Deutsche Bank

In-house ecology update 2024

Sustainability strategy

Sustainability, which includes Environmental, Social and Governance (ESG) dimensions, has been a central part of Deutsche Bank's strategy since 2019. It forms one of the three thematic pillars that underpin Deutsche Bank's corporate strategy, along with macro-economic shifts and technology.

Deutsche Bank sees it as its responsibility to support and, where possible, accelerate the historic transformation towards a more sustainable society and economy. The bank has embedded sustainability into its governance and operations as well as in its products and services, focusing on four pillars: Sustainable Finance, Policies & Commitments, People & Own Operations and Thought Leadership & Stakeholder Engagement.

For more information on our Sustainability Strategy please refer to Deutsche Bank Annual Report 2024 – Combined Management Report – Sustainability Statement.

For more than a decade, Deutsche Bank has analyzed sustainability topics with regards to their materiality for the bank and its stakeholders. Building on this experience, in 2024, Deutsche Bank conducted a double materiality assessment (DMA, the assessment) in compliance with the reporting requirements of the European Sustainability Reporting Standard (ESRS). In line with the reporting requirements, the DMA includes the perspectives of impact and financial materiality. In house ecology was deemed to be non-material (please refer to Deutsche Bank Annual Report 2024 – Combined Management Report – Sustainability Statement – General information – Double materiality assessment – Material sustainability topics 2024, page 206 for more information).

However, as Deutsche Bank wants to lead by example in the decarbonization of its own operations, the bank believes it is important to publish Deutsche Bank Group data showing progress against its own targets and commitments.

In-house ecology

– Interim 2030 net-zero target of 46% emissions reduction from 2019
– On target to reduce energy consumption by 30% by 2025
– 97% of all electricity from renewable sources

As part of Deutsche Bank's commitment to being a responsible corporate citizen, the Group manages and, where possible, minimizes the actual negative environmental impact of business operations, such as the energy and resources used in offices and carbon emissions from business travel.

This is done by reducing energy consumption and using other resources as efficiently as possible, buying renewable electricity, and offsetting the remaining emissions. After engaging with stakeholders internally, action was taken to improve the quality of supply chain emissions data. In its ongoing commitment to reduce the environmental impact of suppliers, the bank remains an active participant in the Carbon Disclosure Project (CDP) Supply Chain program, where members can engage with suppliers, identify risks and opportunities, and share carbon emissions data. In 2024 Deutsche Bank approached its largest 400 suppliers to understand and reduce the emissions associated with purchased goods and services more fully. Out of 400, 215 responded to the CDP climate change questionnaire. The bank continues its dialogue to improve response rates where none were received and to drive further engagement. In 2025, it is planned to expand this number to the largest 500 suppliers. The aim of expanding this number is to encourage more suppliers to disclose emissions data to the CDP.

Governance

Deutsche Bank's governance framework for collecting data on, quantifying, and reporting greenhouse gas (GHG) emissions is based on ISO 14064, an internationally recognized standard for GHG reporting. In addition, the bank's energy management system in Germany is certified to ISO 50001; this includes monitoring progress toward energy and cost reduction targets on a monthly and annual basis.

The Eco-Performance Management Office (EcoPMO) in the Global Real Estate function oversees energy and resource conservation in offices and other facilities. It defines criteria and responsibilities for how energy conservation initiatives are evaluated and approved. Facility management teams complete an energy initiative assessment and implement energy and water efficiency projects; the EcoPMO measures and verifies outcomes. In addition, progress toward targets is continually monitored by collecting data on energy use, water use, and waste at Deutsche Bank's buildings. This information is collated in monthly regional energy reports, which are reviewed by regional and global division managers, and quarterly reviews are held with the Chief Sustainability Officer to inform about In-house ecology topics and performance against targets who in turn briefs the management board.

Deutsche Bank's Scope 1 and Scope 2 emissions are calculated based on the reporting boundary of the GHG Protocol's operational control approach. According to the GHG Protocol, a company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation. This report is the third consecutive year in which the relevant categories 1 to 14 of Deutsche Bank's Scope 3 GHG emissions are disclosed.

- Scope 1: Direct emissions from on-site and mobile combustion (liquid/gaseous fossil fuels, owned and leased vehicles, and refrigerant leakage from cooling equipment)
- Scope 2: Indirect emissions from delivered energy (electricity, district heating, steam, and chilled water)
- Scope 3: Relevant categories 1 to 14 (excluding investments or financed emissions)

Targets and measures

The bank has set a number of targets to reduce its environmental footprint, particularly with regard to carbon emissions, and aims for a 46% reduction vs 2019 baseline by 2030 in all Scope 1, 2 and disclosed categories 1 to 14 of Scope 3 emissions. The 1.5°C scenario has been chosen for target calculation using the Absolute Contraction Approach (ACA). This approach requires companies to reduce their emissions by a fixed percentage every year by a given scenario, regardless of the company's size, sector, or growth rate. This is integral to the 2023 published Net-Zero Banking Alliance Transition Plan, which outlines 2030 goals for decarbonizing operations and managing carbon emissions in the supply chain.

When setting its greenhouse gas emission targets to minimize the actual negative environmental impact of its business operations, Deutsche Bank has considered current and future developments that might impact the achievement of the targets,

such as hybrid working and a corresponding reduction in office space, continuous improvements in Deutsche Bank's building infrastructure and energy standards as well as the accelerating shift toward electric mobility.

Overall, Deutsche Bank expects the main decarbonization levers to be energy efficiency, use of renewable energy and fuel switching. Deutsche Bank's targets of reducing its overall Scope 1, 2 and 3 (categories 1-14) by 46% by 2030 from a 2019 base year include the following:

- Reduce total energy consumption by 30% by 2025 compared to 2019 (on target to achieve; revised up from 20%)
- Source 100% renewable electricity by 2025 (on target to achieve)
- Compensate for emissions of own operations (Scope 1 and 2) and business travel (achieved)
- Reduce Deutsche Bank car fleet gasoline consumption by 30% by 2025 and carbon zero by 2030 in Germany (on target to achieve)

Offsetting residual CO_2 emissions

One of Deutsche Bank's most important environmental commitments is to reduce and compensate CO_2e emissions for own operations and business travel. This is achieved by consuming less energy, traveling less, and purchasing more renewable electricity, and then finally by offsetting Deutsche Bank's residual Scope 1 and 2 emissions as well as those associated with the Group's business travel.

Market-based emissions from own operations and business travel (including the effect of buying renewable electricity) amounted to 118,363 metric tons of CO_2e in 2024, while emissions from own operations and business travel using location-based reporting (excluding renewables) totaled 201,171 metric tons of CO_2e (t CO_2e). The difference between the two types of reporting is due to renewable electricity coverage purchased in 33 countries, particularly in the top five countries—Germany, the United Kingdom, the United States, India, and Italy—where most electricity is consumed by the bank.

Having reduced energy consumption and purchased renewable electricity for 97% of all electricity consumption, in 2024, Deutsche Bank continued to offset the residual emissions by purchasing and retiring certificates that fulfill the bank's quality criteria, such as Verified Emission Reduction (VER) certificates. The certificates purchased in 2024 fund investments in a diversified portfolio of projects that promote climate protection and economic development in Africa, Americas, and Asia. All projects comply with recognized global standards: 70.5% with the Gold Standard, 26.5% with the Verified Carbon Standard or Verra and 3% with Puro.

	FY 2022	FY 2023[2]	FY 2024[1]	FY 2024 vs. FY 2023
GHG emissions (own operations) in t of CO_2e (unless stated otherwise)[1, 3]				
Scope 1 GHG emissions[4]	22,749	15,636	16,978	8.6%
Scope 2 GHG emissions (market-based)[5]	28,393	17,956	16,356	(8.9)%
Scope 2 GHG emissions (location-based)[6]	122,773	99,460	99,164	(0.3)%
Scope 1 & 2 (market-based) emissions including business travel, in tons of CO_2e[7, 8]	79,139	91,203	118,363	29.8%
Scope 1 & 2 (location-based) emissions including business travel, in tons of CO_2e[7,8]	173,519	172,708	201,171	16.5%
Share of its own global electricity consumption from renewable sources	96%	97%	97%	(0.3)%
GHG Intensity values				
Total GHG (market-based) emissions including business travel per net revenue (tCO_2eq/million €)[9]	3	3	4	26.9%
Total GHG (location-based) emissions including business travel per net revenue (tCO_2eq/million €)[9]	6	6	7	13.9%

[1] Data reported for 2024 is from the period October 1, 2023, to September 30, 2024. The previous year is always adjusted to January to December. To maintain a 12-month reporting period, actual data from 2024 is used, with October–December 2023 data applied as a representative estimate for the corresponding period in 2024, as it reflects the best available data at the time of reporting

[2] Changes to prior-year figures due to updated power grid factors, updates to historical data (such as billing updates), and methodology

[3] The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard was used to calculate Scope 1, 2 and 3 emissions. DWS is included in Scope 1, Scope 2 and business travel emissions

[4] Emissions from Scope 1 increased due to temporary energy demand from operational activities during the year

[5] Market based electricity uses a zero-emission factor for sites where renewable electricity contracts are in place, or Energy Attribute Certificates (Renewable Energy Certificate (REC), Guarantee of Origin (GO)), are purchased to enable the claim that the attributes of renewable electricity apply to the consumption

[6] The location-based method reflects the average emissions intensity of grids on which energy consumption occurs, using mostly grid-average emission factor data

[7] Business travel includes travel by air, rail, rented vehicles, and taxis as well as hotel stays. The increase in emissions from business travel is largely due to the availability of cabin-specific data and the application of corresponding emission factors

[8] Total emissions are based on actual, estimated, or extrapolated data, including all market-based or location-based Scope 1 and 2 emissions and relevant categories of Scope 3 emissions. All assumptions and calculation methodologies are in line with the ISO 14064 Standard Guidelines with supporting documentation. The emission factors have been used for each activity data type, from internationally recognized sources, such as DESNZ (2024), GHG Protocol, eGRID (2024), and IEA (2024), RE-DISS (2024), or, if more relevant, from country or contract specific sources. The factors include all GHGs and the gases' Global Warming Potential pursuant to IPCC AR5 assessments

[9] Net revenues are the total of interest income and non-interest income. This information is disclosed in both Deutsche Bank's Annual Report and Financial Data Supplements release for Quarterly results. All Net revenue metrics use annual Net revenues for the financial year 2024. Net revenues are disclosed in million €

Key topics in 2024

Energy efficiency and conservation

Deutsche Bank takes various actions to continually enhance its buildings' energy efficiency and to reduce energy consumption, such as using new and more efficient technology, recommissioning equipment, optimizing building operations and expanding efforts to purchase renewable electricity. Through this, the bank addresses the main decarbonization levers of energy efficiency and use of renewable energy.

As part of Deutsche Bank's standard operating procedure, the bank has Engineering Standards documentation in place that describes energy efficiency programs and how energy costs and consumption are managed. Deutsche Bank has also developed building management systems to maximize energy efficiency amid low occupancy. Engineering teams monitor the building performance against benchmarks and identify the potential for energy savings measures. The EcoPMO conducts an annual in-depth assessment of the contribution of energy-conservation initiatives towards Deutsche Bank's energy reduction targets. It also shares knowledge and best practices between regions. This has helped Deutsche Bank to reduce its energy consumption by a total of 3,000 MWh or 0.6% year-on-year overall. Around 108 initiatives contributed to this improvement. The reductions in Deutsche Bank's consumption include several types of energy – electricity, district cooling, and district heat. Additionally, the acceleration of the bank's space reduction program as well as lower office utilization due to hybrid working also contribute to this reduction.

Energy and renewable electricity

The Engineering Standards also prescribe the purchase strategy of renewable electricity globally. By purchasing renewable electricity in 33 countries, altogether, 97% of Deutsche Bank's electricity worldwide was from renewable sources (2023: 97%). Deutsche Bank's certified zero-carbon electricity contracts include Renewable Energy Guarantees of Origin in the United States and Canada, for selected offices in the United Kingdom, Guarantees of Origin in Germany, International Renewable Energy Certificates (I-REC) in Brazil, Hong Kong, India, Mexico, and Philippines, and energy attribute certificates in 24 other countries.

Energy consumption in GWh (unless stated otherwise)[1]	FY 2022	FY 2023[2]	FY 2024[1]	FY 2024 vs. FY 2023
Total energy consumption in GJ[3]	1,931,103	1,373,718	1,365,419	(0.6)%
Total energy consumption[3]	536	382	379	(0.6)%
Electricity consumption	304	232	232	0.1%
Energy from primary fuel sources (oil, gas, etc.)	107	68	79	16.1%
District heating, steam and cooling[4]	125	81	68	(16.7)%
Electricity from renewables[3]	293	225	224	(0.1)%

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[2] Changes to prior-year figures due to updated power grid factors, updates to historical data (such as billing updates), and methodology

[3] Total energy consumption encompasses all sources used in Scope 1 and 2: natural gas, liquid fossil fuels (mobile and stationary), renewable and grid electricity, district heating, cooling, and steam. Standard joule to kWh conversion factors were used. The only renewable energy source used is electricity and equals 224 GWh. There was no sale of electricity, heating, cooling, or steam

[4] Calculated electricity and heating intensities are used to estimate electricity and heating demands where data are unavailable

Scope 3, other indirect Greenhouse gas emissions

This year, the bank has adopted a dual-methodology approach to calculating emissions from Scope 3, categories 1, 2 and 4 which covers 69% of emissions reported in the table below.

As part of the CDP Supply Chain program, the bank actively encourages suppliers to disclose their climate targets and GHG emissions through the CDP questionnaire as this enables supplier-specific emissions to be utilized in the bank's Scope 3 reporting. Emissions calculated using this method are considered to be primary data. An environmentally extended economic input output (EEIO) model has been used to estimate remaining emissions in Scope 3 categories 1, 2 and 4 based on the amount spent in each economic sector.

Emissions in the bank's value chain (all Scope 3 excluding investments) amounted to around 1,078,490 metric tons of CO_2e in 2024, an increase of 6.3% compared to 2023. Employee commuting, which also includes emissions of employees working from home, increased over the last year, which is in response to an increased number of employees as well as a more frequent return to the offices.

Scope 3, other indirect GHG emissions in t of CO_2e (unless stated otherwise)[1]	FY 2022	FY 2023[2]	FY 2024[1]	FY 2024 vs. FY 2023
Scope 3, other indirect GHG emissions (excl. Category 15)[3], of which	981,923	1,014,153	1,078,490	6.3%
Category 1 – purchased goods and services[4]	602,138	647,793	677,171	4.5%
Category 2 – capital goods[4]	33,021	24,587	46,275	88.2%
Category 3 – upstream fuel and energy related activities	46,926	28,651	29,378	2.5%
Category 4 – upstream transportation and distribution[4]	39,416	31,523	18,963	(39.8)%
Category 5 – waste generated in operations	574	521	619	18.8%
Category 6 – business travel[5, 6]	27,997	57,611	85,029	47.6%
Category 7 – employee commuting/working from home[7]	98,283	104,573	113,179	8.2%
Category 8 – upstream leased assets[8]	79,670	71,133	63,596	(10.6)%
Category 9 – downstream transportation and distribution[9]	39,872	38,701	35,570	(8.1)%
Category 10 – processing of sold products	N/A	N/A	N/A	N/A
Category 11 – use of sold products[10]	581	591	534	(9.7)%
Category 12 – end–of–life treatment of sold products[10]	34	25	8	(67.5)%
Category 13 – downstream leased assets[11]	13,411	8,444	8,167	(3.3)%
Category 14 – franchises	N/A	N/A	N/A	N/A

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[2] Changes to prior-year figures due to updated power grid factors, updates to historical data (such as billing updates), and methodology

[3] Total emissions are based on actual, estimated, or extrapolated data, including all market-based Scope 1 and 2 emissions and relevant categories 1 to 14 of Scope 3 emissions. All assumptions and calculation methodologies are in line with the ISO 14064 Standard Guidelines with supporting documentation. The emission factors have been used for each activity data type, from internationally recognized sources, such as DEFRA/BEIS (2023), GHG Protocol, eGRID (2023), and IEA (2023), RE-DISS (2023), or, if more relevant, from country of contract specific sources. The factors include all GHGs and the gases' Global Warming Potential pursuant to IPCC AR5 assessments

[4] The reason for changes to prior-year figures is the use of supplier specific emissions where known

[5] Cabin-specific information for air travel is available for FY24

[6] The extrapolation methodology for taxi travel has been updated to a spend-based approach

[7] Changes to prior years result from updates to the applied methodology

[8] Primary energy data was provided for regional data centres

[9] Ad-hoc branch visits not included. All transport emissions are well-to-wheel

[10] Categories 11 and 12 rely on calculating emissions from the number of customers, and these data are based on customer numbers in Germany only

[11] Downstream leased assets of Postbank are not included in this data. Floor area for Deutsche Bank's leased assets has been provided on a quarterly basis

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