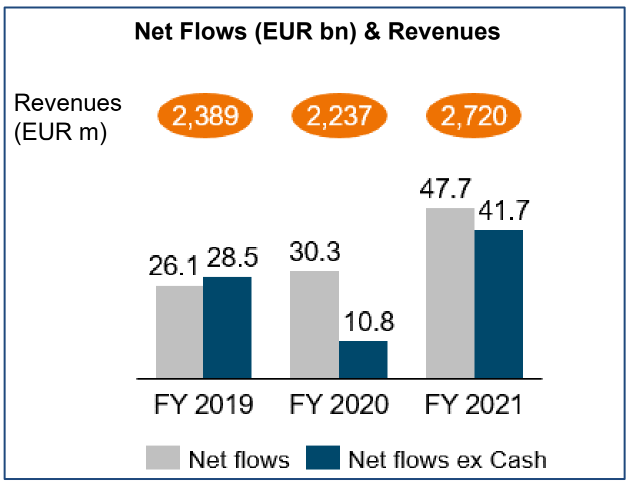
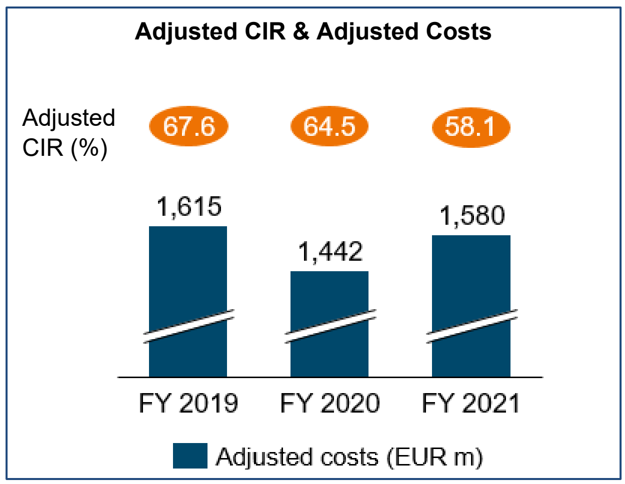
Frankfurt/Main January 27, 2022

DWS 2021: A Year for the Record Books in Profit, CIR, Flows, AuM

- **Net flows of EUR 15.0bn in Q4** resulting in **record EUR 47.7bn in FY 2021**; Ex Cash EUR 41.7bn in FY 2021, EUR 7.9bn in Q4; **Net flows in ESG funds** EUR 5.9bn in Q4 (Q3: EUR 5.0bn)
- **Total revenues of EUR 2,720m in FY 2021** (FY20: EUR 2,237m), up 22% supported by all revenue lines; total revenues up in Q4 by 20% q-o-q to EUR 797m (Q3: EUR 664m)
- **Adjusted Cost-Income Ratio (CIR) at a record low of 58.1% in 2021;** 53.1% in Q4
- **Adjusted profit before tax increased by 43% to an all-time high of EUR 1,140m in 2021** (FY20: EUR 795m); EUR 373m in Q4 2021, up 38% q-o-q
- **Record net income** of EUR 782m in **FY 2021**, up 40%
- **Adjusted costs** at EUR 1,580m in **FY 2021** (FY20: EUR 1,442m), up by 10% mainly in connection with the improved business performance and higher AuM; up in Q4 by 8% q-o-q to EUR 424m (Q3: EUR 393m)
- **AuM** further up by EUR 135bn to **EUR 928bn** in 2021 (Q3: EUR 880bn; Q4 2020: EUR 793bn)
- The Executive Board will propose a **dividend of EUR 2.00 per share** for the 2021 financial year





"2021 was the best year ever for DWS. New records for net inflows, revenues and profit prove that our growth strategy is progressing successfully – backed by our clients' trust. By raising the dividend for the third year in a row to EUR 2.00 per share, our shareholders continue to participate in our firm's success.

Looking ahead, our aspirations for Phase 2 of our corporate journey remain high. So we will continue to invest in our transformation, and we will intensify our investments into growth, whenever we see the opportunity to enrich our platform."

Asoka Woehrmann, CEO

"Our revenues surged in 2021 driven by higher management fees. This led to a strongly increased adjusted profit before tax and net income at new record levels as well as an improved adjusted Cost-Income Ratio at an all-time low of 58 percent.

With record net inflows of EUR 48 billion, we achieved a 6 percent net flow rate in line with our medium-term target of more than 4 percent on average."

Claire Peel, CFO

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Business Development

2021 was the best year ever for DWS. The strength of our diversified business model and our strong business momentum has led to the third consecutive strong year for DWS with **new record values for net flows, Assets under Management, management fees, revenues, adjusted CIR, adjusted profit before tax and net profit**. Supported by all three pillars – Active, Passive and Alternatives – and by strong demand for our ESG[i] products, we increased **net flows to EUR 48 billion** in 2021. With this number, we have **reached our targeted medium-term net flow rate** of more than 4 percent on average in 2021. Last year has also been marked by successful delivery of the growth plan for Phase 2 of our corporate journey, with **targeted growth coming from ESG products and solutions – which contributed 40 percent of net new assets** –, from Passive and from high-margin strategies. **Assets under Management** also rose by EUR 135 billion year-on-year to EUR 928 billion. The **adjusted Cost-Income Ratio** improved due to higher revenues significantly by 6.4 percentage points to a record low of 58.1 percent in 2021. **Revenues** were up in 2021 by 22 percent year-on-year, supported by all revenue lines. In 2021, **adjusted costs** were up 10 percent year-on-year, mainly due to higher compensation and benefits costs connected with the improved business performance and increased costs for services in connection with higher Assets under Management. On the bottom-line, **adjusted profit before tax increased strongly** by 43 percent year-on-year and **net income rose by 40 percent** in 2021. The DWS Executive Board will propose an **attractive and competitive dividend** of EUR 2.00 per share for the 2021 financial year.

Total revenues increased by 22 percent to EUR 2,720 million in 2021 (FY20: EUR 2,237 million). This strong rise was mainly due to a significant increase in management fees driven by our net inflows and higher average Assets under Management during 2021 and supported by higher performance fees, positive developments of market values as well as an increased contribution from our stake in Harvest. In Q4 2021 total revenues increased by 20 percent to EUR 797 million (Q3 2021: EUR 664 million), primarily driven by a significant performance fee from an Active Multi-Asset fund. In addition, higher management fees as a result of increased average Assets under Management during the quarter contributed to this increase.

Adjusted profit before tax increased strongly by 43 percent to EUR 1,140 million in 2021 (FY20: EUR 795 million) as we recorded higher revenues. In Q4 2021 the adjusted profit before tax surged by 38 percent quarter-on-quarter to EUR 373 million (Q3: EUR 271 million), driven by higher revenues considerably overcompensating for increased adjusted costs. After tax, DWS posted a 40 percent **higher net income** of EUR 782 million for the financial year 2021 (FY20: EUR 558 million; Q4 2021: EUR 260 million; Q3 2021: EUR 182 million). The Executive Board will propose again an **increased dividend** of EUR 2.00 per share for the 2021 financial year (FY20: EUR 1.81). With this, our shareholders will receive a higher dividend for the third consecutive year.

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[i] For an explanation of the ESG product classification framework, please refer to the “Important Note” at the end of this document.

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Assets under Management (AuM) further rose by EUR 48 billion to EUR 928 billion in the fourth quarter of 2021 (Q3 2021: EUR 880 billion) driven by a mixture of net inflows, positive market impacts and benign exchange rate movements. Compared to AuM of EUR 793 billion at the end of 2020, the annual increase of EUR 135 billion was driven by a combination of strong net inflows and positive market developments and was supported by favorable exchange rate movements.

With **net flows** of EUR 47.7 billion (ex Cash: EUR 41.7 billion), we achieved a new record level in full year 2021 (FY20: EUR 30.3 billion, ex Cash EUR 10.8 billion). This corresponds to a net flow rate of 6.0 percent compared with 4.0 percent in 2020 and was primarily driven by Passive and Active (ex Cash) and further supported by strongly increased Alternatives net flows and Cash products. Thereby, we reached the net inflows targeted in the medium term on average for 2021. ESG products generated strong net inflows of EUR 18.9 billion and accounted for 40 percent of total annual net inflows. In the fourth quarter, we recorded positive net flows of EUR 15.0 billion (EUR 7.9 billion ex Cash). These strong inflows were supported by most asset classes. Especially ESG funds continued to attract strong demand with record high net inflows of EUR 5.9 billion – after EUR 5.0 billion in the prior quarter and EUR 3.8 billion in the second quarter.

Active Asset Management ex Cash saw net flows of EUR 2.2 billion in the fourth quarter (Q3 2021: EUR 2.0 billion) with all sub-asset classes except Active SQI (minus EUR 0.2 billion) contributing to this number. Multi Asset attracted increased net new assets of EUR 1.3 billion with continued and significant inflows into flagship fund DWS Concept Kaldemorgen and high demand from institutional mandates. In addition, Active Fixed Income generated new inflows of EUR 1.0 billion and Active Equity recorded net new assets of EUR 0.1 billion with continued demand for ESG products. Cash products saw net inflows of EUR 7.2 billion. In total, Active Asset Management ex Cash generated net inflows of EUR 9.9 billion in 2021 and was thereby able to compensate for the outflows of the previous year (FY20: minus EUR 9.8 billion). While Active Equity saw net outflows in FY 2021, the other Active (ex Cash) product classes could increase their net flows strongly and generated net new assets. Cash products recorded reduced net inflows of EUR 5.9 billion in 2021 (FY20: EUR 19.5 billion) as their safe-haven function lost relevance for investors.

Passive Asset Management generated net new assets of EUR 3.9 billion in the fourth quarter (Q3 2021: EUR 6.6 billion). Both, institutional mandates and net flows into ETPs (exchange-traded funds and commodities) contributed to this number. All in all, Passive Asset Management generated strong inflows of EUR 25.9 billion in 2021 (FY20: EUR 16.6 billion). Main driver was the high demand for ETPs.

Alternatives recorded net flows of EUR 1.7 billion in the fourth quarter (Q3 2021: EUR 1.4 billion). This was mainly driven by Illiquid Alternatives – based in particular on inflows into Infrastructure and Real Estate funds – with net new assets of EUR 1.1 billion. Liquid Alternatives added another EUR 0.6 billion. In total, Alternatives generated strongly increased net inflows of EUR 6.0 billion in 2021 (FY20: EUR 4.0 billion), driven by net new assets of EUR 3.7 billion in Liquid Alternatives. Further

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net inflows of EUR 2.3 billion came from Illiquid Alternatives with Infrastructure and Real estate funds attracting high demand.

Adjusted costs, which also exclude transformation charges of EUR 30 million, increased by 10 percent year-on-year to EUR 1,580 million in FY 2021 (FY20: EUR 1,442 million). This rise was mainly due to higher compensation and benefits costs connected with the improved business performance and increased costs for services in connection with higher AuM in 2021. Adjusted costs increased compared to the prior quarter by 8 percent to EUR 424 million in Q4 2021 (Q3 2021: EUR 393 million), driven, among other things, by higher compensation and benefits costs, further investments into growth and increased professional fees.

The **adjusted Cost-Income Ratio** (CIR) improved significantly by 6.4 percentage points to a new record low of 58.1 percent in 2021 (FY20: 64.5 percent). The increased revenues enabled this decline despite our investments into growth. The adjusted CIR decreased to a quarterly all-time low of 53.1 percent in the fourth quarter of 2021 (Q3 2021: 59.2 percent).

Growth Initiatives and Strategic Progress

Moving forward on our growth path, we were able to make important strategic progress in the fourth quarter. Early October, we entered into a long-term **strategic partnership with BlackFin Capital Partners** to further develop and grow our **digital investment platform IKS**. In addition, we have acquired a **minority stake in UK-based retiretech Smart Pension Limited**. Furthermore, we partnered with the **LA Lakers** to become their **Official Global Investment Sponsor** accelerating DWS' transformation into a truly global brand – an investment into our recognition and visibility in key markets DWS has identified for growth, most prominently Asia.

In the fourth quarter, we also made further progress in our sustainability efforts. In November, we set our 2030 **Net Zero interim target** in line with achieving net zero by 2050. We put 35.4% or €281.3bn of total Assets under Management as per December 31, 2020 in scope to be managed towards Net Zero. On these overall in-scope assets, we seek to achieve a 50 percent reduction in weighted average inflation-adjusted financial carbon intensity related to Scope 1 and 2 emissions by 2030, compared to base year 2019. In addition, we intend to execute a **renewable energy investment program** signed by Deutsche Bank and the **Green Climate Fund** at COP26 to invest in innovative de-carbonization solutions for Sub-Saharan African countries. This program is designed to invest in renewable energy production, allowing SMEs and households to access reliable and affordable energy. Furthermore, we are **partnering with the WWF** (World Wild Life Fund For Nature) to work on a **multi-year marine conservation project in the Mesoamerican Reef near Belize** – the largest coral reef in the Western Hemisphere and the second largest in the world. Together, we will seek to support local coastal communities to implement sustainable practices in agriculture, fisheries and tourism so that they can tackle climate change effectively, while restoring and developing a sustainable blue economy for the region. DWS also achieved a major

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step up in the CDP (former Carbon Disclosure Project) SCORE 2021. Our **CDP Rating improved** to “B” last year with enhancements in nine categories out of eleven. DWS now is amongst 48 percent of companies that reached the so called “Management” level.

Outlook

For the full year 2022, we expect the adjusted Cost-Income Ratio to be around 60 percent. We reiterate our net flow target of more than 4 percent on average in the medium term, driven by our targeted growth areas ESG, Passive and high-margin strategies. We anticipate normalized performance and transaction fees of 3 to 5 percent of adjusted revenues in 2022.

We are on track to reach our target of a sustainable adjusted Cost-Income Ratio of 60 percent in 2024. DWS’ Management is fully committed to deliver on all our aspirations for Phase 2 of our corporate journey as a listed firm.

We expect markets to be challenging in 2022. But our **defined focus topics are designed to ensure continued success during Phase 2:**

We aim to deliver the crucial execution milestones to become a stand-alone asset manager with a dedicated infrastructure platform. In addition, we want to continue to deliver ESG capabilities to our clients and implement the net-zero approach as well as sustainable investment solutions. Furthermore, we intend to pursue further growth along our client-centric barbell strategy – including organic growth in Passive and high-margin areas. We also want to remain diligent to enhance our existing partnerships, find new ones, and take advantage of inorganic growth opportunities, whenever they present themselves and add to our existing platform. Moreover, we aim to execute our global brand positioning, raising visibility and awareness with the help of brand partnerships.

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60329 Frankfurt, Germany

Appendix

Profit & Loss Statement (in EUR m) and Key Performance Indicators

	Q4 2021	Q3 2021	FY 2021	FY 2020	Q4 2021 vs. Q3 2021	FY 2021 vs. FY 2020
Management Fees and other recurring revenues	630	608	2,371	2,134	4%	11%
Performance & Transaction Fees	126	27	212	90	N/M	136%
Other Revenues	40	29	138	14	41%	N/M
Total net revenues	**797**	**664**	**2,720**	**2,237**	20%	22%
Revenue adjustments	*-*	*-*	*-*	*-*	*-*	*-*
Adjusted revenues	***797***	***664***	***2,720***	***2,237***	20%	22%
Compensation and benefits	203	189	797	716	7%	11%
General and administrative expenses	243	217	836	742	12%	13%
Restructuring activities	0	0	2	15	N/M	-89%
Total noninterest expenses	**446**	**405**	**1,635**	**1,474**	10%	11%
Cost adjustments	*22*	*12*	*54*	*33*	*N/M*	*N/M*
of which transformation charges	*9*	*9*	*30*	*0*		
Adjusted cost base	***424***	***393***	***1,580***	***1,442***	8%	10%
Profit before tax	**352**	**259**	**1,086**	**762**	36%	42%
Adjusted Profit before tax	***373***	***271***	***1,140***	***795***	38%	43%
Net income	***260***	***182***	***782***	***558***	43%	40%
Cost-Income Ratio	55.9%	61.1%	60.1%	65.9%	-5.2ppt	-5.8ppt
Adjusted Cost-Income Ratio	*53.1%*	*59.2%*	*58.1%*	*64.5%*	-6.0ppt	-6.4ppt
Employees (full-time equivalent)	3,422	3,394	3,422	3,321	1%	3%
Assets under management (in EUR bn)	928	880	928	793	5%	17%
Net flows (in EUR bn)	15.0	12.0	47.7	30.3		
Net flows (% of BoP AuM - annualized)	6.8	5.5	6.0	4.0		
Management fee margin (bps annualized)	27.7	27.6	27.8	28.3		

N/M – Not meaningful

2021 figures published in this quarterly release are preliminary and unaudited.

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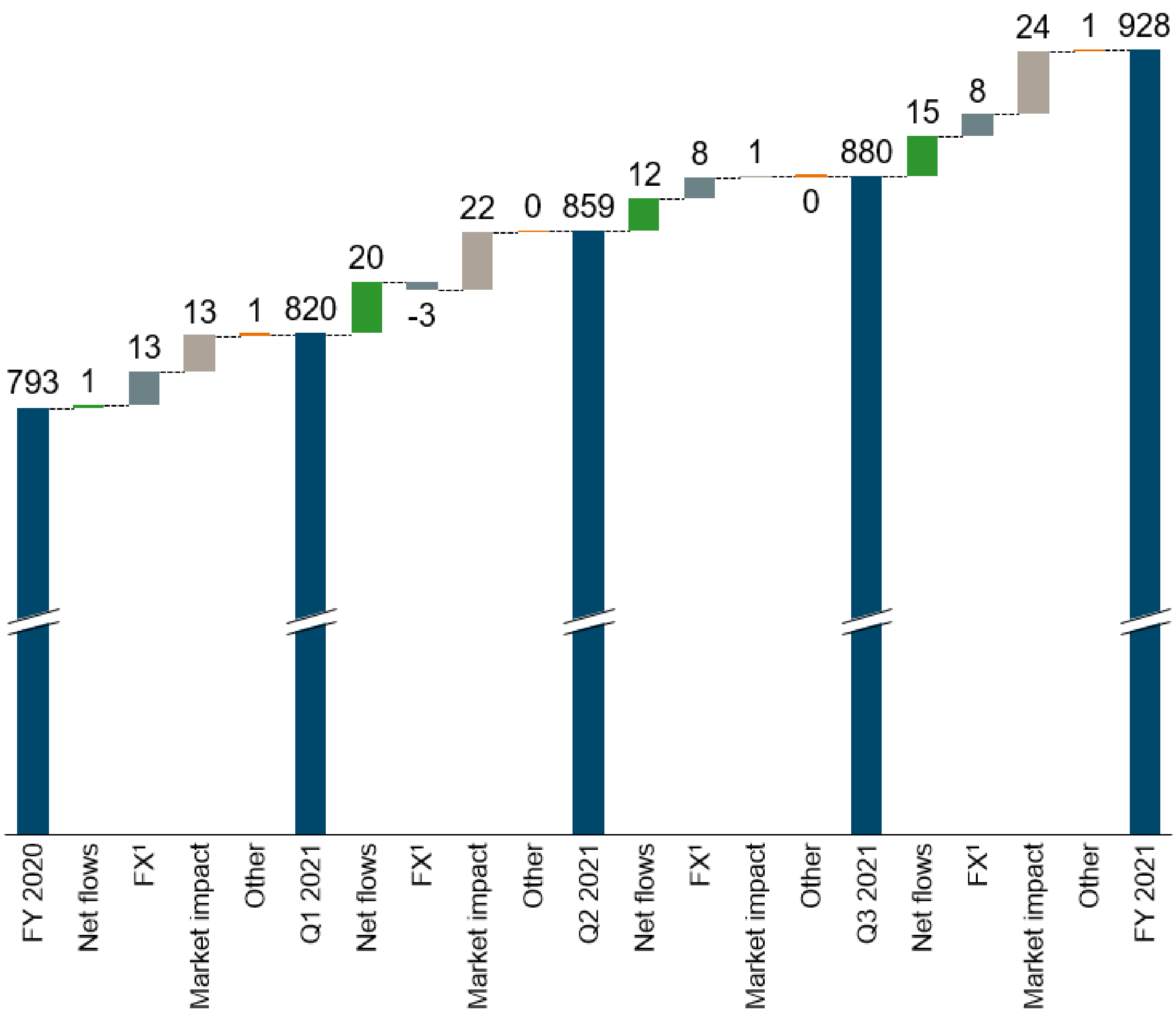
AuM development in detail (in EUR bn)



[1] Represents FX impact from non-euro denominated products; excludes performance impact from FX

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https://group.dws.com

Mainzer Landstr. 11-17
60329 Frankfurt, Germany

Contact details for further information

Media Relations

Adib Sisani
+49 69 910 61960
adib.sisani@dws.com

Karsten Swoboda
+49 69 910 14941
karsten.swoboda@dws.com

Investor Relations

Oliver Flade
+49 69 910 63072
oliver.flade@dws.com

Jana Zubatenko
+49 69 910 33834
jana.zubatenko@dws.com

Webcast/Call

Asoka Woehrmann, Chief Executive Officer, and Claire Peel, Chief Financial Officer, will elaborate on the results in an investor and analyst call on 27 January 2022 at 10 am CET. The analyst webcast/call will be held in English and broadcasted on https://group.dws.com/ir/reports-and-events/financial-results/. It will also be available for replay. Further details will be provided under https://group.dws.com/ir/.

About DWS Group

DWS Group (DWS) is one of the world's leading asset managers with EUR 928bn of assets under management (as of 31 December 2021). Building on more than 60 years of experience, it has a reputation for excellence in Germany, Europe, the Americas and Asia. DWS is recognized by clients globally as a trusted source for integrated investment solutions, stability and innovation across a full spectrum of investment disciplines.

We offer individuals and institutions access to our strong investment capabilities across all major asset classes and solutions aligned to growth trends. Our diverse expertise in Active, Passive and Alternatives asset management – as well as our deep environmental, social and governance focus – complement each other when creating targeted solutions for our clients. Our expertise and on-the-ground-knowledge of our economists, research analysts and investment professionals are brought together in one consistent global CIO View, which guides our investment approach strategically.

DWS wants to innovate and shape the future of investing: with approximately 3,600 employees in offices all over the world, we are local while being one global team. We are investors – entrusted to build the best foundation for our clients' future.

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Important Note

This release contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of DWS Group GmbH & Co. KGaA. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our revenues and in which we hold a substantial portion of our assets, the development of asset prices and market volatility, the implementation of our strategic initiatives, the reliability of our risk management policies, procedures and methods, and other risks.

We continued to develop and refine the ESG Product Classification Framework (“ESG Framework”) which was introduced in our Interim Report 2021, considering relevant legislation (including SFDR), market standards and internal developments. For example, in our Interim Report, we considered all SFDR Article 8 and 9 products as ESG. For products outside the scope of SFDR (principally originating in the US and Asia/Pacific), the ESG Framework provided that institutional products that comply with certain “General Industry Standards and Guidelines for Sustainable Investing” of the Global Sustainable Investment Alliance (GSIA) were considered as ESG. Retail products outside the scope of SFDR were classified based on our ESG filters and taking into account different regional ESG market standards. Based on the further evolution of the regulatory environment and including the introduction of our more differentiated ESG filters and refinements, we have incorporated some changes into the ESG Framework in the second half of the year. We will continue to develop and refine our ESG Framework in accordance with evolving regulation and market practice. Further details will be published in our Annual Report 2021. The aforementioned definitions apply to the entire release.

This document contains alternative performance measures (APMs). For a description of these APMs, please refer to the Q2 2021 Interim Report, which is available at https://group.dws.com/ir/reports-and-events/financial-results/.

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