

# Deutsche Bank reveals new emissions targets for shipping, coal mining, and cement



Bojan Lepic • October 19, 2023 0 3 1 minute read



Deutsche Bank has announced emissions reduction targets for loans to clients in the shipping, coal mining, and cement sectors with 55% of the bank's loans now covered with a net zero plan.

Deutsche Bank today published its initial Transition Plan and consolidates its path to net zero by 2050. This Plan focuses on the bank's operations (Scope 1 and 2), supply chain (Scope 3), and financing provided to clients (Scope 3).

With today's publication of additional sectoral targets for shipping, coal mining, and cement, 55% of the financed emissions in Deutsche Bank's €107bn (\$112.8bn) corporate loan portfolio are now covered by net zero pathways. Published financed emissions figures totalling 34.4m tonnes of CO<sub>2</sub> emissions per year now cover approximately 60% of the bank's total loan exposure of €489bn as of 31 December 2022.

The Transition Plan outlines additional targets for the three sectors. Namely, coal mining will have a 49% reduction in Scope 3 financed emissions by 2030 and a 97% reduction by 2050. Cement will have a

29% reduction in Scope 1 and 2 physical emission intensity by 2030 and a 98% reduction by 2050 while shipping will have a Scope 1 score of 0% achieved by 2030 and 2050 based on the Poseidon Principles Portfolio Level Alignment Score.

The Plan sets out Deutsche Bank's three-pronged approach to implementation that includes financing the development and scale-up of clean energy technologies, engaging with high-emitting clients to support and finance their transition, and steadily phasing out businesses with not-to-abate industries such as thermal coal, and with clients not willing to align to the bank's transition pathway.

Since its creation in November 2022, Deutsche Bank's Net Zero Forum reviewed 41 transactions in carbon-intensive industries. The Net Zero Forum assesses incremental and renewed transactions for in-scope sectors above the threshold of €25m which would lead to an increase of more than 1% in the sectoral financed emissions metric and/or the net zero target metric for target sectors.

The Transition Plan also sets out Deutsche Bank's progress and targets in decarbonising its operations (Scope 1 and 2 emissions), which have been cut by 64%, or more than 95,000 tonnes of CO2 emissions per year since 2019.

**#Germany**