of additional organic gross cost reductions of approximately EUR 3.5bn by 2020, with targeted aggregate cost to achieve of approximately EUR 3.7bn. Additionally, we plan to gain savings of EUR 1.2bn a year by completing the Operational Excellence Program. Our cost base will likely be further reduced by EUR 3.3bn per year from the deconsolidation of Postbank, disposals of non-core assets and other portfolio measures.

3. What are your new ambitions?

With the implementation of Strategy 2020, we aim to achieve the following medium term financial ambitions:

– Fully loaded CRR/CRD 4 **Leverage Ratio equal to or greater than 5%**
– Fully loaded CRR/CRD 4 Common Equity Tier 1 (CET 1) **Ratio of approximately 11%**
– Return on Tangible Equity (RoTE) **greater than 10%**
– Organic gross savings of approximately EUR 3.5bn and a cost/income ratio of **approximately 65%**
– **Payout ratio**, meaning the aggregate of dividends we pay and the prices of shares we repurchase in the market, **of at least 50%**
4. What are your next steps?

The review of our operating model is underway. We are refining our key levers, drawing up the transformation roadmap and redefining our governance and operating model. We will make footprint decisions based on the outcome of our global country review and start implementing, in close consultation with stakeholders, including employees and their representatives, in the countries affected. We will break down our overall strategic roadmap into specific plans at the divisional and functional level, and define the sequence of change management. Within the next 90 days, we will communicate to you the results of this next phase of our work.
Corporate Governance

The improvement of corporate governance has become a priority for financial institutions, latest since the financial crisis. We at Deutsche Bank are intensely aware of the paramount importance of the strengthened corporate governance-focus. Effective corporate governance in accordance with high international standards is an integral part of our management. We work constantly on the enhancement of our governance structures.

Recent years have brought the financial sector many new legal and regulatory requirements as well as new international standards, which Deutsche Bank has implemented or is in the course of implementing.

Maintaining effective corporate governance in adherence with international standards and best practices is of major importance for Deutsche Bank. Our corporate governance system is based on five elements:

- Efficient decision making on the basis of appropriate information and efficient structures;
- Effective cooperation between the Management Board and Supervisory Board;
- Good relations with shareholders and other stakeholders;
- Performance-based compensation system with a sustainable and long-term focus, and
- Transparent and timely reporting.

Deutsche Bank strives to achieve an optimal implementation of those elements taking into account the German, European and international legal and regulatory requirements as well as industry standards.

1. What is Deutsche Bank’s top governance?

The Management Board of Deutsche Bank AG is responsible for managing the company, while the Supervisory Board appoints, supervises and advises the Management Board. The Supervisory Board is also directly involved in decisions of fundamental importance to the Bank. Both the Management Board and the Supervisory Board are governed by formal terms of reference, which establish their rights and responsibilities within Deutsche Bank’s corporate framework.

Additional information can be found on our Investor Relations website https://www.deutsche-bank.de/ir/en/content/terms_of_reference.htm.

2. Does Deutsche Bank comply with the Corporate Governance Codex?

In accordance with German law, we declare our compliance with the recommendations of the German Corporate Governance Code, as well as the reasons for any non-compliance, by publication of a Declaration of Conformity each year. This includes the issuance of a Corporate Governance Report, which provides additional detail about Deutsche Bank’s corporate governance organisation.
3. What role does governance play in the Bank’s strategy?

Deutsche Bank has carried out certain initiatives launched in the last year that are relevant to the promotion of good corporate governance practices as part of and in tandem with its Strategy 2015+ and the new Strategy 2020.

The Global Corporate Governance-function (the GCG-function), which was established by the Management Board in the last financial year and is headed by the Chief Governance Officer (CGO), was strengthened and has been developed as an integral part of our organisation. The GCG-function is an important advisor to the Management Board and the Senior Management in matters of internal governance. The GCG-function contributes to the enhancement and harmonisation of the Bank’s governance structures and processes as well as to complexity reduction and the increase of transparency of our organisation.

Currently, the GCG-function implements one of the important initiatives at our Bank – the House of Governance Initiative. The initiative has three objectives: The first is to identify Management Board duties and their proper delegation in line with legal requirements. The second objective is to harmonise and streamline Deutsche Bank’s committee structures. Thirdly, the initiative is aimed at documenting Deutsche Bank’s management and decision-making structures to increase transparency and improve the system of controls for the long term. At the same time synergies with other material initiatives such as the Three Line of Defense Program are created.

The new organisational structures, the transparency created and the clear allocation of responsibilities and accountabilities strengthen management and oversight in a sustainable manner and thus the governance structure and processes. The House of Governance Initiative has well prepared the Bank for the new regulatory requirements, as stipulated, for example, in the UK.

4. Where does governance stand in the future?

We are taking firm steps to ensure Deutsche Bank’s continued growth in the modern landscape of enhanced global financial regulatory and supervisory oversight. The GCG-function is an integral part of our organisation, and its aim is to sustainably enhance and strengthen our corporate governance.
Progress on Cultural Change

1. How important is cultural change for Deutsche Bank?

A strong corporate culture, founded on shared values and beliefs, is essential to the Bank’s long-term success. We aim to be at the forefront of cultural change in our industry. We recognize the need for profound cultural change that places client relationships and integrity at the heart of our initiatives. Creating incentives for sustainable performance helps us to live a culture that reflects society’s values and benefits all stakeholders. At an early stage we recognized the crucial importance of cultural change as an essential part of our strategic orientation and defined culture as one of the key levers of Strategy 2015+. Strategy 2020 reaffirms our commitment to a strong corporate culture: culture remains one of the now six strategic levers.

2. What progress has been made?

Cultural change at Deutsche Bank is a multi-year journey, with strong senior management commitment and a clear tone from the top. In 2014, Deutsche Bank made significant progress on this journey.

Senior managers and employees intensified their dialogue about corporate culture. In small groups, participants from all areas of the Bank discussed what the values and beliefs mean specifically for business transactions, client relationships and internal processes, and how each employee can implement the values and bring about change in their areas of work. For example, during 2014, more than 400 Managing Directors in Germany (90%) participated in a two-day culture workshop (“Dialogue Forum”) conducted by the “Institut der Deutschen Wirtschaft Köln”. Worldwide more than 6,500 employees of the investment bank participated in seminars and intensively explored ways to deal with critical situations and “gray” areas by applying the values and beliefs as a clear guideline for conduct and a measure of what is expected of each employee.

The values and beliefs have been embedded into Deutsche Bank’s business processes, but this is an ongoing initiative. In line with this commitment, we have continued to change the way in which we do business in 2014. We restricted the sale of complex derivative products to certain client groups and discontinued business with certain clients who represented a reputational risk or whose business did not fit with our values.

We have also embedded the values into our people processes and incentive systems. In 2013 and 2014 key elements of the Bank’s performance management and compensation processes were aligned to the values and beliefs. Adherence to the values and beliefs is now taken into account in the evaluation process of individual performance and plays a key role in promotion decisions. To reinforce positive behavior, we recognize teams with an internal award who live the Bank’s values and, in doing so, achieve exceptional business outcomes. In addition, our culture employee network allows colleagues to proactively support the implementation of the values and beliefs in their respective area as so-called culture ambassadors.

3. What part does culture play in the new strategy?

Our values need to be an integral part of how Deutsche Bank does business. Strategy 2020 clearly expresses this objective: culture remains one of the now six strategic levers. The val-
ues and beliefs provide the parameters for strategy implementation and support the imple-
mentation process itself.

4. How will Deutsche Bank ensure that cultural change is sustainable?

Cultural change is a multi-year journey. Despite the progress made, we are committed to do-
ing more. By aligning our people and business processes we support the long-term, sustaina-
ble anchoring of our values across the organization. We recognize that our senior managers
in particular play a key role in living the values and acting as role models. However, each and
every employee is encouraged to help shape our new culture in order to earn the trust of cli-
ents, shareholders and society at large.
Digitalisation

1. Please describe the digital strategy of Deutsche Bank

Deutsche Bank sees significant opportunities arising from digitalisation: both business growth opportunities, through new products and services and deeper client relationships, and efficiency opportunities, through standardising and simplifying systems and processes. The Bank believes that it is well positioned to take advantage of these opportunities.

As part of Strategy 2020, the Bank has announced plans to invest up to EUR 1bn additionally to deploy digital technologies across the platform over the next five years. Of this, EUR 400-500m will be allocated to Private & Business Clients (PBC).

2. What kind of initiatives does the strategy entail?

The Bank has already invested EUR 100m in PBC in a number of initiatives focusing on digital communication, digital advice, digital banking and the digital customer experience. Over 70 digital services are planned for launch in 2015 and recent milestones have included:

- Deutsche Bank being the first bank in Germany to offer clients banking via the Apple Watch.
- Over 1m downloads of the Meine Bank online banking app.
- Over 300,000 clients use the Finance Planner tool, which helps people budget.
- Over 70,000 Postbank transactions confirmed via fingerprint.

A range of initiatives are also under way in other business divisions and GTO. The Bank has made Corporate Banking & Securities and Global Transaction Banking products available via the award-winning Autobahn App market, which gives both clients and internal sales teams an online one stop shop for a range of services. In Deutsche Asset & Wealth Management, new digital tools give clients and advisers easier access to product information and market insights across asset classes. The Bank has also appointed its first-ever Chief Data Officer along with digital leaders in each division.

The Bank believes that digitalisation offers opportunities to:

- enhance the client experience, by offering more tailored products and services;
- harness the power of data, to understand our customers better, drive better investment decision-making, risk management, financial reporting and reduce the time and cost involved in reconciling data;
- increase efficiency, by increasing automation and reducing the risk of manual errors and
- change the way we work, by promoting a culture of innovation and increasing our collaboration with external partners to develop technology for mutual benefit.
Diversity – Female Quota

1. How does Deutsche Bank implement the requirements of the Gender Quota Law?

On March 6, 2015, the Gender Quota Law (= Law for the equal participation of women and men in management positions) was enacted in Germany. The law seeks to ensure equal participation and gender parity. Deutsche Bank is convinced that diverse teams have the potential to generate better ideas and reach more balanced decisions. Equal opportunities are important to us, and for a number of years we have been promoting equal participation of women and men as part of our culture of inclusion. Deutsche Bank is now actively preparing to implement the law. The law contains two provisions:

First, the law requires all German companies that are fully co-determined and publicly listed on a stock exchange to apply a fixed 30% female gender quota for their supervisory boards. Accordingly, as of January 1, 2016, all new supervisory board mandates have to comply with the fixed gender quota. Deutsche Bank is already well-positioned in this respect: 35% of the supervisory board members, including shareholder representatives and employee representatives, are female: overall, the 20-member supervisory board comprises seven women.

Second, the law also requires companies to define gender quota targets for the management board and the two management levels below by September 30, 2015. Deutsche Bank will set appropriate deadlines and determine gender quota targets that will facilitate and demonstrate a sustainable achievement of these targets and reflect the demand for women in senior positions.

In order to foster an inclusive culture that values the diverse mix of its employees, Deutsche Bank signed, concurrent with the other DAX (German share index) companies, a voluntary declaration in 2011 to increase the proportion of

- female senior managers (Managing Director and Director level) to 25% and
- all officer titles (Managing Director, Director, Vice President, Assistant Vice President and Associate) to 35% by the end of 2018.

Following the voluntary commitment to the German Federal Government, we will now continue our efforts toward the advancement of women in the workplace under the new law.

2. What is the position of Deutsche Bank in terms of “Promotion of Women”?

With a view to sustainable progress, establishing, maintaining and advancing a pipeline of female talent on all levels is an integral part of our management agenda. Each year, we identify annual goals, subject to applicable laws worldwide, based on promotion, hiring and attrition, and we report internally on progress.

Since 2010, the share of female officers has increased from 29.3% to 31.7% in 2014, and the number of female Managing Directors and Directors has risen from 16.2% to 19.4%. Deutsche Bank was pleased to appoint two female executives to its Group Executive Committee (GEC) in 2014. Senior appointments are centrally coordinated to ensure that the most qualified and suitable talent is readily identified for critical positions. We have also harmonized our leadership and management programs across divisions to cultivate a pool of leaders who can responsibly drive our business in line with our strategy and culture.
In addition, our governance structure emphasizes our commitment to diversity and inclusion. The Group People Committee, led by our Co-CEOs, was formed in 2013 to steer and govern Bank-wide strategic talent practices. In 2014, the committee’s remit expanded to provide guidance on diversity objectives for our business units. These objectives aim to increase the accountability of regional Diversity Councils. In 2014, we expanded the coverage of our Diversity Councils by creating a UK Diversity Council comprised of senior leaders in the region. Diversity Councils are now established in all regions (US, UK, APAC, Germany, Europe and Middle East).

3. What are Deutsche Bank’s key initiatives to promote advancement of female employees?

Examples of global programs:

– Our award-winning ATLAS (Accomplished Top Leaders Advancement Strategy) initiative was launched in 2009 by the Chairman of the Management Board with involvement of the GEC, with the goal of increasing the number of women in senior management positions. Since its launch in 2009, 42 female Managing Directors have participated: 56% of the alumnae have been promoted at least once and 13 participants are now members of global or regional business Executive Committees.

– Deutsche Bank’s Women Global Leaders (WGL) with INSEAD business school was launched in 2010. The one-week program is designed to accelerate the progress of high-performing female Directors and create a pipeline of female talent for broader and more senior roles. In June 2014, 37 female Directors participated in the 5th WGL program. Since its launch in 2010, 174 women in leadership positions have participated, 30% of whom have since been promoted to Managing Director.

– We also placed a renewed focus on our global e-learning program, “Great minds don’t think alike – the power of different perspectives”.

– Manager coaching now forms part of the parental coaching program to ensure smooth transitions from work and back again.

– Since 1995, Deutsche Bank has hosted annual Women in Business Conferences in Frankfurt, London, New York, Singapore, Milan and Sydney. The events have been extremely successful in driving the diversity agenda and offering insight and perspectives on this vital topic to more than 5,000 clients, industry leaders and Bank employees. We will continue to deliver a first-class conference product by developing innovative formats and content.

Examples of programs in Germany:

– The Women on Boards initiative aims to increase the proportion of female members on the supervisory boards of our operational subsidiaries in Germany as well as on the regional advisory boards

– Deutsche Bank has been certified for the third time as a family-friendly company by the Hertie Foundation

– We provide comprehensive programs during parental leave as well as workshops, support in returning after parental leave, extensive childcare facilities, arranging individual care solutions through cooperation with national partners and eldercare-programs
Deutsche Bank has established policies around work and life (e.g. flexible working, return to work and part-time arrangements).

In 2006, Deutsche Bank was one of the first companies to sign the “Charta der Vielfalt” (Diversity Charta) in Germany; since 2010, it has been a member of the association, and since December 2012, it has been a board member.

We have twelve established Women’s Network Groups across all five business regions, with senior business women chairing. We continue to encourage increased collaboration between networks supporting different groups.

4. Facts & figures

Female staff (based upon global Corporate Title, in FTE)

<table>
<thead>
<tr>
<th>Total female staff</th>
<th>32,709 (41.7%)</th>
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</thead>
<tbody>
<tr>
<td>Female non-officers</td>
<td>18,294 (55.4%)</td>
</tr>
<tr>
<td>Female officers</td>
<td>14,415 (31.7%)</td>
</tr>
<tr>
<td>Female Managing Directors and Directors</td>
<td>1,789 (19.4%)</td>
</tr>
<tr>
<td>Women on the Management Board</td>
<td>None</td>
</tr>
<tr>
<td>Women on the Supervisory Board</td>
<td>7 (35%), 3 shareholder representatives and 4 employee representatives</td>
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For further information, please refer to our 2014 Human Resources Report at www.db.com/ir/reports
Allegations around Manipulation at the Foreign Exchange Market

1. What are the allegations that various banks face?

As regulatory investigations are non-public, we can only comment on items that have been publicly disclosed in the media.

On June 12, 2013, a Bloomberg article alleging potential manipulation and other potential misconduct by large FX Houses was published. DB is one of the largest FX Houses worldwide. This potential misconduct was reported to have happened daily over the last years; it was reported to involve the WM/Reuters 4pm Benchmark. This benchmark provides, in essence, daily exchange rates for different currency pairs and is being derived from underlying market transactions.

Toward the end of the 2014, various media reports asserted that certain regulators were investigating whether Deutsche Bank used automated, algorithm initiated trading strategies and a practice known as “last look” on its electronic FX trading platforms to manipulate FX rates.

In February 2015, various media outlets reported that the U.S. Department of Justice is inquiring into whether certain market participants misled customers in connection with the marketing of foreign-exchange structured products.

2. What did Deutsche Bank do in light of the allegations?

Deutsche Bank moved quickly to launch a comprehensive internal investigation into the matter once becoming aware of potential issues in the FX market; the Bank deals with the allegations in a very serious way.

External counsel and external subject matter experts have been included into the investigation setup and the Bank has devoted a significant amount of resources to said internal investigation.

The internal investigation is comprehensive to review the conduct in question; we are committed to conduct a robust review in every reasonable way and much broader than the allegations in the Bloomberg article. The investigation has been evolved and adapted to address the allegations identified above and all associated regulatory inquiries.

DB and its external counsel are fully cooperating with all FX related investigations being conducted by various regulators.

3. Have you found evidence of allegations?

DB’s internal investigation is ongoing. To date, we have not found evidence supporting (i) the allegations publicized in 2013 regarding widespread misconduct surrounding the WM/Reuters 4pm fix; (ii) the allegations publicized in 2014 concerning potentially manipulative FX electronic trading algorithms or the use of last look; or (iii) the allegations publicized in 2015 regarding misconduct in connection with the marketing and offering of foreign exchange structured products.
We are committed to timely addressing any potential wrongdoing; this commitment is unwa- 
vering as to any misconduct of any nature we have found or may find during the course of the 
review.

We have used the investigation to identify further areas that require further strengthening of 
the control environment.

4. What have you done to improve the control framework around the area?

The Bank continually assesses businesses, products and the control environment and takes 
appropriate corrective action where necessary to meet our standards.

In line with our strategic objective to strengthen the control framework, Deutsche Bank has, to 
date, implemented a comprehensive Lessons Learned Programme and has already executed 
a significant amount of measures along all Business Divisions and Infrastructure Functions 
that are also partially induced by investigation observations; examples include:

– Rollout of enhanced communications guidance and surveillance alongside new policies 
regarding Market Conduct, and specific trainings of ~2,000 staff globally,
– Multiple benchmark submissions were withdrawn (or decided to withdraw) and the con-
trol environment around those benchmark submissions is being strengthened further.

Those measures were augmented by clear and direct communication from Senior Manage-
ment emphasizing the Firm’s Values and Beliefs.

5. What can you tell us about the personnel measures?

The Bank is continually reviewing the conduct of our employees and we will continue to take 
actions that are appropriate if we determine that further employee conduct falls short of re-
quired or expected levels.

As of today, we can confirm media reports that five Deutsche Bank traders located in the 
Americas were terminated; other employees received other disciplinary measures.

6. What is the progress of the investigation?

Deutsche Bank’s investigation has been ongoing since August 2013 and has made meaning-
ful progress.

Investigation resources are continually adjusted in line with the investigation’s requirements.

Deutsche Bank is cooperating closely with all regulatory inquiries and investigations globally in 
that regard.

7. What can you tell us about settlements in the U.S. Civil Litigation?

Plaintiffs – domestic and foreign individuals that purportedly traded with defendants at the 
WM/Reuters London 4pm fix – allege that Deutsche Bank foreign exchange traders participat-
ed in a worldwide conspiracy with traders at other foreign exchange dealer banks to manipu-
late the foreign exchange market. Defendants reached a settlement with plaintiffs in the be-
ginning of 2015. The media has reported that additional defendants are nearing the end of settlement negotiations.

8. What can you tell us about the regulatory settlements?

In November 2014, five banks reached settlements with certain regulators, including FCA, CFTC, OCC, in the aggregate amount of approximately USD4.3 bn. The media has reported that the DOJ is seeking felony pleas from certain banks.
**Cluster Munitions**

1. **Has Deutsche Bank stopped financing Cluster Munitions?**

The DB Cluster Munitions Policy has been in effect since autumn 2011 following the earlier decision of the Management Board to exit relationships and not engage in new business with clients involved in this line of business.

2. **Does the policy on cluster munitions apply to all transactions?**

DB Group Policy on Cluster Munitions reflects the complexity of the issue and goes beyond our previous approach whereby the bank did not provide direct funding for cluster munitions (production or trade). The Policy prohibits doing business with conglomerates (and their subsidiaries) that manufacture or distribute cluster munitions, banned under the Oslo Convention on Cluster Munitions or similar to those, as well as key components.

3. **How does Deutsche Bank implement the policy on Cluster Munitions?**

DB has exited banking relationships with most identified conglomerates. Residual relationships relate to pre-existing contracts, which will not be extended.

We consider doing business with clients in this segment only if we obtain confirmation that the client’s cluster munitions-related business has been terminated. If clients have existing contracts, we may accept the time-bound intent to terminate production.

4. **How is Asset Management covered by the Cluster Munitions Policy?**

In Europe, Deutsche Asset & Wealth Management Active (DeAWM Active) follows a ESG guideline that also includes statements about producers of cluster munitions. Investment in such companies is generally not allowed.

DeAWM Active is currently working on the implementation of an ESG guideline valid for all divisions of DeAWM. This guideline entered into force in October 2014 and prohibits globally new investments in companies that produce cluster munitions, anti-personnel mines or depleted uranium munitions.

We are also in continuous dialogue with NGOs, index providers, investors and other asset managers on this subject.

Investments in indices managed by a third party that include these companies are allowed.

Indices designed on our own and alternative investments must exclude these companies.

5. **Who monitors compliance with Deutsche Bank’s policy on Cluster Munitions Policy?**

The Group Reputational Risk Committee reviews the implementation of the policy on a quarterly basis.
Coal Mining and Coal-fired Power

1. Deutsche Bank is ranked as the #10 coal bank by BankTrack in their report “Banking on Coal” dated December 2014; why do you support this industry?

Deutsche Bank supports a well-balanced global energy system that is forward-looking and that takes account of economic conditions as well as environmental and health and safety considerations.

At present, it is still not possible to meet the substantial global energy demand solely through renewable energy sources. For this reason, we will continue to finance a diversified range of energy. Given the increasing energy demand, in some regions of the world coal cannot be avoided.

All transactions involving financial services for construction of a new or expansion of an existing coal-fired power plants require environmental and social (ES) due diligence and potential discussion in a respective regional Reputational Risk Committee.

Our ES due diligence will focus on the following:

- Current energy situation of the region and future energy demand,
- Local government energy strategy including electricity generation objectives,
- \( \text{CO}_2 \) context of the region,
- Availability of alternative fuel and studies / research conducted to evaluate the options,
- Technology choice and emission performance of the project, especially if the project is designed to use the best appropriate available technology to allow for high efficiency and, therefore, lower GHG emissions intensity (also benchmarking against the current average emissions of the country).

For certain developing countries the World Bank Group Screening Criteria will be applied as additional review guidelines.

2. How can you be involved in the mining sector given its controversial environmental and social impacts?

All transactions involving financial services for mining industry (extraction of minerals and metals and related activities) require enhanced environmental and social (ES) due diligence.

In addition, for transactions involving financial services for green-field mining projects discussion in the respective regional Reputational Risk Committee might be required.

ES due diligence for mining industry consists of evaluating clients’ compliance / performance with regard to:

- local environmental and social laws and regulations and all applicable permits,
- Quality of existing Environmental and Social Risk Management incl. Governance structure, availability of Policies and Key Performance Indicators related to e.g. GHG emissions and energy efficiency, health and safety track record etc.,
– the level of transparency on Stakeholder Engagement and contribution to development of local communities,

– the level of transparency on key environmental, social including security-related and governance issues associated with the client and approach taken to resolve these issues,

– In addition and where applicable the ES evaluation will include clients’ adherence /performance with regard to best industry practices/standards such as but not limited to:
  - The OECD Guidelines for Multinational Enterprises,
  - The IFC Performance Standards,
  - The WB/IFC Environmental, Health, and Safety (EHS) General Guidelines,
  - The WB/IFC EHS Guidelines for Mining,
  - The International Council on Mining and Metals Sustainable Development Principles,
  - The Voluntary Principles on Security and Human Rights.

Through the active engagement process, Deutsche Bank encourages clients to move toward and apply good industry practices.
Palm Oil

1. What is Deutsche Bank’s position in respect to the palm oil sector?

Growth of the palm oil industry has had positive economic benefits, especially for Asian countries seeking access to global markets. However, the production of palm oil can raise environmental and social challenges if not conducted responsibly.

2. How can Deutsche Bank ignore the negative impact of the current approach of the palm oil industry?

To address concerns and promote sustainable palm oil production, Deutsche Bank introduced a set of guiding principles for palm oil industry transactions in 2012. As a minimum, clients active in this sector are required to provide a certification plan for their plantation or mill in accordance with the Roundtable on Sustainable Palm Oil (RSPO) criteria.

The RSPO standard was established in 2004 and is widely supported by international consumer goods manufacturers and financial institutions. The bank also engages with clients during the certification process when requested.

3. What does Deutsche Bank undertake to contribute to an improvement of the situation in the palm oil sector?

To broaden our understanding of challenges associated with the palm oil sector, we engage with experts e.g. research institutions active on the ground in Asia. We are also in a dialogue with the international RSPO and the German Forum for Sustainable Palm Oil (FONAP).

In addition, Deutsche Bank has developed, with a number of other banks, the so-called “soft commodities compact” to support the objective of major consumer goods companies to achieve zero net deforestation in their supply chains by 2020. This initiative covers palm oil and other commodities such as timber, soy and beef, which together account for about half of global carbon emissions arising from deforestation. The compact sets minimum standards for bank lending policies that align with the Consumer Goods Forum (CGF) sustainable procurement standards for the priority soft commodities. For palm oil, the minimum standard is based on RSPO criteria.

The compact also encourages banks to work with clients toward sustainable financing solutions. As a result, Deutsche Bank contributed to the development of the “Sustainable Shipment Letter of Credit”. This is a letter of credit for goods that attaches a certification document (such as RSPO certified) to standard documentation. This will allow trade finance banks to differentiate between conventional and ‘Sustainable Shipments’. Our trade finance business is ready to work with consumer goods companies and support them in their effort to reduce deforestation.