



Annual General Meeting 2022

Statements from shareholders

Status 13.05.2022



The statements in English from shareholders currently submitted to us are presented below.
The statements in German submitted to us can be found on our German website page at [hauptversammlung.db.com](https://www.hauptversammlung.db.com).

The statements are the authors' views as notified to us. Also, we have published assertions of fact without changing or verifying them.

It should be noted that questions, counterproposals and election nomination proposals are to be submitted only through the channels described in the agenda and, accordingly, questions, counterproposals and election nomination proposals contained in the published statements will not be considered.



Statements

1. Statement of the Dachverband der Kritischen Aktionärinnen und Aktionäre acting on behalf of the shareholder Stiftung Nord-Süd-Brücken

Statement on Deutsche Bank's funding for new coal production

Deutsche Bank claims to support the goals of the Paris Agreement and achieving net zero global emissions by 2050. The bank is a signatory to the *Paris Pledge for Action*, the German financial sector's *Climate Commitment* and the *Net Zero Banking Alliance* [1]. CEO Christian Sewing has also publicly stated, "The fight against climate change is probably the greatest challenge facing humanity, and we banks will have to fundamentally align ourselves with it." [2]

Deutsche Bank's claims must be measured against what scientific and economic expert bodies say is required to limit global warming to 1.5°C and achieve net zero global emissions by 2050. Numerous publications have highlighted that achieving these goals means ceasing all coal expansions (including greenfield and brownfield projects) and rapidly phasing out existing coal supply.

In May 2021, the International Energy Agency (IEA) provided its landmark roadmap to achieving net zero by 2050, stating that under this scenario, "No new coal mines or extensions of existing ones are needed in the [scenario] as coal demand declines precipitously" [3]. Under the IEA's scenario, unabated coal supply falls 55% by 2030, and 90% by 2050 (total world energy supply compared to 2019 levels) [4].

This year, the latest Intergovernmental Panel on Climate Change report again highlighted the need for coal supply to urgently and dramatically decline. Under its low or no overshoot 1.5°C aligned models, coal use falls 75% by 2030 and 95% by 2050 (on 2019 levels) [5]. This is consistent with other important studies, which have concluded limiting global warming to 1.5°C means 95% of Australia's coal reserves must remain unburned [6], and coal supply must decline 11% every year between 2020 and 2030 [7].

Unfortunately, Deutsche Bank is falling well short of the need for deep and urgent cuts to coal production. It is further exacerbating the problem by arranging finance for fossil fuel companies pursuing new coal production.

In July 2020, Deutsche Bank introduced restrictions under its Environmental and Social (E&S) Policy Framework, committing "not to provide financing for new coal mines" and "not to finance coal-related infrastructure, regardless of whether the infrastructure is associated with a new or existing coal mine" [8]. Deutsche Bank's support for new coal production stands in contradiction of these commitments—creating a significant reputational, legal and governance issue for the bank.

Whitehaven Coal

Whitehaven is the biggest pure play coal mining company on the Australian share market and one of the most controversial resources companies in the country. Since first being publicly listed on the Australian Securities Exchange (ASX) in 2007, the company has derived 100% of its revenue from the sale of coal [9].

Whitehaven currently operates four mines in the Australian state of New South Wales. The company's major operations are the Maules Creek and Narrabri coal mines. The Maules Creek coal mine is licensed to operate until the 2050s and Narrabri until 2044 – decades beyond the point at which coal must be phased out.

Whitehaven is pursuing three new or expanded coal mines via the Narrabri expansion, and greenfield Vickery and Winchester South coal mines. Combined, these mines have marketable coal reserves of almost 500 million tonnes [10]. In the last decade, Whitehaven has more than doubled its production. At the company's 2021 AGM, Whitehaven's CEO confirmed the company could more than double its coal production again by 2030 through these new coal projects [11].



Using Whitehaven's own production estimates, it is possible to compare the company's planned production to coal production under 1.5°C and net zero by 2050 coal supply scenarios. Whitehaven's current plans would involve a doubling of coal production by 2030 and sustained high production through to 2040. This is in stark contrast to the IEA's Net Zero by 2050 scenario, and the Production Gap Report's 1.5°C scenario, which model global coal production falling by over 50% by 2030, and around 80% by 2040.

Financing

Deutsche Bank has participated in Whitehaven's syndicated debt facilities since 2013, with the most recent refinancing occurring in February 2020 [12]. Whitehaven has indicated it will seek to refinance again later this year, which will represent an important test of Deutsche Bank's claimed support for climate action.

In September 2021, Deutsche Bank was reported to have organised a "non deal roadshow" event for Whitehaven, and intends to act as a bookrunner for any bond issue that emerges [13]. It has since been reported that Whitehaven could seek to raise up to US\$700 million on bond markets [14].

Arranging finance for Whitehaven would constitute a breach of Deutsche Bank's E&S Policy Framework. Any lending, bonds involvement or participation in capital market fundraising for Whitehaven would result in direct or indirect financing of the company's proposed Vickery and Winchester South coal mines. Even if there were a restriction on the use of the funds, a policy breach would still occur as the finance would free up financial capacity elsewhere within Whitehaven Coal, still enabling it to proceed with new coal and expanded mining projects.

Deutsche Bank's involvement with Whitehaven Coal during a period of escalating climate change impacts also constitutes a significant reputational risk. The reported decision to arrange finance for the company is a clear failure of Deutsche Bank's processes, particularly that of the relevant regional risk committee. If Deutsche Bank proceeds with the deal, then the policy breach outlined above raises even more grave reputational, legal and governance concerns that must be directly addressed by the Deutsche Bank board. Deutsche Bank must rule out any further financing for Whitehaven Coal, and other companies planning new coal production.

Adani Enterprises

Financing Adani Enterprises indirectly funds the Carmichael thermal coal mine

Back in 2014, Deutsche Bank was one of the first banks to rule out funding the disastrous Adani Carmichael thermal coal project in Australia. Well over 100 companies have now made that commitment, including over 40 major banks [15].

However, Deutsche Bank has breached this promise and its policy of not directly or indirectly financing new thermal coal mines via its financing of the Adani Group, and in particular the Adani Enterprises subsidiary, which constructed, owns and operates the Carmichael mine and rail line.

Due to the controversial and destructive nature of the Carmichael project, Adani was unable to secure external project finance. This meant that Adani funded the construction of the Carmichael mine and rail line internally, mainly via intercompany loans [16]. This method of funding means that all financing of any Adani Group entity frees up capital which could then flow to Carmichael coal. That is, financing any part of the Adani Group indirectly funds the Carmichael mine.

Deutsche Bank has done exactly this. For example, in July 2021, while Adani was in the process of constructing the Carmichael coal mine, Deutsche bank participated in a US\$1 billion bridge loan to Adani Enterprises to cover its purchase of the Mumbai International Airport [17]. It is also part of a group of banks that were working to issue bonds for Adani Enterprises, so it can refinance this bridge loan [18].



Financing Adani Enterprises is a breach of Deutsche Bank's specific promise on Carmichael and its coal exclusion policy. To stay true to its commitments it must do no further work for the Adani Group.

- [1] Deutsche Bank, [Deutsche Bank Joins New Net Zero Banking Alliance \(21/04/21\)](#); Deutsche Bank, [How the Paris Climate Agreement has changed the bank \(11/12/20\)](#).
- [2] Deutsche Bank, [Christian Sewing speech at Handelsblatt Banking Summit 2021 \(08/09/21\)](#).
- [3] International Energy Agency, [Net Zero by 2050 \(05/21\)](#) p 20.
- [4] Ibid p 195.
- [5] Intergovernmental Panel on Climate Change, [Sixth Assessment Report – Chapter 3 \(27/11/21\)](#) Table 3.6.
- [6] D Welsby et al, [Unextractable fossil fuels in a 1.5 °C world, Nature \(08/09/21\)](#).
- [7] SEI et al, [The Production Gap Report 2021 \(2021\)](#) p 15.
- [8] Deutsche Bank, [Environmental and Social Policy Framework \(07/20\)](#).
- [9] Based on Whitehaven's [annual reports](#).
- [10] Whitehaven Coal, [Coal Resources and Coal Reserves Update \(26/08/21\)](#) p 3.
- [11] Market Forces, [Whitehaven Coal AGM 2021 \(27/10/21\)](#).
- [12] Based on Refinitiv Eikon research.
- [13] Debtwire, [Whitehaven Coal to start online NDR for credit investors next week \(24/09/21\)](#).
- [14] P Ker, [Whitehaven says Asia will fund coal for decades, Australian Financial Review \(26/08/21\)](#).
- [15] Market Forces, [The Adani List \(2022\)](#).
- [16] C Kruger, [Debt, not coal, delivers \\$388m profit to Adani, Sydney Morning Herald \(22 July 2021\)](#).
- [17] Market Forces, [Deutsche Bank, JP Morgan and Standard Chartered break promise and loan US\\$1 billion to Adani coal miner \(19 August 2021\)](#).
- [18] B Kalesh and S Ghosh, [Adani Seeks \\$1 Billion in Bonds to Refinance Mumbai Airport Debt, Bloomberg \(22 December 2021\)](#).

2. Statement by Mr. Coedie McAvoy acting on behalf of the Dachverband der Kritischen Aktionärinnen und Aktionäre, which in turn acts on behalf of shareholder Claudia Fatzkaemper

This video statement can be found at the following link: https://e.video-cdn.net/share?video-id=9oWvcKwJYZ2e-wQb3GB6XLC&player-id=Agwb9r1zYeSQYW3EbqZuN_&channel-id=98145.

3. Statement from Mr. Andreas Thomae as a Portfolio Manager acting on behalf of Deko Investment GmbH

This statement in text form, which was submitted to us in German only, can be found on our German website at https://hauptversammlung.db.com/files/documents/2022/HV_2022_Stellungnahmen.pdf.



4. Statement by Ms. Patricia Namirembe, Fridays For Future Uganda, acting on behalf of the Dachverband der Kritischen Aktionärinnen und Aktionäre

This video statement can be found at the following link: <https://e.video-cdn.net/share?video-id=Bva-wuHy8jDkbh-5StMQcS4&player-id=-zjinNWrMdx5vGRkKTQJAW&channel-id=98145>.

5. Statement by Mr. Hans Oswald

This video statement, which was submitted to us in German only, can be found on our German website at the following link: https://hauptversammlung.db.com/files/documents/2022/HV_2022_Stellungnahmen.pdf.

6. Statement by Mr. Virgil Bestea

This video statement, which was submitted to us in German only, can be found on our German website at the following link: https://hauptversammlung.db.com/files/documents/2022/HV_2022_Stellungnahmen.pdf.

