



# Modern Slavery and Human Trafficking Statement 2021

# Preface

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This Modern Slavery and Human Trafficking Statement (the “Statement”) was approved by our Management Board on 8 June 2022.

## About this Statement

This Statement is made by Deutsche Bank AG (“Deutsche Bank”) pursuant to section 54 of the UK Modern Slavery Act 2015 and section 14 of the Australian Commonwealth Modern Slavery Act 2018.

All the subsidiaries listed below are either fully owned or majority owned by Deutsche Bank. This Statement relates to Deutsche Bank’s fiscal year ending on December 31, 2021.

For the purposes of the UK Modern Slavery Act, this Statement covers the following legal entities:

- Deutsche Bank AG (including its branches)<sup>1</sup>
- DBOI Global Services (UK) Limited<sup>2</sup>
- DB Group Services (UK) Limited<sup>3</sup>
- DWS Alternatives Global Limited<sup>4</sup>
- DWS Investments UK Limited<sup>5</sup>

For the purposes of the Australian Commonwealth Modern Slavery Act, this Statement covers the following reporting entities:

- Deutsche Bank AG (including its branches)<sup>6</sup>
- Deutsche Australia Limited<sup>7</sup>
- Deutsche Group Services Pty Limited<sup>8</sup>

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1 Deutsche Bank AG London branch is registered with Companies House in England and Wales under number BR000005 with its establishment office situated at Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

2 Registered number 06583053 with its registered office situated at Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

3 Registered number 03077348 with its registered office situated at 23 Great Winchester Street, London, EC2P 2AX.

4 Registered number 05603289 with its registered office situated at Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

5 Registered number 05233891 with its registered office situated at Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

6 Deutsche Bank AG Sydney branch is a registered foreign company under the Corporations Act 2001 ARBN 064 165 162 with its registered office address situated at Deutsche Bank Place, Level 16, Corner Hunter and Phillip Streets, Sydney, New South Wales 2000.

7 Registered number ACN 006 385 593 with its registered office address situated at Deutsche Bank Place, Level 16, Corner Hunter and Phillip Streets, Sydney, New South Wales 2000.

8 Registered number ACN 000917260 with its registered office address situated at Deutsche Bank Place, Level 16, Corner Hunter and Phillip Streets, Sydney, New South Wales 2000.

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# 1. About Deutsche Bank

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We are here to enable economic growth and societal progress by generating a positive impact for our clients, our people, our investors, and our communities.

Founded in 1870, Deutsche Bank is Germany's leading bank, with a strong position in Europe and a significant presence in the Americas and Asia-Pacific. For more than 150 years, Deutsche Bank has been connecting worlds to help people and businesses get to where they want to be. Deutsche Bank AG is a stock corporation incorporated under the laws of the Federal Republic of Germany, with its principal office in Frankfurt am Main, Germany. The bank is registered with the district court in Frankfurt am Main under No. HRB 30 000 and licensed to conduct banking businesses and to provide financial services. Deutsche Bank shares are listed in Germany and in the USA, trading on the Frankfurt Stock Exchange and on the New York Stock Exchange<sup>9</sup>.

Deutsche Bank focuses on four client-centric businesses: A Corporate Bank, an Investment Bank, a Private Bank, and Asset Management. We provide retail and private banking, corporate and transaction banking, lending, and asset and wealth management products and services as well as focused investment banking to private individuals, small and medium-sized enterprises, corporations, governments, and institutional investors. Deutsche Bank's operating activities include: (i) the provision, production, processing, and delivery of financial products and services; (ii) financial investments; (iii) financial research; (iv) the distribution of financial products; (v) the direct employment of workers; (vi) the management and/or operation of joint ventures; (vii) the leasing of property; (viii) charitable activities; (ix) procurement; and (x) marketing and sales.

Deutsche Bank's operations have a supply chain of over 36,500 vendors located in more than 41 countries. Our vendors are those typical of a financial institution: information technology, business processing and property (including facility management) service providers, consultants, and suppliers of marketing services, print and promotional materials and durable and consumer goods.

At the year-end 2021, the bank employed 82,969 full-time equivalent internal employees and operated in 58 countries with 1,709 branches, of which 67% were located in Germany. Despite the challenges presented by the COVID-19 pandemic, in 2021 Deutsche Bank continued the strategic transformation and restructuring of its businesses as announced in mid-2019. Alongside financial performance, sustainability remains one of Deutsche Bank's top priorities. Deutsche Bank considers upholding human rights, including the prevention of modern slavery, as essential to its sustainability agenda. In 2020, we adopted the following sustainability mission statement:

*"We aspire to contribute to an environmentally sound, socially inclusive and well-governed world. We strive to support our clients in the acceleration of their transformation. Our advice as well as our products and solutions shall be built on this commitment."*

Combatting modern slavery and human trafficking forms part of Deutsche Bank's broader Human Rights Program, which is aimed at ensuring that our business activities do not adversely impact other people's human rights.

Our Annual Report 2021 contains more information about our business and operations. It can be found at: <https://www.db.com/ir/en/annual-reports.htm>.

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<sup>9</sup> Shares were first traded on the Berlin Stock Market in 1870 and on the NYSE on October 3, 2001. More information on the history of Deutsche Bank is available at: <https://www.db.com/who-we-are/history/>.

## 2. Risk of exposure to modern slavery and human trafficking

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Deutsche Bank is a financial service provider. As such, the risk of modern slavery and human trafficking at our own business operations is low. Nevertheless, we recognize that our supply chain could pose such risks and that a third party could use our products and services inappropriately. Deutsche Bank has identified certain areas in which it could be exposed to the risk of modern slavery and human trafficking in its supply chain: (i) cleaning, security, and maintenance services provided at our premises; (ii) transportation and delivery services; (iii) the supply of catering consumables; and (iv) the manufacture of corporate clothing and corporate-branded promotional materials.

Deutsche Bank, however, recognizes that its supply chain in general potentially exposes it to the risk of modern slavery and human trafficking and has structured its review processes accordingly. Deutsche Bank will continue to review the areas that may pose a heightened risk of modern slavery and human trafficking.

In addition, Deutsche Bank operates globally, offering a wide range of products and services to clients across all industries. Although these operations could potentially be connected to adverse human rights impacts, the majority of these impacts would be indirect and thus beyond the bank's direct control. Nonetheless, Deutsche Bank recognizes that it needs to have appropriate processes in place to minimize the risk that our operations could be used in this manner.

## 3. Governance and action taken to assess and address modern slavery and human trafficking risk

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This section describes the actions taken by Deutsche Bank to assess and address modern slavery and human trafficking risk. It has six sub-sections:

- [Human Rights Governance at Deutsche Bank](#)
- [Human Rights Governance at DWS](#)
- [Our Policies](#)
- [Our People](#)
- [Our Clients](#)
- [Our Vendors](#)

## 3.1 Governance

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### 3.1.1 Human Rights Governance at Deutsche Bank

The Management Board is responsible for managing Deutsche Bank. Its prime responsibilities include strategic management, resource allocation, financial accounting and reporting, risk management, and corporate control. The Chief Executive Officer oversees sustainability and is supported by a dedicated Group Sustainability function.

Within the two-tier management structure under German Corporate Law, the Supervisory Board of Deutsche Bank AG supervises and monitors the Management Board and the Integrity Committee of the Supervisory Board specifically, and continually advises and monitors the Management Board with regard to sustainability topics, including fulfilling the company's social responsibility, and with regard to whether the business management is aligned to these values with the objective of a holistic corporate culture.

Furthermore, a Group Sustainability Committee, established in 2020 by the Management Board of Deutsche Bank, oversees all of the bank's significant sustainability initiatives and the implementation of its sustainability strategy. The committee consists of Management Board members and heads of business divisions, is chaired by the Chief Executive Officer, and meets monthly. It acts as the bank's primary decision-making panel for sustainability-related issues.

In addition, a Human Rights Working Group (HRWG), which was established in 2020, now brings together senior representatives of the following functions: Procurement, Anti-Financial Crime (AFC), Group Sustainability (as the control function for human rights due diligence in client business), Human Resources (as it relates to Deutsche Bank's own staff), Legal, and Non-Financial Risk Management. Its membership was revised in 2021. Via the HRWG the members coordinate so that the operations overseen by these functions comply with existing and emerging laws and regulations as well as recognized standards and principles relating to human rights. For example, within the HRWG we evaluated the implications of the German Supply Chain Due Diligence Act, which was enacted in July 2021. Alongside the HRWG, the above-named functions have also established their own working groups to address function-specific human rights issues.

Our Annual Report 2021 provides additional information on the bank's governance framework: <https://www.db.com/ir/en/annual-reports.htm>.

In 2022, Deutsche Bank will continue to review the above.

### 3.1.2 Human Rights Governance at DWS

DWS, our asset management division, has additional specific governance processes. DWS is fully committed to its responsibilities in relation to human rights.

At DWS, we aim to incorporate the management of sustainability-related risks and opportunities throughout our operations as part of our overall sustainability governance that covers both climate and human-rights-related topics. The overall responsibility for sustainability lies with DWS's Chief Executive Officer but is also shared across the entire DWS Executive Board. Material ESG and sustainability-related issues are presented to the Board as necessary and appropriate. The Group Sustainability Council (GSC) supports the Board by driving Group-wide alignment and oversight of sustainability-related activities. The Board is further supported by additional expertise and an outside-in perspective provided by the ESG Advisory Board (EAB).

While DWS intends to employ a global approach on how to incorporate sustainability issues, we are shaped by local regulations in terms of how we can implement our approach in different jurisdictions. The Board is determined to work with the relevant stakeholders and regulators to ensure that sustainability issues are incorporated throughout our value chain.

The DWS Climate Report 2021 contains more information on DWS's sustainability governance framework, which covers both climate and human-rights-related topics:  
<https://group.dws.com/responsibility/>.

Further information can be found in the DWS Annual Report 2021:  
<https://group.dws.com/ir/reports-and-events/annual-report/>.

### 3.1.3 Our Policies

#### Group Code of Conduct

Deutsche Bank's Code of Conduct (the Code) articulates what we stand for and what we want our corporate culture to be. We want to foster an open and diverse environment that values our staff and encourages them to "speak up." We want Deutsche Bank's and our employees' success to be built on respect, collaboration, and teamwork. The Code's principles are reflected in our management structures, policies, processes, and control systems.

The Code states Deutsche Bank's commitment to respecting human rights, including the prevention of child labor, modern slavery, and human trafficking. Periodically, Deutsche Bank's employees and external workers that provide services for the bank are required to complete an e-learning course specifically focused on the Code and Deutsche Bank's values.

The Code also makes it clear that employees and external workers have a responsibility to speak up and challenge substandard practices and behaviors, especially those that are inconsistent with the Code. In line with the Code and other Deutsche Bank policies and procedures, employees and external workers are actively encouraged to report any potential misconduct, inappropriate behavior, or any serious potential conduct risk to their supervisors, or the Compliance, Legal, or Human Resources (HR) departments. Failure to adhere to the Code and Deutsche Bank's policies and procedures may result in disciplinary action.

#### Human Rights Statement

Deutsche Bank's Human Rights Statement, endorsed by the Group Reputational Risk Committee, reinforces our commitment to respect human rights and outlines the approach we take to address this important issue. The approach covers all dimensions of our business, from client transactions and interaction with vendors and service providers to how we treat our employees. We are committed to ensuring that our business activities, supply chains, and investment decision-making help to combat modern slavery and human trafficking. Our principle is to not engage in any activities or business relationships that severely impact human rights.

#### Human resources policies

Our global HR policies cover a wide range of HR topics. Examples include hiring, performance management, career development, suitability assessments of members of management bodies and key function holders, international assignments, compensation, offboarding, termination, and employee-related incident management.

Our Hiring Policy requires that all external hires have to go through HR. Search firms, recruitment agencies, and other vendors may only be used after they have been onboarded in our vendor systems and a legal contract has been signed. The details of job offers and compensation packages require various internal approvals before an employment agreement is concluded.

In addition, Deutsche Bank has guidelines and policies for procedures related to performance management, disciplinary action, dismissal procedures, grievances, harassment, and bullying.

Like other members of the HRWG mentioned in chapter 3.1.1, in 2021 the HR team continued to ensure that Deutsche Bank's HR policies comply with human-rights-related aspects, as expressed in existing and/or upcoming laws, rules, and regulations. The aim is to continually improve transparency in terms of our approach to respecting human rights. Reference is made to the bank's annual Non-Financial Report and ISO-certified Human Resources Report.

### Integrity Hotline and Whistleblowing Policy

Deutsche Bank provides a range of channels to report suspected misconduct, including violations of laws, rules, and regulations, or company policies. These include the Compliance and Legal teams, the bank's dedicated Whistleblowing Central Function and the Integrity Hotline – a telephone reporting system and electronic platform, which may be used anonymously if desired.

Our Raising Concerns (including Whistleblowing) Policy defines the framework for staff members to report concerns or suspicions regarding possible violations of laws, rules, or regulations, or company policies and procedures. Reports of suspected misconduct are reviewed to determine the appropriate next steps, which may include an internal investigation of the incident. Such investigations may result in a number of outcomes, such as disciplinary action or a modification of company policies and procedures.

If a modern slavery or human trafficking issue connected with Deutsche Bank or its supply chain is identified, staff (including employees and contingent workers) and, where legally applicable, supplier staff are encouraged to speak up using the aforementioned mechanisms and procedures.

Since 2019, employees have been able to report a concern via Deutsche Bank's intranet, where they will find information to help them identify the right channel and relevant contact details. These channels can be used for reports regarding Deutsche Bank, our clients or suppliers, their employees, or any other entities or individuals doing business with or on behalf of Deutsche Bank.

The Raising Concerns (including Whistleblowing) Policy explicitly prohibits retaliation of any kind against employees who report concerns or cooperate with investigations, whether they do so through company channels or via a regulatory, investigatory, law enforcement, other agency or authority, or via self-regulatory agencies.

### Deutsche Bank Group Sustainability Policy

Deutsche Bank encourages all of its stakeholders to contact us if they have grounds to suspect that the bank has failed to respect human rights or is involved, directly or indirectly, in human rights issues, including modern slavery or human trafficking. Clients and the public can contact us to make complaints or voice concerns in any local branch, via e-mail, online, by calling our client service center, or through authorized third parties.

The Deutsche Bank Group Sustainability Policy governs how we address sustainability, including stakeholders' inquiries related to human rights. It applies to all employees and provides the set of minimum requirements in handling external inquiries. External stakeholders are encouraged to use multiple public channels to direct their questions and concerns to the bank, including dedicated contact via [mailbox.sustainability@db.com](mailto:mailbox.sustainability@db.com).

### DWS-specific policies

DWS has various ESG-related policies that provide guidance on the integration of ESG information (including violations of international norms and therefore human rights) into its investment processes, engagement, and proxy voting activities. The norm rating plays an important role in the integration of ESG information.

The norm rating is designed to identify violations and check companies' and countries' compliance with the UN Global Compact and other important norms, such as the labor standards of the International Labour Organization (ILO) or the OECD Guidelines for Multinational Corporations, when evaluating the human rights approach.

## 3.2 Action taken

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### 3.2.1 Our People

The success of Deutsche Bank and its subsidiaries largely depends on the ideas, competence, commitment, and health of its employees. That is why the Group attaches great importance to offering its employees an attractive working environment and places a high priority on the respect of its employees' human rights.

We aim to attract, develop, and retain the best people from all cultures, countries, races, ethnicities, genders, sexual orientations, abilities, beliefs, backgrounds, and experiences. We want all individuals to feel welcomed, accepted, respected, and supported. We expect our leaders to build inclusive teams of people with different skills, styles, and approaches who are empowered to contribute their best work. We believe that everyone deserves actionable feedback to help them achieve their career goals and succeed based on merit.

Deutsche Bank cooperates with employee representatives and employee representative councils based on good practice and in accordance with relevant national laws and regulations.

### 3.2.2 Our Clients

Potential human rights risks are being governed and opined on through the bank-wide Reputational Risk Framework. The underlying environmental and social (ES) provisions define procedures and responsibilities for risk identification, assessment, and decision-making. They apply globally to lending and selected capital market activities of our Corporate Bank and Investment Bank, and to our Private Bank's commercial lending activities. We focus on sectors that we have defined as sensitive and familiarize our employees with the criteria for the mandatory referral of risks to our Group Sustainability function. Our employees have access to detailed sector-related guidelines for all sectors requiring mandatory referral to Group Sustainability. ES issues deemed to pose at least a moderate reputational risk are subject to the reputational risk assessment process as well. We review the scope of sectors that have greater risk of adverse ES impacts as well as related company policies on a best-effort basis. We also review prevailing sector-related standards and industry best practices in order to improve our understanding of ES issues and, if necessary, adjust our approach. Additional information on ES due diligence and related issues is available in our Non-Financial Report<sup>10</sup>.

If we have concerns about a client with regards to human rights or modern slavery, we consult with relevant stakeholders. This might include direct engagement with the client as well as with civil society representatives that are familiar with the situation. Where appropriate, we obtain the advice of independent experts. On the basis of all available information and our assessment of the risks that have been identified, we decide on the further course of action, which may include termination of a business relationship.

In 2021, we conducted due diligence reviews of 317 clients and transactions in line with the procedures defined by our ES Policy Framework<sup>11</sup>. These reviews resulted in seven refusals.

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<sup>10</sup> [https://investor-relations.db.com/files/documents/annual-reports/2022/Non-Financial\\_Report\\_2021.pdf](https://investor-relations.db.com/files/documents/annual-reports/2022/Non-Financial_Report_2021.pdf).

<sup>11</sup> <https://www.db.com/files/documents/csr/sustainability/Deutsche-Bank-ES-Policy-Framework-English.pdf>.

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## Case Study

### Investigation into child abuse and exploitation in the Philippines

Starting in September 2020, several reports were published concerning the increase in the online streaming of child sexual abuse and exploitation (CSAE) during the COVID-19 pandemic. An investigation was initiated to identify Deutsche Bank's correspondent banking exposure to such transactional activity in the Philippines due to the country being cited as a high-risk jurisdiction for CSAE in multiple sources. The transaction review identified a number of cases with CSAE risk indicators. In all cases, an originator, usually located in Europe, made payments to multiple non-familial beneficiaries in the Philippines with whom they had a questionable relationship. Common to most, but not all, cases was that the originator was 30 to 35 years older than the beneficiaries, which has also been cited as a CSAE indicator in some of the sources. Efforts have begun to integrate these CSAE indicators into Deutsche Bank's transaction monitoring.

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In 2020, Deutsche Bank officially adopted the Equator Principles, an internationally recognized risk management framework for determining, assessing, and managing ES risks, including human-rights-related risks. The implementation of the Equator Principles (EP4) has further underscored our human rights risk assessments for eligible projects and our commitment to human rights preservation for transactions outside the scope of the Equator Principles. In 2021, we continued to conduct comprehensive training to ensure that relevant business areas have an in-depth understanding of the principles as well as the requirements for assessing the impacts on potential rights holders in the various projects that we finance. The training will continue in 2022.

In addition, our front-office staff receive periodic training on broader sustainability issues, including ES risks.

Deutsche Bank's global operations expose it to a range of financial crime risks, including money laundering, financing of terrorism and human trafficking, breaches of sanctions and embargoes, as well as other criminal activities such as fraud, bribery, and corruption.

Our bank-wide framework for the prevention of financial crime also plays a key role in detecting and reporting client activities that might be linked to potential human rights violations. Being a global financial institution that provides a broad range of products and services exposes us to diverse financial crime risks, including human trafficking. The Principles for the Management of Financial Crime Risks outline the responsibilities and accountabilities of the Anti-Financial Crime Function and of all employees at the Deutsche Bank Group and describe the essential organizational requirements and relevant processes for the management of financial crime risks across the first and second Lines of Defense (LoD). Global AFC policies define minimum standards for managing financial crime risks, including those with implications for human rights. These bank-wide policies are supplemented by country-specific policies that reflect national laws and regulations.

The AFC human rights working group, which was established in 2021 and consists of staff from across AFC, reports to the above-described HRWG. Its purpose is to coordinate AFC's actions regarding human rights risks and to engage with other functions to address them effectively. In 2021, this working group conducted an analysis in connection with modern slavery and human trafficking. The aim was to better understand the bank's potential exposure to these risks and to enhance its ability to identify and mitigate them.

Furthermore, the bank conducts periodic training to reinforce employees' awareness of activities linked to potential human rights violations. One example is a 45-minute mandatory online course on anti-money laundering (AML) and the prevention of terrorist and proliferation financing and tax evasion, topics that have potential connections to human rights violations. Every Deutsche Bank employee worldwide must complete the module once every year. A total of 98.27% of staff, including contingent workers, did so in 2021.

The bank also collaborated with STOP THE TRAFFIK, a non-governmental organization dedicated to the prevention of modern slavery and human trafficking, to conduct three training sessions on these issues for staff in the fourth quarter of 2021. The aim was to reinforce employees' awareness of these risks and thus help to identify any misuse of the bank by those who engage in such activities.

In 2021, Deutsche Bank's Financial Crime Intelligence Unit ("FCIU") in the United Kingdom engaged with law enforcement agencies through requests for information afforded by Deutsche Bank's participation in the Joint Money Laundering Intelligence Taskforce (JMLIT), which also addresses human trafficking.

In 2021, FCIU received 16 requests for information on funding flows linked to potential human rights violations, such as organised immigration crime and human trafficking. FCIU investigated and responded to law enforcement agencies with respect to each request received, seven of the requests were found to have connections to Deutsche Bank via correspondent bank transactions and were investigated further, demonstrating Deutsche Bank's commitment to assisting human rights related investigations to the fullest extent possible. By responding to such requests Deutsche Bank is assisting law enforcement agencies in harvesting the intelligence necessary to target human trafficking effectively.

Deutsche Bank is also engaged in the Anti-Financial Crime Alliance ("AFCA"), the German public-private partnership, which was founded in 2019 by the German Financial Intelligence Unit (FIU), the Federal Financial Supervisory Authority (BaFin) and the Federal Criminal Police Office (BKA) together with representatives of 15 German banks. AFCA's objective is to establish a permanent platform for strategic cooperation in the fight against money laundering and terrorist financing in Germany. Deutsche Bank is represented by its Chief Administrative Officer, Professor Stefan Simon, who is chairing the AFCA Expert Group. Beyond that, Deutsche Bank is actively participating in various working groups of the AFCA Board, including one working group focusing on human trafficking. In 2020, this working group developed a handbook with practical risk parameters, indicators and hints supporting banks to identify payment flows related to potential human trafficking; a follow-up working group with active Deutsche Bank engagement is planned for 2022.

### DWS-specific procedures

In the DWS investment approach, the incorporation of human rights is governed by the relevant internal policies and frameworks. The United Nations Guiding Principles on Business and Human Rights clearly expect companies to operate to a higher international standard in situations where national laws are not sufficient to respect human rights.

When controversies are assessed in the ESG Engine as part of our investment process, international norms are applied, whereby the guiding principles are codified in the United Nations Global Compact (UNGC). Other important norms include the International Labour Organization (ILO) or OECD Guidelines for Multi-national Enterprises. The assessment of norm compliance (the norm rating, as explained in the section "ESG Engine Developments" of our Annual Report) is part of the ESG integration policy for Active<sup>12</sup>.

During 2021, the Committee for Responsible Investments (CRI) analyzed issuers with poor norm ratings. These issuers with poor norm ratings included cases of very severe human rights violations. In certain cases, the CRI continued to waive certain investment restrictions conditional upon close monitoring of norm violations and engagement with the aim of improving disclosure. We will continue to place a high emphasis on issuers' norm compliance through company engagement and due diligence in our general research processes. Furthermore, DWS enhanced the coordination of issuer engagement in Europe through the foundation of an Engagement Council<sup>13</sup>. The Engagement Council aims to ensure that important ESG matters are discussed and also aims to drive engagement on behalf of DWS's Europe-domiciled funds. This includes driving progress on human rights, based on key performance indicators articulated in, for example, Sustainable Development Goals (SDGs), or Adverse Sustainability Impacts as defined by Sustainable Finance Disclosure Regulation (SFDR).

<sup>12</sup> [dws.com/capabilities/active](https://dws.com/capabilities/active).

<sup>13</sup> Funds of legal entities in scope: DWS Investment GmbH (with discretion to vote for certain assets under management of DWS International GmbH, DWS Investment S.A. (including SICAVs and PLCs) based on delegation agreements). To the extent that these strategies are managed by DWS Investments UK Limited (most notably Xtrackers and CROCI), these are part of our enhanced engagement framework. Funds domiciled and managed outside of Europe have their own process based on local regulatory requirements.

The underlying rationale for our engagement is that we achieve positive change only when we exert influence, and that we exert influence most effectively when we are invested. We aim to evaluate each company individually and try to improve sustainability outcomes via direct dialogue. We will consider excluding companies from relevant product investment universes if these efforts do not generate positive outcomes and we assess that there is little scope for improving the companies' risk profile.

The incorporation of ESG-related risks into the investment process of illiquid Alternatives<sup>14</sup> takes place during investment due diligence and portfolio management. These risks generally include human rights issues in connection with the investment and/or its supply chain, and are identified for example by way of the KYC process for Real Estate and a broader approach for Infrastructure. In some cases, we may rely on the partner bank or general partner to conduct the due diligence. The inherent differences between the liquid and illiquid asset classes require that the approach to incorporating ESG for Alternatives be tailored specifically to the relevant Alternatives asset classes. The implementation generally takes into account internationally accepted frameworks such as the Sustainability Accounting Standards Board (SASB) standards, Environmental and Social Management System (ESMS), or the Spectrum of Capital authored by the G8 Impact Measurement Working Group. In addition, the Infrastructure and Real Estate business report to GRESB, which provides an independent assessment of portfolios and funds using a peer-based approach and scoring based on several ESG metrics, including governance issues.

More details can be found in our Climate Report, section "ESG in Alternatives":  
<https://group.dws.com/responsibility/>.

We expect companies to comply with and report on applicable, internationally accepted, and established standards and frameworks, in other words GRI, IIRC, SASB, and TCFD, that enable investors to act responsibly. These frameworks include, but are not limited to, the UN Global Compact Principles, the Carbon Disclosure Program (CDP), the Principles for Responsible Investing (PRI), the Sustainability Development Goals (SDG), ILO norms, OECD Guidelines for Multinational Enterprises, and the UK Modern Slavery Act 2015. In cases in which companies fail to do so or are involved in severe ESG controversies, we will consider holding the Board and management accountable. We reflect this in our investment stewardship practices, including proxy voting.

DWS is generally supportive of ESG-related shareholder proposals while considering recognized standards, in other words the Ceres Roadmap for Sustainability, the Ceres Blueprint for Sustainable Investing, the Sustainable Development Goals, the UN Global Compact, the TCFD-framework, and the goals of the Paris Agreement from December 2015 (COP21), and evaluates them on a case-by-case basis, whereby we would generally vote for (among other things) reasonable proposals requesting that companies adopt fair labor practices consistent with recognized international human rights standards, including policies to eliminate gender-based violence and other forms of harassment from the workplace, as well as proposals asking a company to prepare a report on its efforts to promote a safe workplace for all employees.

More details on our core governance values and expectations can be found in our Corporate Governance and Proxy Voting Policy. We further give transparency on our proxy voting and engagement activities on an annual basis and inform about our questions submitted to companies' annual general meetings (AGM) under the following link: <https://www.dws.com/en-gb/solutions/esg/corporate-governance/>.

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## Case Study

Following the political events in Belarus and Myanmar, DWS has been engaging with selected issuers operating in both countries. The alleged continuation of the Myanmar military junta's severe human rights violations, ranging from abuses against ethnic minorities, restrictions on freedom of expression and peaceful assembly, to limitations on the flow of information and other violations, is of great concern to DWS. The significant deterioration of human rights in Belarus is also very concerning where publicly available information from non-governmental organizations indicate allegations of torture, discrimination against various groups in society, restrictions on freedom of expression and peaceful assembly, and limitations on the flow of information. We will continue to monitor the situation very closely and engage in critical but constructive dialogue with issuers operating in Belarus. We also report on other engagements on social issues as part of our annual Active Ownership Report.

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DWS continued to engage investment professionals for ESG integration through global training sessions on new ESG rating methodologies, the interpretation of ESG signals, and ESG integration into fundamental research. Additional employees qualified as certified ESG Analysts (CESGA) in 2021.

### 3.2.3 Our Vendors

Deutsche Bank operates globally, and a number of our vendors are located in countries where there is a greater risk of modern slavery and/or human trafficking. However, the goods and services supplied by these vendors would not generally be classed as high risk. Deutsche Bank assesses the risks posed by countries, sectors, transactions, and business relationships on a case-by-case basis.

Our Procurement Policy requires that the contracting unit within Deutsche Bank must ensure that third-party vendors contractually pledge that there is no modern slavery or human trafficking in their supply chain. In line with our Whistleblowing Policy, employees who witness or are aware of possible human rights violations (including modern slavery or human trafficking) are required to report their concerns (see "Our Policies" above).

Most of Deutsche Bank's vendors (e.g., service providers, consultants) do not pose a tangible risk of involvement in modern slavery or human trafficking. Nevertheless, we require our vendors to adhere to the principles defined in our Supplier Code of Conduct and to comply with specific contractual obligations designed to ensure that our supply chain applies ES best practice. In December 2021, Deutsche Bank published a revised Supplier Code of Conduct on its [Vendor Portal](#).

Our vendor screening process manages ESG risks relating to the vendors Deutsche Bank works with globally. The focus is on vendors that provide services often associated with human rights risks and those that operate in countries with an elevated risk of human rights violations. We undertake the assessment of prospective vendors' environmental and social standards, starting with a questionnaire analyzing the significance of potential social, environmental, and human rights impacts related to a vendor's service delivery. Conditional on the results of this analysis, the vendor risk management process may further scrutinize the potential for ESG risks.

This involves explaining their approach to the different VCRs and providing adequate supporting evidence. If they do not or cannot provide sufficient information or evidence, we decide how to address their non-compliance with our ES standards and whether measures can be agreed with the vendor to achieve compliance within a reasonable time. If this is not possible, it may ultimately lead to a termination of the business relationship.

To further enhance our vendor due diligence, in 2021 we launched the Ecovadis Sustainability Ratings Solution to assess the compliance of our supplier base according to 21 sustainability measures. This solution incorporates all leading international standards such as the Global Reporting Initiative, UN Global Compact, ISO 26000, and ILO.

## 4. Assessing the effectiveness of actions taken

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We have in place processes and channels to evaluate the effectiveness of our management approach to human rights, including modern slavery and human trafficking. We draw on insights from the Integrity Hotline to assess whether our management approach with regard to employees is effective or in need of further refinement. We evaluate effectiveness with regard to clients using a range of sources, including transaction reviews for clients, in-house research, media reports, dialogue with individual clients, and exchanges on general trends and developments with peers. Our approach to vendors is similar, consisting of information from our vendor screening process supplemented by in-house research, media reports, and discussions with peers.

## 5. Consultation on producing a joint statement

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In 2020, Deutsche Bank identified its entities that met the reporting requirements for both the UK Modern Slavery Act and the Australian Commonwealth Modern Slavery Act. The approval of this Statement by these entities' governing bodies has been incorporated into the review of this Statement. Each entity has approved the publication of this joint Statement on its behalf.

## 6. Other relevant information

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The COVID-19 pandemic had a limited impact on Deutsche Bank's operations in 2021. We implemented governmental rules and guidance relating to travel, hygiene, mask wearing, social distancing, antibody testing, and remote working, and adjusted our procedures accordingly whenever such rules and guidance changed. This Statement will be reviewed annually and updated as required.



Christian Sewing  
Chief Executive Officer



Stefan Simon  
Chief Administrative Officer