



Pre-contractual disclosure for financial products referred to in Article 8 (1) of Regulation (EU) 2019/2088

Product: db PrivatMandat Premium Discretionary portfolio management taking account of sustainability criteria in the selection of financial instruments

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In this information sheet, we advise you which ESG characteristics are taken into account in what way for db PrivatMandat Premium taking account of sustainability criteria in the selection of financial instruments. Please read the following information carefully before deciding to enter into a discretionary portfolio management agreement.

<p>Environmental and/or social characteristics</p>	
<p>This product:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Promotes environmental or social characteristics, but does not have as its objective a sustainable investment <input type="checkbox"/> It does not invest in sustainable investments <input type="checkbox"/> It invests partially in sustainable investments <input type="checkbox"/> Has sustainable investment as its objective. Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices. <p>Has a reference benchmark been designated for purpose of attaining the environmental or social characteristics promoted by the financial product?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 	
<p>Consideration of EU criteria for environmentally sustainable economic activities (EU Taxonomy)</p>	
<p>The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.</p>	
<p>What environmental and/or social characteristics are promoted by this financial product?</p>	
<p>What sustainability indicators are used to measure the attainment of the environmental or social characteristics promoted by this financial product?</p>	<p>Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.</p>
<p>In terms of the “ESG strategies” in db PrivatMandat Premium, the financial instruments are selected with particular consideration for sustainability criteria.</p> <p>In order to assess whether an investment instrument meets the sustainability criteria within the meaning of the investment strategy, the bank relies on the positive lists that are prepared and regularly updated by MSCI ESG Research (UK) Limited and MSCI ESG Research LLC (hereinafter “MSCI”), which may contain information on issuers, financial instruments or potential underlyings of financial instruments.</p> <p>The minimum requirement for an issuer, financial instrument or underlying to be included in such positive list is an ESG rating from MSCI of at least “A” (on a scale where “AAA” is MSCI's best rating for sustainability and “CCC” its worst). For funds, MSCI determines the rating based on a “Fund ESG Quality Score”, which is derived from the weighted average of ESG valuations of the assets in the fund, based on the holdings last published by the investment fund. As regards ESG ratings for states, local authorities and other government-related issuers, MSCI considers the ESG risk factors of the relevant country in the value creation process, focussing on use of resources, access to basic services and efficiency. For other issuers, MSCI uses a</p>	



scoring model intended to identify and measure significant ESG opportunities and risks. A risk is classed as significant in the scoring model if MSCI considers it likely that issuers in a certain sector would incur substantial costs in the future with respect to this risk. An opportunity is deemed significant for a sector, if MSCI considers it likely that a company would be able to profit in its value creation with respect to this risk.

Regardless of the above-mentioned ESG rating, the bank additionally uses exclusion criteria provided by MSCI as agreed between the bank and MSCI. Supplementary exclusion criteria for issuers other than states and investment funds are currently applied, and only in relation to the issuer itself or where an investment instrument issued by such issuer is the underlying of another investment instrument.

This means in particular that issuers other than states and investment funds are not considered for selection for positive list purposes and thus also for investment by the bank, if the following analysis by MSCI applies to the issuer, even if they have an MSCI ESG rating of "A" or above:

- Issuers should be excluded if the overall assessment of the issuer indicates that the issuer's business practices or the manufactured products materially violate national or international norms, laws and/or generally accepted global standards.
- Issuers should also be excluded if they are active in business areas that are controversial in the bank's view or if they generate significant revenue in these business areas.

When selecting investment funds (with the exception of those that are predominantly invested in sovereign bonds or other investment instruments issued by states) and investment instruments issued by issuers other than states, the bank also takes account within the ESG investment process of specific principal adverse impacts on sustainability factors.

According to the EU regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (Disclosure Regulation), these are the most significant adverse impacts of investment decisions on sustainability factors in the areas of environment, social factors and employment, respect for human rights and combating corruption and bribery.

The bank strives for an investment of at least 51% of the portfolio (excluding liquidity in the form of account balances, also including short-term deposits) in investment instruments which also take account of principal adverse impacts on sustainability factors according to the following criteria.

Currently principal adverse impacts on sustainability factors are considered as follows when selecting investment instruments:

- For **issuers with the exception of states** in the group "greenhouse gas emissions", adverse impacts on sustainability factors are currently taken into account solely by excluding companies that earn more than 5% of their revenues with the production of thermal coal and/or unconventional oil/gas. In the group "social and employee matters", adverse impacts on sustainability factors are currently taken into account solely by excluding companies that violate the principles of the UN Global Compact or are active in the production of and trade in controversial weapons such as weapons systems, nuclear weapons, anti-personnel landmines, incendiary weapons and cluster ammunition. This consideration process focuses only on the issuer itself or to the degree that an investment instrument issued by such an issuer is the underlying asset of another investment instrument. For this purpose, the exclusion criteria provided by MSCI, which the bank has agreed with MSCI, are applied.
- For **investment funds that do not predominantly invest in states**, principal adverse impacts on sustainability factors are considered using an exclusion approach based on information provided by asset management firms, investment or funds companies or MSCI. In the process, investment funds are excluded that do not take account of at least one of the individual factors in the groups
 - "greenhouse gas emissions" and
 - "social and employee matters".



<p>What investment strategy does this financial product follow?</p>	<p>Investment strategies guide investment decisions based on factors such as investment objectives and risk tolerance.</p>
<p>The objective of the investment is to realise a certain risk/reward profile. The aim is for the portfolio to perform in line with the development of the capital markets within the framework of the strategy agreement concluded with the client, subject to the requirements regarding permissible investment instruments. In the context of discretionary portfolio management taking account of sustainability criteria, the bank will preferentially invest in investment instruments that meet the sustainability criteria and take account of principal adverse impacts on sustainability factors in the groups “greenhouse gas emissions” and “social and employee matters”, as specified in the section above.</p>	<p>Binding elements are commitments that cannot be amended during the life of the financial product.</p>
<p>What are the binding elements for the investment selection?</p>	
<p>The bank’s selection of investment instruments is based on the latest positive lists updated by MSCI taking into account an ESG rating from MSCI of at least “A” and the exclusion criteria specified by the bank.</p> <p>In addition, account is taken of principal adverse impacts on sustainability factors in the groups “greenhouse gas emissions” and “social and employee matters” for issuers with the exception of states and for investment funds that do not predominantly invest in states, as described above.</p> <p>Account balances (including short-term deposits) are managed exclusively by Deutsche Bank AG. Sustainability criteria do not apply here. In what the bank considers to be special market conditions, account balances (including short-term deposits) can make up as much as 100% of the assets subject to management in the investment.</p>	
<p>How is the strategy implemented in the investment process on a continuous basis?</p>	
<p>MSCI regularly provides the bank with updated positive lists. When selecting investment instruments, account is taken of principal adverse impacts on sustainability factors in the groups “greenhouse gas emissions” and “social and employee matters” for issuers with the exception of states and for investment funds that do not predominantly invest in states, as described above.</p> <p>With regard to issuers with the exception of states, this takes place using data provided by MSCI and taken account of using the exclusions in the positive list.</p> <p>For investment funds that do not predominantly invest in states, it takes place using an exclusion approach based on information provided by asset management firms, investment or funds companies or MSCI.</p> <p>At the moment, data especially about a consideration of adverse impacts on sustainability factors are not always available from the asset management firms or the bank’s individual issuers or MSCI. If data is available from asset management firms or investment or funds companies, they are used and checked for plausibility on the basis of MSCI data. If no data is available from asset management firms or investment or funds companies, MSCI data can be used as the basis for the check.</p> <p>As soon as an investment instrument no longer fulfils the sustainability criteria, the bank will prioritise the sale of this instrument whilst upholding the interests of the customer.</p>	
<p>What is the policy to assess good governance practices of the investee companies?</p>	
<p>The bank’s selection of investment instruments is based on the latest positive lists updated by MSCI. The minimum requirement for an issuer, financial instrument or underlying to be included in such positive list is an ESG rating from MSCI of at least “A”. MSCI uses a scoring model intended to identify and measure significant ESG opportunities and risks to determine the rating. This includes aspects of corporate governance. Moreover, MSCI will not include issuers in a positive list, with the exception of states and investment funds, if they are active in business areas that are controversial in the bank’s view or if they generate significant revenue in these business areas.</p>	<p>Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.</p>



<p>When selecting investment instruments, account is taken of principal adverse impacts on sustainability factors in the group “social and employee matters” for issuers with the exception of states and for investment funds that do not predominantly invest in states, as described above.</p>	
<p>Where can I find further details on the investment strategy?</p>	
<p>Further information on the investment strategy can be found in the contractual documents on db PrivatMandat Premium, the latest information sheet “Information on sustainability criteria applied in the selection of financial instruments for db PrivatMandat Premium investment strategy moderate (ESG) / balanced (ESG) / dynamic (ESG)” and the information sheet on the product package and its elements.</p>	
<p>Asset allocation</p>	
<p>What investments are neither aligned with the environmental or social characteristics, nor qualified as sustainable investments?</p>	
<p>The share of the account balance (including short-term deposits) to which sustainability criteria do not apply should be used as a liquidity cushion in active portfolio management. The share of the account balance (including short-term deposits) can vary widely depending on market conditions and should amount to 5% on average.</p> <p>In what the bank considers to be special market conditions, account balances (including short-term deposits) can make up as much as 100% of the assets subject to management in the investment.</p> <p>Principal adverse impacts on sustainability factors in the group “social and employee matters” are not taken account of in the case of investment instruments issued by states and investment funds that invest predominantly in states.</p> <p>The bank strives for an investment of a maximum of 49% of the portfolio (excluding liquidity in the form of account balances, also including short-term deposits) in the aforementioned investment instruments in order to thus take account of principal adverse impacts on sustainability factors, as described above.</p> <p>The investments underlying this financial product do not take account of the EU criteria for ecologically sustainable economic activities.</p> <p>The bank does not strive for participation in sustainable investments within the meaning of Article 2 (17) of the EU Disclosure Regulation (EU) 2019/2088.</p>	
<p>Can I find more product-specific information online?</p>	
<p>You can find further information on sustainability at http://www.deutsche-bank.de/rechtliche-hinweise under “Sustainability disclosures”, sub-folder “Sustainability-related product disclosures for financial portfolio management”.</p>	
<p>Is a specific index designated as a sustainability reference benchmark to meet the sustainable investment objective?</p>	
<p>No</p>	