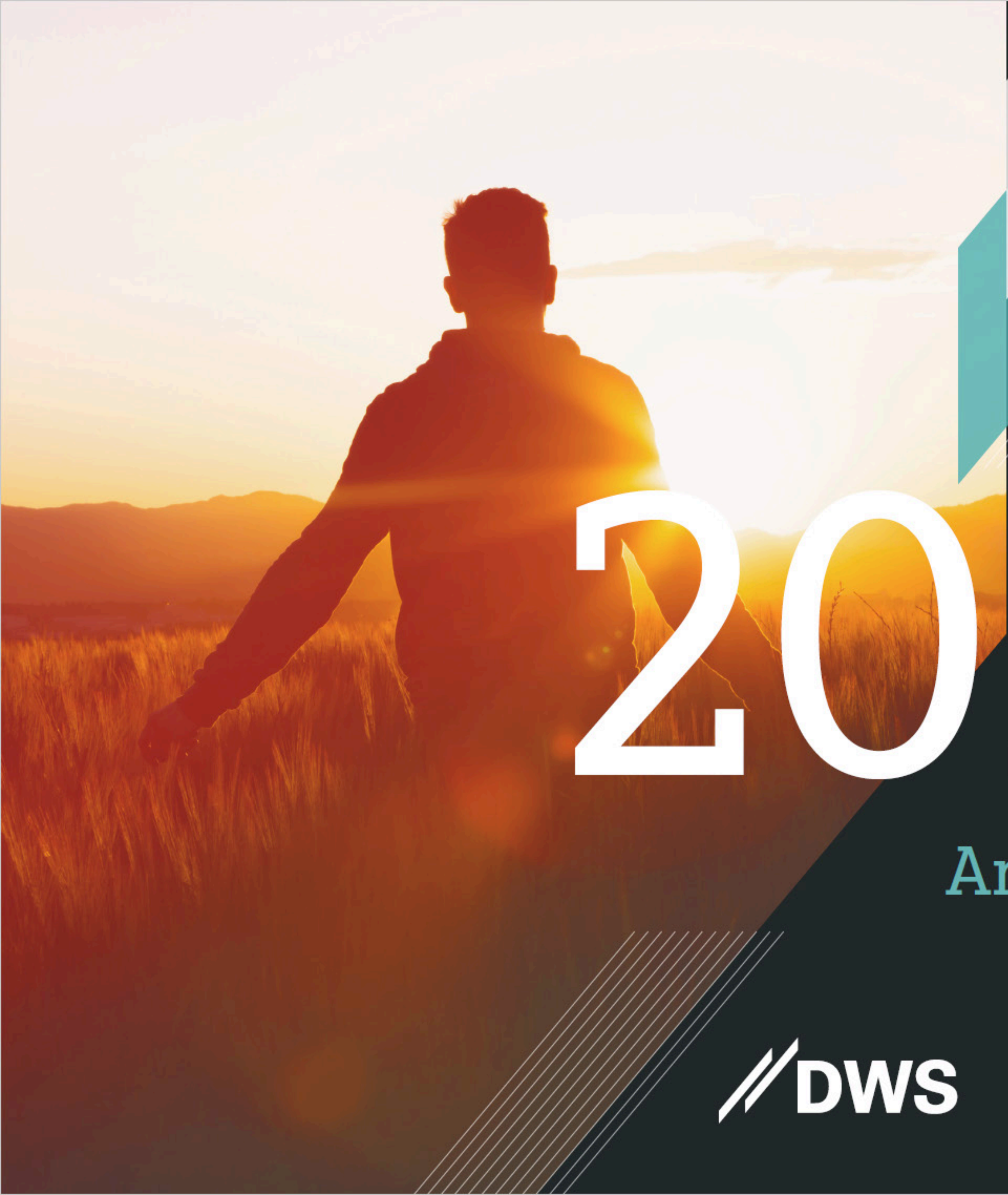

2023

Annual Report

DWS

Content

To Our Shareholders

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DWS Investors for a new now

Assets under Management

2022	2023
€ 821 bn.	**€ 896 bn.**

Net Flows

2022	2023
€ (20) bn.	**€ 28 bn.**

Adjusted Profit before Tax

2022	2023
€ 1,057 m.	**€ 937 m.**

Long Term Issuer Credit Rating

Moody's[1]	**A2** stable outlook

Adjusted Cost-Income Ratio

2022	2023
60.6%	**64.0%**

Earnings per Share

2022	2023
€ 2.97	**€ 2.76**

Ordinary Dividend per Share
(for the financial year)

2022	2023[2]
€ 2.05	**€ 2.10**

1 The rating agency Moody's Investors Service gave DWS Group a long-term issuer rating for the first time on 30 June 2023.
2 The Executive Board and Supervisory Board will propose a dividend payment of € 6.10 per share, which includes an ordinary dividend of € 2.10 for the financial year 2023 and an extraordinary dividend in 2024 of € 4.00, at the Annual General Meeting on 6 June 2024.

Letter of the Chief Executive Officer

GRI 2-22

Frankfurt/Main, March 2024

Dear Shareholders,

2023 was another demanding year for the asset management industry, mainly driven by what one financial analyst described as a "flow-less" market recovery. Nevertheless, DWS managed to return to a positive flow picture. Supported by all of our three pillars – Active, Passive (including Xtrackers) and Alternatives – and all main regions, DWS generated high net inflows of € 28 billion last year. Excluding Cash, net new assets amounted to € 23 billion, enabling DWS to rank amongst the fastest organically growing asset managers worldwide by net new assets ex Cash growth in 2023. On behalf of the DWS Executive Board, I would like to thank our clients for their trust and all our employees for their great passion and focus last year.

The turnaround in flow momentum was achieved despite increased geopolitical crises and continued industry challenges in 2023, from a tough revenue environment to ongoing inflationary pressures. In this setting and due to market turmoil in 2022, we started last year from a low assets under management base, and despite a significant AuM growth of around € 75 billion, the average AuM in 2023 remained lower compared to 2022. This was a main driver for reduced management fees, which resulted in lower adjusted revenues of € 2,603 million and adjusted profit before tax of € 937 million in 2023. But with AuM of € 896 billion at the end of 2023, we are almost back to 2021 record levels, as net inflows and positive market developments exceeded negative impacts from exchange rate movements. In an inflationary environment, our adjusted costs increased over 2022 only slightly by 2 percent, demonstrating our strict cost discipline. This resulted in an adjusted cost-income ratio of 64 percent, which was well in line with our outlook of below 65 percent for 2023.

Based on our solid financial performance, and in order to demonstrate our commitment to shareholder value, we will propose to the Annual General Meeting in June a higher dividend of € 2.10 per share for the business year 2023. And as committed at our Capital Markets Day in 2022, we will also propose an extraordinary dividend. This will be € 4.00 per share. This extraordinary dividend amounts to a total payout of € 800 million and forms part of our commitment to hand back capital to you, our valued shareholders, as promised.

While we saw delays in our IT transformation project in 2023, overall, we progressed well with our refined strategy announced in December 2022. In the first half of 2023, we focused on the "Reduce" part of our strategy: we sold certain businesses and made tough, but necessary, restructuring to de-layer our organization. Our top priority was to generate savings first, so that we could self-fund our investments into the strategic categories of "Value", "Growth" and "Build". We then concentrated on these three categories for the rest of the year.

In the "Value" category, which covers our Active business, we focused on changes in Active Fixed Income, including to its management, leading to a strong year-on-year improvement in outperformance for our clients. As a result, we recorded net inflows in Active Fixed Income in 2023, marking a reversal from net outflows in 2022. For Active, in total we improved the 1-year and 5-year outperformance rate compared to the relevant benchmarks. Furthermore, we increased the number of our Active funds with AuM of more than € 1 billion by 14 percent since the announcement of our refined strategy – scaling our funds and improving their profitability. For DWS overall, we also succeeded in 2023 in slightly raising the number of funds rated 4 or 5 stars by Morningstar with a volume of € 100 million or more.

We also continued to progress on our "Growth" strategy. Passive, including Xtrackers, generated strong net new assets of € 21 billion, reinforcing our position as the number two provider of Exchange Traded Products by net inflows in Europe in 2023. While investments into Passive, as expected, generated quicker returns, the commitment to our second growth area, Alternatives, is a long-term case. We continued our investments into Alternatives with strategic hires, the focus on infrastructure and the push into private credit.

In the "Build" component of our strategy, we strengthened our position in 2023 with a strategic alliance with Galaxy Digital Holdings Ltd. (Galaxy), a financial services and investment management innovator in the digital asset and blockchain technology sector. The aim is to initially develop a comprehensive suite of exchange-traded commodities on certain digital assets in Europe. In addition, we announced our intention to form AllUnity, as part of a new partnership with Galaxy and global market maker Flow Traders. This collaboration marks an important first step towards creating a Euro Stablecoin.

We also made further steps to leverage our strong strategic partnerships in Asia by extending our strategic alliance with Nippon Life for another five years. Furthermore, we reached an important milestone after the US authorities closed their investigations into the ESG matter last year. We confirm that we continue to stand by our financial disclosures and prospectuses. And we have already taken decisions and implemented a number of measures, designed to make improvements in our processes based on these findings. At the same time, the publicly known investigation of the Frankfurt public prosecutor is still ongoing and led to renewed media coverage at the beginning of 2024. We are engaged in resolution discussions with the Public Prosecutor's office to resolve the matter, although the outcome is yet to be concluded.

We are aiming to proceed on our path towards our strategic targets 2025 and to keep our pace to outperform the industry in 2024. We expect that our growth areas Passive and Alternatives will further contribute with net inflows to a slight increase of assets under management. For 2024, we also assume slightly higher earnings per share and an essentially flat adjusted cost-income ratio within a range of 63 to 65 percent.

Dear shareholders, rest assured that we will remain laser focused on implementing our strategy with a sense of urgency, and will always put clients, markets and investing at the core of what we do to create shareholder value for you. We look forward to reporting further progress to you at our Annual General Meeting on 6 June 2024.

Sincerely yours,

Dr Stefan Hoops
Chief Executive Officer

Managing Directors of the General Partner DWS Management GmbH (collectively referred to as the Executive Board)

Dr Stefan Hoops, * 1980
Chief Executive Officer and Head of Executive Division (since 10 June 2022)
and Head of Investment Division (since 1 January 2023)

Manfred Bauer, * 1969
Head of Product Division (since 1 July 2020)

Dirk Goergen, * 1981
Head of Client Coverage Division (since 1 December 2018)

Dr Markus Kobler, * 1967
Chief Financial Officer and Head of CFO Division (since 1 November 2023)
as well as Head of COO Division (since 1 January 2024)

Dr Karen Kuder, * 1973
Chief Administrative Officer and Head of CAO Division (since 1 November 2022)

Executive Board in the reporting year:

Dr Stefan Hoops, * 1980
Chief Executive Officer and Head of Executive Division (since 10 June 2022)
and Head of Investment Division (since 1 January 2023)

Manfred Bauer, * 1969
Head of Product Division (since 1 July 2020)

Dirk Goergen, * 1981
Head of Client Coverage Division (since 1 December 2018)

Dr Markus Kobler, * 1967
Chief Financial Officer and Head of CFO Division (since 1 November 2023)

Dr Karen Kuder, * 1973
Chief Administrative Officer and Head of CAO Division (since 1 November 2022)

Angela Maragkopoulou, * 1976
Chief Operating Officer and Head of COO Division (from 1 January to 31 December 2023)

Claire Peel, * 1974
Chief Financial Officer and Head of CFO Division (until 30 September 2023)

Report of the Supervisory Board

GRI 2-15

Dear shareholders,

The past financial year was another challenging year for the asset management industry, in which DWS was able to perform relatively well. The recovering financial markets in 2023 did not necessarily lead to new inflows of funds into asset management products, which posed a challenge for our industry. Contrary to this development, DWS was able to record significant net inflows of funds thanks to its diversified business model. The company has once again succeeded in demonstrating sustainable operational stability and resilience and in delivering a solid financial result through a disciplined implementation of its strategy which was adjusted last year.

Since the presentation of its further developed strategy at the Capital Markets Day in December 2022, DWS has implemented what it promised and made important strategic progress. Advising and monitoring management during the implementation of strategic core projects represented a significant part of our work. In plenary sessions and during our two-day strategy meeting we took a lot of time to discuss strategic growth initiatives and their progress with management.

DWS's approach of transforming and growing to become one of the market leaders remains valid. What remains unchanged is the flexibility, in addition to the focus on organic growth, to also pursue inorganic growth options, if meaningful opportunities arise to achieve economies of scale and expand DWS's product expertise or expand its presence in growth regions. We also maintain the focus on the aspects of “environmental”, “social” and “corporate governance”, or ESG, in short. It is a topic that will continue to shape the industry. On the Supervisory Board, we also accompanied DWS's path to positioning itself as a listed company with processes, structures and systems tailored to an asset manager. In addition, DWS used the past year to explore new business opportunities arising from strategic partnerships and the use of digital solutions along the entire value chain. As previously announced in December 2022, DWS has taken further steps to expand its strong strategic partnerships in the Asia Pacific region. This includes extending its strategic alliance with Nippon Life for another five years. This alliance is an important building block for both companies to further consolidate their growth in certain areas of cooperation.

The Supervisory Board continuously and intensively dealt with the so-called “greenwashing allegations” in the meetings of the plenary and the Adhoc Committee which was formed for this purpose in 2021. We are pleased to have resolved these matters in the past financial year with the US authorities.

Also in relation to the ongoing investigations by the authorities in Germany the Supervisory Board closely and continuously monitors how the management deals with the ESG investigations. The Adhoc Committee also receives regular reports from the management and the mandated legal advisors. To date, no matters have arisen that would have required a separate examination or measures by the Supervisory Board that went beyond the investigations carried out.

Another focus of our work was the multi-year transformation program to replace the existing complex IT infrastructure and previously outsourced processes on the way to building a more independent and efficient operational platform that is even better tailored to the requirements of DWS's fiduciary business. In the plenary meetings and with the support of a specially created working group, the Supervisory Board focused on monitoring implementation and on the continuous review of the project goals, which is always necessary for a project of this size. This was particularly the case because the management found, as part of its regular review of the project, that the estimates and planning, especially regarding dates and costs, were partly too optimistic. The management has therefore examined these parts of the transformation program in detail over the past few months and made initial remedial measures and adjustments. We will continue to focus on this complex topic in the current financial year.

There were changes in the management of DWS in the past financial year. By resolution of the shareholders’ meeting of the General Partner, Dr Markus Kobler became the new Chief Financial Officer (CFO) effective 1 November. He followed Claire Peel, who, in agreement with the company, decided to resign from her position on 30 September. Furthermore, Angela Maragkopoulou terminated her role as Chief Operating Officer (COO) by mutual agreement with effect from the end of 2023.

There were also some changes on the Supervisory Board in 2023. Ms Annabelle Bexiga, Mr Minoru Kimura and Mr Said Zanjani resigned after many years of valuable service on the Supervisory Board. Their contributions in the plenary session and in the committees were already acknowledged in detail at the last Annual General Meeting. The Annual General meeting in June 2023 elected Prof Dr Christina E. Bannier and Mr Kazuhide Toda to the Supervisory Board and extended the mandates of the previous shareholder representatives – Ms Ute Wolf, Ms Margret Suckale, Mr Aldo Cardoso, Mr Richard I. Morris, Jr., Mr Bernd Leukert and myself. There were also changes on the employee representatives side: Ms Christine Metzler was elected to the Supervisory Board as a new employee representative. Ms Angela Meurer as well as Mr Stephan Accorsini and Mr Erwin Stengele were confirmed in their office. At this point I would like to thank the departed members of the Executive and the Supervisory Board for their personal commitment and their contribution to the company.

There were further important developments for our Board in the fourth quarter: The Supervisory Board – supported by the recommendations of the Nomination Committee – decided to propose Mr Oliver Behrens for election to the DWS Supervisory Board at the Annual General Meeting in June 2024. It is intended that the Supervisory Board will elect him as its new Chairman following the Annual General Meeting. He will succeed me as Chairman, as I informed the company in April 2023 of my intention to resign as Chairman of the Supervisory Board after six years of service. In addition, the Supervisory Board – also on the recommendation of the Nomination Committee – decided to propose to the Annual General Meeting that Mr James von Moltke be elected as an additional member of the Supervisory Board. Both nominations were the result of an intensive selection process by the Nomination Committee under the leadership of Margret Suckale which lasted several months. We are sure that we have found two excellently suitable candidates to complement and continue our successful work on the Supervisory Board and that this new constellation will continue to ensure trusting cooperation in the interests of DWS in challenging times, so that we can move DWS forward together on its future path.

In detail for the reporting year:

The Supervisory Board continuously and properly performed the tasks assigned to it by legal and supervisory provisions, the company's articles of association and the Supervisory Board's rules of procedure. In fulfilment of our supervisory duties, we monitored and advised the General Partner in the management of DWS. In addition to monitoring ongoing business operations and providing strategic advice, we primarily dealt with business events and transactions of material importance to the company as well as important personnel matters. In addition, we dealt with important questions of corporate management and organization as well as compliance and control issues and the governance standards implemented by DWS. The management regularly informed us in writing and verbally about important company matters. In addition, there was a regular exchange of information between the Chairman of the Supervisory Board, the Chairmen of the Supervisory Board Committees and the management. We were continuously, comprehensively and promptly informed about the company's business development and strategy, corporate, financial and human resources planning, profitability, the control framework and the corporate environment including the company's compliance as well as the risk, liquidity and capital management activities.

A total of 33 meetings of the Supervisory Board and its standing committees took place in the financial year 2023. The average participation rate was more than 97%. Information about the participation of individual members of the Supervisory Board is contained in the ‘Meeting Attendance’ section of this Annual report. Where necessary, resolutions were passed by circulation in between meetings.

Meetings of the Supervisory Board in Plenum

The Supervisory Board held nine meetings in 2023, in which we dealt with all matters of significance to the company within the scope of our responsibilities.

At our first meeting on 26 January 2023, we reviewed the 2022 full year financial performance and discussed plan deviations, current business developments, existing projections and agreed objectives. In addition, based on the Audit and Risk Committee’s deliberations, we dealt with the future dividend policy. Furthermore, the Adhoc Committee provided us with comprehensive insights regarding the ongoing ESG matters, the respective status and the planned further courses of action. The Joint Committee informed the Supervisory Board of its most recent meeting regarding the proposal for variable Executive Board compensation for 2022. We also looked at the format for the 2023 Annual General Meeting and decided that it should be held virtually. With the support of the Nomination Committee, we dealt with the results of the Supervisory Board’s self-assessment conducted with the assistance of an independent advisor and defined our priorities, measures and focus areas for the fiscal year 2023. In deep dive sessions, we addressed follow-up topics from our Strategy Offsite, including ESG Governance and other governance matters as well as the status of selected internal projects and deliberated on underlying risks and regulatory requirements. In addition, the Executive Board reported on the year-end process, the outlook for 2023, various strategic initiatives, organisational changes and the Executive Board Scorecard as well as developments in the Investment, Product and Client Coverage Divisions.

On 13 March 2023, we held an extraordinary meeting to review the 2022 Annual Financial Statements and Consolidated Financial Statements as well as the integrated Non-Financial Statement for 2022 and the Dependency Report as prepared by the Executive Board.
A special focus in this regard was on ESG-related aspects. Based on the recommendation of

the Audit and Risk Committee and following an in-depth discussion with representatives of the statutory auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin (KPMG), we unanimously approved the Annual Financial Statements as well as the Consolidated Financial Statements. The review of the Dependency Report and the Audit Report of the statutory auditor did not lead to any objections. In addition, we concurred with the Executive Board's proposal for the appropriation of distributable profit and approved the Report of the Supervisory Board.

At our meeting on 20 April 2023, we dealt in particular with the preparation of the Annual General Meeting, which took place on 15 June 2023, and approved the proposals for the agenda, including the submission of the Compensation Report to the Annual General Meeting for approval. Taking into account the recommendations of the Nomination Committee and legal requirements, the Supervisory Board decided to nominate the shareholder representatives Prof Dr Christina E. Bannier and Kazuhide Toda for election at the Annual General Meeting as successors to the shareholder representatives Annabelle Bexiga and Minoru Kimura who were no longer available for another term. We also dealt in depth with ongoing investigations based on a detailed overview provided by the Adhoc Committee. In deep dive sessions, we addressed our strategy, sustainability initiatives and dealt with other internal projects. Furthermore, the Executive Board reported on overall business development and strategic initiatives.

The Supervisory Board met for the first time in its new composition at a constituent meeting on 22 June 2023, following the election of shareholder representatives at the Annual General Meeting on 15 June 2023 as well as the election of employee representatives on 21 June 2023. The Supervisory Board unanimously elected me as Chairman of the Supervisory Board and Ute Wolf as Deputy Chairwoman. Further, the new composition of the committees was decided. There were no changes in the composition of the Audit and Risk Committee. There were also only minor adjustments to the other committees: Prof Christina E. Bannier replaced the previous member Annabelle Bexiga on the Remuneration Committee, Angela Meurer took the place of Said Zanjani on the Nomination Committee and Erwin Stengele took over Said Zanjani's previous position on the Adhoc Committee.

On 19 July 2023, we dealt with a debrief on the course and main topics of the Annual General Meeting. The review of the Interim Report 2023 was another part of our meeting and we dealt with business development and the firm's outlook for the second half of the year. The Adhoc Committee provided detailed information on the ESG matters. Furthermore, the Nomination Committee reported on the search for a new Chairperson of the Supervisory Board. In deep dive sessions, we also reviewed internal projects in detail with a focus on our multi-year transformation program. We discussed the agenda for the upcoming strategy meeting of the Supervisory Board and there was a report on the ESG strategy of the company. The Executive Board provided a status report on their strategic initiatives, discussed the developments of the business in the Americas and provided an economic outlook. Moreover, there was a report on organisational changes below the Executive Board.

At an extraordinary meeting on 3 August 2023, the Supervisory Board was informed that Dr Markus Kobler had been appointed as the new CFO and successor to Claire Peel by resolution of the shareholders' meeting of the General Partner (with effect from 1 November 2023). Both Claire Peel's resignation as well as the appointment of Dr Markus Kobler took place in compliance with all relevant reporting obligations. The Supervisory Board also discussed other internal topics.

On 12 and 13 September 2023, we held our annual strategy offsite with the participation of the Executive Board as well as representatives of the extended leadership team. Under the leadership of Dr Stefan Hoops, the Executive Board had reviewed the company's strategic alignment and presented it as part of a Capital Market Day in December 2022. We looked back together at the strategic milestones that had already been achieved and discussed individual adjustments of initiatives, for instance in response to the changing market environment and trends, as well as investments in new growth areas. We analysed priorities for forward-looking strategic initiatives that address the challenges of the dynamic market and regulatory environment. In this regard, we discussed trends, risks and opportunities as well as financial and non-financial objectives in detail and identified focus topics together with the Executive Board. These included the positive performance culture within DWS, the sustainability strategy and its implementation, and the company's data strategy. We also highlighted our strategies in Asia Pacific and in the Americas. Another key focus of the meeting was the discussion of the impact on and measures for our IT and our multi-year transformation program, which resulted from an internal audit report. At our intensive workshop, we agreed on 13 follow-up actions, which are since being implemented by the Executive Board. We are kept regularly updated on the status of implementation.

At our meeting on 19 October 2023, the Supervisory Board was informed on the status of the ESG matter by the Adhoc Committee and further internal matters. The Nomination Committee informed the Supervisory Board about the progress in the search for a new Chairperson of the Supervisory Board. We dealt intensively with our multi-year transformation program and discussed the future direction of the project. The Supervisory Board also dealt with the sustainability strategy, one of the core topics of the strategy meeting. The Executive Board further reported on the overall business development and on the status updates of strategic and transformational initiatives.

At an extraordinary meeting on 3 November 2023, the Supervisory Board decided, on recommendation by the Nomination Committee, to propose Oliver Behrens for election as shareholder representative to the DWS Supervisory Board at the Annual General Meeting on 6 June 2024. It is intended that the Supervisory Board will elect him as its chairman. At the same time, the Supervisory Board decided, again on recommendation by the Nomination Committee, to propose James von Moltke for election as shareholder representative to the Supervisory Board at the 2024 Annual General Meeting.

At our last meeting of the year on 6 December 2023, we dealt with the Adhoc Committee's report on internal affairs and ongoing investigations. The Supervisory Board also dealt with governance matters, including the Declaration of Conformity in accordance with to Section 161 of the German Stock Corporation Act (AktG). In another deep dive, the Supervisory Board focused on our multi-year transformation program and its future direction. The CFO reported on the financial planning for the group and the the other Executive Board members reported on business development and the status of implementation of strategic initiatives and transformational projects.

The Committees of the Supervisory Board

Audit and Risk Committee

The Audit and Risk Committee held nine meetings in 2023.

It supported the Supervisory Board in monitoring the accounting process and intensively addressed the Annual Financial Statements and Consolidated Financial Statements, as well as the Interim Report and the audit and review reports issued by the statutory auditor. A particular focus of the Committee's work was on dealing with ESG-related content as well as its representation within the reporting.

Within the context of financial reporting and accounting practices, the Committee reviewed the valuation of goodwill and other intangible assets as well as the impairment testing of certain intangible assets. Further, the Committee addressed service fees charged by Deutsche Bank AG and its subsidiaries and related governance processes.

The Committee monitored the effectiveness of the Group's risk management system, in particular with regard to the internal control system and internal audit, while also taking into account the (potential) impacts of the conflict in Ukraine, and our multi-year transformation programs. It also reviewed the continuous improvement of the internal risk warning systems.

Further, the Committee dealt with the Group's risk appetite statement and the overarching risk strategy, embedded in the Risk Management Framework. This also included dealing with the integration of sustainability risks into the framework. The Committee regularly received reports on key risk and control metrics and compared DWS's risk exposure to the pre-defined thresholds. In addition, the Committee dealt with the effects of the geopolitical and macroeconomic situation on the Group.

Separately, the Committee dealt with the Annual Internal Audit Report and was regularly informed about the work of internal audit, the audit plan and its findings. It also reviewed the measures taken by the Executive Board to remediate deficiencies identified by the internal control functions and the statutory auditor and received regular updates on the status and progress made in this regard. Moreover, the Committee dealt with the Annual Compliance Report and compliance matters, including anti financial crime matters (particularly anti money laundering), which were discussed on a regular basis. Furthermore, the Committee received regular updates on ongoing investigations.

The Audit and Risk Committee further monitored the internal procedures to meet the requirements to identify, approve and disclose material related party transactions pursuant to Section 111b of the German Stock Corporation Act (AktG). As the Committee has been appointed by the Supervisory Board to resolve on reserved matters in relation to material related party transactions, it requested regular reports on the activities of the Related Party Transaction Council set up for support in this regard. In 2023, there were no material related party transactions for approval and disclosure under this provision.

The Committee regularly dealt with various regulatory initiatives such as sustainability related initiatives (especially CSRD and SFDR). Furthermore, the Committee covered the dividend development as well as the future dividend policy.

For 2023, the Audit and Risk Committee recommended a renewal of the audit engagement of KPMG. The deliberations took into account the results of the review of the statutory auditor's independence, which did not identify indications for any risk to independence. Additionally, it was considered that a renewal of the KPMG audit engagement was in accordance with applicable public-interest entities regulation as well as with the DWS Corporate Governance and Proxy Voting Policy. Following KPMG's election by the Annual General Meeting, the Supervisory Board issued the mandate to the statutory auditor and, with the support of the Audit and Risk Committee, set the amount of the auditor's remuneration. The audit engagement further comprised the Remuneration Report, the Dependency Report and a review to obtain limited assurance of the integrated non-financial group statement within the Summarised Management Report.

The Audit and Risk Committee dealt with the measures to prepare for the audit of the Annual Financial Statements and Consolidated Financial Statements for 2023, defined own areas of focus for the audit and approved a list of permissible non-audit services. The Committee received regular reports on the engagement of accounting firms, including the statutory auditor, for non-audit-related services. In this context, the Committee also monitored compliance with the non-audit fee cap. In addition, KPMG regularly reported on the audit strategy as well as its status and the Committee determined audit quality indicators to assess the quality of the audit.

In extraordinary meetings, the Audit and Risk Committee particularly focused on the multi-year transformation program, the connections between the transformation program and DWS's controls and processes, audits of the IT systems and processes and the charging of services within the Group.

Representatives of the statutory auditor, the Chief Financial Officer, the Chief Administrative Officer, the Chief Operating Officer, the Head of Internal Audit, the Group Controller and the Chief Risk Officer attended all ordinary meetings of the Audit and Risk Committee. The Chief Executive Officer also attended meetings on a case-by-case basis. When the statutory auditor was called in as an expert, the Committee decided on the Executive Board's attendance. In one instance, the Committee consulted with the statutory auditor without the Executive Board's participation.

Remuneration Committee

The Remuneration Committee held four meetings in 2023.

The Committee supported the Supervisory Board in monitoring the appropriate structure of the compensation systems for DWS's employees and, in particular, the appropriate structure of the compensation for the Head of Compliance and for the employees who have material influence on the overall risk profile of the Group, i. e., Material Risk Takers. In this regard, the Committee reviewed the DWS Compensation Policy and addressed changes to the compensation system.

Further, the Committee monitored the Group's cultural change program. With regard to corporate culture, the Committee also dealt comprehensively with the results of respective employee surveys.

Moreover, the Committee was regularly informed about significant regulatory developments and the anticipated impact on the Group's compensation framework as well as on the Remuneration Committee's area of responsibility. In this regard, the Committee received regular reports on the status of the regulatory-driven implementation of and the Group's compliance with supervisory regulations.

Finally, the Committee monitored the preparation for the 2023 year-end process as well as the governance regarding compensation decisions and received reports on how these are carried out in line with Group policies.

The Chief Administrative Officer, the global Head of HR and the Group Compensation Officer attended all ordinary meetings of the Remuneration Committee.

Nomination Committee

The Nomination Committee held eleven meetings in 2023.

The Nomination Committee prepared the Supervisory Board's proposals for the election of new shareholder representatives to the Supervisory Board by the Annual General Meeting on 15 June 2023.

Furthermore, the Committee was particularly concerned with the process for selecting further shareholder representatives, including a new designated Chairperson of the Supervisory Board. This selection process was conducted with the assistance of an independent executive recruiter. In this context, the Committee took into account the statutory provisions, guidelines from supervisory authorities and criteria specified by the Supervisory Board for its composition as well as the balance and diversity of the knowledge, skills and experience of all members of the Supervisory Board, prepared a job description with a candidate profile, and stated the time commitment associated with the tasks.

Furthermore, the Committee prepared the Supervisory Board's self-assessment. Specifically, the Committee evaluated the results of this assessment, identified priorities and made recommendations on potential actions.

Adhoc Committee

The Adhoc Committee held 16 meetings in 2023. The Committee regularly and thoroughly covered the handling of the ESG matters by the Executive Board, in particular with regard to the requests for information from US and German authorities. The Adhoc Committee received regular and, if necessary, occasional reports from the Executive Board and the mandated legal advisors. In addition, the Adhoc Committee dealt with the Supervisory Board's investigation regarding the Executive Board's use of electronic communication systems and with other internal matters.

Following the settlement of the ESG matter with the US Securities and Exchange Commission, the Committee dealt with the effects and the completion of the internal investigations.

Participation in Meetings

Participation in meetings of the Supervisory Board and its standing committees was as follows:

	Meetings Supervisory Board (# attendance/ total #)	Meetings Audit and Risk Committee (# attendance/ total #)	Meetings Remuneration Committee (# attendance/ total #)	Meetings Nomination Committee (# attendance/ total #)	Meetings overall (# attendance/ total #)
Number of meetings	**9**	**9**	**4**	**11**	**33**
Thereof: virtual	4	4	3	11	22
Participation:					
Karl von Rohr (Chair)[1]	9/9 (100%)	–	–	11/11 (100%)	20/20 (100%)
Ute Wolf (Deputy Chair)[1, 2]	8/9 (89%)	9/9 (100%)	–	–	17/18 (94%)
Stephan Accorsini	9/9 (100%)	9/9 (100%)	–	–	18/18 (100%)
Prof Dr Christina E. Bannier[1, 2]	6/6 (100%)	–	3/3 (100%)	–	9/9 (100%)
Annabelle Bexiga[1, 2]	3/3 (100%)	–	1/1 (100%)	–	4/4 (100%)
Aldo Cardoso[1, 2]	8/9 (89%)	9/9 (100%)	4/4 (100%)	–	21/22 (95%)
Minoru Kimura[1, 2]	3/3 (100%)	–	–	–	3/3 (100%)
Bernd Leukert[1]	9/9 (100%)	–	–	–	9/9 (100%)
Christine Metzler	6/6 (100%)	–	–	–	6/6 (100%)
Angela Meurer	9/9 (100%)	–	–	8/11 (73%)	17/20 (85%)
Richard I. Morris, Jr.[1, 2]	9/9 (100%)	9/9 (100%)	–	11/11 (100%)	29/29 (100%)
Erwin Stengele	9/9 (100%)	–	4/4 (100%)	–	13/13 (100%)
Margret Suckale[1, 2]	9/9 (100%)	–	4/4 (100%)	11/11 (100%)	24/24 (100%)
Kazuhide Toda[1,2]	6/6 (100%)	–	–	–	6/6 (100%)
Said Zanjani	3/3 (100%)	–	–	–	3/3 (100%)

[1] Shareholders' representatives considered independent from the company and the Executive Board.
[2] Shareholders' representatives considered independent from the controlling shareholder.

Corporate Governance

The composition of the Supervisory Board and its committees is in accordance with good corporate governance standards and meets regulatory requirements. The work in the bodies was characterized by an open and intensive exchange and a trustful cooperation. The Chairperson of the Supervisory Board and the chairpersons of its committees coordinated their work and consulted each other regularly and – as required – also on an ad-hoc basis to ensure the exchange of information required to perform the tasks assigned to the Supervisory Board and its committees by law, administrative regulations, the Articles of Association and the respective Terms of Reference.

At the meetings of the Supervisory Board, the committee chairpersons reported regularly on the work of the committees. From time to time the employees' representatives and the shareholders' representatives conducted separate preliminary discussions before the meetings of the Supervisory Board. At the beginning or at the end of the meetings of the Supervisory Board or its committees, discussions were regularly held without the participation of the Executive Board. In accordance with the Terms of Reference of the Audit and Risk Committee the Supervisory Board determined that Ms Ute Wolf, the Chairperson, and the committee members Mr Aldo Cardoso and Mr Richard I. Morris, Jr. fulfil the requirements of Section 100 (5) of the German Stock Corporation Act (AktG). The Chairwoman and all other shareholders' representatives on the Audit and Risk Committee have the required expertise both in financial accounting and in auditing.

Furthermore, the Supervisory Board determined that it has what it considers to be an adequate number of independent shareholders' representatives.

The Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG), was approved by the Supervisory Board on 6 December 2023. The text of the Declaration of Conformity can be found in section 'Corporate Governance Statement – Compliance with the German Corporate Governance Code'.

Training and Further Education Measures

In 2023, training was conducted regularly with the Supervisory Board in plenum and its committees to maintain and expand the required specialized knowledge of DWS as an organization and the impact of its regulatory environment and competitive situation. Further, the members of the Supervisory Board continued to build and enhance the required expertise to foster good corporate governance. Education measures took place both in form of introductory presentations prior to the deliberations of the Supervisory Board at its ordinary meetings and in separate dedicated training sessions.

Conflicts of Interest and Their Management

In the reporting year, no conflicts of interest were reported or otherwise apparent which would have to be reported to the General Meeting.

Annual Financial Statements, Consolidated Financial Statements, Integrated Non-Financial Group Statement and Dependency Report

KPMG has audited the Annual Financial Statements and the Consolidated Financial Statements, including the Accounting and the Summarised Management Report for the Annual and Consolidated Financial Statements for the 2023 financial year and the Dependency Report and in each case, issued an unqualified audit opinion on 8 March 2024. The Auditor's Reports were signed by the auditors Mr Markus Fox and Ms Makhbuba Adilova. Mr Fox was the Auditor responsible for the engagement.

Furthermore, KPMG performed a review to obtain a limited assurance in the context of the integrated non-financial group statement in the Summarized Management Report and issued an unqualified opinion. For the Compensation Report KPMG issued a separate unqualified opinion.

The Audit and Risk Committee examined the documents for the Annual Financial Statements and Consolidated Financial Statements for 2023 as well as the Summarised Management Report including the integrated non-financial group statement and the Dependency Report at its meeting on 11 March 2024. The representatives of KPMG provided the final report on the audit results. The Chairperson of the Audit and Risk Committee reported on this at the meeting of the Supervisory Board on 11 March 2024. Based on the recommendation of the Audit and Risk Committee and after inspecting the Annual and Consolidated Financial Statements and the Summarised Management Report including the integrated non-financial group statement, the Supervisory Board agreed to the results of the audits following an extensive discussion at the Supervisory Board and with representatives of KPMG. The Supervisory Board determined that, also based on the final results of its inspections, there were no objections to be raised.

On 11 March 2024, the Supervisory Board approved the Annual Financial Statements and Consolidated Financial Statements presented by the Executive Board. The Supervisory Board concurred with the Executive Board's proposal for the appropriation of distributable profit.

DB Beteiligungs-Holding GmbH, a wholly owned subsidiary of Deutsche Bank AG, holds a 79.49% stake in DWS KGaA. As there is no control and/or profit and loss-pooling agreement between these two companies, the Executive Board prepared a report on the company's relations with affiliates (Dependency Report) for the period from 1 January 2023 to 31 December 2023, in accordance with Section 312 of the German Stock Corporation Act (AktG). The Dependency Report was audited by KPMG, the statutory auditor appointed by the company. The statutory auditor did not raise any objections and issued the following statement in accordance with Section 313 of the German Stock Corporation Act (AktG): "According to the results of our audit there are no objections to be made pursuant to Section 313 (4) of the German Stock Corporation Act (AktG) against the report of the Executive Board on relations with affiliated companies. We hereby issue the following unqualified audit certification in accordance with Section 313 (3) of the German Stock Corporation Act (AktG) on the report of the Executive Board on relations of DWS Group GmbH & Co. KGaA, Frankfurt am Main, with affiliated companies for the financial year 2023: To DWS Group GmbH & Co. KGaA, Frankfurt am Main: Based on our dutiful audit and assessment, we confirm that 1) the statements actually made in the report are correct, 2) the company's consideration for the legal transactions mentioned in the report was not unduly high, 3) the measures mentioned in the report do not speak in favour of an assessment that differs from that of the Executive Board." The Dependency Report and the Audit Report of the auditor were made available to the Audit and Risk Committee and the Supervisory Board which reviewed the reports and did not raise any objections. Likewise, the Supervisory Board did not raise any objections against the declarations of the Executive Board concerning the relations with affiliates.

Personnel Developments

There were changes in the Supervisory Board composition in 2023.

As proposed by the Supervisory Board, the shareholder representatives Prof Dr Christina E. Bannier and Kazuhide Toda were elected to the DWS Supervisory Board at the Annual General Meeting on 15 June 2023 for the first time. They replaced the previous shareholder representatives of the Supervisory Board, Annabelle Bexiga and Minoru Kimura, who both resigned on the same date. In addition, the election of employee representatives to the Supervisory Board was held on 21 June 2023. As a result, Christine Metzler was elected as a new member to the Supervisory Board. She replaced the previous member Said Zanjani. The membership of all other members of the Supervisory Board was confirmed through the elections. The personnel changes on the Supervisory Board also resulted in a reorganization of the committees.

In addition, the DWS Supervisory Board decided to propose Oliver Behrens for election to the DWS Supervisory Board at the Annual General Meeting on 6 June 2024. It is intended that the Supervisory Board will elect him as its Chairman. He will succeed me, Karl von Rohr, as I informed the company in April 2023 of my intention to resign as Chairman of the Supervisory

Board. At the same time, the Supervisory Board decided to nominate James von Moltke for election to the Supervisory Board at the 2024 Annual General Meeting.

We would like to thank the Executive Board and DWS's employees for their continued strong commitment in an enduringly challenging environment and their contribution to a successful financial year notwithstanding such challenges.

Frankfurt am Main, 11 March 2024

For the Supervisory Board

Karl von Rohr
Chairman

Supervisory Board

Karl von Rohr
– Chairperson of the Supervisory Board
since 3 March 2018
Frankfurt am Main

Ute Wolf
– Deputy Chairperson of the Supervisory Board
since 22 March 2018
Düsseldorf

Stephan Accorsini *
since 29 May 2018
Bad Soden

Prof Dr Christina E. Bannier
since 15 June 2023
Bad Nauheim

Annabelle Bexiga
until 15 June 2023
Sarasota

Aldo Cardoso
since 22 March 2018
Paris

Minoru Kimura
until 15 June 2023
Tokyo

Bernd Leukert
since 21 July 2020
Karlsruhe

Christine Metzler *
since 21 June 2023
Alsheim

Angela Meurer *
since 29 May 2018
Frankfurt am Main

Richard I. Morris, Jr.
since 18 October 2018
London

Erwin Stengele *
since 29 May 2018
Oberursel

Margret Suckale
since 22 March 2018
Tegernsee

Kazuhide Toda
since 15 June 2023
Tokyo

Said Zanjani *
until 21 June 2023
Langgöns

* Employee representative

Standing Committees of the Supervisory Board

Audit and Risk Committee

Ute Wolf
– Chairperson

Stephan Accorsini *

Aldo Cardoso

Richard I. Morris, Jr.

Nomination Committee

Karl von Rohr
– Chairperson

Richard I. Morris, Jr.

Margret Suckale

Angela Meurer *

Remuneration Committee

Margret Suckale
– Chairperson

Prof Dr Christina E. Bannier

Aldo Cardoso

Erwin Stengele *

* Employee representative

Report of the Joint Committee

Pursuant to Section 15 of the Articles of Association of DWS Group GmbH & Co. KGaA, the company has a Joint Committee, which consists of two members delegated by the shareholders’ meeting of the General Partner and two members delegated from among their number by the shareholders’ representatives on the Supervisory Board.

Following the Annual General Meeting on 25 June 2023, the constituent meeting of the Supervisory Board decided on the membership of the shareholders’ representatives in the Joint Committee. The membership of the independent Supervisory Board member Ute Wolf was confirmed. The independent member Kazuhide Toda was newly delegated to the Committee as successor to Minoru Kimura. Further changes were made to the Joint Committee on 1 November 2023. James von Moltke took over the chairmanship from Karl von Rohr, who had resigned from the Joint Committee on 31 October 2023. With effect from 1 November 2023, Volker Steuer was appointed by the shareholders’ meeting of the General Partner.

The Joint Committee resolves in particular on the approval of certain transactions and management measures undertaken by the General Partner (e. g. group reorganizations and related contracts; acquisition and disposal of real estate or participations if the transaction value exceeds a certain threshold). In addition, the Joint Committee possesses a right of proposal with respect to the ratification of acts of management and with respect to the determination of the variable compensation of the Managing Directors of the General Partner (hereafter referred to as the members of the Executive Board). Further, the Joint Committee ratifies, with the support of the company’s Audit and Risk Committee, the Performance Conditions relevant for the vesting and release of deferred DWS compensation awards granted to the members of the Executive Board.

Hereinafter the Joint Committee reports, pursuant to Section 19 (2) of the Articles of Association of the company, to the Annual General Meeting on its work:

In the past fiscal year, the Joint Committee convened three times and all members of the Joint Committee participated in the deliberations and the proposals adopted in the meetings. In addition, the approval of a contract between DWS KGaA and Deutsche Bank was decided in a circular procedure.

At its first meeting of the year on 26 January 2023, the Joint Committee prepared the proposal for the variable compensation of the members of the Executive Board for the fiscal year 2022. The determination of the variable compensation is subject to the resolution of the shareholders’ meeting of the General Partner. Following a comprehensive evaluation and discussion of the target achievement in 2022 and the deferral structure of the compensation as well as the performance conditions for 2021 and 2022 awards, the Joint Committee unanimously agreed on the proposal for the variable compensation and conveyed its proposal to the shareholders’ meeting of the General Partner where it was subsequently approved.

Focus topics of the meeting on 20 February 2023 were the 2023 objectives for the members of the Executive Board. The Joint Committee’s deliberations addressed all compensation components and the corresponding reference levels, objectives, weighting as well as key measures and assessment criteria. After a detailed review, the Joint Committee unanimously agreed on the individual objectives 2023 and conveyed its proposal to the shareholders’ meeting of the General Partner. The latter approved the proposal as presented.

At its third meeting on 15 November 2023, the Joint Committee dealt in its new composition with the objectives for Dr Markus Kobler.

Frankfurt am Main, 11 March 2024

For the Joint Committee of DWS Group GmbH & Co. KGaA

James von Moltke
Chairman

Joint Committee

James von Moltke
– Chairperson since 1 November 2023
since 7 May 2018

Karl von Rohr
– Chairperson until 31 October 2023
until 31 October 2023

Minoru Kimura
until 15 June 2023

Volker Steuer
since 1 November 2023

Kazuhide Toda
since 22 June 2023

Ute Wolf
since 23 April 2018

Our Shares

IFR Article 49 (1) (b)
GRI 2-1

DWS shares are listed in the Prime Standard on the Frankfurt Stock Exchange, which has the most stringent transparency and disclosure requirements of any exchange in Germany. The shares are also a component of the German SDAX, a market index composed of 70 small and medium-sized companies in Germany in terms of order book volume and market capitalisation. The index represents the 91st-160th largest publicly traded companies in Germany based on order book volume and market capitalisation.

The highest Xetra closing price for DWS shares in 2023 was € 34.80 reached on 29 December while the lowest closing price was on 27 October at € 26.82. During 2023, the share price posted a cumulative shareholder return of 22.7% compared to a 17.1% increase in the SDAX. Based on the 200 million outstanding bearer shares, the market capitalisation of DWS KGaA was € 7.0 billion on 31 December 2023.

Cumulative shareholder return in % in 2023

Investor Relations Activity

2023 continued to be an eventful year for Investor Relations mainly characterised by geopolitical and economic developments as well as specific challenges for us.

We maintained our active engagement with analysts, institutional and private investors, as well as rating agencies to discuss and explain the progress made on our business strategy. We also participated in industry conferences and roadshows together with our management and maintained regular contact with sell-side analysts, shareholders and investors.

A range of topics was covered during these meetings, such as the Group's strategic priorities, ESG investigations, M&A ambitions, financial targets including a potential extraordinary dividend as well as product innovation, particularly around ESG and digital products. Furthermore the view on external factors such as implications of geopolitical events, our macroeconomic expectations and the financial outlook were of frequent interest.

Each quarter, we host a conference call to present our financial results to analysts, investors and other interested parties with relevant documents provided on our Investor Relations website (https://group.dws.com/ir/).

Research Coverage

In 2023, a total of 19 brokers covered DWS shares, publishing regular commentary about the company. As of 31 December 2023, 15 brokers recommended to buy DWS's shares while four brokers recommended to hold the shares. The average target share price was € 37.60 as of 31 December 2023.

Target price and rating as of 31 December 2023

Rank	Broker	Target Price (in €)	Rating
1	Morningstar	48.00	Buy
2	JP Morgan	46.40	Buy
3	Kepler Cheuvreux	43.70	Buy
4	ING	41.00	Buy
5	Exane BNP Paribas	40.00	Buy
6	Jefferies	39.00	Buy
7	Keefe, Bruyette & Woods	39.00	Buy
8	Morgan Stanley	38.10	Buy
9	Barclays	38.00	Hold
	Average	**37.60**	
10	Metzler	36.20	Buy
11	Bank of America ML	36.00	Buy
12	Oddo BHF	36.00	Buy
13	CIC Market Solutions	36.00	Buy
14	AlphaValue	34.40	Buy
15	Citi	33.80	Buy
16	Royal Bank of Canada	33.00	Buy
17	Goldman Sachs	32.00	Hold
18	UBS	31.50	Hold
19	Society General	30.50	Hold

Annual General Meeting

DWS KGaA hosted its virtual Annual General Meeting on 15 June 2023.

The Executive Board and Supervisory Board recommended a dividend payment of € 2.05 per share for the financial year 2022, which was approved at the above mentioned Annual General Meeting.

Further information on the Annual General Meeting can be found on our website (https://group.dws.com/ir/annual-general-meeting/).

Financial Calendar 2024

Date	Event
1 February 2024	Preliminary results for the financial year 2023 with Investor and Analyst Conference Call
14 March 2024	Annual Report 2023
25 April 2024	First quarter 2024 results with Investor and Analyst Conference Call
6 June 2024	Annual General Meeting
24 July 2024	Interim Report 2024 with Investor and Analyst Conference Call
23 October 2024	Third quarter 2024 results with Investor and Analyst Conference Call

Shareholder Structure

DB Beteiligungs-Holding GmbH, which has its registered seat in Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 87504, is the largest shareholder of DWS KGaA. On 20 April 2018 DB Beteiligungs-Holding GmbH held 158,981,872 units or a 79.49% share in DWS KGaA. DB Beteiligungs-Holding GmbH is a wholly owned subsidiary of Deutsche Bank AG.

The second largest shareholder is Nippon Life Insurance Company with a 5.00% stake as notified to us in the voting rights announcement dated 22 March 2018.

We have not been made aware of any changes in this ownership as at 31 December 2023. DWS KGaA's free float amounts to 15.51%.

Share Liquidity and Key Data

The average daily trading volume of DWS KGaA shares was approximately 84,000 in 2023, with the highest level in February at approximately 123,000.

Average daily trading volume in 2023

January	80,314	April	75,411	July	83,862	October	79,610
February	122,969	May	83,215	August	54,286	November	69,346
March	105,029	June	96,100	September	55,952	December	103,742

Source: Bloomberg, including German stock exchanges Xetra, Frankfurt, Stuttgart, Berlin, Düsseldorf and Munich.

Key data

Securities identification number (WKN)	**DWS100**
Issuer	DWS Group GmbH & Co KGaA
International securities identification number (ISIN)	DE000DWS1007
Public or private placement	Public
Governing law(s) of the instrument	German law
Ticker symbol	DWS
Trading segment	Regulated market (Prime Standard)
Indices	SDAX
Class of shares	No par-value ordinary bearer shares
Initial listing	23 March 2018
Initial issue price in €	32.50
Perpetual or dated	Perpetual
Original maturity date	No maturity
Issuer call subject to prior supervisory approval	No
Fixed or floating dividend/coupon	Floating
Existence of a dividend stopper	No
Convertible or non-convertible	Non-convertible
Write-down features	No
Number of shares as of 29 December 2023	200,000,000
Market capitalization as of 29 December 2023 (in € bn.)	7.0
Share price in € as of 29 December 2023[1]	34.80
Cumulative shareholder return (since 30 December 2022) in %	22.70
Period high (1 January - 29 December 2023) in €[1]	34.80
Period low (1 January - 29 December 2023) in €[1]	26.82
Amount recognised in regulatory capital (in € million, as of most recent reporting date)	200
Accounting classification	Shareholder Equity
Link to the full term and conditions of the instrument (signposting)	https://group.dws.com/link/19af41867a3549429f3abce93f6b0424.aspx

[1] Xetra Closing Price.

Summarised Management Report

Summarised Management Report

About this Report

Content and Structure

Our Annual Report combines the financial and non-financial information necessary to thoroughly evaluate our performance and, as we are a German-listed asset manager, the content is primarily guided by the legal requirements of the German Commercial Code.

KPMG AG Wirtschaftsprüfungsgesellschaft has audited our consolidated financial statements and summarised management report and has provided an unqualified audit opinion. In addition, KPMG AG has performed an independent limited assurance engagement on the sections in [square brackets].

The reporting period is the 2023 business year, covering the period from 1 January 2023 to 31 December 2023. On 7 March 2024, the Executive Board prepared the consolidated financial statements, submitted them to the Supervisory Board for review and approval, and released them for publication. Publication is in German and English, with the German version of the report being definitive.

Financial Information

The presentation of financial information and performance of DWS KGaA and its subsidiaries complies with the requirements of International Financial Reporting Standards and, where applicable, the German Commercial Code, German Accounting Standards and the guidelines on alternative performance measures from the European Securities and Markets Authority.

Qualitative and quantitative disclosures about credit, market, strategic and non-financial risks in accordance with IFRS 7 "Financial Instruments: Disclosures" and disclosures required by IAS 1 "Presentation of Financial Statements" form part of the consolidated financial statements and are marked with a reference to IFRS 7/IAS 1.

Information in the text referring to specific standards and disclosures of the Investment Firm Regulation (IFR) or Investment Firm Directive (IFD) and their implementation into Germany's national law with the Investment Firm Act is marked with a reference to the respective IFR/IFD standard.

[Integrated Non-Financial Information]

To position the Group as an independent asset manager we do not make use of the option of exemption by virtue of the non-financial report of Deutsche Bank AG according to Section 315b (2) German Commercial Code and report under the Article 8 of Regulation (EU) No 2020/852 as an asset manager.

The integrated non-financial group statement is comprised of the non-financial information in this Annual Report and satisfies the requirements of Section 340i (5) in conjunction with Sections 315b, 315c and 289c to 289e of the German Commercial Code. With regards to the applied reporting frameworks under Section 289d of the German Commercial Code, the reporting contents are oriented towards the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and consider the United Nation's Sustainable Development Goals. Information in the text referring to specific GRI standards is marked with a reference to the respective GRI standard and summarised in the 'Supplementary Information – GRI Content Index'.

For details on our materiality assessment matrix please refer to the section 'Materiality Assessment' which will form the focus of the integrated non-financial group statement and defines the limits of this statement.

In addition, the section 'Climate Report' addresses our climate-related ambitions and provides transparent disclosures on our climate action through our fiduciary and corporate activity in accordance with the recommendations of the Taskforce on Climate-related Financial Disclosures.

[Materiality Assessment]

GRI 3-1; 3-2; 3-3

Highlights

– 19 material topics in total in 2023
– Six new topics added and four material topics removed compared to 2022

Our materiality assessment is primarily guided by the regulatory requirements of the German Commercial Code. That means we consider those matters which were of high and very high business relevance to us and our potential impact on those topics.

Our Approach to Identifying Our Material Topics 2023

To identify our material topics, we used a three-step approach.

Step 1: Identification (long list)
In 2023, we continued to use the artificial intelligence-automated ESG analytics platform to support our materiality assessment. The platform monitors the ESG landscape and produces individual financial, impact and stakeholder scores for potential material topics it has identified as relevant to our financial service sector. For a topic to be included on the medium list, its financial, impact and stakeholder scores had to be above a defined threshold.

Step 2: Verification (medium list)
The medium list topics were assessed using a quarterly analysis to review their materiality status and consider changes in financial, impact and stakeholder scores. The quarterly checks retained the parameters used in 2022. An additional validity assessment using updated 2023 parameters was conducted to confirm the validity of the quarterly checks.

Step 3: Finalisation (short list)
For a topic to be on the final list of material topics, it needed to achieve the set threshold for the financial, impact and stakeholder scores in at least four of the five checks (the four quarterly checks and one validity assessment). The result using the thresholds indicated that 19 topics were material for us in 2023.

The Result of the Materiality Assessment 2023

The three highest scoring material topics were “Anti-Financial Crime”, “Business Ethics” and “Diversity and Equal Opportunities” (compared to “Client Satisfaction”, “Data Privacy Management” and “Anti-Financial Crime” in 2022). There were also a number of topic status changes between 2022 and 2023:

Six new topics were deemed material this year in comparison to 2022:

– Biodiversity
– Epidemics and their multi-dimensional impacts
– Geopolitical risks
– Health and wellbeing
– Human rights
– Water

In addition, four of the material topics in 2022 fell below the materiality threshold this year according to their rating in the automated ESG platform:

– Corporate reputation
– Sustainability governance structure
– Grievance mechanisms and remediation
– Responsible tax practices

The materiality assessment result was distributed to and approved by our CFO.

In the materiality table below we have mapped the material topics we identified in 2023 against the United Nations Sustainable Development Goals (SDGs). The SDGs on which we might have an impact are SDG 8: “Decent Work and Economic Growth”, SDG 9: “Industry, Innovation and Infrastructure”, SDG 10: “Reducing Inequality” and SDG 13: “Climate Action”. The SDGs 8, 10 and 13 were selected during a workshop in 2019 with the time horizon 2030 as prescribed by the UN. In 2022, these SDGs have been confirmed and we added SDG 9 following an internal review.

Materiality table 2023

No.	Material topic[1]	Business relevance for DWS[2]	Impact of DWS impact materiality[2]	Relevant SDGs	Sustainability KPIs 2023[3]	KPI Level of assurance[4]	Relevant sections in the Annual Report
1	Anti-Financial Crime	■■■■■	■■■■■	8 10			Compliance and Control – Anti-Financial Crime and Compliance
2	Business Ethics	■■■■■	■■■■■	8 10			Compliance and Control – Anti-Financial Crime and Compliance
3	Diversity and Equal Opportunities	■■■■■	■■■■■	10	Proportion of women	L	Our Responsibility – Entrepreneurial Spirit
4	Responsible Investing and Financing	■■■■■	■■■■■	8 9 10 13	ESG AuM Sustainability Rating – CDP Corporate engagements	R R R	Our Responsibility – Sustainable Action
5	Data Privacy Management	■■■■■	■■■■■	8			Compliance and Control – Data Protection
6	Cyber Security and Information Security	■■■■■	■■■■■	8			Compliance and Control – Data Protection
7	Climate Change	■■■■	■■■■■	13	ESG AuM Sustainability Rating – CDP Scope 1 and 2 operational emissions Scope 3 operational emissions (travel – air and rail) Scope 3 portfolio emissions (net zero) – inflation adj. WACI Corporate engagements	R R L L L R	Our Responsibility – Sustainable Action
8	Human Rights	■■■■	■■■■■	8 10			Our Responsibility – Entrepreneurial Spirit Our Responsibility – Our Investment Approach Our Responsibility – Human Rights
9	Company Performance	■■■■■	■■■■■	8 9	ESG AuM	R	Our Performance Indicators – Our Financial Performance Our Responsibility – Sustainable Action
10	Epidemics and their multi-dimensional impacts	■■■■	■■■■■	8			Risk Report – Non-Financial Risk
11	Board Effectiveness	■■■■■	■■■■	8 10 13			Our Responsibility – Sustainable Action
12	Compliance Management	■■■■■	■■■■	8 10 13			Compliance and Control
13	Geopolitical Risks	■■■■	■■■■				Risk Report – Financial Risk
14	Water	■■■■	■■■■	13			Our Responsibility – Sustainable Action – Biodiversity and Water
15	Biodiversity	■■■■	■■■■	13			Our Responsibility – Sustainable Action – Biodiversity and Water
16	Attractive Employer	■■■■	■■■■	8 10	Volunteer hours per employee Proportion of women	L L	Our Responsibility – Entrepreneurial Spirit
17	Business Continuity	■■■■	■■■■	8			Risk Report – Non-Financial Risk

No.	Material topic[1]	Business relevance for DWS[2]	Impact of DWS impact materiality[2]	Relevant SDGs	Sustainability KPIs 2023[3]	KPI Level of assurance[4]	Relevant sections in the Annual Report
18	Health and Wellbeing	■■■■	■■■■	8 10			Our Responsibility – Entrepreneurial Spirit
19	Client Satisfaction	■■■■	■■■	8			Our Responsibility – Client Commitment

1 A detailed definition of the material topics can be found in the 'Supplementary Information – Materiality Assessment – Definition of Material Topics' section of this Annual Report.
2 Scoring (values are rounded): ■■■■■ – highest relevance/impact, ■■■■ – very high relevance/impact, ■■■ – high relevance/impact, ■■ – limited relevance/impact, ■ – low relevance/impact.
3 A detailed description of the sustainability KPIs can be found in the 'Our Responsibility – Sustainable Action' section of this Annual Report.
4 R – audit procedures to obtain independent reasonable assurance, L – audit procedures to obtain independent limited assurance.

Non-financial risks are monitored through dedicated risk frameworks and processes. A more detailed description of our risk management process can be found in the 'Risk Report'. After application of the net method to determine risks subject to disclosure according to HGB, there are no net risks that are highly probable and which result or will result in severe adverse impacts on the reported aspects. Reportable relations to the amounts of the Consolidated Financial Statements have not been determined.

Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code

In the declaration on corporate governance we follow the transparency requirements of the German Corporate Governance Code.

The Group's Corporate Governance Statement according to Sections 289f and 315d of the German Commercial Code is available in section 'Corporate Governance Statement' of this Annual Report and is also available as PDF document on our website https://group.dws.com/corporate-governance/corporate-governance-report/.

Compensation Report pursuant to Section 162 of the Stock Corporation Act

The Compensation Report for the reporting period and the auditor's report pursuant to Section 162 of the Stock Corporation Act (Aktiengesetz – AktG), the applicable compensation system pursuant to Section 87a of the Stock Corporation Act and the resolution pursuant to Section 113 (3) of the Stock Corporation Act on the compensation of the Supervisory Board, is available in the section 'Compensation Report' of this Annual Report.

Data and Presentation

GRI 2-3

All information and bases for calculation in this Annual Report are based on national or international standards for financial and non-financial reporting. Internal control mechanisms are designed to ensure the reliability of the information presented in this Annual Report.

Our accompanying consolidated financial statements are stated in Euro (EUR) the presentation currency of the Group except when otherwise indicated and are rounded to the nearest million. Due to rounding, numbers presented throughout this Annual Report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. "N/A" means not applicable.

Our scope of consolidation for our Group's financial reporting and the integrated non-financial group statement comprises DWS KGaA, with its headquarters in Frankfurt am Main, Germany, and all of its fully consolidated subsidiaries. Shares in joint ventures and associated companies are accounted for, if material, using the Equity method in our consolidated financial statements and are thus not included in the scope of consolidation.

With the exception of the 'Consolidated Statement of Cash Flows', we apply to all numbers the "positive as normal" convention, with all numbers being considered positive. The "direction of flow" is determined by the label and inflow numbers will include labels such as fee and interest income. Outflow line items will have labels such as fee expense, compensation and benefits or expenses.

Throughout this Annual Report, gender-specific terms may be used to ease the text and reading flow. Whenever a gender-specific term is used, it should be understood as referring to all genders and does not contain any judgment. For an explanation of the abbreviations and technical terms used in this report, please refer to the section 'Supplementary Information – Glossary'.

External Audit and Evaluation

GRI 2-5

Our reporting is independently audited by third parties. KPMG AG has audited our consolidated financial statements and summarised management report and has provided an unqualified audit opinion. In addition, KPMG AG has performed an independent limited assurance engagement on the sections in [square brackets].

The Independent Practitioner's Reports can be found in the 'Consolidated Financial Statements – Independent Auditor's Report'.

The section 'External Audit and Evaluation' and information referred to as additional information, as well as references to our corporate and external websites and the references to the respective GRI or IFR/IFD standard, indicated in this Annual Report are not part of the information audited by KPMG.

Cautionary Statements

This Annual Report 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 any of them publicly 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.

Who We Are

GRI 2-1; 2-6; 3-3

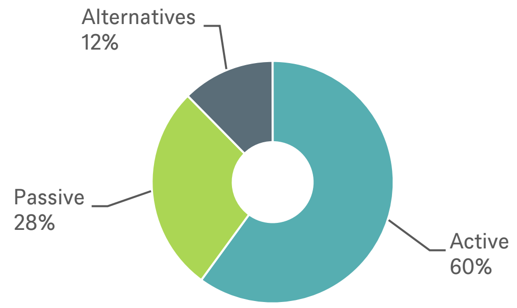
We are aspiring to be a leading asset manager with € 896 billion in assets under management (AuM) as of 31 December 2023. We are headquartered in Germany with approximately 4,500 employees operating globally.The Group consists of 75 consolidated entities, of which 47 are subsidiaries and 28 consolidated structured entities, with DWS KGaA as the parent holding company. DWS KGaA has no branches of its own. However, six of our subsidiaries have a total of 24 branches across all regions including 14 branches in EMEA, eight in the Americas and two in Asia Pacific. These branches mainly provide distribution and supporting services.

We serve a diverse client base of retail and institutional investors worldwide, with a strong presence in our home market in Germany. These clients include large government institutions, corporations and foundations as well as millions of individual investors. We are the holding company of a Group including regulated asset managers which act as fiduciary for their clients, and we are conscious of our societal impact. Furthermore, responsible investing has been an important part of our heritage for more than twenty years, and we are committed to acting and investing in our clients´ best interests.

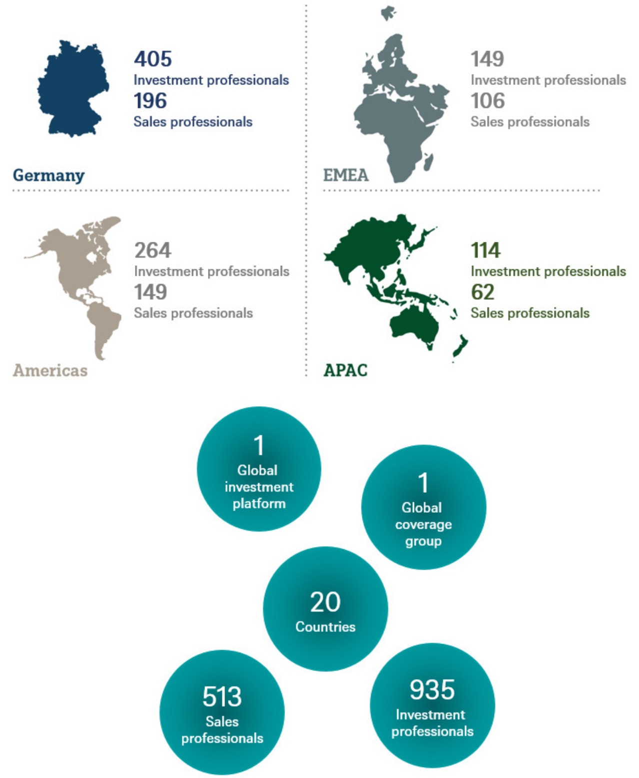
We offer individuals and institutions access to our investment capabilities across all major asset classes in Active, Passive including our Xtrackers range and Alternatives. Alternatives include real estate, infrastructure, liquid real assets and sustainable investments. In addition, our solution strategies are targeted to client needs that cannot be addressed by traditional asset classes alone. Such services include insurance and pension solutions, asset-liability management, portfolio-management solutions and asset-allocation advisory.

Our product offerings are managed by a global investment platform and distributed across EMEA (Europe, Middle East and Africa), the Americas and Asia-Pacific through a single global distribution network. We also leverage third-party distribution channels, including our largest shareholder Deutsche Bank.

Assets under management by asset classes



European origin with a global perspective



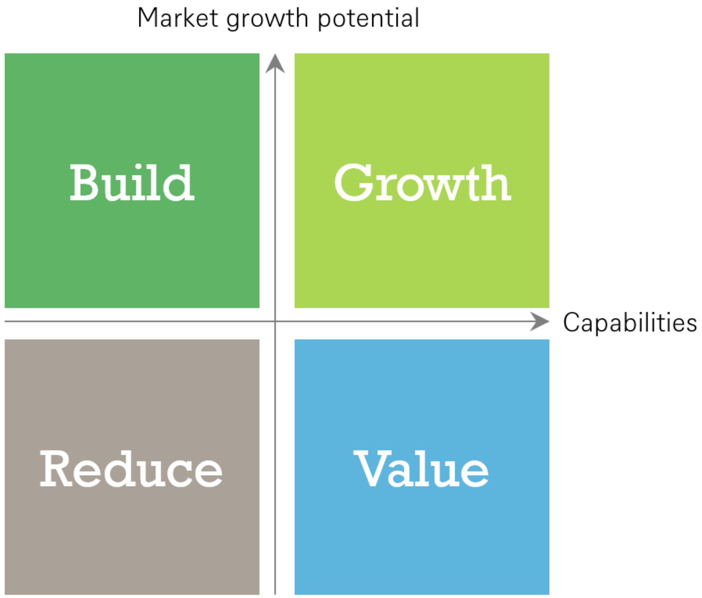
Our Strategy and Our Market

Our Strategy

GRI 2-12; 2-13; 3-3

Our strategy is composed of the four elements "Growth, Value, Build and Reduce", which are aligned with our capabilities and the growth prospects of the market.

Our strategy elements



We aim to maintain our leading market position in Germany, building on our expertise and established customer relationships. In addition to expanding our existing partnerships, we are developing new distribution channels to gain additional market share. We see additional market potential especially in alternative investments and passive index funds, represented by our Xtrackers brand. We continuously evaluate opportunities both in individual asset classes and also at Group level as part of our annual strategic planning and budgeting process. Our overall strategy also takes sustainability into account with details outlined in the updated sustainability strategy.

We operate in a constantly changing market environment and face a variety of economic, fiscal, political and environmental challenges. Details on our business outlook, opportunities and risks can be found in the section 'Outlook – DWS Group'.

Growth

We see our strength and growth potential in Passive and Alternatives.

Passive – in particular represented by the Xtrackers brand – offers sustained and profitable growth potential, provided sufficient scalability is in place for a given product segment. Building on our franchise and European business, we have decided to invest in a US growth plan including sustainable, thematic, and actively managed ETFs. We also see strong demand for mandates in Asia-Pacific, which is why we plan to expand our customised mandate business there. In addition to regional growth potential, we continue to see opportunities for bespoke Passive solutions to outperform broad index replication.

In Alternatives, investor interest in real estate investments has waned, while we still see strong demand for infrastructure investments. However, we expect an increase in demand for Alternatives, especially as the democratisation of this asset class continues across all sub-asset classes. We want to facilitate the European transformation by closing the gap between capital demand and supply with private capital investment solutions that include transition to net zero, reorganisation of supply chains and digital business models. We continue to focus on our real estate and infrastructure investment platforms and are also positioning ourselves in the private debt space.

Examples of Progress

We expanded our Xtrackers offering in our largest market, the European UCITS segment. These include products focusing on biodiversity, short maturity eurozone bonds, as well as ESG factor investing and dividend ESG. In the United States, we listed new thematic ETFs and launched our Xtrackers MSCI USA Climate Action Equity ETF. In Asia-Pacific, we were able to strengthen our Passive business with a new, specialised investment team in Hong Kong and inflows of more than € 2.5 billion from Australia and New Zealand.

In Alternatives, we explored a variety of organic and inorganic growth opportunities. We launched our first infrastructure retail fund in Europe. In the United States, we introduced a fund investing in residential real estate.

Value

We aim to maintain leadership in mature markets in Active, particularly Equity and Fixed Income, and to increase the scalability of our Multi-Asset solutions through modularisation solutions.

In Equity, we intend to selectively expand our platform. Given the changing market environment and higher interest rates, we will continue to focus on Fixed Income and institutional investors. In Multi-Asset, we want to further strengthen our solutions capabilities and are enhancing our modular investment platform in order to achieve economies of scale. With an increasing importance of investment advisory and outsourced CIO services, we want to expand our current offering in this segment.

Examples of Progress

We have established a Global Insurance Council to strengthen our focus on insurance clients as well as the distribution of our Active Fixed Income products. Additionally, we reorganised our Fixed Income investment platform in the Americas to improve cross-sector collaboration. In 2023, we continued to optimise our product portfolio by merging or closing several funds. We modularised and automated key elements of our portfolio management value chain, such as security selection.

Build

In terms of digitalisation trends, we are focusing on Asset Management-as-a-Service and digital assets.

We expect that Asset Management-as-a-Service will improve the digital investor journey. Therefore, we plan to build a respective modular offering which is scalable and integrated via application programming interfaces into offerings of new and our existing distribution partners.

We see an increasing tokenisation of our economy. With the resulting changes in the market structure, we want to utilise a blockchain infrastructure, develop new products and reach digital native clients. In particular, we are exploring opportunities to issue traditional investment products via blockchain and to provide access to cryptocurrencies through organic investments and partnerships.

Examples of Progress

As part of our strategic alliance with Galaxy Digital, we established the DWS Digital Assets Academy, an internal educational training program designed to upskill employees on the fundamentals of digital assets, their importance for the future of finance and their integration into investment portfolios.

In December 2023, we agreed to establish a joint venture together with Galaxy Digital and Flow Traders. Bringing together traditional asset management expertise with digital asset know-how, our collective mission is to revolutionise the on-chain economy by issuing a fully collateralised euro-denominated stablecoin in a regulated environment.

Reduce

We intend to reallocate financial resources in order to fund investments in “Build” and “Growth”. In this context, we continuously analyse measures to increase efficiency, including divestment from sub-scale businesses and reduction of management layers. Our efficiency measures including divestment are designed to avoid negative impact on our business.

Examples of Progress

In 2023, we completed the sale of our Private Equity Solutions business. As part of a broader efficiency programme, we also reduced management levels in our organisation.

Internal Management System

Based on our strategy, we aim to deliver the following medium-term financial targets by 2025:

– We remain committed to creating shareholder value, reflected in an earnings per share target.
– We remain disciplined on cost, measured and controlled by the adjusted cost-income ratio.
– Our AuM growth strategy focuses on Passive – including Xtrackers – and Alternatives.

Financial key performance indicators (medium-term to 2025)

Earnings per share €4.50 in 2025	Adjusted CIR <59% in 2025
Passive AuM growth[1] >12% (CAGR 2022-2025)	Alternatives AuM growth >10% (CAGR 2022-2025)

Targets assuming stable market conditions.
[1] Including our Xtrackers brand.

Calculation details on our medium-term financial key performance indicators and the respective results for 2023 are presented in 'Our Performance Indicators – Our Financial Performance'.

In addition, we guided on a targeted payout ratio of 65 percent from 2025 onwards as s further financial measure.

Sustainability

In 2023, we updated our sustainability strategy and refined our sustainability priorities. Our ambition is to enable our clients to navigate the sustainable transformation of the real economy by providing them with investment expertise and solutions. Climate change remains the core theme of our updated sustainability strategy, which we have built around three priorities:

1. **Focus on climate related investing:** We seek to provide access to climate-related investment opportunities, going hand-in-hand with our thought leadership and modular advisory approach.

2. **Strengthen engagement with investees and other relevant stakeholders:** Transformation will be key to succeed in climate risk mitigation. In that context we aim to continuously evolve our engagement approach with investee firms, clients and index providers as well as other industry groups.

3. **Advance our own corporate transformation:** Following our commitment to net zero, we seek to focus on delivery against our net zero targets. Furthermore, we seek to strengthen our corporate sustainability agenda and the supporting organisational change process.

Across all our activities, we acknowledge differences in client preferences and regulatory frameworks, and we seek to take those into account in our product offering, engagement and proxy voting activities.

Our sustainability strategy is underlined by KPIs that are tracked and monitored on a regular basis. For further information and an overview of our 2023 sustainability KPI results please refer to 'Our Responsibility – Sustainable Action'.

Economic and Competitive Environment

Global Economy

The inflation rate in the Euro area peaked at 10.6% in October 2022; since then, inflation rates have fallen steadily. In November 2023, the inflation rate was down to 2.4%, before climbing to 2.9% in December (eurostat). However, it was still above the target by the European Central Bank. Against this backdrop, the European Central Bank raised its key interest rate (deposit rate) from minus 0.5% to 4% in just over a year. At the beginning of 2023, the economy was still facing several problems: difficulties in supply chains, the threat of gas shortages and a shortage of skilled workers. However, restrictive monetary policy did not fail to have an impact. Demand-side problems dominated. In addition to weak private consumption due to high inflation, investments, especially into interest-sensitive construction investments, were weak. Overall, according to eurostat, the euro area economy has grown only 0.5% in 2023, after 3.4% in the previous year.

The US ended 2023 stronger than expected, as tailwinds such as excess savings and robust labour markets supported consumption, especially in the third quarter. Inflation rates continued to decline from their peaks in 2022, reinforcing expectations that previous policy rate hikes are now having their expected effect on the economy. This view is also supported by the continued easing of labour market conditions. The Federal Reserve stopped raising rates after its July meeting and switched to a data-dependent mode, maintaining its hawkish bias. This hawkish bias reflects the remaining uncertainty about the ultimate impact of monetary policy on the economy. Still, inflation remains too high to declare victory. At the same time, central bankers seem to have shifted to a more balanced risk assessment, taking into account the potential unwanted negative effects of past rate hikes on economic momentum.

In Japan, the only industrialized country to maintain negative key interest rates, the central bank eased its yield curve control in July and October. The upper limit for ten-year yields is now at a flexible reference value of 100 basis points. Supported by a recovery following the end of the coronavirus protection measures and a weak yen exchange rate, the economy has performed solidly and has grown based on preliminary numbers by 1.9% in 2023 (Cabinet Office, Japan).

After a strong post-COVID-19 recovery in the first quarter, China's economy slowed rapidly in the second quarter as consumer and business confidence weakened amid mounting debt problems in the real estate development sector and stretched fiscal and debt positions of local governments. The central government stepped up its support for the property sector. Policy support has now been broadened to address the most pressing issues. It began in the second quarter by improving access to financing for developers and helping to complete the large backlog of unfinished real estate projects, thus removing an important initial hurdle to improving the market. The next focus was on removing the many hurdles and restrictions to home ownership. Monetary stimulus and generous financing for infrastructure investment were stepped up. Debt restructuring of the highly indebted local government financing vehicles – another necessary condition for achieving a more sustainable situation and improving confidence – began in the third quarter. Robust investment in manufacturing and infrastructure as well as consumption spending, together with strong growth in the service sector, led to a strong rebound in the third quarter. The government's 5% growth target for 2023 was even slightly higher with 5.2% (National Bureau of Statistics of China)

Asset Management Industry

The asset management industry faced another turbulent year in 2023, following the challenges of the prior twelve months, which led to a decline in global assets under management. Despite a positive start to the year the US regional banking crisis and the forced merger of Switzerland’s two largest banks in Europe unnerved investors and markets. Meanwhile, concerns about central bank interest rates hikes, recession risks, deglobalization and, heightened geopolitical pressures continued, posing potential risks to business if not handled appropriately by national or subnational governments or agencies. Therefore, such developments will be closely monitored, i. e. tension between the US and China, the war in Ukraine and latterly the conflict in Gaza.

During the year, market uncertainty resulted in investors, particularly those in the US, seeking refuge in money market funds with the sector recording strong inflows, which were further buoyed by higher interest rates. Higher interest rates also encouraged investors back into bonds particularly in the first half of the year, following redemptions in 2022. Investors continued to favour passive investments over Active strategies with ETF inflows continuing to see positive momentum. Demand for alternative investments slowed with higher interest rates and lower valuations impacting some asset classes, although pockets of interest persisted, notably in green infrastructure and some private debt strategies.

New technology continued to be pivotal to product innovation and greater customisation as well as being an important lever for asset managers looking to reduce costs and increase efficiency in the less favourable investment environment.

Sustainable investing continued to be a key element of many large institutional investors’ portfolios, despite the continuing political backlash in the US. Although sustainable fund market flows dipped in 2023 year-on-year, “dark green” strategies with the strongest sustainable credentials reported robust net flows and sustainable investing also continued to gather pace in the alternative space with more transition strategies launched.

DWS Group

As a global asset manager with diverse investment capabilities that span traditional Active and Passive strategies, as well as alternatives and bespoke solutions, we were well positioned to address the aforementioned industry challenges and market uncertainties and to capture market opportunities. By anticipating and responding to investor needs, we aspire to be the investment partner of choice and to create sustainable value for our global client base. We were able to offer clients a comprehensive range of investment solutions from our global investment platform covering all major asset classes and investment styles.

With our range of Alternative investments including real estate, infrastructure, liquid real assets, and sustainable investments, we provided products to our clients with higher return that are designed to contribute to achieving their long-term investments objectives.

Given the global presence of our passive investment platform, we were well positioned to take advantage of the continuing shift to passive investments, offering passive mutual funds, mandates and ETFs. Our Passive investment platform, Xtrackers, was among the Top 3 European providers of ETFs and other Exchange Traded Products (ETFGI, 31 December 2023).

We recognized growing demand from investors for greater integration of sustainable investment strategies, especially as issues such as climate change receive increasing attention. We believe that our expertise in sustainable investments, as well as our expanded product range, have provided valuable contribution to protecting and growing our clients' assets over the long term and in a sustainable manner.

Our Performance Indicators

Our Financial Performance

GRI 201-1

Overall, we had a solid year of financial performance in 2023. In a "flow-less" market recovery, which made it difficult for the asset management industry, we recorded net inflows of € 28 billion. Our AuM increased by € 75 billion in the year to € 896 billion. The market continued to be challenging for Alternatives, AuM decreased from € 118 billion to € 111 billion, mainly driven by negative market impact and FX movements. Our targeted growth area of Passive had an exceptional year, and grew its AuM by 24% in 2023, which is far above our growth target of >12% (CAGR 2022-2025). Due to market turmoil in 2022, the year 2023 started with a significantly lower average AuM than in the previous year. Reported revenues of € 2,614 million are 4% below prior year, mainly driven by lower management fees. Increased investment into our growth and transformation resulted in an adjusted cost-income ratio of 64.0%, compared to 60.6% in prior year. Profit before tax is 10% lower than the prior year, resulting in lower earnings per share of € 2.76 compared to € 2.97 in 2022.

Alternative Performance Measures

Alternative performance measures

	2023	2022
Assets under management (in € bn. as per period end)	**896**	**821**
Thereof: ESG AuM (in € bn. as per period end)[1]	133	117
Net flows (in € bn.)	**28**	**(20)**
Management fee margin (in basis points (bps))	27.1	28.1
Adjusted revenues (in € m.)	2,603	2,683
Adjusted costs (in € m.)	1,665	1,625
Cost-income ratio (in %)	70.3	68.1
Adjusted cost-income ratio (in %)	**64.0**	**60.6**
Adjusted profit before tax (in € m.)	**937**	**1,057**

[1] For details on ESG product classification, please refer to section 'Our Responsibility – Sustainable Action– Our Product Suite'.

Alternative performance measures are used to judge the Group's historical or future performance and financial position but are not recognised under generally accepted accounting principles. These include assets under management and net flows, which are important key performance indicators to evaluate revenue potential and business development. To better enable comparison of the revenue and cost development over several periods, non-recurring items are excluded from net revenues or total non-interest expenses.

Our management uses these measures as supplemental information to develop a fuller understanding of the development of our business and the ability to generate profit. They should only be considered in addition to net income or profit before tax as measures of our profitability. Similar alternative performance measures are used by our peers within the asset management industry, but these may be calculated differently and may not be comparable to the alternative performance measures we use, even if the names suggest that they are similar.

Assets under management means assets (a) we manage on a discretionary or non-discretionary advisory basis; including where we are the management company and portfolio management is outsourced to a third party; and (b) a third party holds or manages and on which we provide, on the basis of contract, advice of an ongoing nature including regular or periodic assessment, monitoring and/or review. AuM represent both collective investments (including mutual funds and exchange-traded funds) and separate client mandates. AuM are measured at current market value based on the local regulatory rules for asset managers at each reporting date, which might differ from the fair value rules applicable under IFRS. Measurable levels are available daily for most retail products but may only update monthly, quarterly or even yearly for some products. While AuM do not include our investments accounted for under equity method, they do include seed capital and any committed capital on which we earn management fees.

Net flows represent assets acquired or withdrawn by clients within a specified period, except when a third party holds or manages the assets on which we provide, on the basis of contract, advice of an ongoing nature including regular or periodic assessment, monitoring and/or review in which case we include the difference in the value of such assets within the specified period which may include currency effects, market performance and other effects. Net flows are one of the major drivers of changes in AuM.

Management fee margin is calculated by taking the management fees and other recurring revenues for a period, divided by average AuM for the same period. Annual average AuM are calculated using AuM at the beginning of the year and the end of each calendar month (i. e. 13 reference points for a full year).

Adjusted revenues present net interest and non-interest income excluding material non-recurring income items that are clearly identifiable one-off items, such as disposal gains. We use this metric to show revenues on a continuing operating basis, in order to enhance comparability against other periods.

Reconciliation of net interest and non-interest income to adjusted revenues

in € m.	2023	2022
Net interest and non-interest income	**2,614**	**2,712**
Non-recurring disposal gains	(12)	(30)
Adjusted revenues	**2,603**	**2,683**

Adjusted costs are an expense measure we use to better distinguish between total costs (non-interest expenses) and our ongoing operating costs. This measure is adjusted for litigation, restructuring, severance costs, impairment of goodwill and impairment (impairment reversal) of other intangible assets as well as for transformational charges in relation to our multi-year transformation program and other material non-recurring expenses that are clearly identifiable one-off items.

Reconciliation of non-interest expenses to adjusted costs

in € m.	2023	2022
Non-interest expenses	**1,837**	**1,847**
Litigation	(36)	(26)
Restructuring activities	0	0
Severance costs	(34)	(37)
Impairment of goodwill and impairment/(impairment reversal) of other intangible assets	0	(68)
Transformational charges	(99)	(58)
Other material non-recurring expenses	(2)	(32)
Adjusted costs	**1,665**	**1,625**

Cost-income ratio is the ratio of non-interest expenses to net interest and non-interest income.

Adjusted cost-income ratio is the ratio of adjusted costs to adjusted revenues.

Adjusted profit before tax is calculated by adjusting the profit before tax to account for the impact of the revenue and cost adjustment items as explained above.

Results of Operations

			Change from 2022	
in € m. (unless stated otherwise)	2023	2022	in € m.	in %
Management fees income	3,563	3,719	(156)	(4)
Management fees expense	1,248	1,263	(15)	(1)
Net management fees	**2,315**	**2,456**	**(141)**	**(6)**
Performance and transaction fee income	132	134	(1)	(1)
Performance and transaction fee expense	4	8	(4)	(46)
Net performance and transaction fees	**128**	**125**	**2**	**2**
Net commissions and fees from asset management	**2,443**	**2,582**	**(138)**	**(5)**
Interest and similar income	117	39	78	N/M
Interest expense	14	18	(4)	(24)
Net interest income	**103**	**21**	**82**	**N/M**
Net gains (losses) on financial assets/liabilities at fair value through profit or loss[1]	113	(185)	299	N/M
Net income (loss) from equity method investments	42	66	(24)	(36)
Provision for credit losses	0	(1)	1	(80)
Other income (loss)[1]	(88)	228	(316)	N/M
Total net interest and non-interest income	**2,614**	**2,712**	**(98)**	**(4)**
Compensation and benefits	865	846	20	2
General and administrative expenses	972	933	39	4
Impairment of goodwill and impairment/(impairment reversal) of other intangible assets	0	68	(68)	N/M
Total non-interest expenses	**1,837**	**1,847**	**(10)**	**(1)**
Profit (loss) before tax	**777**	**866**	**(88)**	**(10)**
Income tax expense	224	271	(46)	(17)
Net income (loss)	**553**	**595**	**(42)**	**(7)**
Attributable to:				
Non-controlling interests	2	1	1	145
DWS shareholders	552	594	(43)	(7)

[1] Net gains (losses) on financial assets/liabilities at fair value through profit or loss is mainly attributable to trading assets held by guaranteed funds of € 111 million for 2023 (€ (186) million for 2022). This is offset by income (loss) from liabilities held by guaranteed funds of € (111) million for 2023 (€ 186 million for 2022) shown in other income. DWS Group has no shares in these funds. Other income includes a sales gain of € 30 million for 2022 from the transfer of the digital investment platform to MorgenFund GmbH.

In 2023 we reported a profit before tax of € 777 million, a decrease of € 88 million, or 10%, compared to prior year.

Total net interest and non-interest income was € 2,614 million, 4% lower compared to 2022 driven by lower management fees. Management fees were impacted by negative market developments, margin compression and the composition of the net inflows in Alternatives. Performance and transaction fees remained essentially flat. Other revenues were € 171 million, an increase of € 40 million compared to 2022, primarily driven by net interest income and favourable development of fair value of guarantees as well as deferred compensation hedge. This was partly offset by lower mark to market valuations of co-investments as well as lower revenue contributions from our investments in Harvest Fund Management Co Ltd and MorgenFund GmbH.

Non-interest expenses of € 1,837 million were essentially flat compared to 2022. Compensation and benefits costs increased by € 20 million mainly driven by an increase in the size of the workforce. General and administrative expenses were € 39 million higher compared to 2022, with an increase in platform transformation charges as well as higher banking servicing costs, partly offset by lower expenses related to legal services and lower costs for our outsourced functions to Deutsche Bank Group entities. Non-operating costs were significantly lower due to an impairment of intangible assets related to 2022.

Assets under management is a key factor affecting the results of operations as a significant percentage of management fees is charged as a proportion of AuM. Assuming management fee margins remain unchanged, an increase in the level of average AuM will generally lead to an increase in revenues.

Assets under management were € 896 billion as of 31 December 2023, an increase of € 75 billion compared to 31 December 2022. The increase was driven by a positive market impact of € 57 billion and net flows of € 28 billion, party offset by foreign exchange impact of € (12) billion. Net inflows were driven by Passive including Xtrackers, Active Cash and Active Multi Asset, partly offset by net outflows in Active Equity and Active Systematic and quantitative investments.

FX impact represents the currency movement of products denominated in local currencies against the euro. It is calculated by applying the change in FX rate to the ending period assets and is calculated monthly.

Market impact primarily represents the underlying performance of the AuM, which is driven by market effects (equity indices, interest rates, foreign exchange rates) as well as fund performance. The market impact in the period led to an increase in AuM of € 57 billion particularly in our Active Equity, Active Fixed Income and Passive products including Xtrackers.

Other includes the impact of acquisitions and divestment as well as reclassifications of asset classes.

AuM development in 2023

	31 Dec 2022				2023	31 Dec 2023
in € bn.	AuM	Net flows	FX impact	Performance	Other	AuM
By asset classes:						
Active Equity	99	(2)	(1)	11	0	107
Active Multi Asset	68	4	0	3	1	76
Active Systematic and quantitative investments	64	(2)	0	5	(1)	66
Active Fixed Income	194	0	(3)	12	0	203
Passive including Xtrackers	199	21	(4)	31	0	247
Alternatives	118	0	(2)	(5)	0	111
Total exluding Cash	**741**	**23**	**(10)**	**57**	**1**	**811**
Active Cash	80	6	(2)	1	0	85
Total	**821**	**28**	**(12)**	**57**	**1**	**896**

Our Financial Position

Liquidity

We principally fund our business through equity and may use debt to address specific financing demands. To ensure that we can always fulfil our payment obligations in all currencies, we operate a liquidity risk management framework that includes stress-testing of our liquidity position. During the annual strategic planning process, we project the development of key liquidity and funding metrics based on the underlying business plan to ensure compliance with our risk appetite.

As of 31 December 2023, we held cash and bank balances, government, sub-sovereign and corporate bonds and other debt instruments totalling € 3,570 million (€ 3,577 million as of 31 December 2022).

On 30 June 2023, we received our long-term issuer credit rating from the rating agency Moody's Investors Service. The rating of A2 with a stable outlook can also be used for diversifying our funding options.

Capital Management

IFR Article 50(a)

A forward-looking capital plan is maintained to assess the development of capital supply and demand and the projected capitalization of the Group from an accounting, regulatory and economic perspective. The economic perspective considers all relevant risks quantified by economic capital models using internal definitions and quantification methods. Capital planning is embedded into the Group's overall strategic planning process to ensure an integrated financial and risk planning approach and considers appropriate risk appetite thresholds. Results of the planning process feed into management decisions. They support the strategic direction of the Group in the assessment of potential profitable growth and investment opportunities.

Capital Expenditures

In 2023, the Group made capital expenditures in intangible assets of € 67 million and no material capital expenditures in property and equipment. Contingent liabilities decreased by € 5 million from € 111 million as of 31 December 2022 to € 106 million as of 31 December 2023 mainly driven by drawdowns of commitments for co-investments.

Net Assets

Selected items within our financial position

			Change from 2022	
in € m. (unless stated otherwise)	31 Dec 2023	31 Dec 2022	in € m.	in %
Assets:				
Cash and bank balances	1,414	1,979	(565)	(29)
Financial assets at fair value through profit or loss	4,868	3,959	910	23
Goodwill and other intangible assets	3,694	3,749	(54)	(1)
Remaining assets[1]	1,707	1,725	(19)	(1)
Total assets	**11,683**	**11,412**	**272**	**2**

			Change from 2022	
in € m. (unless stated otherwise)	31 Dec 2023	31 Dec 2022	in € m.	in %
Liabilities and equity:				
Financial liabilities at fair value through profit or loss	633	634	(1)	0
Remaining liabilities[2]	3,233	2,950	284	10
Total liabilities	**3,866**	**3,584**	**282**	**8**
Equity	**7,817**	**7,828**	**(10)**	**0**
Total liabilities and equity	**11,683**	**11,412**	**272**	**2**

[1] Sum of financial assets at fair value through other comprehensive income, equity method investments, loans, property and equipment, right-of-use assets, other assets, assets for current tax, and deferred tax assets.
[2] Sum of other short-term borrowings, lease liabilities, other liabilities, provisions, liabilities for current tax and deferred tax and long-term debt.

Cash and bank balances decreased by € 565 million (29%) driven by dividend payment of € 410 million and net tax paid of € 253 million partly offset by net cash received in the regular course of business of € 98 million. The increase in financial assets at fair value through profit or loss of € 910 million (23%) was mainly driven by net investments in liquidity positions of € 556 million and by the increase of assets in consolidated funds of € 315 million.

The remaining liabilities increase of € 284 million (10%) was mainly driven by other liabilities held by consolidated funds of € 204 million and other liabilities of € 80 million.

Equity

Total equity as of 31 December 2023 was € 7,817 million compared to € 7,828 million as of 31 December 2022. The decrease of € 10 million was mainly driven by the dividend payment of € 410 million for the year 2022. and the negative impact from foreign exchange rate movements on capital denominated in non-Euro currencies of € 140 million offset by net income after tax for the year 2023 of € 553 million.

Regulatory Own Funds

IFRS 7/IAS 1
IFR Articles 49(1)(c), 50(c), 50(d)

Our regulatory own funds and own funds requirements are based on the Regulation (EU) 2019/2033 on the prudential requirements of investment firms (IFR), the Directive (EU) 2019/2034 on the prudential supervision of investment firms (IFD), and the Investment Firm Act. We are an investment firm group under IFR.

Our regulatory own funds increased by € 21 million to € 3,062 million as of 31 December 2023. The increase was mainly driven by recognition of profits and the partially offsetting negative impact from foreign exchange rate movements on capital denominated in non-Euro currencies. Our own funds consist of Common Equity Tier 1 capital. There are no additional Tier 1 or Tier 2 instruments issued.

The own funds requirement based on K-factors according to IFR was € 524 million as of 31 December 2023, a decrease by € 62 million compared to € 587 million as of 31 December 2022. The decrease was largely due to the impact from lower average assets safeguarded and administered.

The fixed overheads requirement as of 31 December 2023 was € 411 million compared to € 377 million as of 31 December 2022 and was lower than the own funds requirement based on K-factors. As in the previous year, our own funds requirement was therefore still based on the K-factors. The own funds excess over K-factor requirements was € 2,538 million as of 31 December 2023. With that we comply with the overall regulatory capital requirements according to IFR article 11.

We applied the IFR and related regulatory technical standards where available. Where individual technical standards are still pending, we aligned our approach to the Regulation (EU) No 575/2013, that applied to us until the introduction of the IFR. We do not expect changes with final publication of such regulatory technical standards.

Regulatory own funds and requirements[1]

in € m. (unless stated otherwise)	31 Dec 2023	31 Dec 2022
Regulatory own funds:		
Common Equity Tier 1 capital	3,062	3,041
Tier 1 capital (CET1 + AT1)	3,062	3,041
Tier 2 capital	0	0
Total regulatory own funds	**3,062**	**3,041**
K-factor requirement:		
K-AuM (assets under management)	170	177
K-ASA (assets safeguarded and administered)	5	49
K-COH (client orders handled)	0	0
K-NPR (net position risk)	350	361
Total own funds requirement based on k-factors	**524**	**587**
Own funds excess (shortfall)	**2,538**	**2,455**

1 Scope and methods of consolidation in line with CRR and regulatory technical standards.

Reconciliation of IFRS equity to regulatory own funds

in € m.	31 Dec 2023	31 Dec 2022
Shareholders' equity, as defined by IFRS, regulatory basis of consolidation	7,763[1]	7,799
Elimination of net income, net of profit recognition	482	459
Deduction of:		
Goodwill and other intangible assets (net of related deferred tax liabilities)	3,470	3,542
Deferred tax assets	131	157
Financial sector entities	535	513
Other[2]	84	86
Regulatory own funds	**3,062**	**3,041**

1 Adjusted by lower prudentially recognized retained earnings of € 28 million.
2 Synthetic holdings of own CET1 instruments, prudent valuation, defined benefit pension plan assets, minimum value commitments.

Supplementary Information on DWS Group GmbH & Co. KGaA according to German Commercial Code

We chose the option of publishing a summarised management report in accordance with Section 315 (5) in conjunction with Section 298 (2) of the German Commercial Code. Supplementary to our Group reporting, this section provides details on the performance of DWS KGaA.

In contrast to the consolidated financial statements, the single entity financial statements of DWS KGaA are not prepared in accordance with International Financial Reporting Standards (IFRS), but with the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG).

Results of Operations of DWS KGaA

			Change from 2022	
in € m. (unless stated otherwise)	2023	2022	in € m.	in %
Income from profit pooling agreements	633	540	93	17
Income from participating interests	197	222	(25)	(11)
Impairment on financial assets and on securities held as current assets	7	71	(64)	(90)
Other income	177	144	33	23
Staff expenses	46	35	11	33
Other operating expenses	234	250	(16)	(6)
Other interest and similar income	20	2	17	N/M
Interest and similar expenses	29	5	24	N/M
Income taxes	169	135	34	25
Net income	**541**	**412**	**129**	**31**
Profit carried forward from the previous year	222	220	2	1
Withdrawals from the capital reserve	800	0	800	N/M
Distributable profit	**1,564**	**632**	**931**	**147**

The business purpose of DWS KGaA as parent company of the Group is the holding of participations in and the management and support of a group of financial services providers. DWS KGaA itself is not active in the operating asset management business.

Significant financial income components of DWS KGaA are from profit pooling agreements and participating interests. Earnings therefore largely depend on the performance of our subsidiaries.

Income from profit pooling agreements with German subsidiaries increased by € 93 million to € 633 million in 2023, mainly due to higher profit transferred from DWS Beteiligungs GmbH.

Income from participating interests amounted to € 197 million in 2023 and mainly included dividends from DWS Investments UK Limited, DWS USA Corporation and DWS Investments Singapore Limited.

Impairment on financial assets and securities held as current assets amounted to € 7 million compared to € 71 million in the previous year and related to our participating interests.

Other income was € 177 million compared to € 144 million in 2022. The increase mainly related to higher income from recharging service and infrastructure expenses including transformational charges to our subsidiaries.

Staff expenses increased by € 11 million to € 46 million mainly due to higher salary and related expenses due to an increased number of employees and higher severances.

Other operating expenses decreased by € 16 million to € 234 million, mainly due to decreased expenses for professional services and lower losses from derivatives on our share price-linked equity-based compensation, partly offset by higher transformational IT costs.

Other interest and similar income amounted to € 20 million. The increase of € 17 million compared to previous year was mainly driven by increased interest income from current accounts and from loans granted to subsidiaries. Interest and similar expenses increased by € 24 million to € 29 million, mainly due to higher interest expenses for borrowings from subsidiaries as well as for the cash pool established in 2023 within DWS KGaA and its major German subsidiaries to concentrate EUR liquidity.

Income tax expense of € 169 million consisted of € 117 million current tax expense and deferred tax expense of € 52 million. Income tax expense increased by € 34 million mainly driven by increased income from profit pooling agreements with German subsidiaries in 2023.

Net income increased by € 129 million to € 541 million in 2023.

The distributable profit amounted to € 1,564 million as of 31 December 2023. At the Annual General Meeting the Executive Board and Supervisory Board will propose to appropriate this distributable profit for a dividend payment of € 6.10 per share, which includes an ordinary dividend of € 2.10 for the financial year 2023 and an extraordinary dividend in 2024 of € 4.00, and to carry forward the remaining distributable profit.

Financial Position of DWS KGaA

			Change from 2022	
in € m. (unless stated otherwise)	31 Dec 2023	31 Dec 2022	in € m.	in %
Assets:				
Intangible and tangible assets	30	18	12	66
Financial assets – investments in affiliated companies	7,283	7,277	7	0
Financial assets – participating interests	46	53	(7)	(13)
Financial assets – long-term investment securities	15	14	1	7
Total fixed assets	**7,375**	**7,362**	**13**	**0**
Receivables from affiliated companies	994	899	95	11
Other assets	86	37	49	133
Securities	1,354	274	1,080	N/M
Bank balances	440	170	270	159
Total current assets	**2,874**	**1,380**	**1,494**	**108**
Prepaid expenses	**8**	**8**	**1**	**9**
Deferred tax assets	**98**	**150**	**(52)**	**(35)**
Total assets	**10,356**	**8,900**	**1,456**	**16**

			Change from 2022	
in € m. (unless stated otherwise)	31 Dec 2023	31 Dec 2022	in € m.	in %
Liabilities and shareholders' equity:				
Subscribed capital	200	200	0	0
Capital reserve	6,658	7,458	(800)	(11)
Revenue reserves	20	20	0	0
Distributable profit	1,564	632	931	147
Total capital and reserves	**8,441**	**8,310**	**131**	**2**
Provisions for pensions and similar obligations	4	4	1	18
Other provisions	123	125	(2)	(2)
Total provisions	**127**	**129**	**(2)**	**(1)**
Accounts payable for goods and services	2	1	1	N/M
Liabilities to affiliated companies	1,772	451	1,320	N/M
Other liabilities	13	9	4	48
Total liabilities	**1,787**	**461**	**1,326**	**N/M**
Total liabilities and shareholders' equity	**10,356**	**8,900**	**1,456**	**16**

Movements in Assets

As of 31 December 2023, total assets amounted to € 10,356 million, an increase of € 1,456 million compared to year-end 2022.

Fixed assets were essentially unchanged. Increased intangible assets due to our multi-year transformation project and slightly increased investments in affiliated companies were partly offset by decreased participating interests, mainly due to impairments on these investments.

Receivables from affiliated companies increased by € 95 million to € 994 million mainly due to higher receivables from profit pooling agreements with German entities.

Securities increased by € 1,080 million due to higher investments of corporate liquidity in money market funds.

Bank balances increased by € 270 million. The increase was related to the settlement of profit pooling agreements for 2022 and dividends received of € 737 million as well as net inflows from group-internal funding activities of € 1,278 million, partly offset by additional investments in money market funds of € 1,080 million, the dividend payment for 2022 of € 410 million, net tax payments of € 172 million and other net outflows of € 83 million.

Equity

The capital and reserves of DWS KGaA as of 31 December 2023 were € 8,441 million, split into subscribed capital of € 200 million, reserves of € 6,678 million and a distributable profit of € 1,564 million. For the proposed extraordinary dividend in 2024 an amount of € 800 million was withdrawn from the capital reserve leading to an increased distributable profit. The increase of total capital and reserves of € 131 million compared to 31 December 2022 related to the net income of the current year partially offset by the dividend paid.

Movements in Provisions and Liabilities

As of 31 December 2023, total provisions amounted to € 127 million, essentially unchanged compared to previous year-end.

Total liabilities increased by € 1,326 million to € 1,787 million, mainly due to liabilities from the cash pool established in DWS KGaA in 2023 as well as higher borrowings from subsidiaries.

Liquidity

The Capital and Liquidity Management function is mandated to manage the overall liquidity and funding position of DWS KGaA. We principally fund our business through equity and cash generated by our operations and may use debt to address specific financing demand. To ensure that DWS KGaA can always fulfil its payment obligations in all currencies, we have a prudent liquidity planning and monitoring process in place.

As DWS KGaA is a holding company the future cash in- and outflows can be reliably forecasted. Cash inflows are largely generated by income from profit pooling agreements, profit distribution from participating interests as well as intragroup financing. Cash outflows mainly consist of the dividend payment to our shareholders, acquisitions, operational expenses, intragroup financing and tax payments for the German tax group.

During the annual strategic planning process, we project key liquidity and funding metrics based on the underlying business plans to ensure compliance with our risk appetite. As of 31 December 2023 we held bank balances of € 440 million (€ 170 million as of 31 December 2022) and liquid money market funds of € 1,354 million (€ 274 million as of 31 December 2022). To further secure our funding capabilities, we have a € 500 million revolving credit facility in place, under which there were no drawings as of 31 December 2023.

Risks and Opportunities of DWS KGaA

The business performance of DWS KGaA is largely subject to the same risks and opportunities as the performance of the Group presented in the consolidated financial statements.

DWS KGaA generally participates in the risks of its shareholdings and subsidiaries in accordance with its respective percentage interest held. DWS KGaA is integrated in the risk management system and internal control system of the Group. Further information is provided in the 'Risk Report' and in the section 'Outlook – DWS Group – Opportunities and Risks' of this report.

Outlook for DWS KGaA

The outlook for DWS KGaA is essentially subject to the same influences as the outlook for the Group presented in the 'Outlook' section of this report.

Final Statement of the Executive Board on Section 312 German Stock Corporation Act

As DWS KGaA and its subsidiaries are part of Deutsche Bank Group, the Executive Board of DWS KGaA is obliged to prepare a dependency report pursuant to Section 312 German Stock Corporation Act.

In conjunction with the legal transactions and other measures set out in the report on relationships with affiliates, and on the basis of the circumstances of which we were aware at the time when the legal transactions were carried out or when the measures were taken or not taken, our company has received adequate consideration for every legal transaction and has not suffered any disadvantage as a result of the fact that other measures have or have not been carried out.

Outlook

Economic and Competitive Outlook

The following sections provide an overview of our expectations for the Group and the business environment for the financial year 2024. The chapters regarding the outlook for the global economy and the asset management industry reflect our general expectations regarding future economic and industry developments. They are essentially based on our CIO View – which is our Chief Investment Office view providing forecasts and future views on macroeconomic topics, financial markets, individual asset classes, and market risks. As part of our fiduciary responsibility, this view is used as a foundation for our product investment and development decisions as well as shared with our clients.

Global Economic Outlook

Demand-side issues are currently dominating the euro area: building permits suggest that the construction industry is likely to weigh on economic development in the near future. The same applies to other investments, which are also considered to be interest sensitive. Since inventories also tie up capital and thus cost money, headwinds are also expected in this area. Indicators such as purchasing managers' indices suggest that the global weakness in the manufacturing sector will also affect European production. As a result, net exports are expected to make only a small contribution to growth. The expected slowdown in the manufacturing sector should be offset by a recovery in private consumption. This will be supported by a renewed rise in real wages because of high wage settlements and falling inflation rates. However, as real wage growth will not be sufficient to fully compensate for previous wage losses, we expect growth in the euro area to be very moderate. In 2024, the economy should grow by around 0.7% for the year as a whole. The inflation rate should be around 2.5% for the same period. Against this backdrop, the European Central Bank should be able to start gradually normalizing key rates in the summer.

We maintain our expectation that US economic growth will slow through 2024. We now expect growth to bottom out in the second quarter of 2024. After this soft patch, growth is expected to accelerate slowly. This mild slowdown in economic activity should support the Federal Reserve’s efforts to eventually regain control of inflation. Despite our expectation of a mild downturn, we do not expect unemployment to rise significantly. Inflation rates are likely to drift lower amid below-potential growth. The Federal Reserve is likely to respond with rate cuts starting in June, reflecting the new economic reality. We expect a total of three rate cuts in 2024. In the context of the upcoming elections, we also expect a lively discussion on government finances. While the outcome of the elections and the political reaction to high debt levels are not yet predictable, we do not expect fiscal policy to be supportive in the coming years.

In 2024, we expect China's GDP growth to normalize around 4.7% for the year. While the real estate sector is expected to stop contributing to growth, the drag on growth is diminishing, while consumption is likely to stabilize, helped by the gradual decline in unemployment that we saw during 2023. Ample policy support as well as structural reforms (e. g. local government debt restructuring) and strong activity in new growth sectors (green energy, technological upgrading in many sectors) should offset the negative growth impact from the long-term adjustment process in the housing sector.

Asset Management Industry

We believe several major trends will continue to provide opportunities, but also challenges, for the asset management industry:

a) **Digitalisation:** Advances in technology including generative artificial intelligence and tools such as Chat GPT together with blockchain developments will revolutionise back and middle-office operations, distribution (robo-advisory) and product choice. Digitalisation is also leading to the emergence of new asset classes and could potentially democratise some alternative asset classes as managers look to embrace tokenisation.
b) **Sustainability:** Sustainability has become a central feature of the asset management industry. Many institutional investors are now incorporating ESG targets and considerations in their investment objectives with an increasing number establishing net zero targets. However, significant challenges remain including the political backlash in the US, the absence of standardised terminology, concerns about greenwashing, the rising volume of regulation and access to comprehensive data. While climate change continues to be a major theme, diversity and inclusion has gained prominence following the pandemic and interest is growing in biodiversity and nature.
c) **Customization:** Demand for customised solutions is set to continue. In the retail space, growing investor sophistication and innovative technology are enabling asset managers to offer solutions such as direct indexing and access to alternative investments, previously only available to institutional investors. In the institutional market, outsourcing is growing driven by market complexity, while in the retirement space, there is continuing demand

for pension solutions, driven by the shift from defined benefit to defined contribution schemes.

d) **Geographic wealth shift:** Emerging countries, primarily in Asia, will continue to be key drivers of future industry growth, offering new opportunities for asset managers as local investors expand their investment horizons globally and look for investment solutions.
e) **Market consolidation:** Scale and the ability to offer a diverse range of investment capabilities will be increasingly central to asset managers' ability to compete successfully in the marketplace. Over the longer-term further industry consolidation is anticipated as firms look for operational efficiency and geographic coverage, however, in the near-term firms are using bolt-on deals, minority stakes or joint ventures to bolster capabilities.
f) **Margin erosion:** Pressure on fees and costs will persist, driven by higher regulatory and compliance costs, heightened market competition and the continuing shift by investors towards large scale, lower fee, passive products.

Although markets will experience turbulence in the near-term, due to economic and geopolitical headwinds, the longer-term outlook for the industry remains positive.

DWS Group

The following section should be read in conjunction with the sections on 'Global Economic Outlook' and 'Asset Management Industry'. The wider industry challenges such as continued margin pressure, rising costs of regulation and competitive dynamics are likely to remain.

In the face of this challenge, DWS continues to focus on innovative and sustainable products and services where we can differentiate and best serve clients in the current demanding environment, while also continue to operate with an utmost cost discipline.

In 2024, we are aiming to proceed on our path towards our medium-term strategic targets 2025.

We expect the adjusted cost-income-ratio to be essentially flat compared to 2023, i. e. to develop within a range of 63% to 65%. Our earnings per share are assumed to be slightly higher in 2024.

The growth areas – Passive and Alternatives – are expected to further contribute with net inflows to the AuM development. Passive AuM are expected to be considerably higher compared to 2023, while Alternatives AuM are expected to be slightly higher compared to 2023. Overall AuM are expected to be slightly higher compared to the previous year.

Opportunities and Risks

GRI 3-3

Macroeconomic, Geopolitical and Market Environment

Opportunities

Our strategy has evolved along with the changing asset management industry and is contributing, directly and indirectly, to anticipated growth rates as well as our medium-term net flow target.

Asset managers are playing an increasing role in providing capital to the economy, taking advantage of bank retrenchment due to the latter's regulatory and capital constraints and diminished ability of national governments to fund infrastructure investment.

Our strategy includes the deployment of capital to achieve both organic and inorganic growth. Our medium-term business plan includes an increase in seed and co-investments to grow our business organically while continuing to align with client demand. We also believe the trend of consolidation in the asset management industry will continue. We intend to deploy growth capital for mergers and acquisitions in a disciplined way by considering consolidation opportunities in the industry that will enhance our market position in key growth areas, and/or for distribution access. Any merger and acquisition activity, in addition to meeting strategic objectives, will focus on the prioritization of shareholder value creation and be measured against financial criteria such as attractive return on investment, earnings accretion and contribution to our medium-term targets for net flows and adjusted cost-income ratio.

Risks

Uncertainty remains elevated for the world economy. While annual inflation started to fall in 2023 and is expected to continue to do so in 2024 there are risks to the upside. Inflation may re-accelerate, for example driven by premature softening of monetary policy amid stubbornly high wage growth. Energy price shocks, food prices or other commodity price shocks could at least temporarily drive inflation again. Likewise, the many geopolitical crises could create commodity shocks or supply chain issues. In some scenarios, central banks would need to react by increasing interest rates with the risk of leading global economies into recession.

Even without higher inflation, the recent interest rate hiking cycle affects economic activity with a time lag, slowing GDP growth and potentially being exacerbated by lower consumer and business confidence. Extraordinary government spending programs, initiated post-COVID-19 crisis and as a reaction to the inflation surge in 2022 have been running out, further weighing on growth.

Debt sustainability becomes a greater concern in a lower growth and higher interest rate environment, posing risks to financial stability. Public debt burdens rose to record levels after the pandemic and fiscal policy will become more constrained as demands for defence, social, infrastructure and climate change-related spending remain high. Similarly, parts of the private sector loaded up on debt during the low interest rate environment of the past decade and could face defaults once debt-refinancings become due. Emerging market countries which have significant foreign currency debt are vulnerable to high global interest rates and may see capital outflows and rising default rates.

Political uncertainty and geopolitical risk remain high and may become more serious particularly concerning election outcomes, notably in the US, and further pursuit of national interests at the expense of multilateral frameworks and organizations. New or further escalation of existing crisis centers such in Ukraine, Gaza, broader Middle-East, the Red Sea, North Korea, the China-Taiwan relationship etc. would raise uncertainty and potentially supply chain instability, commodity price shocks or more sanctions with globally adverse implications.

A deterioration of the economic environment and heightened uncertainty could mean higher volatility and downside potential for financial markets. Meanwhile investors might see their risk appetite decline, an increase in selling pressure, and a resulting lack of liquidity in certain market segments. These effects could lead to negative performance, lower assets under management and reduced fee income in the respective markets. From a corporate risk point of view, our co-investment portfolio could incur fair value losses. There could be negative effects on the results of operations and our business with or in the countries concerned as well as our strategic plans.

Technology and Infrastructure

Opportunities

Digitalization continues to challenge traditional distribution channels for investment products. Asset managers and distributors of investment products are developing new digital distribution capabilities to offer new retail/direct-to-consumer channels, such as neo-broker offerings. Passive investment products are becoming increasingly strategically important for asset managers, driven by growing digital sales. Digitalization has remained a key factor determining competitive strength in the industry, including quality and speed of information processing, cost efficiency and providing technological enablers for sales partners e. g., by leveraging application programming interfaces. Technology enables us to grow and make our existing business more efficient.

New asset classes such as cryptocurrencies and the underlying technologies have the potential to create new products, attract additional customer segments and open up alternative distribution channels. Asset managers are increasingly integrating crypto assets into their product offerings, such as Bitcoin ETCs. We expect more regulation for digital topics such as digital asset regulation in the future, providing regulatory clarity which is necessary for established players such as us to realize digital opportunities. For instance, crypto regulation is advancing, e. g., the EU markets in Crypto Assets Regulation was introduced in 2023. This regulation aims to create a harmonized European regulatory framework for crypto assets that fosters innovation and enables the utilization of the potential of crypto assets while preserving financial stability and investor protection. Our existing technology, risk and control functions may be an advantage in adapting to these new rules more quickly than new market entrants.

The rise to prominence of generative Artifical Intelligence in 2023 shone a light on the vast potential of this technology. Artifical Intelligence in various forms is not new, but the capabilities of generative Artifical Intelligence in particular captured public imagination this year and have accelerated progress and adoption across the field. The potential disruptive impact on how we work is clear. Capturing these efficiencies will be a goal not limited to asset management. Beyond this, Artifical Intelligence has the potential to transform the products we engineer, with these digital technological underpinnings enabling differentiation from competitors.

Risks

The asset management industry is undergoing a lasting transformation driven by fundamental changes and trends in customer behaviour as well as by new digital technologies. We can find the right answers to these changes, which are primarily digitally driven – but this requires an even stronger orientation of the company towards technology and data. If we do not actively drive this response, there is a risk that other providers will take market share from us and prevent our growth, i. e. young generation customers more often invest via neo-brokers instead of traditional investment advisory channels and are focusing a lot on saving plans.

The regulatory and legal implications of digitalization remain uncertain, for instance concerning customer protection, financial stability and the financial supervision of existing and new market participants. Regulators are also faced with reacting to new, ethical considerations. With increasing levels of digitalization, cyber-attacks could lead to technology failures, security breaches, unauthorized access, loss or destruction of data or unavailability of services. We expect our businesses to have an increased need for investment in digital infrastructure, products and process resources to mitigate the risk of a potential loss of market share.

This risk may adversely impact our medium-term targets. Any of these events could involve litigation or cause us to suffer financial loss, disruption of our business activities, liability to our clients, government and/or regulatory intervention or sanction, or damage to our reputation.

Sustainability

Opportunities

In 2023, investors continued to allocate capital into ESG and sustainable funds, which have shown relative resilience against a challenging market environment. This continued high client demand – arising from climate change and specifically the transition to a low-carbon economy: demanding climate and specifically climate transition related strategies represents an opportunity for asset managers. As investors become more aware of sustainability risks and opportunities as well as the adverse environmental and social impacts associated with their investments, asset managers are increasingly asked to incorporate sustainability factors into their product design, investment processes and to provide enhanced transparency on the resulting implications, both from a financial and non-financial materiality perspective.

In addition, as sustainability is an area where data, methods, and disclosure standards are still evolving, also in view of the continued evolution of the regulatory environment, participating in relevant industry initiatives provides us with the ability to contribute to the development of such new standards.

Risks

Sustainability risks are inherent to our business activities and sustainability strategy. Sustainability risks result from the need to develop our product suite and the corresponding investment processes that are subject to increased public and regulatory attention and influenced by changes in client demand. Furthermore, the regulatory landscape continues to be ever evolving as regulators, governments, and other bodies including non-governmental organizations around the globe continue to take steps to protect investors through demanding transparency, consistency, and comparability.

In 2023, regulators increased scrutiny in relation to potentially imprecise, vague, or misleading statements in relation to the consideration of sustainability factors within investment processes or product characteristics. In addition, regional regulatory variations and differing market standards create an increased regulatory risk and increased costs in addressing regulatory inquiries and requirements for enhanced disclosures. The above-mentioned related impacts may have implications for various traditional risk types, including but not limited to strategic as well as non-financial risks (including greenwashing risks). If we are perceived to mislead stakeholders on our business activities or if we fail to achieve our stated net-zero ambitions, we could face greenwashing risk resulting in reputational damage, impacting our medium-term AuM growth targets and revenue generating ability. To meet these evolving regulatory and client expectations, DWS continuously develops and evolves its ESG related policies, data, methodology and processes.

Regulation and Supervision

Opportunities

Responding to regulatory change by developing ESG related policies, data, methodology and processes to enhance the services we provide to our clients can further differentiate us from our competitors.

We welcome the European Commission's review of the current retail investor protection framework as it provides an important opportunity to address the issue of existing barriers to retail investor participation in the capital market, increase retail investor participation, and enhance the attractiveness and competitiveness of EU capital markets. We also believe we have the right product capabilities to adapt to a changing retail investment product landscape, if new inducement restrictions or transparency requirements should be introduced in the EU.

Risks

Regulatory reforms, together with increased regulatory scrutiny more generally, including ESG and other reforms have had and continue to have a significant impact on us and may adversely affect our business and ability to execute our strategic plans.

They may result in increased planning uncertainty, a higher cost base or higher capital demands, and hence may significantly affect our business model, financial condition and results of operations as well as the competitive environment generally. This risk may adversely impact our medium-term targets.

Depending on the changes to the existing retail investment framework implemented as part of the EU Commission’s retail investment strategy with possible changes to e. g. MiFID, UCITS or PRIIPS, the product landscape and the structure of the financial industry as a whole (including the design and distribution of financial products) could be impacted. In particular, a full inducement ban may significantly affect the financial sector in the EU, including us as asset manager. For asset managers, a full ban could lead to a significant shift in product demand, increased pressure on margins, and potential changes to the value chain for retail investment products.

Litigation, Regulatory Enforcement Matters and Investigations

Deutsche Bank and we operate in a highly and increasingly regulated and litigious environment, potentially exposing us to liability and other costs, the amounts of which may be substantial and difficult to estimate, as well as to legal and regulatory sanctions and reputational harm. Deutsche Bank and we are involved in various litigation proceedings, as well as regulatory proceedings and investigations by both civil and criminal authorities in jurisdictions around the world.

Among other matters:

- On 19 July 2023, Deutsche Bank, Deutsche Bank AG New York Branch, and other US affiliates including DWS USA Corporation entered into a consent order and written agreement with the Federal Reserve Board. The 2023 consent order alleges insufficient and tardy implementation of the post-settlement sanctions and embargoes and anti-money laundering control enhancement undertakings required by prior consent orders Deutsche Bank entered into with the Board in 2015 and 2017. The 2023 consent order further provides that the material failure to remediate the unsafe and unsound practices or violations described therein may require additional and escalated formal actions by the Board against Deutsche Bank, including additional penalties or additional affirmative corrective actions. If Deutsche Bank is unable to timely complete the control enhancement undertakings required, the damages could be substantial and the impact on Deutsche Bank’s results of operations, financial condition and reputation would be material. Such failures may also have material adverse consequences for us.
- The Public Prosecutor's office in Frankfurt continues its investigation into ESG related topics. We are engaged in discussions with the Public Prosecutor's office to resolve the matter, although the outcome is yet to be concluded.
- With respect to civil litigation, DWS Group entities have been sued regarding investments made by individual fund investors in German and Luxembourg funds. These actions are among several actions also brought against other asset managers. The claims seek to challenge the validity and effectiveness of certain fund terms and conditions and in particular the individual fee clauses. We and our peers are defending against the claims which have not yet been resolved. Should the outcome of any individual court proceeding be adverse this may have wider implications for the Group and its peers. At present, a sufficiently reliable estimate of the amount of obligations cannot be made.

Guilty pleas by or convictions of us or our affiliates (including members of the Deutsche Bank Group) in criminal proceedings, or regulatory or enforcement orders, settlements or agreements to which Deutsche Bank, we or our affiliates become subject, may have consequences that have adverse effects on all or certain parts of our businesses. Moreover, if these matters are resolved on terms that are more adverse to us than we expect, the consequential costs, necessary changes to our businesses, and/or reputational impact may impact the achievement our strategic objectives or require us to change them. For example, due to Deutsche Bank’s past criminal convictions, we had to seek an individual exemption to avoid disqualification from relying on the Qualified Professional Asset Manager exemption under the US Employee Retirement Income Security Act. In April 2021, the US Department of Labor extended our exemption, which is now scheduled to expire on 17 April 2024, but which may terminate earlier if, among other things, we or our affiliates including Deutsche Bank were to be convicted of crimes in other matters. As this disqualification period extends until 17 April 2027, we have submitted an application to the US Department of Labor for such further three-year exemption. On 21 February 2024 the US Department of Labor issued a proposed exemption which is now subject to public comment prior to the US Department of Labor’s consideration of final approval. Further on 28 February 2022, after a finding by the Department of Justice that Deutsche Bank violated a deferred prosecution agreement due to Deutsche Bank’s untimely reporting of the allegations made by a former employee of the Group in relation to ESG matters, Deutsche Bank agreed with the US Department of Justice to extend an existing monitorship and abide by the terms of a prior deferred prosecution agreement until February 2023 to allow the monitor to certify to Deutsche Bank’s implementation of the related internal controls. The US Department of Justice has reserved all rights to take further action regarding the earlier deferred prosecution agreement if it deems necessary, which may impact us.

Overall Assessment

We believe that the asset management industry will continue to grow over the longer term and managers able to offer a wide range of Active, Passive, and Alternative strategies will be able to benefit from opportunities in the market.

In 2023, we continued to work on our multi-year transformation program with the aim of improving our standalone capabilities in three key areas – policy, corporate functions and IT infrastructure. While such a major transformation program presents opportunities for us, it can also have an impact on our risk profile, and, therefore, we have a quality control team that is tasked with closely monitoring and evaluating the transformation activities to protect our clients and our business. As a consequence, during the course of 2023, we announced delays in the IT infrastructure project leading to another year of substantial IT build costs in 2024, which are expected to be in line with those of 2023.

We further regard our business as well positioned to capture market opportunities and address asset management industry challenges. As illustrated above, changing market conditions and investor needs have created significant opportunities for us and the asset management industry, yet also require us to continuously monitor risks.

[Our Responsibility]

Sustainable Action

IFR Article 52
GRI 3-3

Our Sustainability KPIs

GRI 2-4; 203-2

We made progress in 2023 against our sustainability KPIs and remain confident of meeting our medium-term ambitions. ESG AuM increased driven by market movements and net flows. Our operational emissions remain on track to meet our 2030 interim net zero target despite an increase in travel emissions. Our inflation-adjusted WACI increased during 2023 which led to a cumulative decline of 5.2% since 2019. Our CDP score for 2023 is B, compared to A- in 2022. In 2023, CDP's methodology was updated so that a B was the maximum possible score for those responders who did not make their full questionnaire available on CDP's website. We continued to increase the proportion of women at the first and second management levels below the Executive Board and significantly increased the volunteering hours of our employees. Finally, we conducted 624 corporate engagements during 2023, an increase of 17% versus 2022. Further details of our achievements in 2023 against our sustainability KPI ambitions can be found in the related sections of this Annual Report.

Sustainability KPIs

KPI	Medium-term ambition	Full Year 2023	Full year 2022
ESG AuM[1]	Continue to grow our ESG AuM through a combination of flows into existing products, flows into new products and supporting the transfer by existing clients of their assets from non-ESG products into ESG products	€ 133.5 bn.	€ 117.0 bn.
Scope 1 and 2 operational emissions[2]	Achieve a minimum 46% reduction of in-scope operational emissions by 2030 compared to base year 2019 (aligned to our 2030 interim net zero target)	(64)%	(63)%
Scope 3 operational emissions (travel – air and rail)[2, 3]		(42)%	(52)%[4]
Scope 3 portfolio emissions (net zero) – inflation adj. WACI	Achieve a 50% reduction in the inflation-adjusted WACI related to scope 1 and 2 portfolio emissions by 2030 compared to base year 2019 (aligned to our 2030 interim net zero target)	(5.2)%[5]	(6.3)%[6]
Sustainability rating	Maintain or improve our CDP (Climate change) B score by 2024	B	A-
Proportion of women	Achieve 32% of positions at the first management level below the Executive Board held by female executives and 33% at the second management level below the Executive Board by 2024	36.2% – 1. level 36.3% – 2. level	34.5% – 1. level 33.0% – 2. level
Volunteer hours per employee	Perform 90 minutes of volunteering on average per employee per year by 2024	104 minutes	84 minutes
Corporate engagements	Conduct 475 or more corporate engagements per annum by 2024	624	532

1 As of period end. For details on ESG product classification, please refer to section 'Our Responsibility – Sustainable Action– Our Product Suite'.
2 DWS Group scope 1 and 2 operational emissions and scope 3 rail emissions are determined on a pro-rata average number of effective staff employed (full-time equivalent) basis from Deutsche Bank Group data.
3 DWS Group flight data is sourced from Deutsche Bank Group and the associated air emissions are calculated using Deutsche Bank Group methodology.
4 Prior year data updated due to revised methodology (previously (50%)).
5 Refers to our AuM at the end of 2022 and emissions for 2021 compared to baseline year 2019. Further details are available in the Net Zero Annual Disclosure Base Year 2021 report (https://www.dws.com/AssetDownload/Index?assetGuid=242d5412-cf67-4ca6-a363-7b70d585bfef&consumer=E-Library).
6 Refers to our AuM at the end of 2021 and emissions for 2020 compared to baseline year 2019. Further details available in the Net Zero Annual Disclosure Base Year 2020 report (https://www.dws.com/AssetDownload/Index?assetGuid=96bf52fa-b9cf-42fc-84c9-141abbacb531&consumer=E-Library).

Our Impact on Climate Change

GRI 201-2; 3-3; 305-5

Highlights

- Cumulative 5.2% decrease in the inflation-adjusted WACI from the 2019 baseline in the first two years
- Publication of "DWS Coal Policy" – our new policy governing our investments in thermal coal related activities

Management Approach

To mitigate climate change, transformation is required across all parts of the real economy. Reflecting on our responsibilities as an asset manager, we are committed to supporting our clients in navigating this transformation by providing our expertise and bespoke investment solutions.

Our intention is to become climate-neutral by 2050, in line with the Paris agreement, both at the operational and portfolio level. As a founding member of the NZAM, we have set specific net-zero interim targets for 2030 for both levels. In navigating the path to net zero, we intend to focus on systematic engagement with key stakeholders along the entire investment value-chain, such as our clients, investee companies but also index providers. Further details on our engagement can be found in 'Our Investment Approach', as well as in our 'Climate Report' in the sections 'Strategy – Active Ownership' and 'Strategy – Our Progress towards Portfolio Net Zero'.

In our CDP disclosure in July 2023, we reported that for our assets under management in-scope for net zero targets, the inflation-adjusted WACI had decreased by a cumulative 5.2% from our 2019 baseline figure in the first two years.

The net zero relevant extract of our latest CDP disclosure including further details on the methodology, metrics and reconciliation of figures can be found in our Net Zero Annual Disclosure 2021 (https://www.dws.com/AssetDownload/Index?assetGuid=242d5412-cf67-4ca6-a363-7b70d585bfef&consumer=E-Library).

The guiding principle of our actions towards portfolio net zero is to support the transition of the real economy and to contribute to a real-world reduction in carbon emissions. Therefore, engagement rather than divestment, remains our preferred mechanism. For further details on our net zero engagements, please refer to 'Stewardship' in the section 'Our Investment Approach – Targets and Measures'.

Based on the initial SBTi methodology for Financial institutions (Version 1.0), in October 2021, we committed to develop a science-based target to be submitted to SBTi for official validation by October 2023 and intended to publish a Climate Transition Plan. Since then, SBTi further evolved its methodology and issued a draft Net Zero Standard for Financial Institutions in 2023 which was followed by a public consultation. We contributed to this consultation and now await the final Net Zero Standard that is expected to be published in 2024. As a result, in agreement with SBTi, the initial target setting deadline was extended. In consideration of the final standard, we will refine our decarbonization approach.

Further details on our approach to combatting climate change can be found in our Climate Report.

Organisational Structure

Our sustainability governance starts with the Executive Board, which has the overall responsibility for managing sustainability-related risks and opportunities. The Executive Board is supported by the Group Sustainability Committee, which is empowered to take decisions to implement our sustainability strategy. The Sustainability Oversight Office supports the Group Sustainability Committee and aims to ensure effective sustainability governance. Further details are outlined in our 'Climate Report – Governance' in the section 'Supplementary Information'.

Opportunities and Risks

As a corporation and fiduciary asset manager, we are committed to measuring, analysing and managing all material opportunities and risks, including those that relate to climate change. The policy on ESG integration in the risk management framework (formerly titled "Sustainability Risk Management Policy"), describes how sustainability risks, including climate risks, are integrated into our risk management framework. It requires sustainability risks to be incorporated into our operating model for impacted risk types and business functions. In 2023, we revised the policy by specifying in more detail the consideration of adverse impacts to the environment and society.

We identified several risk types and dimensions either affecting ourselves or investors that are impacted by sustainability factors, including climate. This includes investment risks in DWS managed products related to climate transition and physical climate events, and corporate risks from our strategic decisions and reputation in the market. Based on their relevance and materiality, we integrate climate-related risks in our risk management processes.

Further details on our integration approach for sustainability risk can be found in the section 'Risk Report – Risk Framework – Risk Management – Sustainability Risk and Adverse Impacts to the Environment and Society' and climate-related opportunities and risks are further elaborated on in our 'Climate Report'.

Targets and Measures

Extract of our latest NZAM annual disclosure including further details on methodology, metrics and reconciliation of figures

Assets under management in-scope for net zero commitment	€ 302.9 billion or 36.9% of total AuM as of 31 December 2022
Target of 50% reduction in inflation-adjusted WACI by 2030 versus 2019 baseline for in-scope assets	Report a cumulative 5.2% decrease from the 2019 baseline in the first two years

We apply the inflation-adjusted WACI instead of the standard WACI to strip out the effect of price increases from the decarbonisation metric. Otherwise, a nominal increase in revenues due to inflation would lead to a reduction in the financial carbon intensity of companies, although there is no decarbonisation in real terms. The surge in inflation in recent years has highlighted the importance of adopting this approach.

In the 2019 baseline, the WACI amounted to 170.5 tonnes of CO_2 equivalents per million USD of revenue ("tCO_2 e/mnUSD"). In 2021, this changed to 154.5 tonnes of CO_2 e/mnUSD. Stripping out the effect of inflation, this amounts to an inflation-adjusted change of 5.2% over two years.

Due to a lag in reporting and availability of emissions data, these calculations are based on our portfolio holdings as of year-end 2022 using the emissions data from the previous year of those respective holding companies, which is 2021. Similarly, the baseline figure was based on year-end 2020 portfolio holdings and 2019 emissions.

The main drivers for change in WACI of our portfolios is the combined result of three main underlying effects:

- Changes to portfolio holdings due to fund flows, market movements, or other portfolio considerations
- Changes to the carbon intensity of holding companies themselves
- Changes to our product mix, i. e. existing products being closed or new product launches

Throughout 2023, we continued with our climate-related activities and disclosures as described by the Task Force on Climate-related Financial Disclosures (TCFD). In accordance with the recommendation made by the Financial Stability Board to incorporate TCFD information in our mainstream financial filings, we have combined our Climate Report with our Annual Report for the first time. As such, all further information on our climate-related activities can be found in the 'Supplementary Information' to this report.

Biodiversity and Water

GRI 3-3

Highlights

- We started a project to lay the groundwork to address biodiversity risks.
- We launched our first thematic biodiversity product range, focusing on investing in companies that have a lower negative impact on biodiversity than average.
- We published new research reports in the context of water and oceans.

Our Management Approach to Biodiversity and Water

Introduction

In line with Taskforce on Nature-related Financial Disclosures and Network for Greening the Financial System definitions, we consider the term "nature" as all life on earth (i. e., biodiversity), together with the geology, water, climate, and all other inanimate components that comprise our planet. Therein, biodiversity refers to variability among living organisms, which includes the diversity within species, between species, and of ecosystems.

Actions Taken in 2023

As biodiversity has increasingly come onto the agenda of investors, we started a project in collaboration with the World Wide Fund For Nature Germany to increase understanding and build up capabilities to address biodiversity opportunities and risks. In this project, we are working on three pillars:

- **Thought leadership:** Publication of research reports to enhance the understanding of biodiversity dependencies, risks, and impacts, in investments.
- **Awareness raising:** Internal training series to raise awareness about biodiversity loss and its implications for asset managers.
- **Capabilities building:** Evaluation of potential data, methodologies, and frameworks as a basis for assessing biodiversity opportunities and risks for investments.

Our Approach to Biodiversity

Already in 2022, the DWS Research Institute highlighted the growing importance of the Earth systems' nexus of climate, biodiversity, land, water and oceans, for the investor agenda. This laid the foundation for the latest research report published in 2023.

Biodiversity-related metrics are already part of our overall scores within our ESG Engine, for example our metrics on sustainable land and agricultural use or SDG 15: Life on Land. In addition, as part of our disclosure on Principal Adverse Impacts (PAI), our legal entities in scope of SFDR report on biodiversity-related factors (e. g., PAI 7 "activities negatively affecting biodiversity-sensitive areas").

Based on our engagement framework for DWS Investment GmbH, DWS International GmbH, DWS Investment S.A. and DWS CH AG we had a number of investee engagements focused on biodiversity and deforestation topics in 2023.

In 2023, we launched our first biodiversity-themed product range with three Xtrackers ETFs. The listed index funds provide exposure to equities exhibiting lower biodiversity-related risk relative to their sector peers and exclude business activities negatively impacting biodiversity.

Our Approach to Water and Oceans

In 2023, the DWS Research Institute published reports on the hidden costs of water pollution and implications of temperature increases in the oceans.

Water-related metrics are part of our overall scores within our ESG Engine, for example the water risk and opportunities score (within climate and transition risk assessment).

Water has been a regular topic in our engagement activities, specifically setting out expectations for better water-related disclosure practices, third-party certifications to verify positive impacts on water, or engagement with suppliers to improve their capacity to comply with the company's water-related polices. In 2023, a number of company engagements focused on water and blue economy topics. As part of our membership in the Valuing Water Finance Initiative, we continued to engage with a European apparel company. In that context, we also conducted a webinar in collaboration with Ceres on the initiative's progress in engaging with water intensive and polluting companies.

Organisational Structure

Biodiversity and water topics are managed by various teams in a multi-disciplinary approach.

Our Product Suite

Highlights

- Our ESG framework for actively managed retail funds domiciled in the EU has been further enhanced through the adjustment of our ESG filters.
- The Xtrackers business further broadened the European-domiciled ETF product line-up with additional social, climate, and biodiversity themed offerings.
- As a strategic business priority, we aim to support the transformation of European economies to meet increasing demand for private capital and bridge financing gaps.

Management Approach

As outlined in the section 'Our Strategy and Our Market – Our Strategy', we updated our sustainability strategy in 2023. Subsequently, within the Product Division, dedicated initiatives and working groups have been established to implement this strategy on the product level.

Most of our European domiciled actively managed retail funds continue to apply one of two DWS ESG filters: "DWS ESG Investment Standard" or "DWS Basic Exclusions". The "DWS Basic Exclusions" filter represents our basic approach to incorporating certain exclusions in the investment policy of the relevant fund. Products applying this filter only are excluded from the 2023 ESG AuM number. The "DWS ESG Investment Standard" filter enhances the exclusions in comparison to the "DWS Basic Exclusion" filter. Products applying this filter are included in the 2023 ESG AuM number.

In 2023 we further amended the DWS ESG filters taking into account amongst other topics the requirements of our DWS Coal Policy. For funds reporting under Article 8 and 9 SFDR we also excluded companies without ESG data coverage in the "DWS Norm Assessment" to ensure compliance with good governance practices. Additional adjustments in the "DWS ESG Investment Standard" filter include the introduction of new exclusions in controversial sectors as well as the introduction of the "UN Global Compact Assessment".

Over the course of 2023, the Xtrackers business continued to increase the number of European-domiciled ETFs which promote environmental or social characteristics with the launch of 26 new ETF sub-funds disclosing under Article 8 SFDR.

Such product launches included the expansion of the range of ETFs investing in companies related to the achievement of the United Nation's SDGs, additions to ranges of Climate Transition and Paris-Aligned ETFs, in line with the relevant EU Climate Benchmark Delegated

Regulation, and the establishment of the Xtrackers Biodiversity Focus SRI suite which aims to enable investors to reduce the risks associated with the decline in biodiversity.

Throughout 2023, we further increased the number of illiquid Alternatives funds which promote environmental or social characteristics and report under Article 8 SFDR.

The aim to support the transformation of European economies is a key strategic business priority for 2023 and beyond. We aim to meet the increasing demand for private capital and bridge financing gaps in strategically important areas of transformation. On this basis, in 2023 we started to leverage existing products as well as develop a family of dedicated investment solutions that focuses on different aspects of the European transformation. In addition, together with the Frankfurt School of Finance & Management, we established the "Centre for European Transformation" to support political and economic decision-making and thus to promote transformation and growth in Europe with our political partners.

Our Alternatives business is continuously looking to play an active role in supporting the climate transition by mobilising private capital to transform European small and medium enterprises, commercial and residential real estate as well as infrastructure in the region. In 2023, we developed climate dedicated transition strategies across our real assets' platform and further expanded our new product pipeline to meet increasing investor demand.

Organisational Structure

The Product Division is a global function positioning the product suite as the key differentiator and strategic instrument for growth in an increasingly competitive asset management industry.

The Global Head of Product is an Executive Board member and leads the Product Division. The Product Division is organized around functions and regions and owns processes across the product lifecycle: Starting from the product specific strategic planning process, product development, and product launch, the Product Division also steers and manages the product suite.

Dedicated ESG teams within the division support our internal investment teams and external clients in providing ESG information, analysis, and investment solutions.

Opportunities and Risks

ESG regulation continues to evolve rapidly, particularly in the EU. There is interpretation and clarification of these new regulations as well as the expectation of further regulatory requirements which will continue to influence product design, disclosure and reporting with respect to ESG components. Further divergence of regulatory regimes between different regions could increase challenges on global asset managers but we aim to continue aligning our product suite to these evolving regulatory and industry standards.

Efforts to make global supply chains more resilient against shocks are adding to inflationary pressure, among other factors. Geopolitical risks could impact global markets and therefore our product suite. Against this background, we will continuously aim to diversify and evolve our product suite to address these risks.

We see interest in climate related products, particularly climate transition, which could provide opportunities for us as an asset manager.

Targets and Measures

Based on our global ESG Framework, the following products were considered as ESG AuM as at the end of 2023:

- Liquid actively managed products: retail mutual funds which follow the "DWS ESG Investment Standard" filter, or have a "sustainable investment objective", and US mutual funds which have been labelled as ESG and seek to adhere to an ESG investment strategy.
- Xtrackers ETFs which apply a screen comparable to the "DWS ESG Investment Standard" filter, or which track indices that comply with the EU Benchmark regulation on EU Climate Transition Benchmarks and EU Paris-Aligned Benchmarks, or have a "sustainable investment objective", and other liquid passively managed funds which have been labelled as ESG and/or seek to adhere to an ESG investment strategy.
- Liquid mandates or special funds for institutional clients or white label products in-scope of SFDR and that report pursuant to Article 8 SFDR which follow the "DWS ESG Investment Standard" filter or a comparable ESG filter aligned with the client or which are in scope of SFDR and report pursuant to Article 9 SFDR.
- Liquid mandates or special funds for institutional clients or white label products which are out of scope of SFDR but comply with certain of the "General Industry Standards and Guidelines for Sustainable Investing".
- Illiquid products which are in scope of SFDR and report pursuant to Article 9 SFDR
- Illiquid products which are out of scope of SFDR but which have a "sustainable investment objective".

ESG AuM (according to our ESG framework)

in € m.	31 Dec 2023	31 Dec 2022
ESG AuM – Active	88,212	81,263
ESG AuM – Passive including Xtrackers	43,333	34,193
ESG AuM – Alternatives	1,954	1,552
Total ESG AuM (according to our ESG framework)	**133,499**	**117,007**

Our Investment Approach

GRI 2-23; 2-24

Highlights

- In the PRI assessment for the reporting year 2022, we reached 5 stars in two modules and 4 stars in nine modules of the 12 PRI assessment modules relevant for us.
- In 2023, we continued to operate our engagement framework and have now included DWS CH AG in addition to DWS Investment GmbH, DWS International GmbH and DWS Investment S.A. Those entities conducted a total of 624 engagements.

Management Approach

We were among the early signatories of the United Nations-backed PRI, which we joined in 2008. As a consequence, we have processes, commitments and policies in place that are designed to incorporate ESG factors into the investment process.

Organisational Structure

The CEO also heads the Investment Division.

The Investment Division is organised by investment approach (Active, Passive including Xtrackers and Alternatives) and regions (Americas, EMEA, APAC), each with tailored approaches to the incorporation of ESG factors in the investment process.

The CIO for Responsible Investments reports into the Global Head of Portfolio Management – Public Markets. The CIO Office for Responsible Investments supports ESG incorporation for the investment platforms of Active, Passive including Xtrackers and Alternatives. The CIO Office for Responsible Investments includes:

- **Corporate Governance Center**
  The Corporate Governance Center is organised by regional focus areas to account for varying market practice standards and proxy voting operational procedures. For our largest management companies in Europe, the Corporate Governance Center defines our proprietary standards and expectations for good corporate governance for our portfolios and mandates according to the pooled voting rights agreements between DWS Investment GmbH, DWS Investment S.A. and for specific portfolio management mandates of DWS International GmbH. For our other legal entities that may have their own processes and policies in place, the Corporate Governance Center provides guidance and support on relevant stewardship topics.
  Our corporate governance understanding builds on over 30 years of experience as active owners and is based on relevant national and international legal frameworks and associations (e. g., German Corporate Governance Code, the UK Corporate Governance Code, International Corporate Governance Network and the Group of Twenty/OECD Principles of Corporate Governance). We actively participate in relevant national and international investor working groups, as well as providing our input on German and European regulatory consultations.
- **ESG Integration team for Active Investment Management**
  The ESG Integration team for Active Investment Management enables investment professionals to integrate material ESG factors into the Active investment process. The team also conducts engagements as part of the engagement framework for selected holdings of our portfolios and mandates of DWS Investment GmbH, DWS Investment S.A. and DWS CH AG and for specific portfolio management mandates of DWS International GmbH.
- **ESG Engine and Solutions team**
  The ESG Engine and Solutions team is responsible for the design and implementation of DWS ESG methodologies within our proprietary ESG Engine. The ESG Engine produces key assessments, which are the basis for DWS ESG investment strategies (referred to in the section 'Our Product Suite') and for ESG integration activities. The ESG Engine collects data from various sources including leading commercial ESG vendors. For the asset classes where data are available, the data are standardised and aggregated to yield ESG assessment scores and grades which are used by different functions within DWS. The ESG Engine and Solutions team owns the validation of the results produced by the ESG Engine in regular update cycles. Throughout 2023, we used five external commercial ESG data providers: MSCI ESG, Morningstar Sustainalytics, ISS ESG, S&P TruCost, and ESG Book. The data are made available to research analysts and portfolio managers for liquid assets through the Aladdin platform and provides support to research, investment decision making and for managing ESG strategies. The use of the ESG Engine and the scope of application remained unchanged throughout 2023.

Involvement of our Research Institute

Our Research Institute is responsible for producing research on key investment themes, ESG thematic reports and DWS's long view ten-year return forecasts. The team acts as a key channel for delivering thematic research reports produced in the investment teams across the Group. In 2023, the ESG Thematic Research team continued to publish reports on solutions to European Transformation such as electrification of transport, alternative fuels, energy efficiency, and direct lending to small and medium sized companies. The Research Institute also continued its focus on nature by publishing articles on fresh water and the oceans and the first of a series of reports on biodiversity focused on regulations. The third report on ESG in Strategic Asset Allocation was also published. Reports were also published to support new Xtrackers product launches on thematic investing, green infrastructure, semi-conductors, cybersecurity, critical technologies and navigating the climate indices as well as European carbon allowances.

Opportunities and Risks

Human Rights and Norm Assessment

In recent years, countries such as Germany, France, UK, and Australia made laws on corporate accountability for topics such as human rights, which require larger companies to identify risks related to violation of human rights and environmental destruction. The United Nations Guiding Principles on Business and Human Rights clearly expect companies to operate to a higher international standard where national laws do not sufficiently respect human rights.

Investee companies can have an impact on the human rights of their employees and workers along their value chain as well as local communities. We incorporate the obligation to consider human rights issues in relevant internal policies and frameworks. Additionally, our norm assessment incorporates, among other factors, human rights controversies. These norm assessments are available to our investment professionals so that they can integrate these signals and material risks into the preparation of engagement discussions, investment research analysis and subsequently into investment decision making. Furthermore, we also carried out thematic engagements on human rights in Myanmar and Belarus in 2023. Please refer to the next section for respective international norms and guidelines applied in the process.

ESG Data

Given the rapid changes taking place in the world of ESG, we have processes in place that are designed to incorporate changes into the ESG Engine in a reasonable time. Such processes are required, for example, to enable us to meet specific client needs, or comply with developments in regulatory reporting requirements. The processes are run by the ESG Engine and Solutions Team and under the governance of the ESG Methodology Council.

Targets and Measures

Incorporation of ESG in the Active Investment Process

Our policies and procedures are regularly reviewed and updated where necessary. The Investment Division's policies and statements are guided by the PRI Initiative, client needs, regulatory requirements, other initiatives and stakeholder views including NGO's.

Some of these policies and statements apply globally, others are regional and/or national in scope or only applicable to certain portfolio management teams. The applicability is a function of the nature of the matter concerned and and relevant market standards.

Investment professionals, for the relevant legal entities within Active, are subject to the ESG Integration Policy for Active Investment Management. Jurisdictional differences, as well as different regulatory requirements, may lead to differences in the implementation of the policy. However, our investment professionals are expected to be aware of material ESG matters and, subject to the foregoing differences to comply with internal processes and legal, contractual, and regulatory obligations.

Stewardship

The Corporate Governance Center

In line with our commitment to fostering good corporate governance and in accordance with our stewardship approach for our largest management companies in Europe (DWS Investment GmbH, DWS Investment S.A. and for specific portfolio management mandates of DWS International GmbH), we sent an annual pre-season letter to more than 3,700 investee companies early in the year. The letter elaborated on key changes to our Corporate Governance and Proxy Voting Policy prior to the proxy voting season. During the 2023 proxy voting season, we raised questions at a total of 70 shareholder meetings, as published at https://www.dws.com/en-gb/solutions/sustainability/corporate-governance/. The team also sent individualised post-season letters to more than 850 of our investees. These letters highlighted where we voted against management recommendations that failed to comply with the DWS Corporate Governance and Proxy Voting Policy.

One of our priorities in 2023 was to progress on our 2020 net zero commitment. In support of our ambition, we continued to send thematic engagement letters to 80 additional companies with high WACI portfolio contribution in 2023. In the letter we set out our expectations, informed the companies of our voting strategy and requested detailed information about their net zero strategies. In 2023, as part of our thematic net zero engagement programme, we conducted 214 dedicated net zero engagement activities.

In line with our new DWS Coal Policy, we sent engagement letters to 27 investee coal companies, communicating the relevant aspects of the DWS Coal Policy and our expectations that they accelerate their phase-out from coal and publish transition plans by end of 2025 at the latest. More details can be found in our Climate Report in the section Our Progress towards Portfolio Net Zero.

We regularly review and update our Corporate Governance and Proxy Voting Policy for DWS Investment GmbH, DWS International GmbH and DWS Investment S.A. to reflect developments in regulation and/or market best practices. In 2023, the changes covered decarbonisation shareholder proposals, executive compensation, and Japan, among others.

Examples of changes are:

Say on Climate and Shareholder Proposals on Decarbonisation:
A new section in our Corporate Governance and Proxy Voting Policy lays out our minimum expectations on carbon transition plans including oversight of climate issues, TCFD reporting and setting targets that cover all relevant emissions based on a credible science-based methodology. We have further expanded our expectations towards our investee companies on the following topics:
– thermal coal phase-out
– inclusion of emissions reduction targets into the executive compensation plans
– CAPEX alignment with their respective GHG emission reduction target
– climate lobbying for investee companies with high carbon exposure

Executive Compensation:
In the context of challenging economic conditions, our amendments focused on pay-for-performance alignment and appropriate pay structures, such as performance metric selection within the annual bonus and long-term incentive plan and fixed salary increases.

Japan:
We reviewed our expectations for large-cap Japanese investee companies given the development of corporate governance topics in the Japanese market. We still expect at least a majority of independent board members and 25% female board representation for prime-listed companies.

ESG Assessment Activities

The ESG Engine activities are driven by the business, regulation and clients' demands and are monitored by the ESG Methodology Council.

The focus in 2023 was on streamlining the governance processes around the ESG Engine and to support the Product Division in their restructuring of DWS investment guidelines pertaining to ESG investments. In addition, core ESG methodologies were reviewed and/or revised as well as validated by the DWS Model Risk Validation team.

The quality and actuality of ESG assessments provided by the ESG Engine is reviewed by the Sustainability Assessment Validation Council upon request. In 2023, there were 216 reviews including 24 downgrades, and 10 upgrades.

ESG Integration Activities

In 2023, the ESG Integration team continued to support the investment platform in several areas. It:
– introduced a comprehensive control framework that is designed to ensure compliance with the ESG Integration policy for Active Investment Management.
– continued to engage with investment professionals on ESG integration topics.
– provided global training sessions on new ESG methodologies, updated policies, and preparation for ESG analyst certification. By the end of 2023, an additional 346 colleagues qualified as certified ESG analysts (please refer to the section 'Our Responsibility – Entrepreneurial Spirit' for further details).
– continued with sector global materiality workshops to assist investment professionals in their identification of material ESG issues.

Our Engagement Framework

We continue to operate an engagement framework for DWS Investment GmbH, DWS International GmbH, DWS Investment S.A. and included DWS CH AG in 2023, which is designed to define engagement targets and track engagement outcomes for our investees.

The engagement framework is supported by a regional Engagement Council which meets on a regular basis to discuss and review engagement related topics. The Engagement Council members also discussed changes to the engagement priority list, based on the selection criteria and reviewed relevant thematic engagement letters.

For the DWS equity holdings that are in the scope of our Corporate Governance and Proxy Voting Policy applicable to the pooled legal entities (as executed by DWS Investment GmbH), 624 engagements were conducted in 2023.

Proxy Voting Activity

In 2023, for funds and mandates domiciled with our legal entities in Europe and Asia, we submitted votes at a total of 5,646 general meetings at 4,068 investee companies across 62 markets. This is an increase of 40% of companies voted compared to 2022.

These meetings represented approximately 95% of our equity assets under management in Europe and Asia. For the mutual funds domiciled in the US, we also exercise voting rights for all equity holdings and in 2023, we voted at a total number of 9,354 meetings.

Proxy voting and corporate engagements

	2023	2022	% change
Proxy voting:			
For mandates and funds domiciled with our legal entities in Europe[1] and Asia[2] (submitted votes[3])	5,646	3,857	46
Companies votes submitted to[3]	4,068	2,897	40
For mandates and funds domiciled with our legal entities in the US (submitted votes)	9,354	9,340	0
Companies votes submitted to	6,791	6,777	0
Annual General Meeting attendance/questions sent to company boards for virtual/physical shareholder meetings for funds and mandates domiciled in Europe[1]	**70**	**64**	**9**
Corporate engagements for funds and mandates domiciled in Europe[4]	**624**	**532**	**17**

1 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). Other DWS legal entities may have their own voting process based on different local regulatory requirements.
2 DWS Investment GmbH acts as a proxy advisor for the two separate DWS legal entities in Hong Kong (DWS Investments Hong Kong Ltd.) and Japan (DWS investments Japan Ltd.), for which DWS Investment GmbH provides voting recommendations and the voting rights and voting execution lies with the respective Hong Kong and Japan entity.
3 Of these, votes at 59 meetings at 55 companies were rejected. Out of these 55 companies, 4 companies had other successfully voted meetings.
4 The engagement framework applies to the following legal entities: DWS Investment GmbH, DWS Investment S.A. (including SICAVs and PLCs), for certain assets of DWS International GmbH and DWS CH AG.

More details on our engagement and proxy voting activities for 2023 can be found in our DWS Stewardship – Engagement and Proxy Voting Report 2023, once published. For details about Stewardship in 2022, please see https://www.dws.com/AssetDownload/Index?assetGuid=85963db4-1682-4369-8172-78b917aa0ece&consumer=E-Library

Contribution to Action on Climate Change

GRI 201-2

Throughout 2023, we continued to focus on fundamental ESG thematic research, engaging with third parties and ensuring that ESG themes are discussed in the DWS CIO View. Various topics including physical climate risks and Sustainable Development Goals (SDGs) were part of our CIO Day.

ESG in Alternatives

Illiquid investments comprises direct investments into unlisted real estate, infrastructure (both via debt or equity) and private equity. 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 as outlined in the sections below. In general, the incorporation of ESG into the illiquid investment process takes place during investment due diligence and portfolio management.

ESG in Real Estate Investments

GRI 203-1

Our real estate business recognises the importance of identifying, assessing, and managing sustainability-related risks and opportunities as an integral part of conducting business. DWS Real Estate focuses on the following ESG aspects, which are material for real estate equity and/or debt investments: transitional (e. g., a building's energy efficiency), physical (e. g., flooding risk), social norms (e. g., well-being sustainability rating) and governance (e. g., third-party risk rating of a debt sponsor). These ESG aspects can present both risks and opportunities for the financial performance of real estate assets, and investments may have positive and negative environmental and social effects.

Therefore, DWS Real Estate takes a fiduciary-led approach to ESG aspects and sustainability performance in private real estate investment management, defining a range of operation between ESG and financial risk boundaries. The ESG risk boundary relates to risks where appropriate actions to assess and manage ESG aspects, if not undertaken in good time, could result in negative impacts on sustainability and long-term expected financial performance of the asset or portfolio. The financial risk boundary relates to negative effects of inappropriate sustainability actions (e. g., actions that are ill-timed, or too extensive) on compliance with the investment objectives.

DWS Real Estate has identified eight sustainability topics, which are most relevant for real estate investment management, and grouped them into the following four sustainability themes:

– Resilience, encompassing efficiency in construction and operation, and asset adaptation to external conditions
– Well-being, encompassing physical and mental occupant comfort and air quality
– Nature, encompassing circularity in buildings and protection of ecosystems from pollution
– Community, encompassing housing affordability and stakeholder engagement

Sustainability objectives on portfolio level are considered in relation to the investment strategy, contractual financial requirements, market and regulatory conditions and specific client expectations and formalized in a portfolio-specific sustainability strategy. ESG aspects and sustainability performance are important elements of consideration in each phase of the real estate investment process. This includes both risks and opportunities analyses informing acquisition, asset management and disposal decisions. Identified actions are assessed against accretive returns objectives and integrated in sustainable asset management plans accordingly.

Sustainability Benchmarking and Certification in Relation to Real Estate

In order to provide transparency to our investors, we report into the Global Real Estate Sustainability Benchmark (GRESB), which provides an independent assessment of portfolios and funds using a peer-based approach and scoring based on several ESG metrics. In 2023, we reported 20 individual portfolios to GRESB, covering USD 61.8 billion AuM.

Aggregated across all portfolios, using the GRESB analysis feature, in 2023 we achieved a 30/30 Management score, compared to the GRESB average of 28. Management component covers governance categories such as leadership, policies, reporting and stakeholder engagement. Furthermore, the aggregated portfolio achieved a performance score of 51/70, as compared with the GRESB average of 52. Performance component measures issues such as certifications and ratings, carbon, energy, water and waste performance. Eight portfolios achieved four-star GRESB rating (five stars is the highest rating). In addition, all 20 portfolios achieved Green Star recognition. Other than the GRESB Rating, which is a relative rating, the GRESB Green Star is a rating on absolute performance. For more information, please see https://www.gresb.com/nl-en/faq/what-is-a-green-star/.

ESG in Infrastructure Investments

GRI 203-1

We seek to incorporate ESG considerations into the investment framework of the Infrastructure business at all stages of the investment lifecycle for equity investments, from the initial screening and due diligence to the asset management and exit stages. During the holding period, we monitor the ESG attributes of the investments through the regular reporting of KPIs to us from the portfolio companies, and through completion of the annual GRESB Infrastructure benchmarking assessment at both fund and asset level. The KPIs cover ESG issues such as carbon footprint, water usage, health and safety indicators and diversity and inclusion metrics at both staff and board levels. Our due diligence also considers governance topics such as fraud, bribery, sanctions and compliance, as required. Findings from the due diligence phase are incorporated into the Investment Committee paper and presented to the Investment Committee for consideration.

The Infrastructure business also places emphasis on reporting, producing an annual Sustainable and Responsible Investment report for investors. Infrastructure achieved a 5* star rating in the UN PRI assessment for the calendar year 2022 which was published in 2023.

During 2023 we updated the Environmental and Social Management System under which the business operates in order to reflect changes in the ESG environment and to strengthen our procedures. It has also been updated to reflect our obligations under SFDR and investor requirements. The Environmental and Social Management System applies to potential and existing portfolio investments in infrastructure equity. Furthermore, it also creates a process for regular engagement with portfolio companies on ESG matters and a framework for their regular reporting to us.

As a result of this regular reporting and engagement, we aim to help drive improvements in ESG metrics and performance at our portfolio companies with a view to improving the businesses' sustainability credentials and to create value.

The infrastructure approach to ESG is summarised by the following 3 pillars:

– **Governance:** The Infrastructure business is governed by the Environmental and Social Management System, which provides the overarching framework, processes and governance for our ESG integration approach in Infrastructure.
– **ESG assessment process:** We have an ESG checklist which should be completed during the acquisitions process for all prospective equity investments. The findings should then be incorporated in the Investment Committee memo.

- **Monitoring:** As part of the asset management process, we seek to collect data on key ESG metrics within each of the operating companies. This information is then used to better refine our asset management strategies and is also reported to our investors in the form of a Sustainable and Responsible Investment Report. Certain KPIs, such as those around occupational health and safety, are also embedded into the performance review process for the operating companies.

The infrastructure debt business, in collaboration with our research teams, developed a bespoke proprietary ESG scoring methodology, which has been in use since 2021. The methodology supports the overall investment process and ongoing monitoring of environmental risks. It is designed to guide the ESG due diligence process and to assign an ESG assessment to each potential investment, based on a pre-defined set of ESG KPIs, which are sourced from the borrower/sponsors, external advisors or public sources.

ESG in Sustainable Investments Funds

Our Sustainable Investments team creates solutions for institutional, private investors, development banks, and governments, who share common social and environmental investment objectives and seek attractive financial returns. The business is organized around three components:

- Financial Inclusion/Microfinance
- Social Enterprise Financing (agriculture, health, and energy)
- Energy Efficiency/Renewable Energy

The Sustainable Investments team represents experienced global investing capabilities that include several regionally-focused strategies in Europe, Africa, and Asia.

Client Commitment

GRI 2-25; 2-26; 3-3

Highlights

- After two years virtually, the “DWS Investmentkonferenz” took place in person again
- Client satisfaction survey for top clients shows very good results
- The overall volume of client complaints trended significantly down

Management Approach

The Client Coverage Division aims to serve the investment needs of clients across all segments and regions by offering tailored portfolio management services. We aim to build long-term and trusted client relationships, deliver the best investment solutions and the highest quality client service. We conduct business in accordance with our fiduciary duties and in the best interest of our clients. Our relationship managers work collaboratively with product specialists, portfolio managers, and client service specialists to bring suitable investment products and solutions to our clients. We provide ongoing training to our staff on various topics, including investment research, macroeconomics, ESG and new product solutions, with the aim of best serving our clients. As we did in previous years, we also continue to provide seminars, conferences and webinars to our clients.

We refer to institutional investors and intermediaries as clients, also for the purpose of this report. The terms “end-users” and “consumers” relate to retail investors. Those are not clients of DWS, but investors into our mutual funds and ETF products and therefore not in scope.

Organisational Structure

We interact with our clients in various ways and formats seeking continuous dialogue.

The Division has global presence with relationship managers in Germany, EMEA, APAC and the US. We have over 30 locations spread across all regions and thus offer our clients contact with relationship managers on site. The Division's leadership team spans across all regions and our asset classes Active, Passive including Xtrackers and Alternatives.

In addition to daily interactions, there are several important client events. After two years on a virtual basis, one of our largest client events, the “DWS Investment Conference”, took place at the Alte Oper in Frankfurt am Main with around 1,200 registered participants. In May 2023, the “Investorendialog” was held with our institutional clients. In addition to the client events in Germany, further events in hybrid format took place in other countries. Our client service teams offered a range of webinars on various topics including geopolitical and social change as well as digital and sustainable transformation. Beyond that, our clients were served with Research House articles and our DWS CIO view.

Opportunities and Risks

To assess client experience and minimize risks, we review complaints on an ongoing basis. Although we distinguish between clients and investors, as described above, all complaints raised by clients and investors are handled according to the same standards. We are committed to handling all complaints fairly, effectively, and promptly. Our complaint registers provide valuable insights into how we are performing from our clients' perspective. A robust and consistent client complaint handling process as well as transparent reporting help to process these insights. We aim to identify and remediate client outcomes, to learn from them and train our client-facing staff accordingly.The goal is the reduction of mistakes, the enhancement of risk transparency, and management information.

Minimum requirements for handling complaints are stipulated in the DWS Group Complaints Policy. Client Coverage staff will investigate each complaint thoroughly and notify our clients and investors about the outcome. Additional information regarding client complaint handling is available on our website.

Process controls by managers should ensure that all received complaints have been handled, logged, investigated, resolved and reported in accordance with regulatory requirements. Furthermore, a central DWS Complaint Management function has been established to report material complaints to relevant internal boards. We also report to supervisory authorities when required by regulation.

In 2023, the number of complaints raised by clients and investors dropped significantly compared to 2022 (minus 62 percent). The extraordinarily higher level in the previous reporting period was caused by a concerted action of protest mails addressed to us. The volume of complaints logged in 2023 fairly reflects the ordinary business, with majority of complaints raised by retail funds investors.

Targets and Measures

We value feedback from our clients on their experience with us, to help us improve our service.

To measure client satisfaction globally in a consistent way, a new client satisfaction survey with our top 50 global clients, including our strategic distribution partners, was published as a pilot project in 2022 using the net promoter score methodology. The survey aims to enhance client experience and to further strengthen client centric orientation. The net promoter score rates the likelihood of recommending us to a business contact. We achieved a score of 50% (on a minus 100% to plus 100% scale) in this pilot. Senior management regularly reviews interim results and compares internal scores against the industry benchmark to set ambitious targets for improving client satisfaction.

In 2023 we conducted the second annual survey for these top clients with an additional 120 key clients. The 2023 score was also at 50% across all clients. To determine development year over year, we aim to repeat the survey for the same population again next year. An additional expansion of the client satisfaction survey is being discussed.

In addition, we conduct further internal and third-party client satisfaction surveys, which enable us to gain a 360-degree view of our client services.

In Germany, annual client satisfaction surveys were conducted for our clients and distribution partners. Two options were offered to clients, a "Voice Survey" over the phone and an "E-Mail Survey". Clients and advisors rated their satisfaction on friendliness of staff, professional competence, comprehensibility and solution orientation as well as sales-specific questions. The results were communicated to relevant internal stakeholders, including senior management, service centre staff, and the workers' council. Based on the feedback, we formulate steps for improvement which we incorporated into employee training.

The overall participation rate was 9% in 2023 and client satisfaction was rated very high. Based on our client feedback in the business-to-consumer survey, measures were implemented to improve the quality of e-mail services.

In the US, we conduct annual client satisfaction surveys for our insurance clients which is focused on investment performance, client service, innovation and overall satisfaction levels. The survey has shown a consistently positive overall satisfaction rating of over 90% for the last five years.

We strive to process findings from client satisfaction surveys and complaints quickly to implement them accordingly.

Entrepreneurial Spirit

Highlights

- We launched our Positive Performance Culture initiative as a strategic enabler to our Capital Markets Day commitments.
- We established our Leadership Kompass to set a clear standard of leadership behaviour across DWS.
- We reaffirmed our commitment to our hybrid working model guidelines.

Management Approach

We continuously invest in our diverse mix of people, empowering them to make change and fostering their creativity, courage and long-term thinking.

Employees and Workplace

In 2023, we continued to prioritize sustainable people management across DWS to develop managers and leaders and to support our employees. Our people strategy focused on a culture of excellence and inclusive decision making, enabled by a strategically aligned workforce and a "Positive Performance Culture" initiative was established as an enabler to our strategic initiatives. This sets out to enhance and evolve our performance culture, focus on leadership development, strengthen performance management, and establish stronger linkage between performance and reward.

Our key areas of focus have included:

- Launching our Leadership Kompass at DWS
- Training for employees on their first management assignment and improved guidance for managers
- Continuation of our Functional Role Framework to support career progression
- Piloting Learning Pathways using our AI-driven learning platform

Diversity and Equal Opportunities

GRI 3-3; 405-1

We are committed to building an inclusive culture that respects and embraces the diversity of our colleagues, clients, and communities and that nurtures an environment where every perspective matters and where every voice is heard.

With colleagues across 70 nationalities, speaking more than 78 languages, locally rooted, yet globally connected across 21 countries, we celebrate our differences, treat each other with respect, listen openly without judging, and value each other's insights. This brings us closer together and contributes to a thriving and inspiring workplace.

We aim to attract, develop, and retain the best people from all cultures, countries, races, ethnicities, genders, sexual orientations, abilities, beliefs, backgrounds, age groups and experiences. To this end, we follow an integrated and multi-dimensional approach to Diversity, Equity and Inclusion (DE&I). We also aim to offer part-time employees the same opportunities as full-time employees. This year the percentage of employees globally who work part time stood at 6.1% (2022: 7.1%).

As part of our broader sustainability strategy and our human rights commitments, we worked on the following DE&I areas:

- Continuing to reach voluntary goals at the Supervisory Board and Executive Board-1 and Executive Board-2 levels per the German Gender Quota Law (FüPoG – Erstes Führungspositionenegesetz). Our efforts will also continue to align us to the German Executives Positions Act II (FüPoG II – Zweites Führungspositionengesetz). Proportion of women is one of the KPIs that we are tracking internally with continued success in meeting our voluntary goals.
- Establishing a Global DE&I working group to further progress across our regions.
- Hosting our third annual "Day in the Life of an Asset Manager" event in the US by hosting students of diverse backgrounds across 12 universities to inform them more about the asset management profession and opportunities at our firm.
- Building and expanding our advancing diverse talent programme in the US.
- Introducing a disability smart focus in the UK working towards the UK Government Disability Confident scheme to become a disability confident employer.
- Increasing opportunities for social mobility in the UK by partnering with upReach, The Skills Workshop and 10,000 Black Interns for the second year running to offer work experience, mentorship and skills training to students from lower socio-economic backgrounds or black heritage.

Employee Inclusion and Engagement Networks

Our internal employee inclusion and engagement networks are spearheaded by colleagues across all regions. Many leverage diversity in its broadest sense – from race, colour, religion, age, physical or mental disability, medical condition, sexual orientation, gender and veteran status – to create a greater sense of purpose for their employees, the Group and themselves.

The networks inspire inclusiveness in our daily interactions. They are voluntary, employee-led groups, driven by a common purpose: making a better workplace – for everyone. By sharing information, educating, and engaging with our communities, they contribute to business development as well as recruitment, retention, and professional development. They are open to all employees.

Continuing our Focus on Gender Diversity

Our aspiration is for greater female representation across DWS and we continue to monitor and report on our progress to the Executive Board. Individual goals and targets form part of Balanced Scorecards allocated to senior leaders across the firm – and these are aligned to performance evaluation and compensation.

Gender diversity

	Target	2023	2022
Women on the Supervisory Board of DWS KGaA	30.0%[1]	41.6%	33.3%
Women on the Executive Board of DWS KGaA	1[2]	2	3
Executive positions on the first management level below the Executive Board held by women	32.0%[3]	36.2%	34.5%
Executive positions on the second management level below the Executive Board held by women	33.0%[3]	36.3%	33.0%

1 For the supervisory board of a listed, co-determined company, a minimum quota of 30 percent women has already applied since the FüPoG of 2015 in accordance with Section 96 (2) German Stock Corporation Act.
2 According to FüPoG II, listed companies which have more than 2,000 employees, must fill one position with a woman and one with a man on their executive and administrative boards with more than three members.
3 By December 2024.

We are also committed to ensuring that:

- We increase diversity in decision making bodies which include voting committees, legal entity boards, and other bodies.
- We reflect gender diversity within our product range, e. g. DWS Invest ESG Women for Women.
- We participate in the Gender and Ethnicity Pay Gap Report of Deutsche Bank Group in the UK.

In Germany, the German Remuneration Transparency Act (EntgTranspG) offers employees the right to request specific aggregated information about the remuneration of employees of the opposite gender in comparable jobs. As a global company, we continue to look forward to monitoring and reporting on our progress.

EEO-1 Reports

We published our consolidated EEO-1 reports for the US workforce. The EEO-1 report is a mandatory annual data collection that requires all private sector employers with 100 or more employees to submit demographic workforce data including data by ethnicity, sex and job categories to the US Equal Employment Opportunity Commission on an annual basis.

External Partnerships

In nurturing an inclusive work environment we have developed several key external partnerships across the globe. These partnerships not only help us to drive our internal agenda, but they also enable us to share good practice and to positively impact the societies we are operating in.

They include:

- DWS and Fondsfrauen organised an event for young professionals with the aim of raising females quota in DWS
- Financial Supporter of Level20, a not-for-profit organization dedicated to improving gender diversity in the European private equity industry
- Joined the Human Rights Campaign's Business Coalition opposing Anti-LGBTQI+ State Legislation and also signed in support of the Respect for Marriage Act
- In 2023, DWS completed the Human Rights Campaign Foundation's Corporate Equality Index and received a score of 95 out of 100. The index is the national benchmarking tool on corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees.
- Founding member of Morgan Stanley's diversity and inclusion initiative "The Equity Collective". The group is comprised of 27 leading wealth and asset management firms that work to empower the next generation of diverse leaders.
- Sponsors for Educational Opportunity which provides access and opportunities for students who have been historically excluded from industries across Wall Street and corporate America, including Black, Latino, and Native American undergraduates. SEO programs offer access to internships, intensive training, and coaching

For more information please refer to the table in the section 'Supplementary Information – Stakeholder Engagement'.

Remuneration Strategy
GRI 2-19

A key aspect of remuneration strategy is our compensation framework which embodies the "pay for performance" principle and ensures that all contributions to our success are appropriately recognized and rewarded. ESG measures, alongside others, are integrated as key performance indicators within the framework. These measures are linked to employee compensation to reflect the importance of ESG considerations.

Having included our teams in India and the Philippines in our compensation framework in 2023, we now apply one unique compensation framework across DWS.

For more information please refer to the section 'Compensation Report'.

Organizational Structure

We aspire to offer a workplace where creativity and ideas are supported and where individual strengths, different backgrounds and broad perspectives are valued.

The Global Head of HR reports to the Chief Administrative Officer who is a Member of the Executive Board. Many of our HR colleagues are assigned to international teams. Regional Human Resources managers are responsible for our Americas, APAC, EMEA, Germany and UK locations.

The areas of responsibilities of HR include the development, implementation and maintenance of DWS's compensation framework; delivering workforce capabilities; and providing strategic consultation advice and support on all people-related matters. This includes, but is not limited to, recruitment and onboarding, performance management, training and development, and recognition and reward.

Opportunities and Risks

Employee Engagement
GRI 2-16; 2-26; 3-3

People Survey Results

Our annual people survey results are a key yardstick in our calendar and serve as a vital enabler in communicating the pulse of the firm, highlighting areas we are performing well in, as well as the areas where we need to make improvements.

In 2023 we had our highest response rate of 74% (2022: 66%) with over 1,000 free text comments. Additionally, five new reporting dimensions focused on Building Trust, Taking Accountability, Enabling Collaboration, Accelerating Solutions, and our Leadership Kompass.

What did we learn from the survey?

- Our Commitment and Enablement scores remain at high levels despite both experiencing a year-on-year decline to 69% (2022: 73%) and 74% (2022: 78%) respectively.
- All five reporting dimensions scored above the 70% threshold.
- Key areas of strength were identified as: Enabling Collaboration, Leadership Kompass, and Speaking freely and raising concerns.
- Priority areas to address included: Building Trust, Accelerating Solutions, and Digitalization. All of these will support an increase in Commitment and Enablement.
- Questions related to our Ethics, Conduct and Speak Up Culture scored 75% which remains above the 70% threshold (2022: 77%).

As a follow up, we ran a culture pulse survey in the fourth quarter with 67% participation (fourth quarter 2022: 69%) covering: "Giving and Receiving Feedback", "Speaking Up", "Sharing Appreciation", "Facilitating Effective Team Meetings" and "Productive Behaviours". All scores are in line with the previous 12 months, with our culture pulse index remaining consistent with fourth quarter of 2022 with a result of 76%.

To improve our scores in 2024 we will be re-emphasizing the importance of having regular open and honest conversations, encouraging recognition of positive contribution, addressing negative contribution, highlighting the importance of our values, showing care and concern for our employees, and supporting career development.

In addition to the people survey, we also measured staff grievances. In 2023 we had six complaints. For more information, please refer to 'Employee Incident Management' in the 'Supplementary Information – Human Capital' section.

Health and Wellbeing
GRI 3-3; 403-6

We believe that fostering a work environment which integrates health and wellbeing into our business has a positive impact on the organization and helps to maintain our employees' quality of life in both the short and long term as well as to create a sound work-life balance. This is supported through our regional employee assistance programs across all locations.

Some of the benefits and offerings across our locations include, but are not limited to, the following:

- Company medical care and regular preventive medical check-ups free of charge
- Medical check-ups and range of associated benefits for new joiners
- Ergonomics and accident prevention programs
- An online portal covering health, wellbeing, nutrition and work-life balance
- Country-specific annual health weeks with associated webinars and training
- Health and psychologist providers who employees can contact on an anonymous basis
- Fundraising events for mental health regional charities of the year
- Drop-in clinics and webinars on mental health facilitated by our People Engagement Groups
- Meditation sessions to bring mindfulness to the workspace

Hybrid Working Model Guidelines

We recognise the importance of a healthy work-life balance and this year we reaffirmed our commitment to our hybrid working model guidelines across the globe which give us greater flexibility in meeting the needs of our clients, the firm, and our employees.

In most instances, for employees who choose to opt-in to this model, our hybrid working guidelines give the opportunity to work from home depending on their functional role and regulatory requirements – which may vary across regions.

Employee Development

GRI 404-2

Our approach to employee training is to create a proactive learning and development environment that supports business performance and personal growth. We approach training on the basis that learning happens according to the 70-20-10 model: 70% is learning on the job, 20% is social learning, and 10% is formal learning. All employees take responsibility for their development and this is supported via access to various channels, resources, and tools, as described below.

LearningHub and Corporate Curriculum

Following the successful pilot of our LearningHub last year, we leveraged functionality to build out various learning pathways specific to Asset Management and ESG as well as learning plans that support our Leadership Kompass behaviours.

In addition, we launched a Corporate Curriculum including a series of virtual training sessions and self-study eLearnings focused on our employees' personal development. We offer these opportunities for learning through a new monthly newsletter, highlighting pre-selected self-study eLearnings, articles and videos promoting a "skill of the month". Employees can access these learning highlights on our LearningHub.

The LearningHub platform, powered by artificial intelligence, will remain our golden source for employee online learning, and we plan to expand its capabilities in the future.

ESG

ESG-related training has been another core area of focus, offering a wide range of development measures, from online training to certification. Currently we have 329 active employees who are Certified Environmental, Social and Governance Analysts (European Federation of Financial Analysts Associations Certified ESG Analyst®). We also launched an ESG Educational Framework series open to all employees on ESG-related topics.

Total Performance and Career Development Planning

We continued to support employees and managers during the year with assistance in understanding our performance management approach and process. The process takes place at the beginning of the year and involves planning professional development and providing meaningful and effective feedback throughout the year and as part of the year-end process. We offered training throughout the year to support each of these activities.

Leadership Development

In 2023, we launched our DWS Leadership Kompass. This defines a set of eight behaviours expected from our leaders:

- Encourage Solutions,
- Take the Client Perspective,
- Show Excellence through Expertise,
- Collaborate to Make Others Successful,
- Champion Accountability,
- Promote a Sense of Belonging,
- Seek and Own Feedback,
- Invest Time to Lead and Inspire.

In addition to setting the leadership standard for our firm, the Leadership Kompass establishes an understanding of how we practice and live effective leadership every day.

We also recognize that being a new manager requires a mindset shift. Following last year's pilot, we rolled out "Leading as a New Manager" training for employees who career progressed into a first-time manager role in 2023. This comprehensive training covers topics such as micro-managing, understanding a team's working style and how to create an inclusive culture.

First time managers are also provided with a "Welcome to Leadership" guide and a "Leadership Kompass" guide.

For information regarding Grey Area Training, please refer to the section 'Compliance and Control – Anti-Financial Crime and Compliance'.

Talent Management

In 2023, we further developed our talent management strategy with three programs:

- Corporate talent program for select senior leaders being considered as successors for critical roles.
- Core talent program for a select group of mid-level top talent being considered for broader/ more complex leadership or expert roles.
- Regional talent programs for regional top talent being considered for progression into expert or first-time manger roles.

In 2023, we continued our Investment Division initiative focusing on rising female talents with sessions in London and New York.

Recruitment

In 2023, our recruitment function oversaw 533 permanent hires (excluding India and Philippines) 44% of which were in Germany. Our professional recruitment team reduced the reliance on external third-party recruiters to 8% in 2023 due to direct sourcing coupled with a strong focus on filling roles internally.

Early Career and Graduates

Our early careers pipelines represent future talent, bringing fresh perspectives and innovative ideas to the firm. The early careers cohorts contribute to the agenda of change, sustainability, and diversity, equity, and inclusion.

In 2023, we delivered enhancements to our graduate programme including re-introduction of a global in-person orientation and training offering for 35 new graduates. We have also continued to focus on designing further enhancements to support a growing talent pipeline and an expanded graduate programme in the coming years.

Internships and dual students are another important component of our early careers strategy and offer additional opportunities to attract high-quality entry-level talent to the firm.

DWS Alumni Network

The DWS Alumni Network has approximately 700 members.

Whether our former colleagues spent their entire career with us, or just a part of it, their contribution to building the organization will always be appreciated.To keep them informed on latest developments we share our newsletter with current topics – ranging from quarterly results announcements to updates on our DE&I and CSR programs.

Targets and Measures

Human Capital Reporting Standards

In 2023 we were again certified for our commitment to Human Capital Reporting Standards guided by the Guidelines for Internal and External Human Capital Reporting issued by the International Organization for Standardization (ISO 30414)

This provides measures on human capital metrics that companies should report internally and those they should disclose publicly – including areas such as "Compliance and Ethics", "Diversity", "Leadership", "Organizational Culture" and "Health and Well-being". For further information please refer to the section 'Supplementary Information – Human Capital'.

Continued certification pursuant to these standards is a fundamental part of our commitment to the Social and Governance ESG pillars to drive support for the global community in achieving the UN's Sustainable Development Goals (SDGs), predominantly SDG 3: "Good health and well-being", SDG 5: "Gender Equality", SDG 8: "Decent work and economic Growth" and SDG 10: "Reduced Inequalities".

For information about our diversity targets and measures please refer to the section 'Corporate Governance Statement – Diversity at DWS Group'.

Social Engagement

We are focusing our activities alongside our CSR strategy: We are committed to tackling climate change and addressing social inequalities – to help overcome two of the greatest challenges facing our society today.

Through corporate volunteering and donations, we support partner organizations in all our regions which are contributing to one of our CSR goals. As responsible corporate citizens, we also want to address acute needs for support in our immediate neighbourhood, and support emergency relief to mitigate the effects for people living in these regions globally.

Further Significant Increase in Our Voluntary Commitment

Employee volunteering is an important element of our social engagement as it provides our employees the opportunity to contribute to our CSR strategy. We are particularly proud that staff participation rate increased to 32% in 2023 (25% in 2022). Volunteering ranged from activities to protect and preserve the environment to providing support for social institutions. In 2023, our employees performed 7,633 hours of volunteering (5,206 in 2022) which equated to 104 minutes of volunteering per employee (84 minutes in 2022).

Based on the Deutsche Bank Impact Tracking tool, we estimate that we reached over 270,000 people with our social commitment in 2023. The majority of these – 250,000 people – with programs to protect the environment and the oceans. We were able to support over 18,000 people with our social initiatives. Our employees also contributed to this through their voluntary work. 40% of all projects were actively supported by our employees.

Our Support for Tackling Climate Change: Protection of the Oceans in Focus

As part of our focus on ecological issues, we remain committed to protecting the oceans and preserving the Blue Economy. This is why we work closely with ocean and conservation organizations such as World Wide Fund for Nature Germany and Healthy Seas.

We have retained our partnership with the marine conversation organization Healthy Seas in its efforts to rid the world's oceans of "ghost nets", thus saving the lives of countless marine creatures. With our recent donation, Healthy Seas was able to expand its geographic focus to Asia Pacific and launched a series of ghost diving activities in Hong Kong. Our staff's support is ongoing and colleagues in all regions are offered the opportunity to become an ambassador for the marine protection organization.

As a further contribution to ocean conservation, since 2021 we have been supporting a multi-year marine conservation project facilitated by the World Wide Fund for Nature Germany in the Mesoamerican Reef near Belize. The project is helping to mitigate the impacts of climate change in the region.

Our Support for Reducing Social Inequalities and Providing Disaster Relief

As part of our ambition to contribute to greater social justice, we launched a new partnership in 2022 with the non-profit organization Women for Women International. The organization supports women survivors of war and conflict, providing them with social and economic skills to transform their own lives and subsequently share their knowledge.

To provide support with emergency relief, we supported the emergency efforts around the two devastating earthquakes that hit south-east Turkey and northern Syria. Our colleagues have pulled together, making a charitable donation which was then matched and topped up with a corporate donation by us as DWS Group to support UNICEF´s important work in the region.

Human Rights

GRI 2-23; 3-3; 414-1

Highlights

- A new Third Party Management team within Procurement was established to oversee supply chain-related human rights topics.
- We strengthened our processes to prevent and remediate human rights-related adverse impacts in our upstream supply chain.

Management Approach

As part of the Deutsche Bank Group, we comply with the human rights-related due diligence obligations contained in the German Supply Chain Due Diligence Act. Prospective third parties with an annual spend of € 100,000 or more are required to acknowledge a Supplier Code of Conduct, which outlines Deutsche Bank Group's expectations of suppliers, including those pertaining to human rights.

In 2023, we further enhanced our processes for assessing human rights- and environment-related risks associated with third parties. These measures include screening prospective new third parties as well as third parties undergoing contract renewals to identify social or environmental impacts in relation to their service delivery. We also perform adverse media screening which may identify human rights- or environment-related controversies. A new DWS Supplier Code of Conduct was drafted in 2023 and is expected to be implemented in 2024.

Organisational Structure

Responsibility for upstream supply chain-related human rights topics lies with our Third Party Management team, which is part of the CFO division.

Information on our management of human rights topics in the context of our investments and our human resources activities can be found in the respective sections 'Sustainable Action – Our Investment Approach' and 'Supplementary Information – Human Capital' of this Annual Report.

Risk Management

The management, control, and reporting of human rights risks in our upstream supply chain follows the three lines of defence model. The first line of defence is composed of all business and control functions that utilize third parties, supported by Third Party Management, and is responsible for performing and reviewing third party risk assessments. Any third party assessed with potential human rights or environment-related risk is subjected to an enhanced due diligence assessment. In such cases, third parties must submit a valid ESG rating from Ecovadis, an external provider of external sustainability ratings, or respond adequately to our adverse impact questionnaire. The second line of defence consists of risk type controllers from the Sustainability Risk function, who facilitate the integration of ESG in our Risk Management Framework and ensure that overall risk remains within our risk appetite. The third line of defence is our internal audit function. Human rights-related risks outside of our risk appetite require escalation to the Executive Board.

For all risks identified through this process, we apply mitigation measures to bring the risk within our risk appetite.

Risk Report

Overall Risk Assessment

IFR Article 47

We are exposed to a variety of corporate and fiduciary risks because of our business activities. These risks include non-financial risk, financial risk and sustainability risk. Sustainability risk is not considered to be one individual risk type, but rather sustainability factors are drivers of existing risk types. The corporate risk profile is driven by various external and internal factors, including fiduciary risk. Our fiduciary obligation is paramount for our assets under management and requires us to put the interests of our clients first. We achieve this by risk managing the investment portfolios on behalf of our clients and by complying with regulatory requirements and contractual obligations.

In this context, our risk management framework has two core principles: every employee needs to manage risks and is obligated to ensure that we operate in the best interest of our clients, and we have strict segregation of duties enabling us to operate a control environment that is designed to protect the franchise, our clients, and shareholders.

Material risk categories include:

- **Corporate financial risks** such as market risk associated with our co-investments, seed investments, guarantees, credit risk, liquidity risk and strategic risk
- **Corporate non-financial risks** including reputational risk and operational risk (with important sub-categories such as fiduciary obligations, information security, transformation, regulatory adherence, service providers) and potential spill-over effects from our fiduciary risks.
- **Fiduciary investment risk** is the management of investment portfolios in accordance with our fiduciary and regulatory obligations. Investment risk includes market, liquidity, counterparty, and valuation risks coupled with risk type diversification benefits.

We manage the identification, assessment, and mitigation of key risks through internal management processes and the use of risk management tools. We have a clearly defined risk appetite and our approach to identifying and assessing risks is designed to enable us to mitigate their impact on our financial results, long-term strategic goals and reputation. This also applies to sustainability risks and adverse impacts which form an integral part of our risk framework across risk categories. Please refer to the section 'Risk Report – Risk Framework' for detailed information on the management of our material risks.

External factors outside of our control can have a significant effect on our financial profile and strategic plans. Please refer to the section 'Outlook – DWS Group – Opportunities and Risks' for detailed information on these external factors. The potential impacts of these risks are analysed and monitored by stress tests, which indicate our ability to absorb these events should they materialize. The results of these stress tests demonstrate that the current available capital, in combination with available mitigation measures, would allow us to absorb the impact of these risks if they were to materialize.

The information on our regulatory own funds and own funds requirements is provided in the section 'Our Performance Indicators – Our Financial Position – Regulatory Own Funds'.

Risk Profile

The main risk drivers in our business are non-financial and strategic risk. We are, however, exposed to other forms of risk given the impact from the market, flows, and foreign exchange rates on our corporate activities.

Development of a standalone infrastructure may have material implications for our risk profile posing both strategic and operational risks. From a non-financial risk perspective, we are faced with transformation risks as we continue a multi-year project to replace core infrastructure platforms, embrace new technologies and engage with new external service providers. All transformation activities are subject to close monitoring to ensure the appropriate controls and safeguards are in place to protect our firm, employees, and clients.

Risk Framework

IFR Article 47

Risk Management Principles

IFRS 7/IAS 1

The diversity of our business model requires us to identify, assess, model, measure, aggregate, mitigate, and monitor our risks. The core objective is to reinforce our resilience by deploying a holistic approach to the management of risk and return throughout our organization as well as the effective management of our risk, capital and reputational profile. The following principles underpin our risk management framework:

- Risk is taken within a defined risk appetite.
- Every risk taken needs to be approved within the risk management framework.
- Risk taken needs to be adequately priced.
- Risk should be continuously monitored and managed.

Risk and capital are managed via a framework of principles, organizational structures, and measurement and monitoring processes that are closely aligned with our business activities.

- Risk management is the core responsibility of the Executive Board which delegates to senior risk managers and the Risk and Control Committee for execution and oversight.
- We operate the three lines of defence risk management model. The three lines of defence approach and its underlying standards apply to all levels of the organization.

First line of defence: As risk owners businesses are fully accountable for the identification, assessment, and management (against a defined risk appetite) of risks that originate inside or outside their organization. Risk owners are those roles in the Group that generate risks, whether financial or non-financial. The heads of the business areas determine the appropriate organizational structure to identify their organization's risk profile, implement a risk management and control approach within their organization, take business decisions on the mitigation or acceptance of risks within the risk appetite and establish and maintain risk owner controls. For the first line of defence there is a dedicated Controls Office (i. e., Divisional Control and Business Control Officers), which focuses on a consolidated risk profile and acts as primary contact for risk management matters.

Second line of defence: The second line of defence control functions (e. g., Risk, Legal, Anti-Financial Crime and Compliance) define risk appetite for the specific risk type they control and monitor and report on the risk type's profile against risk appetite. As subject matter experts for their risk type, they (as independent functions) advise the first line of defence on how to identify, assess and manage this risk and how to implement the risk type framework. The second line of defence control functions have as appropriate a veto authority for risk decisions to prevent risk appetite breaches.

Third line of defence is the internal audit function which is accountable for providing independent and objective assurance on the effectiveness of how the business divisions and the second line of defence control functions interact with respect to risk management.

Outlined below are core frameworks, policies, statements, and tools utilized to identify, assess, model, measure, aggregate, mitigate, and monitor our risks.

- The Group business and risk strategy and the Group risk appetite statements are approved annually by the Executive Board. In addition, Deutsche Bank Group sets the risk appetite for its Asset Management division with which we comply.
- The business and risk strategy including capital planning provides the basis for aligning risk, capital, and performance targets for regular risk and capital profile monitoring.
- Cross-risk analysis reviews are conducted throughout the firm to validate the existence of appropriate risk management practices and an awareness of risk.
- All material risks across non-financial risk, financial risk, strategic risk and sustainability risk are managed via dedicated risk management processes. Modelling and measurement approaches for quantifying risk and capital demand are implemented across the material risk types. Furthermore, we have set up a dedicated reputational risk control framework including a committee for decision making on reputational risk matters.
- We have monitoring, stress testing tools, and escalation processes for key capital and liquidity thresholds and metrics.
- Systems, processes, and policies are critical components of our risk management capability to facilitate a comprehensive view and articulate the underlying roles and responsibilities.

Risk Management

IFRS 7/IAS 1
GRI 3-3

Our activities and global operations are regulated and supervised by relevant competent authorities in each of the jurisdictions in which we conduct business.

The Executive Board is responsible for managing the Group in accordance with the law, regulations, the Articles of Association and its Terms of Reference with the objective of creating sustainable value in the interest of the Group, thus taking into consideration the interests of shareholders, employees, clients, and other stakeholders. Furthermore, the

Executive Board is responsible for establishing a proper business organization, encompassing appropriate and effective risk management and approves the strategic plan and the risk appetite statement.

The Supervisory Board is regularly informed of the Group's risk position, risk management and risk controlling activities, as well as on our reputational risks and material litigation cases. It has formed an Audit and Risk Committee to deal with risk related matters (See 'Corporate Governance Statement – Standing Committees of the Supervisory Board – Audit and Risk Committee'). At the meetings of the Audit and Risk Committee of the Supervisory Board, the Executive Board reports on key risks, risk strategy, mitigation strategies, and on matters of importance due to the risks they entail. The Audit and Risk Committee deliberates with the Executive Board on issues of the aggregate risk profile and the risk strategy and supports the Supervisory Board in monitoring the implementation of this strategy.

The following functional committees have been set-up by the Executive Board and are central to the management of risk:

The **Risk and Control Committe**e is the key committee dealing with review of and decisions on material risk topics. It is supported by the Capital Investment Committee, which is responsible for overseeing all aspects of risk associated with portfolios of co-investments and seed capital investments.

The **Reputational Risk Committee** is responsible for oversight, coordination, and management of reputational risks. It takes preventive decisions on matters which might trigger reputational risk, in alignment with our risk appetite.

The **Strategic Investment Committee** is responsible for corporate investment decisions and principal corporate transactions (acquisition, disposals, and joint ventures). In addition, it evaluates risks associated with strategic investment decisions and monitors progress and performance of approved transactions.

The Chief Risk Officer reports to the CFO and has group-wide responsibility for the management of corporate and fiduciary risks as well as for the comprehensive control of risk, and ongoing development of methods for risk measurement. In addition, the Chief Risk Officer is responsible for monitoring, analysing, and reporting risk on a comprehensive basis. We manage our risk and capital via a framework of principles, organizational structures and measurement and monitoring processes that are closely aligned with the underlying business activities and associated risk profile. To achieve this, the Group leverages Deutsche Bank for defined risk services across several risk types, notably in terms of risk principles and frameworks, capital models including stress testing as well as support on capital adequacy requirements, and in non-financial risks specifically where specialist skills are required. The Group control model has been designed to balance the need for alignment with our business activities, while maintaining independence and strong relationships with Deutsche Bank key control functions.

Risk Appetite and Capacity

Risk appetite expresses the aggregate level of risk that we are willing to assume within our risk capacity to achieve our business objectives. This is defined by a set of minimum quantitative metrics and qualitative statements. Risk capacity is defined as the maximum level of risk we can assume given our capital and liquidity base, risk management and control capabilities, regulatory constraints, and our obligations to stakeholders.

Risk appetite is an integral element in the strategic planning processes via our business and risk strategy, designed to promote the appropriate alignment of risk, capital, and performance targets, while considering risk capacity constraints from both non-financial and financial risks. In addition, the risk appetite for ESG risk themes including quantitative indicators has been defined.

To determine risk appetite, we set different group level triggers and thresholds on a forward-looking basis and define the escalation requirements for further action. We assign risk metrics that are sensitive to the material risks to which we are exposed, and which are able to function as key indicators of our financial health. Importantly, we link our risk management framework with the risk appetite framework.

The Risk and Control Committee, the Executive Board, and the Audit and Risk Committee are provided with the Risk and Capital Profile Report which monitors our firm's risk profile to ensure activities are within risk appetite and align to strategic objectives. If our desired risk appetite is breached, a predefined escalation matrix is applied, such breach is highlighted to the respective committees. Changes or exceptions to the risk appetite must be approved by the Executive Board.

Risk and Capital Plan

We conduct an annual integrated strategic planning process which articulates the development of the future strategic direction for the business. The strategic planning process is designed to deliver an overview of capital, liquidity, and risk under risk-return considerations. This process translates our long-term strategic targets into measurable short- to medium-term financial targets and enables intra-year performance monitoring and management. Risk-specific portfolio strategies complement this framework and allow for an in-depth implementation of the risk strategy at the portfolio level, addressing risk specifics including risk concentrations.

Stress Testing

Stress testing is performed on a regular basis to assess the impact of a severe macroeconomic downturn or other shocks on our capital profile and financial position. This exercise complements traditional risk measures and leverages Deutsche Bank Group's stress testing process with enhancements tailored to our risk profile as an asset manager. All material risk types which consume capital and liquidity risk are subject to stress testing. The time-horizon of internal stress tests is generally one year and can be extended to multi-year, if required by the scenario assumptions.

Risk Measurement and Monitoring

The appropriate measurement of all risks is a crucial prerequisite for robust risk management. All risks are measured quantitatively and/or qualitatively, using advanced and approved methodologies. All measurement approaches must be appropriate for the type and materiality of risk measured and must provide sufficient transparency including correlation.

Quantitative analysis allows the measurement of the potential impact (severity and likelihood) and is complemented by robust qualitative measures that are designed to ensure comprehensive coverage of all risks on a risk-based approach. All material non-financial, financial, sustainability and strategic risks, are managed via dedicated risk management processes. Modelling and measurement approaches for quantifying risk and capital demand are implemented across the material risk types. Reputational risk is implicitly covered in our economic capital framework – which is designed to ensure that we maintain an adequate capitalization to cover the risks to which we are exposed – primarily within operational and strategic risk. Established teams within Finance, Capital and Liquidity Management and Risk assume responsibility for measurement, analysis and reporting of risks while promoting the appropriate quality and integrity of risk-related data.

We monitor all risks taken against risk appetite and in consideration of risk and reward at the Group level, underlying risk type, and at the portfolio level.

The monthly risk and capital profile report is used to detail the risk profile and is presented to the Risk and Control Committee and used as the basis for regular reporting to the Executive Board and the Audit and Risk Committee. The risk and capital profile report is complemented by other standard and ad-hoc management reports maintained and produced by Risk, Finance, and Capital and Liquidity Management, which are presented to the Risk and Control Committee and/or its sub-committees where appropriate.

We use a variety of data sources to support internal and external reporting. The risk infrastructure considers reporting at relevant legal entity and business levels and provides the basis for reporting on risk positions, capital adequacy and limit utilization to the relevant functions on a regular and ad-hoc basis.

Model Risk

Model risk is the risk of adverse consequences from decisions based on incorrect and/or misused models.

Model risk management is a core component of our risk management framework. We rely on models for investment, portfolio management, risk management, valuation, capital planning, and other purposes. The model risk management framework is in place to safeguard the interests of our clients and stakeholders as well as to fulfil regulatory requirements.

A model is defined as a quantitative method, system, or approach that applies statistical, economic, financial, mathematical theories, techniques and assumptions to process input data into quantitative estimates.

A model consists of three components:

- an input component which consists of assumptions and data
- a processing component which transforms inputs into estimates, i. e., output
- a reporting component which translates the output into useful business information

The definition of a model also covers quantitative approaches whose inputs are qualitative or based on expert judgement, provided that the output is quantitative in nature. Models used by us and covered by the model risk framework include models used for both fiduciary and non-fiduciary purposes and may either be internally developed and/or sourced from third party vendors.

Model risk appetite is designed to ensure that model risk management is embedded in our risk culture and that risks are mitigated as appropriate.

The objective of model risk management is to identify, measure and mitigate model risk. This is achieved by:

- Maintaining a robust model risk management and framework, including policies and key operating procedures with clear roles and responsibilities for key stakeholders across the model risk life cycle
- Assessing and monitoring the model control environment
- Maintaining model inventory to a high degree of integrity
- Supporting ongoing model risk assessments
- Performing independent model validations providing effective review and challenge to the model development and the appropriateness of model use
- Establishing model risk appetite and reporting standards to provide all key stakeholders with a timely and comprehensive view of model risk with actionable information
- Ensuring the model risk framework aligns to industry best practice and regulatory expectations

Sustainability Risk and Adverse Impacts to the Environment and Society

IFR Article 53

Sustainability risk is the potential negative impact to the value of an investment from sustainability factors. Sustainability factors are ESG events or conditions, including physical and transitional climate factors. Sustainability risks, including climate risks, can impact all three main areas of our risk management and control framework: non-financial risks, financial risks and fiduciary investment risks. Adverse impacts to the environment or society are defined as negative, material or potentially material effects on sustainability factors that are directly related to actions made by our Group, our employees, investee companies within our portfolios or other related stakeholders. This is also referred to as the concept of “double materiality”, which aims to describe the fact that sustainability factors are connected to two dimensions of materiality: “Financial materiality” describes the ESG-related financial and non-financial risks, whereas “non-financial materiality” describes adverse impacts to the environment or society.

To ensure effective sustainability risk identification and assessment, we have classified the impact of the identified sustainability factors under “ESG risk themes”, aggregating patterns of impact related to sustainability factors. ESG risk themes can be grouped into

- Adverse impacts
- Sustainability risk materializing as non-financial risks
- Sustainability risk materializing as strategic and financial risks
- Sustainability risk materializing as investment risks

To identify the existing risk types where sustainability factors, including climate factors, are a risk driver, in 2023 we performed a scenario-based risk assessment. During this assessment, the respective owners of key sustainability activities within the first line of defence evaluated the inherent risk of ESG related risk scenarios, and, where relevant, documented controls to reduce that risk to an acceptable level. Using this evaluation as an input, we reviewed existing risk types for both portfolio and corporate risks and determined whether sustainability factors may potentially be relevant risk factors. A first set of adverse impact types was added as an add-on to the risk taxonomy.

We aim to consider adverse impacts going forward as an additional risk dimension next to corporate (financial and non-financial) and investment (fiduciary) risks. National or regional regulations as well as existing contractual relationships may supersede the consideration of adverse impact for certain regions or asset classes.

The policy on ESG Integration in the Risk Management Framework (formerly titled Sustainability Risk Management Policy) describes how sustainability risks, including climate risks, and adverse impacts are integrated into our risk management framework. In 2023, we revised the policy in particular by amending the consideration of adverse impacts on the environment and society. This policy outlines sustainability risk and adverse impact-related definitions, how sustainability factors interact with the risk taxonomy and the risk assessment grid, as well as roles and responsibilities for the management of sustainability risk and adverse impacts.

For each group of ESG risk themes, the business and risk strategy as well as the risk appetite statement give guidance to the management of sustainability risk and adverse impacts. Four qualitative statements have been included in the risk appetite statement, one for each group of ESG risk themes mentioned above. They define the tone from the top for ESG related risk taking within our organization. Quantitative indicators have been defined related to each group of ESG risk themes.

Non-Financial Risk

Non-financial risk is comprised of operational risk and reputational risk.

Operational risk means the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events, including legal risk. Operational risk excludes business and reputational risk.

Reputational risk means the risk of possible damage to our brand and reputation, and the associated risk to earnings, capital, or liquidity, arising from any association, action or inaction which could be perceived by stakeholders to be inappropriate or unethical or inconsistent with our Code of Conduct.

Key Drivers for Non-Financial Risk

Non-financial risk is inherent to our business activities. We have embedded internal risk management and control processes and the use of risk management tools and concepts. Our integrated approach along the risk management lifecycle is designed to enable sound risk identification, evaluation, remediation, and monitoring of the key non-financial risks. Any failures related to key non-financial risks, caused by external or internal influences, could lead to material financial, regulatory, and/or reputational impacts.

Our business profile is exposed primarily to the following non-financial risks:

- **Fiduciary obligations:** As an asset manager, we face the risk that we do not comply with our fiduciary obligations to put the interests of our clients first. This requires us to balance between various interests of our clients and the economic interests of our firm to avoid undue conflicts, taking into consideration regulatory requirements, principles, contractual agreements, and specific disclosure requirements.
- **Information security:** We face the risk that our business is not sufficiently protected against information security failures, i. e., targeted cyber security attacks. The financial industry is subject to continuous elevated threat levels of cyber-attacks in the context of geo-political developments and technology advancements. Direct or indirect attacks may undermine our ability to act in a fiduciary capacity to serve our clients in a resilient way.
- **Transformation:** As our firm continues to mature as a standalone asset manager, we have elected to develop and implement a more standalone corporate infrastructure separate from our majority shareholder Deutsche Bank AG. Such decision poses both transformational risks as well as decreased time and resources for business-as-usual operations. Deviations in expected system and process functionality or inadequate integration of associated controls may expose the firm to incremental non-financial risks.
- **Regulatory developments:** The development of new and evolving regulatory requirements for the asset management industry, for instance on ESG requirements, IT disclosures or record retention, imposes a challenge for us for timely identification, interpretation and implementation. Non-compliance with laws and regulations may expose us to material non-financial risks.
- **Service providers:** Third parties support us to successfully deliver our business operations and fiduciary obligations. The use of and dependency on our vendors has increased in recent years. Inadequate vendor oversight may adversely impact our business resiliency.

Management of Non-Financial Risk

The management of non-financial risks follows the three lines of defence approach with the aim of protecting the Group, our clients, and shareholders against risk of material financial, regulatory, or reputational damages. It seeks to ensure that all our key non-financial risks are identified and addressed, that responsibilities regarding the management of non-financial risks are clearly assigned and risks are consciously taken and managed in the most appropriate and long-term interest of our franchise, clients and stakeholders. The three lines of defence approach and its underlying standards apply to all levels of the organization.

To manage our non-financial risks, the operational risk management framework defines interrelated concepts and processes aligned to the Deutsche Bank Group framework. The operational risk management framework provides a comprehensive approach across all three lines of defence for managing the key non-financial risks across the risk management lifecycle. The approach enables us to determine our non-financial risk profile in comparison to our risk appetite, to systematically identify non-financial risk themes and concentrations, and to define risk mitigating measures and priorities. The approach to identification and impact assessment aims to ensure that we mitigate the impact of these risks on our financial results, long-term strategic goals, and our reputation. Key concepts and processes for managing non-financial risks are loss data collection, lessons learned, scenario analysis, sustainable risk remediation tracking, transformation risk assessments and risk and control assessments. In addition, consideration of ESG driven inherent risk exposure, assessment of mitigating controls, and ESG driven residual risk has been integrated in the risk and control assessment tool implementation.

The most material risks we seek to remediate qualify as top risks and are regularly analysed, monitored and reported to senior management. Top risks are rated in terms of both the likelihood of their occurrence and the potential impact (severity) on the Group. The concept provides a forward-looking perspective on the prioritization and anticipated impact of planned remediation and control enhancements. It also contains emerging risks and themes that have the potential to evolve into top risks in the future.

Business Continuity and Crisis Management

GRI 3-3

Our established business continuity and crisis management approach includes a crisis contact and escalation process, which is tested on a regular basis. The Executive Board retains overall responsibility for policy setting, supervision and effective implementation and has delegated responsibility for business process disruption risk to the Chief Operating Officer. As we recognize that significant business disruptions are a possibility, the business continuity management program has defined roles and responsibilities, which are designed to foster a consistent and effective approach to resiliency throughout our company and to result in an effective fit-for-purpose capability. We designed comprehensive business continuity procedures to minimize the impact of a significant business disruption, the effectiveness of which have been demonstrated through various crises. We are prepared to address adverse impacts that a pandemic, epidemic or other disasters may have on the delivery of our services. We are also capable of ensuring work-from-home for all our employees at the same time, if necessary – including portfolio management. We will maintain a risk-based approach and use the recommendations of the World Health Organization and the national health ministries, to preserve the health of our staff and clients, also to live up to our responsibility for society. Each of the core business functions and infrastructure groups maintain their business continuity plans to ensure continuous and reliable service. These plans are reviewed, updated and tested annually.

Dedicated Product Lifecycle Risk Management

We have a product lifecycle management framework that is designed to ensure that appropriate systems, processes and controls for the design, approval, marketing, management and systematic monitoring of products throughout their lifecycle are in place. This framework is designed to manage the risks associated with the implementation of new products as well as material product changes during the product lifecycle. Products and services are subject to a systematic review process to ensure that the associated risk assessment outcome and controls remain fit for purpose.

Dedicated Reputational Risk Management

We have a dedicated reputational risk management framework, which sets out the process, including roles and responsibilities, to support employees in identifying, assessing, managing, and reporting reputational risk. This process also considers ESG factors. The Reputational Risk Committee takes preventive decisions on matters which might trigger reputational risk, in alignment with our risk appetite.

We seek to ensure that reputational risk is in line with our business strategy and overall risk profile. Reputational risk cannot be precluded and is also driven by any unforeseeable change in the perception of practices by our various stakeholders (e. g., public, clients, shareholders, and regulators). In line with our fiduciary responsibilities, we strive to balance the firm's reputational risk with the economic interests of our clients.

Financial Risk

IFR Article 47

Key Drivers for Market Risk

IFRS 7/IAS 1

Market risk is the potential for change in the value of financial instruments due to changes in market prices. We are exposed to non-trading market risk, which arises from our investments and from off-balance sheet exposures. The key risk drivers include movements in interest rates, credit spreads, foreign exchange rates, commodity prices, and equity prices. These, in turn, can be impacted by general market movements related to the economic environment or socio-political and geo-political events. The primary objective in the management of market risk is to ensure that risk exposure is within the approved risk appetite.

Market risk primarily concerns liquid seed investments, co- and illiquid seed investments, guaranteed products, foreign exchange, pension, and equity compensation, as outlined below.

Liquid seed investments: Capital is deployed to build marketable track records by providing initial funding for new liquid products initiated by us. These products include primarily exchange traded and mutual funds which invest in stocks and bonds. We execute an economic risk position offset process to minimize the profit/loss volatility of the seed investment portfolio. Liquid seed investments are typically short-term (up to three years, frequently shorter) and risk positions are broadly offset within a 6% tracking error on notional to minimize market risk. Offsetting positions are classified as derivatives on the balance sheet.

Co- and illiquid seed investments: We have co-investments primarily in fund products that invest in alternative asset classes such as real estate, infrastructure, private equity, and sustainable investments. Investments are made to ensure an alignment of interest between fund investors and the Group and are normally held to maturity. Similar to liquid seed investments, there are also instances where seed capital is provided to launch alternative funds.

Strategic investments: Strategic investments typically have the primary objective of enhancing the franchise value by providing access, for example, to specific markets, products or exchanges. A strategic investment, therefore, has a broader strategic business objective than making a return on the investment itself.

The key risk inherent in our portfolio of co-, strategic and illiquid seed investments is the impact of an event on the value of the underlying assets potentially resulting in the need to partially impair or even fully write-off the value of an investment. Key events can include:

- **Economic environment:** Material economic downturn impacting the value of the underlying fund investments
- **Geo-political risk:** Material geo-political events impacting the value of underlying fund investments such as the US-China trade dispute or a political shift in willingness to support or subsidize certain industries such as the sustainability sector
- **Equity prices:** Impact on underlying investments of a change in equity prices in turn impacting the value of the co-investment in the relevant funds
- **Foreign exchange (FX):** Impact on reported value of investments of movements in foreign currencies relative to Euro.
- **Interest rates:** Impact of interest rate movements on funds invested in debt instruments and/or providing loans (e. g., private debt funds); wider, indirect impact of rising interest rates on investor appetite for investment in alternative funds
- **Commodity prices**: Impact on underlying investments of a change in commodity prices in turn impacting the value of investment in the relevant funds (e. g., real estate construction costs)
- **Sustainability risk and adverse impact factors**: Sustainability risk factors, including climate factors, may negatively impact investment fair value; investments may adversely affect the environment or have negative social impact
- **Idiosyncratic risk:** Market risk can also occur because of specific investment characteristics, for example operational leverage or, management quality, or fraud

Decreases in investment valuations directly impact our profits via reduction of fair value. In addition, fee income is negatively affected due to the lower asset value of the underlying fund. Furthermore, potential issues in current or future capital raising and/or reputational/ litigation risk may arise.

Guaranteed products: We manage guaranteed retirement accounts (“Riester Products”) and guaranteed funds, whereby we provide a full or partial notional guarantee at maturity. Riester guaranteed retirement accounts are voluntary private pension schemes in Germany that are government subsidized.

The guaranteed products portfolios are managed using constant proportion portfolio insurance strategies and techniques, which use a rule-based exposure allocation mechanism into highly rated assets and riskier assets, depending on market levels. This allocation mechanism between the two components is designed to limit the downside risk. Guaranteed products may invest into a wide range of equity and fixed income securities as well as other instruments permitted in the product documentation.

The risk for the Group as guarantor occurs if the net asset value of underlying funds at the respective guarantee date is less than the guaranteed amount. The respective guarantee shortfall is reflected as negative market values from derivative financial instruments. A provision is booked, aligned to the long-dated maturity of the underlying guarantees.

The guarantee shortfall is particularly sensitive to movements in the long-dated interest rate curves and can also fluctuate due to changes in:

- **Market development:** in addition to changes in long-dated interest rates, the shortfall is also impacted by changes in equity prices, volatility, and other market factors impacting the net asset value (e. g. performance of underlying assets and funds)
- **Changes in client behaviour:** e. g., decreases in cancellation rates increase the shortfall as do client contributions if made in a low interest rate environment
- **Model assumptions:** the shortfall calculation can be influenced by changes in model assumptions and the timing of the market data snapshot used

This risk is regularly monitored under different stress scenarios and client contribution and cancellation simulations. We mitigate interest rate risk as and when necessary to retain a balanced risk position in line with our risk appetite and strategic goals. The mitigating instruments include long-dated bonds, long-dated interest rate swaps or swap options.

Pension risk: We are exposed to market risk from several defined benefit pension schemes for past and current employees. The ability of the pension schemes to meet the projected pension payments is maintained through investments and ongoing plan contributions. Market risk can materialize due to a potential decline in the market value of the assets or an increase in the liability of each of the pension plans. Key risk factors include interest rates, inflation, credit spreads, and equity values. The overall risk increases with reduction in plan contributions as plans mature, increased, or offset by changes in the longevity profile of the pensioner population.

Equity compensation risk: Equity compensation is linked to our share price and performance and so is a right way risk since liabilities will primarily only increase if the share price and relevant performance improves. We monitor and manage the resulting profit and loss volatility and enter into short-term derivatives to retain a balanced risk position as and when necessary, in line with our risk appetite and strategic goals.

Structural foreign exchange: Structural foreign exchange (FX) risk arises from our non-Euro denominated subsidiaries, primarily US Dollar and Pound Sterling. We monitor our structural foreign exchange risks on an ongoing basis and may selectively offset the risk positions with the primary objective to stabilize consolidated capital and internal capital adequacy metrics.

Foreign exchange: Foreign exchange risk arises from our assets and liabilities that are denominated in currencies other than the functional currency of the respective entity. These positions are translated at the period end closing rate and can give rise to fluctuations in the reported value of the investments. Foreign exchange gains or losses resulting from the translation and settlement of these items are recognized in the consolidated statement of income as net gains or losses on financial assets/liabilities at fair value through profit or loss. We may selectively use instruments to offset foreign exchange exposure as and when necessary to retain a balanced risk position in line with our risk appetite and strategic goals.

Management of Financial Risk

The above-mentioned types of financial risks are subject to dedicated approval processes which are designed to ensure that all aspects of risk, capital and funding are considered before new risk exposures are taken. For new co-investment and seed capital requests, for example, there is a clearly defined approval authority matrix dependent on the size of the capital request. Investment allocations and requests are reviewed and monitored by the Capital Investment Committee and assigned to the respective authority. The consideration of sustainability risk and adverse impacts is part of the investment approval process.

Market risk exposure is identified and captured based on our risk type framework covering equity, foreign exchange, interest rate, credit spread, commodity, and idiosyncratic risk. Risk is measured by estimating the potential losses from a particular risk type. This is usually achieved by determining the exposure, the trend and potential change in market value as well as the covariance with other relevant assets and liabilities. Established capital models tailored to our risk profile are used to calculate the capital consumption of financial risks.

When necessary, approvals are granted subject to conditions to mitigate the potential risk to the Group and its stakeholders. Such conditions can include limiting concentrations in high-risk sectors and/or geographies. One area where risk position offsetting is routinely used as a direct risk mitigation is the seed capital portfolio.

A limit structure for the Group's investments is in place with regular monitoring to ensure the risks remain within risk tolerance levels. The co-investment portfolio is also subject to bi-annual reviews at the underlying fund level to ensure the risk profile is maintained and any emerging risks are escalated where necessary. Ad-hoc monitoring and/or reviews of any aspect of the financial risk portfolio are carried out as and when required.

The risk framework for co- and illiquid seed investments has been reviewed and enhanced to accommodate our growth strategy in alternatives investments. This includes multi period risk planning, portfolio risk and attribution analysis, a refined set of limits complementing risk appetite, and control thresholds as part of risk monitoring and decision-making.

For sensitivity analyses on market risk exposures please refer to note '09 – Financial Instruments' to the 'Consolidated Financial Statements'.

Credit Risk

IFRS 7/IAS 1

Credit risk arises from all transactions where actual, contingent or potential claims against any counterparty, borrower, obligor or issuer (which we refer to collectively as "counterparties") exist.

As an asset manager, we do not undertake business activities that result in material credit risk. For the Group, credit risk exposure relates primarily to cash and cash equivalent positions that are placed with third party banking and financial institutions. The counterparties are monitored via market parameters, the usage of independent credit ratings, ESG signals, and proprietary credit risk assessment. The related credit risk exposure to these counterparties is aggregated and managed within appropriate limits.

To further diversify credit risk in our corporate liquidity management, other options have been used, including investing in government bonds, corporate bonds, and money market instruments.

Strategic Risk

Strategic risk is the risk of an operating income shortfall due to lower-than-expected performance in revenues not compensated by a reduction in costs. Strategic risk may arise from a decline in our assets under management driven by changes in asset values, from our ability to attract and retain assets under management and maintain competitive investment performance or from changes to the competitive landscape (including tight labour markets) or regulatory framework. Strategic risk is a material risk type that may arise due to a failure to execute our strategy and/or failure to position us strategically and/or failure to effectively take actions to address underperformance caused by external or internal factors. Exposure categories to help guide the assessment process for strategic risk include competitive landscape, key personnel, regulation, strategic relationships, macroeconomic downturn, and product suite.

The strategic and capital plan is approved annually by the Executive Board. During the year, execution of business strategy is regularly monitored to assess the performance against strategic objectives and to seek to ensure we remain on track to achieve targets.

Liquidity Risk

IFRS 7/IAS 1

Liquidity risk is the risk arising from our potential inability to meet all payment obligations when they come due or only being able to meet these obligations at excessive costs. The objective of the Group's liquidity risk management framework is to ensure that it can always fulfil its payment obligations and can manage liquidity and funding risks within the agreed risk appetite. The framework considers relevant on-balance sheet and off-balance sheet drivers of liquidity risk as well as expected future cash flows.

Capital and Liquidity Management is mandated to manage the overall liquidity and funding position of the Group as well as the liquidity risk profile. Risk oversees the application of the liquidity risk framework and adherence to the risk appetite.

The Group proactively manages liquidity risks by:

- Maintaining a liquid balance sheet with a prudent cash buffer
- Maintaining a funding plan, aligned with the strategic plans of the Group, to assess upcoming funding demands and sources
- Stress testing of a rolling 12-month liquidity position, based on the funding plan, by applying a combined, market and idiosyncratic stress event in which the Group needs to remain solvent over a prolonged period of stress
- Monitoring regular stress testing results and identifying potential liquidity risks
- Maintaining contingency funding procedures to enable swift and coordinated action and decision making in a liquidity crisis event

On 31 December 2023, the 12-month projected liquidity position after stress was well within the risk appetite.

Liquidity risk is an area of lesser concern for the Group due to the cash generating nature of our business and the conservative funding profile of our balance sheet. We principally fund the business through equity and cash generated from operations. We may, however, raise debt funding to address specific funding demands that may arise as part of growing the business.

As part of the annual strategic planning process, we project the development of the key liquidity and funding metrics based on the underlying business plans to ensure that the plan complies with risk appetite. This includes maintaining a funding plan to specifically assess upcoming funding demands and sources to accommodate projected seed and co-investments within the respective limits.

To diversify our funding and access to liquidity, we have put in place a revolving credit facility of € 500 million for general corporate purposes under which there were no drawings as of 31 December 2023.

For the maturity analysis of financial liabilities please refer to note '09 – Financial Instruments' to the 'Consolidated Financial Statements'.

Risk Diversification and Concentration

Risk Concentrations

IFRS 7/IAS 1

Risk concentrations refer to clusters of the same or similar risk drivers within risk types, including risk concentrations in operational, credit, market, liquidity and other risks. They could occur within and across counterparties, businesses, regions/countries, industries, and products. The management of concentrations is integrated into the management of individual risk types (e. g., operational, credit, market, liquidity risk management) and monitored on an ongoing basis, with the key objective to avoid excessive risk concentrations. This is supported by limit setting on different levels and/or management according to risk type.

Risk Type Diversification Benefit

The risk type diversification benefit quantifies diversification effects between operational, credit, market, and strategic risk in the capital adequacy assessments. To the extent correlations between these risk types fall below 1.0, a risk type diversification benefit results. The calculation of the risk type diversification benefit is intended to ensure that the standalone capital for the individual risk types is aggregated in an economically meaningful way.

Fiduciary Investment Risk

Fiduciary investment risk is the management of investment portfolios in accordance with our fiduciary and regulatory obligations. The investment funds risk framework, which covers regulatory, client specific and internal requirements is part of our control framework.

Fiduciary Investment Risk in Traditional Asset Classes

Market Risk Management

The market risk management process identifies, measures, monitors, and reports the market risks as well as portfolio concentrations of the investment portfolios. Both the specific risks on position level and the overall risk of the portfolio are considered – aiming at protecting investor assets and interests.

The risk identification process is performed on a quantitative and on a qualitative basis. The most relevant quantitative metrics are based on movements in credit spreads, equity prices, implied volatilities, commodity prices, foreign exchange rate, interest rates, and inflation rates.

The risk management function monitors market risks with dedicated escalation procedures covering the following areas:

- Absolute portfolio market risk is the risk of investment losses at portfolio level due to changes in market risk drivers.
- Relative portfolio market risk is the risk of investment losses relative to the benchmark (where available) due to changes in market risk drivers.
- Leverage risk is the risk of investment losses that result from usage of derivatives or non-linear payoff structure within the portfolio.
- Concentration risk is the risk of investment losses at portfolio level due to concentration of investments (e. g., specific issuers, countries, or foreign currencies).

Appropriate thresholds are defined and the consumption of the capacity within the limits is reported to portfolio management. Indications for a high probability of a limit breach trigger immediate escalation and mitigation actions.

Fiduciary Sustainability Risk Management

Sustainability risk in the fiduciary risk management context relates to various risks arising from ESG aspects potentially impacting the valuation of any assets held in a fund that could result in a financial impact for the fund investors. We established a risk management framework for sustainability risk to manage sustainability factors potentially impacting a fund's risk profile.

The sustainability risk management process is designed to identify, measure, monitor, and report sustainability related risks on an overall fund level, as well as on issuer specific levels as part of the issuer concentration risk framework.

To identify and assess the sustainability risk profile of a fund, we consider our climate transition risk assessment as well as our norm controversy assessment (please refer to 'Our Responsibility – Sustainable Action' for further details) in the risk management processes in combination with each fund's gross and risk-adjusted exposure information as well as relevant benchmark data (if applicable). The process includes fund-level risk appetite setting and measurement, monitoring and reporting activities against the defined risk appetites.

We implemented the portfolio sustainability risk management framework across all European-domiciled UCITS and AIFs, including the European ETF product suite.

Liquidity Risk Management

Liquidity risk means the risk arising from the potential inability to meet investor redemptions or at significant cost to redeeming and remaining investors. The liquidity risk management framework includes processes that are designed to identify, measure, monitor, assess, manage, and report liquidity risk over the complete life cycle of a portfolio. Processes are executed by first and second line of defence and governed by policies, procedures, and oversight bodies.

The portfolio liquidity risk identification considers the portfolio's strategy, the liquidity of its assets, and the future liquidity demands.

The liquidity risk measurement framework follows the same approach, estimating asset liquidity and future liquidity demands taking account of the portfolio's strategy. This is calculated along different dimensions, such as the time to liquidate portfolio holdings, and the cost attributed to such liquidation.

A portfolio's asset liquidity is measured by considering asset and market specific factors. Liquidity demand scenarios are estimated based on redemption and collateral call scenarios. In addition, liquidity stress tests are run to simulate the impact of stress conditions. Liquidity stress tests are also used to determine whether liquidity management tools shall be added to improve the management of the portfolio's liquidity risk under stress conditions.

A portfolio's current liquidity risk is assessed via a scoring system. In addition, each portfolio's liquidity risk relative to investment strategy and redemption obligations is reviewed through a formal annual risk review process.

Metrics are calculated and updated with the latest trading and market data, which are available on our portfolio management systems for first and second line of defence staff.

The risk management function regularly monitors the portfolio's limit utilizations. The limit structure consists of regulatory and internal limits as well as thresholds. Escalation chains and contingency planning are included within the liquidity framework.

Fiduciary Investment Risk in Alternative Asset Classes

Whereas market prices are available daily for traditional assets, alternative assets are in most cases far more illiquid, or prices are not directly observable. In these cases, regular measurement and control processes are undertaken on a monthly or quarterly basis rather than daily.

The methodology for alternative risk management requires expertise in the asset acquisition process, credit analysis where appropriate, regular stress testing, and calculation and monitoring of leverage, where applicable.

We have defined appropriate criteria to measure risk. Different alternatives sub-asset classes have different criteria, e. g. real estate, infrastructure, private debts, private equity and fund of funds. Thresholds are established, and consumption reported regularly to management.

Identification of Risk in Alternatives

The risk management function is responsible for identifying material portfolio risk, which is defined as the risk of decreasing market values of the portfolio positions. This risk is considered material if it leads to a significant loss for the investor with a sufficient probability. Due to changing market conditions and volatilities as well as trading activities, the market risk for a given portfolio changes over time. In addition to traditional market risks, special alternatives risks include interest rate risk, FX risk, volatility risk, inflation risk, real estate risk and credit risk.

Internal thresholds are implemented for the relevant criteria at the individual asset level, contract and the entire portfolio level. Portfolio levels close to the warning threshold are regularly discussed and notified to the respective Alternatives Investment Committees or Boards of the management companies, whereas individual assets are monitored separately. The monitoring of individual assets may be triggered by reaching internal thresholds or by violation of contractually defined limits. In these instances, an asset is included in a watch list jointly overseen by portfolio management and risk management with regular monitoring of any mitigating actions. If investments further deteriorate, work-out specialists or additional stress scenarios will be considered.

Fiduciary Sustainability Risk Management

We identify and assess the level of sustainability risk taken by illiquid alternatives funds domiciled in Europe based on individual asset level risk scores or ratings, which are formed by both quantitative and qualitative data points. These can be based on external ESG data providers (e. g., S&P Global for real estate, Global Real Estate Sustainability Benchmark for infrastructure), as well as internal subject matter experts.

These processes were further enhanced in 2023 which includes determining a fund's risk appetite, measurement and monitoring of the scores and their reporting.

Liquidity Risk Management

Liquidity risk is the risk arising from potential inability to meet investor redemptions or other liquidity demands within a requested time period (liquidation period). Liquidity risk arises due to expected or unexpected investor redemption or other liabilities for payment. Examples of liquidity risk include settlements of foreign exchange forward transactions or margin calls which must be met by the current cash positions and/or by selling assets to generate cash. Hence the liquidity risk management framework considers both the specific liquidation risk of the individual investments and the overall risk of the portfolio to generate liquidity. Within alternatives products, open ended funds and closed end funds require a different type of liquidity risk management.

Measurement of the liquidity risk compares possible liquidity needs with asset liquidity and is summarised in a liquidity profile, which aggregates available liquidity by time buckets, considering the time it takes to liquidate assets. In addition, risk management function defines further internal limits where appropriate.

Liquidity risk primarily affects open end funds and is addressed by respective provisions within the funds. The liquidity limit utilization is monitored on a regular basis. The implemented liquidity stress tests follow the approach that, under several predetermined liquidity stress test scenarios, the liquidity factors that drive the liquidity of funds are subject to severe stress levels which could reasonably be expected to occur. Appropriate thresholds are defined and limit utilization is reported to management, as appropriate. Indications for high probability of a limit breach trigger immediate escalation and mitigation actions.

Counterparty Risk

Counterparty risk relates to the potential losses arising when a counterparty cannot (or does not) fulfil its obligation in a transaction. In the context of the Group, counterparties are typically third parties with direct market access (broker) or derivative counterparties, securities lending counterparties or banks where cash deposits are placed.

Each counterparty must be approved by risk management before any trade can be entered. Counterparty risks are identified via market signals (e. g. credit spreads), factors such as ratings as well as by the regular review of counterparties. ESG aspects are also considered when reviewing a counterparty. Where appropriate, aggregated counterparty exposure limits are defined. Monitoring and escalation of limit excesses ensures adequate oversight. Over the counter derivatives are traded under an International Swaps and Derivatives Association or equivalent agreement such as a German Master Agreement mitigating counterparty risks. Derivatives exposure is collateralized according to European Market Infrastructure Regulation standards.

Valuation Risk

Valuation risk means the risk of possible mispricing of assets in investment portfolios, that may result from data feed issues, accounting errors, pricing agents or valuation advisor, lack of adequate controls over pricing deficiencies or missing prices, model or input errors, and other control processes failures. The Valuation Control Group is responsible for oversight, monitoring and management of risk mitigating activities aimed to ensure that the assets in investment portfolios are fairly valued in accordance with our fiduciary and regulatory obligation.

The valuation process is implemented by dedicated business and infrastructure teams, as well as internal and external service providers. Valuation processes, procedures, and service relationships are documented and are designed to ensure compliance with our global standards and principles detailed in the valuation policies and relevant legal and regulatory requirements and client guidelines. The valuation risk management framework requires the implementation of consistent, robust, and reliable valuation and monitoring and control processes that define the organizational set-up, standardized procedures and appropriate controls. The risk management framework also provides direction for the committees, senior management and fund boards mandated to govern the asset valuation process.

Compliance and Control

[Anti-Financial Crime and Compliance]

GRI 2-27; 3-3; 205-2

Highlights

- An effective Anti-Financial Crime (AFC) and Compliance organisation safeguards our license to operate and addresses regulatory, reputational and operational business interests. It is essential to prevent financial crime and protect our clients, society and the Group.
- The development of sustainability risks and factors and their integration into existing processes continued in order to meet changing legal and regulatory requirements in 2023.
- Identifying and appropriately managing conflicts of interest is crucial to preventing adverse consequences for our customers, the Group and our employees.
- Our antitrust compliance programme and training aims to prevent or mitigate breaches of anti-trust laws.

Organisational Structure

The Executive Board is ultimately responsible for the management and mitigation of financial crime risks within the Group. It has delegated tasks relating to those obligations to the AFC and Compliance function. Our AFC and Compliance organization is part of the Chief Administrative Office and maintains close contact with the AFC and Compliance function of Deutsche Bank Group.

Risk Management

AFC and Compliance risks are part of the non-financial risk framework alongside liquidity-, financial and strategic risk. AFC and Compliance is the second line of defence control function, managing and mitigating the financial crime risks assigned to it in the non-financial risk management taxonomy.

Non-compliance with relevant laws and regulations and an inadequate control framework could expose us to significant legal, regulatory and reputational risk with a financial impact. Control management and execution is one cornerstone of the AFC and Compliance risk management framework as controls offer insights into risk trends and patterns and therefore enable us to manage risks and stay within risk appetite. Therefore under the AFC and Compliance risk management framework we monitor and assess our risk profile against the agreed risk appetite and the effectiveness of our risk mitigating controls.

Every employee is responsible for the prevention, detection, and reporting of internal and external fraud as well as bribery and corruption in connection with our business. We require all employees to conduct themselves with the highest standards of integrity and to follow the correct procedures if they believe that something is not right. A speak-up culture is essential to maintaining a positive compliance culture in which everyone not only adheres to our policies, but also adheres to applicable laws and regulations in all jurisdictions whilst offering a safe environment for employees to raise issues. Our anti-fraud policy applies to all employees, permanent and temporary, and explains how to immediately escalate any known or suspected fraudulent incident or any concern via our whistle-blower tool or hotline that protects the identity of the individuals raising the incident or concern. We take a zero-tolerance approach to bribery and corruption in line with our Code of Conduct, our values and beliefs, and national and international laws and regulations. The Anti-Bribery and Corruption Policy sets out the minimum standards of behaviour expected of all employees and third parties as well as the minimum safeguarding measures to be implemented. Any non-compliance with the anti-fraud as well as the anti-bribery and corruption policies will lead to consequences for the respective individuals.

Management Approach

The fight against financial crime is vital to ensure the stability and integrity of the international financial system. Failure to identify and manage risks relating to financial crime exposes us and our staff to potential corporate criminal and/or regulatory liability, civil lawsuits, financial losses, and reputational damage.

During 2023 we did not identify or report any material breaches of laws and regulatory requirements in relation to fraud, bribery, or corruption.

As a global asset manager, an effective compliance culture is key for safeguarding client assets. This includes the Compliance risk management processes such as risk identification, risk assessment and evaluation, risk monitoring and mitigation as well as a clear responsibility across all three lines of defence. This also includes communication, training and compliance with standards of behaviour which we expect our employees to adhere to.

The Code of Conduct sets out these standards of behaviour and requirements for our employees. It is designed to ensure that we conduct ourselves in compliance with law and regulation as well as ethically – with integrity, and in accordance with our and Deutsche Bank's policies and procedures.

As part of our risk management approach, we focus in particular on the following topics:

- Regulatory adherence
- Conflicts of interest
- Anti-competitive behaviours

Public Policy and Regulation

Regulatory reforms in the EU and internationally introduce changing legal and regulatory requirements for our clients and us. Failure to comply with laws and regulations applicable to us could result in regulatory penalties or fines, harm to our reputation and a material adverse effect on the results of our operations. The compliance framework is designed to identify such changes, to inform the business promptly and to allocate responsibility for assessing the impact of such changes and, where necessary, amending policies and procedures to ensure that they are implemented.

Since the risk of changing rules and regulations is inherent to our daily business, we have developed a framework to identify and implement new or changed regulations and allocate clear accountability for the identification, impact assessment, and implementation.

It helps to build our profile in public policy and regulatory interactions in general, so we engage constructively with regulatory stakeholders as well as contribute to informed strategic decision-making, provide oversight of key initiatives, and insight for senior management on upcoming regulatory changes.

On a monthly basis, information on new and changed regulations is communicated to the business divisions and stakeholders. Within Compliance, a global regulatory practice group was established consisting of regional regulatory Compliance experts to provide updates on key items in the respective jurisdictions and any potential extra-territorial impact. Information on regulatory developments and changes is included in our quarterly reports to management.

How regulatory changes are implemented depends on their complexity and impact of the changes. Major regulatory changes such as prudential requirements applicable to investment firms are executed through programmes to manage cross-divisional implementation and ensure the involvement of relevant stakeholders.

In 2023, the public affairs and regulatory strategy team provided ad hoc updates on political and regulatory developments to senior management, coordinated the development and delivery of our positions on important regulatory topics, and acted as a clearing house for memberships in trade bodies and business organisations close to political stakeholders.

ESG Regulatory Compliance

GRI 3-3

Sustainable Finance Disclosure Regulation, EU Taxonomy Regulation, UK Sustainability Disclosure Requirements

In 2023, our primary focus was on the implementation of regulatory requirements derived from the Sustainable Finance Disclosure Regulation, with a particular emphasis on the statement on Principal Adverse Impacts of investment (PAI Statement) and the periodic disclosure for financial products. Other regulatory focal points included the implementation of the Taxonomy Regulation, as well as the analysis and initial implementation of upcoming regulatory requirements resulting from the Corporate Sustainability Reporting Directive, which must be transposed into national law, and UK Sustainable Disclosure Requirements.

A significant milestone was the final implementation and publication of PAI Statements on 30 June 2023. We continued to enhance our pre-contractual documents, periodic reports, and website disclosures on the product level to meet additional requirements of national competent authorities, such as Commission de Surveillance du Secteur Financier from Luxembourg. As a result, a separate procedures document was released on our products web pages that contains details on our ESG data and methodology in relation to those products subject to Sustainable Finance Disclosure Regulation.

In June 2023, we updated our European ESG Template to the latest version 1.1.1. The template serves as a standardized framework for exchanging ESG data between product manufacturers and distributors. Developed by FinDatEx in cooperation with market associations for the banking, fund, and insurance sectors, it aligns with data definitions specified by relevant EU legislative acts, including Sustainable Finance Disclosure Regulation, EU Taxonomy Regulation, the amended European Union Markets in Financial Instruments Directive II and Insurance Distribution Directive.

Besides product and legal entity disclosures, we have provided key performance indicators related to taxonomy alignment at group level within the Annual Report. This requirement stems from the EU Taxonomy Regulation Article 8 – for more details, please refer to the section 'Complementary Information – Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation (EU) 2021/2178'.

Furthermore, we will have to comply with the requirements of the Corporate Sustainability Reporting Directive in our 2024 Annual Report. In preparation for the related disclosure requirements, we set up an implementation project in 2023, which involved conducting a readiness assessment and preliminary materiality assessment based on the European Sustainability Reporting Standards.

In addition, owing to our organizational structure and our operations in the UK, we have also taken steps to comply with the upcoming requirements of the UK Sustainability Disclosure Requirements, which are part of the UK Green Finance Strategy.

Business Ethics

GRI 2-23; 2-26; 3-3

We follow the Deutsche Bank Group global conduct risk framework. This is designed to avoid the inappropriate creation of bad outcomes for our clients, for us or the integrity of financial markets through breaches of laws, regulations, or internal requirements, as stipulated within the Code of Conduct of Deutsche Bank Group and supporting policies/procedures. This global framework defines the principles for oversight of the management of conduct risk so that there is timely identification, reporting, escalation and remediation of issues that arise. The Code of Conduct defines rules of behaviour that are binding for all our employees. When incidents occur, we explicitly encourage our employees to escalate potential concerns to a supervisor or the relevant control function (for example Compliance).

We have developed a distinct set of values to position ourselves for the future. Specifically, all our employees are personally responsible and accountable for living up to our core values of “Client Commitment, Entrepreneurial Spirit and Sustainable Action”. We want to continue to foster an environment that is open and diverse, where staff opinions and “speaking-up” are valued and encouraged without fear of retaliation, and our success as an organization is built on respect and collaboration, in serving our clients, stakeholders and communities. With regards to reputational risk, our brand is one of our most important assets.

Our corporate culture is one of our greatest and most intangible assets. Therefore, enhancing and protecting our corporate culture which is grounded in trust, accountability, transparency and propelled by a shared business vision remains of paramount importance. Our 2023 culture integrity and conduct plan included six initiatives designed to drive our corporate culture, which is further broken down into actionable milestones across focus areas that include trust, accountability, and purpose. These initiatives are intended to foster a transparent and robust culture for employees that facilitates ethical behaviour and appropriate decision-making, supported by other divisional messages. For example, the “People Leader Enablement” initiative emphasises increased accountability of our leaders/managers to lead by example and create a positive, high-performing culture and the “More Effective and Timely Decision Making” initiative focuses on reducing complexity across our business and creating a more modern work environment that empowers employees to reach peak performance as one team.

Another key initiative, “Grey Area Training, Scenario Framework” increases employee awareness of grey areas, which enable employees to feel confident to challenge behaviour that could represent conduct risk, raise concerns related to dilemmas, navigate unclear boundaries and challenges that may arise in their daily work, as well as speak-up on how the organization can do better. In 2023, interactive classroom/virtual training sessions were delivered with further focus on specific grey area scenarios.

Dealing with Conflicts of Interest

GRI 2-15

Conflicts of interest are inherent to asset management businesses. Failure to recognise and appropriately manage conflicts of interest can result in inappropriate or adverse consequences for clients, the Group, and our employees. Therefore we have implemented a dedicated framework for conflicts of interest in line with the Conflicts of Interest Policy, to identify actual and potential conflicts and to seek to manage them fairly and appropriately for all involved parties.

Each function must implement measures to ensure that actual or potential conflicts of interest are identified and managed appropriately. This includes, among other things, a conflict of interest register listing conflicts of interest that have arisen and may arise within a business area.

Beyond the business units, control functions deal with, review or oversee the management of conflicts of interest either directly or indirectly. As an example, we use the employee compliance program to check whether employee transactions are in line with regulatory requirements and whether they are detrimental to our customers or the market. Furthermore, the Compliance control room monitors and controls the flow of insider information to minimize conflict scenarios.

Anti-Competitive Behaviour

GRI 206-1

The consequences of anti-competitive behaviour could be serious and far-reaching. Our anti-trust compliance programme defines the minimum standards of behaviour for our employees and includes a comprehensive training and control framework that is designed to identify and monitor anti-trust risks to prevent or mitigate breaches of anti-trust laws.

There were no pending or completed legal actions against us during the reporting period regarding any anti-competitive behaviour or violations of antitrust and monopoly legislation in which the organization has been identified as a participant.

Marketing and Labelling

Our governance structure including operational guidelines, defined policies, and our corporate values provides a structured framework for all employees that is designed to protect our brand and reputation.

All marketing efforts must be fair, balanced and designed to ensure that risks are reasonably disclosed. Such materials are subject to regulatory requirements, which vary depending on the entity, product, intended audience, venue where the offer or sale occurs, and other criteria. Our employees should not only adhere to these requirements but also use professional judgment to present product and marketing content with honesty and transparency.

As part of the review process, our marketing and product materials are reviewed and approved by Compliance or respective business gatekeepers to ensure that all requirements are being followed. Our approval process is designed to ensure that only marketing and product material that has been reviewed and approved can be published or distributed externally to clients.

We promote responsible employee conduct by regular training events, communication and compliance with our Code of Conduct and legal requirements, which is the minimum standard for us and seeks to protect our clients' interests as well as our brand and reputation. We also promote the standards of relevant policies and guidelines, our global framework on controls of marketing material and for some regions additional marketing policies that have been defined based on local requirements.

[Data Protection]

GRI 3-3; 418-1

Highlights

- Continually strengthening governance and controls in line with regulatory developments on data protection
- Key advice in connection with the engagement of vendors as part of our multi-year transformation program
- No personal data breaches with material impact on individuals identified

In most countries where we conduct business there are data protection laws. These are derived from the privacy related statements in the EU Charter of Fundamental Rights, the UN Universal Declaration of Human Rights and the European Convention on Human Rights. We recognize that data protection is an important social value as clients, employees and other stakeholders expect that the personal data they entrusted to us is treated with the highest care. Therefore, we are committed to protecting personal data and complying with the General Data Protection Regulation and similar laws.

Management Approach/Governance

For data privacy, we are supported by Deutsche Bank Group Data Privacy, a specialised, independent control function that advises on and monitors the collection, processing, and use of personal data by our business divisions and infrastructure functions. As a second line of defence function, this team defines data protection principles and sets consistent requirements and minimum control standards with respect to data protection to ensure compliance with applicable laws and regulations. It is supported by local Data Protection Officers in the countries where we conduct business. Our Chief Administrative Officer receives an annual report on data privacy.

In 2023, a review and enhancement of the Deutsche Bank Group data protection policy framework and governance was initiated that also applies to us. The key data protection principles and how to comply with them are being refined in a separate overarching framework document. The existing Data Protection Policy is being revised to specify the data protection related requirements for employees and role holders in the organization. The policy establishes requirements for employees on the usage of personal data, the escalation of potential personal data breaches and specific requirements for vendor engagements. Further, it provides requirements for business divisions and infrastructure functions to deal with access rights requests received from individuals, obtain consent from an individual where required and to inform individuals about what is happening with their personal data.

Where required by law, privacy notices are provided directly by the business units and infrastructure functions to our customers and employees or are made available on their respective public websites, including the website-specific privacy notice. These notices provide an overview of how we process personal data and what rights individuals whose personal data are processed have under data protection law.

Based on the Deutsche Bank Group framework for managing non-financial risks, Group Data Privacy has established control requirements which DWS adheres to for mitigating data protection risk. These include the Data Privacy permissibility assessment of new activities that involve processing of personal data, for example when processing personal data using artificial intelligence.

Furthermore, Group Data Privacy also assesses emerging data protection laws and regulations on an ongoing basis for us and, if necessary, adjusts the policy framework as well as the minimum control standards. The same applies to technical developments and new digital business models.

Key Topics 2023

A key topic was the assessment of new data protection legislation in the countries where we do business: In 2023, the European Commission adopted its adequacy decision for the EU-US Data Privacy Framework which concludes that the United States ensures an adequate level of protection – compared to that of the EU – for personal data transferred from the EU to US companies participating in the Framework. Following this, the UK government introduced the UK-US Data Bridge which allows organizations in the UK to transfer personal data to US organizations certified to the UK Extension to the EU-US Data Privacy Framework. In addition, the Swiss Federal Act on Data Protection entered into force and India enacted the Digital Personal Data Protection Act with the effective date still pending. Group Data Privacy is closely monitoring the further development of the UK Data Protection and Digital Information (No 2) Bill which was reintroduced in March 2023. Where necessary, we are taking steps to ensure compliance with these laws.

Another key topic was the transfer of services previously performed by Deutsche Bank and its internal and external service providers to our own service providers. The associated processing of personal data required the implementation of new internal and external data processing agreements and associated security measures, particularly for third country transfers to countries outside the EU. The Data Protection department was involved in reviewing the contracts and assessing the appropriateness of the technical and organizational measures chosen to protect personal data.

Employee Awareness and Training

Training for employees on the impact of data protection laws on our day-to-day operations is a key factor in ensuring effective data protection in all operational processes. Mandatory data privacy training is required of all employees. In addition, employees are made aware of data protection through internal online events and intranet articles. Group Data Privacy organised several regional webinars in 2023 to raise awareness of the importance of data protection and the handling of personal data. Employees were also made aware of how to obtain internal support for data protection issues, what rights individuals have regarding data protection, best practices for the protection of personal data, trends in data protection, and the consequences of poor data protection practices.

No Personal Data Breaches with Material Impact on Individuals

For 2023, we did not identify any personal data breaches with a material impact on individuals. Our reporting processes and structures aim to ensure that data protection breaches are promptly escalated and incidents are assessed and dealt with immediately. Should a data protection breach occur, follow-up measures are taken as part of the incident management process. If necessary, the affected individuals will be informed as well as the competent data protection supervisory authorities.

[Responsible Tax Practices]

GRI 207-1; 207-2; 207-3

Highlights

- Tax monitoring and control framework fully embedded into our business
- We consider tax consequences of business operations and their long-term impacts to align with economic and commercial outcomes as well as interests of our stakeholders
- Tax evasion is illegal and our policies prohibit aiding or abetting tax evasion

Management Approach

Our tax policy framework is part of Deutsche Bank's tax strategy and principles. These principles are embedded in controls, apply to all our entities and have been approved by the Management Board of Deutsche Bank Group. The principles are subject to regular reviews. They enable us to manage our tax affairs in a value generating way while meeting applicable local and international laws and regulations (including international standards such as the Organisation for Economic Co-operation and Development Guidelines). These principles are designed so that the tax consequences of business operations are appropriately aligned with the economic and commercial consequences of those operations, with due regard being given to the potential perspective of the relevant tax authorities.

Tax principles help to make our interactions with tax authorities proactive, transparent, courteous, and timely and we seek to foster positive working relationships with tax authorities. As a responsible taxpayer, we consider long-term tax impacts and carefully evaluate the interests of all our stakeholders.This is achieved by presenting important tax issues to the respective legal entity boards. Moreover, we participate in and contribute to current discussions on tax regulations through business associations. This allows us to exert influence to try to ensure that new tax regulations represent our values with regard to a fair tax system in social, political and business terms.

Organisational Structure

The tax department as part of the CFO division is responsible for the global tax position. Our tax function is an independent risk and control function which is separated from the business divisions. We employ highly skilled professionals with the aim of ensuring that our own tax matters are robust and that we deliver high quality tax services.

Risk Management

The management, control and reporting of tax risks follows the three lines of defence model. The business divisions are the first line of defence being responsible for managing tax risks within the defined tax risk appetite. This is to ensure that organisational structures and processes are in place to identify, monitor, and evaluate the tax risks they generate or are exposed to. The second line of defence is the tax function which facilitates the implementation of a sound tax risk management framework that is designed to ensure that our position, with respect to tax matters, remains robust. The tax function is independent of the business divisions and responsible for defining the tax risk appetite as well as the tax risk management and control standards. The third line of defence is our internal audit function.

Targets and Preventing Infringements

We have controls and other mechanisms in place designed to ensure that we comply with applicable tax laws, file accurate tax returns, and pay the amount of tax due.

We advocate the development of sound regulations and internal procedures to combat financial crime, including tax evasion, and do not endorse actions that seek to undermine tax reporting of financial account information under applicable legislation, such as the Common Reporting Standard and the Foreign Account Tax Compliance Act. These requirements are also intended to prevent us from committing or facilitating – intentionally or negligently – criminal offences.

Internal Control System for the Financial and Non-Financial Reporting Process

General

The Executive Board is responsible for establishing and maintaining an adequate internal control system to support the consolidated financial reporting process and the integrated non-financial Group statement. The control system comprises the principles, processes and measures to provide assurance regarding the reliability of financial and non-financial reporting and the preparation of the Group's consolidated financial statements in accordance with IFRS and HGB.

Internal Control System for the Financial Reporting Process

Internal Control System Objectives

To mitigate financial reporting risk the internal control system has been established to provide reasonable but not absolute assurance against material misstatements. To support this we adopt the following objectives:

- **Existence**: Assets and liabilities exist and transactions have occurred
- **Completeness**: All transactions are recorded, account balances are included in the financial statements
- **Valuation**: Assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts
- **Rights, obligations and ownership**: Rights and obligations are appropriately recorded as assets and liabilities
- **Presentation and disclosures**: Disclosure, presentation and classification of financial reporting is appropriate
- **Safeguarding of assets**: Unauthorised acquisition, use or disposition of assets is prevented or detected in a timely manner

The internal control system covers both the financial reporting process of the entities included in the consolidated financial statements and the consolidation process itself. This is designed to ensure the consolidated financial statements are prepared in accordance with applicable rules and provisions.

The internal control system and risk management system as they relate to financial reporting form an integral part of our broader control environment.

Internal Control System Organisation

The Group organisational structure facilitates the operation of the internal control system with clear division of roles and responsibilities to support the financial reporting process and preparation of consolidated financial statements. The operation of the accounting related internal control system primarily involves staff based in the Chief Financial Office (CFO).

CFO is responsible for the periodic preparation of the financial statements. The two key control functions within CFO that contribute to the internal control system are the Group Controller and Financial Control Oversight.

The Group Controller is responsible for the financials of the Group and its consolidated subsidiaries. The Controller function sets the reporting timetables, performs the consolidation, controls and validates the period end results, executes adjustment processes, and compiles the Group financial statements. In addition, Product and Regional Finance teams are responsible for reviewing the quality of financial data by performing validation and control, in close contact with business, infrastructure and legal entity management.

Financial Control Oversight is responsible for implementation of the financial reporting control framework to minimise financial reporting risk. It also coordinates the evaluation and review of risk and control issues and performs ongoing assessment and monitoring of the effectiveness of the internal control system.

Financial Reporting Controls

We operate many controls over the financial reporting and consolidation processes. Some of the key controls that apply to these processes include the following:

- **Consolidation and other period end reporting controls:** Controls over consolidation, financial statement disclosure and presentation
- **Accounting policy design and implementation:** Controls are designed to ensure the consistent recording and reporting of business activities in accordance with accounting policies
- **Balance sheet substantiation:** Controls relating to the substantiation of balance sheet accounts are designed to ensure the integrity of general ledger account balances based on supporting evidence
- **Valuation including the independent price verification process:** Oversight over valuation processes by the Principal Valuation Control Council
- **Reconciliation controls, both external and internal:** Inter-system reconciliation between relevant systems for all transactions, positions or relevant parameters

- **New product and transaction approval, capture and confirmation:** Controls intended to ensure the completeness and accuracy of recorded transactions as well as appropriate authorisation for new products and transactions
- **System access controls:** Controls designed to govern user access to financial information in the key financial reporting systems by a need-to-know principle

Monitoring and Oversight of Internal Control Effectiveness

The effectiveness of the internal control system relating to the financial reporting process is regularly monitored. This includes monitoring performed by Financial Control Oversight and as part of the broader Group financial reporting and non-financial risk and control frameworks. This monitoring includes regular forums comprising control representatives, key control testing procedures to centrally evaluate the operating effectiveness of the control environment and regular reporting of control environment metrics to senior management.

These processes are supported by Internal Audit who evaluate the design and operating effectiveness of the internal control system by performing periodic and ad-hoc risk-based audits.

Finally, the Audit and Risk Committee as standing committee of the Supervisory Board in addition to the Executive Board provide senior oversight of the financial reporting process including signing off the consolidated financial statements for the Group.

[Internal Control System for the Non-Financial Reporting Process]

To support the accurate reporting of material non-financial information we have developed a non-financial internal control system, distinct from the internal control system for financial reporting. The objective of the internal control system for the integrated non-financial Group statement is to provide accurate reporting of sustainability KPIs (as reported in the section 'Our Responsibility –Sustainable Action') and other non-financial disclosures.

The internal control system comprises key controls that are designed to ensure the accuracy of sustainability KPIs. These controls reflect the following key principles:

- **Four eyes review:** All sustainability KPIs are subject to four eyes controls with at least two individuals involved in the review and reporting of KPI data. In addition for all KPIs, the CFO division acts as an independent control function before any KPIs are disclosed externally.
- **Data quality:** Data quality checks are performed to ensure accurate KPI reporting. Sustainability KPIs involve diverse sources of data and as such appropriate controls are executed to ensure integrity of the underlying data.
- **Documentation:** All sustainability KPIs are supported by control documentation which comprise key static data, process flow, key controls, and risk assessment.

In 2023, the sustainability KPIs were reviewed with members of the Group Sustainability Committee to determine if any changes were required to those being monitored. The results of the sustainability KPIs were also presented to the Group Sustainability Committee on a quarterly basis. The sustainability KPIs and their associated targets and ambitions are approved annually by the Executive Board.

Complementary Information

[Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation (EU) 2021/2178]

Background

We report under Article 8 of Regulation (EU) 2020/852 ("Taxonomy Regulation") as a financial undertaking and disclose how and to what extent our activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 Taxonomy Regulation.

The details of the KPI to be disclosed under Art. 8 Taxonomy Regulation are set out in a delegated act (Delegated Regulation (EU) 2021/2178 ("Delegated Regulation")). The Delegated Regulation differentiates between non-financial undertakings and financial undertakings in terms of the reporting requirements and content of the disclosure. Even though DWS KGaA does not qualify as a financial undertaking pursuant to Article 1 (8) Delegated Regulation, we are engaged in financial activities as the activities performed by several of our subsidiaries are those of an asset manager or an investment firm. Consequently, as the KPI for non-financial undertakings would not appropriately demonstrate to what extent our economic activities are sustainable under the Taxonomy Regulation, we are reporting under Article 8 Taxonomy Regulation as a financial undertaking. We are further reporting the KPI for asset managers as it most appropriately reflects our underlying business model.

Article 10 Delegated Regulation provides a phasing-in of the disclosure requirements. From 1 January 2022 until 31 December 2023, financial undertakings were only required to disclose their exposure to Taxonomy-eligible and non-eligible investments, central governments, central banks and supranational issuers, derivatives and undertakings that are not obliged to publish information pursuant to the Non-Financial Reporting Directive (NFRD) – hereafter referred to as "Non-NFRD Undertakings" – in relation to their total assets. We reported accordingly in our 2022 Annual Report.

From 1 January 2024 financial undertakings must disclose their Taxonomy KPI as specified in the relevant applicable Annexes to the Delegated Regulation, including certain accompanying information. Consequently, in this Annual Report we disclose the information to be reported by asset managers as specified in Annex III in the template format set out in Annex IV about the Taxonomy-alignment, Taxonomy-eligibility and Taxonomy-non-eligibility of our investments as well as the qualitative disclosures according to Annex XI Delegated Regulation.

As of 1 January 2023, financial undertakings and non-financial undertakings also must disclose information on their exposure to certain nuclear and fossil gas related activities covered by the Taxonomy Regulation in accordance with Annex XII Delegated Regulation. However, the calculation of KPI is subject to the availability of sufficient reported data for our investments. Due to the limited availability of relevant data at the date of publication of this Annual Report, we report each nuclear and fossil gas activity listed in template 1 of Annex XII Delegated Regulation with "yes", as we cannot rule out exposure to such activities. However, we have not included the information on Taxonomy-alignment, Taxonomy-eligibility, and Taxonomy-non-eligibility of our investments in the nuclear and fossil gas activities covered by the Taxonomy Regulation as per Annex XII Delegated Regulation in this Annual Report.

On 21 November 2023 the Delegated Regulation (EU) 2023/2486 containing technical screening criteria for the four non-climate objectives of the Taxonomy Regulation was published. These four objectives are: (1) sustainable use and protection of water and marine resources, (2) transition to a circular economy, (3) pollution prevention and control and (4) the protection and restoration of biodiversity and ecosystems. This Delegated Regulation (EU) 2023/2486 applies from 1 January 2024.

The Delegated Regulation (EU) 2023/2485 which was also published on 21 November 2023, establishes additional technical screening criteria for supplementary economic activities contributing to the two climate objectives of the Taxonomy Regulation (climate change mitigation and climate change adaptation). The additional technical screening criteria concern economic activities in the transportation sector as well as desalination and services for preventing and responding to climate-related disasters and emergencies. This Delegated Regulation (EU) 2023/2485 also generally applies from 1 January 2024.

The continuous development of the Taxonomy Regulation is reflected in the disclosure requirements for entities in scope of Article 8 Taxonomy Reporting, albeit allowing a phased-in disclosure. Acknowledging the need to obtain relevant data from investees, financial undertakings from 1 January 2024 until 31 December 2025 are only required to disclose the proportion in their covered assets of exposure to Taxonomy-eligible and non-eligible economic activities pursuant to the Delegated Regulation (EU) 2023/2486 and the new economic activities covered by the Delegated Regulation (EU) 2023/2485. We intend in the future to comply with these additional disclosure requirements.

However, due to unavailability of relevant data at the time of publication of this Annual Report, we were not able to disclose Taxonomy-eligibility and Taxonomy-non-eligibility of our investments relating to the four non-climate objectives of the Taxonomy Regulation.

Further, we report as not applicable ("N/A") the breakdown of the numerator of our key performance indicator relating to the four non-climate objectives of the Taxonomy Regulation to be disclosed according to Annex IV Delegated Regulation because we do not have to report Taxonomy-alignment pursuant to Article 10 (7) Delegated Regulation in this Annual Report.

Due to the lack of clarity on whether relevant data at the time of publication of this Annual Report includes data on the additional economic activities under the Delegated Regulation (EU) 2023/2485, we cannot confirm whether the disclosure of Taxonomy-eligibility and Taxonomy-non-eligibility of our investments includes such additional economic activities.

On 21 December 2023, the European Commission published a Draft Commission Notice addressed to financial undertakings aiming to provide further guidance about the reporting of their KPI under Article 8 Taxonomy Regulation ("Commission Notice"). The Commission Notice has been approved in principle but has not formally been adopted. To the extent we have been able to evaluate the Commission Notice in the limited time available, we have nevertheless sought to comply with it in respect to our Article 8 Taxonomy Regulation disclosure in this Annual Report. We will complete our analysis in due course for the purposes of future disclosures.

Our KPI

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:[1]		The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below:[1]	
Turnover-based in %	0.8	Turnover-based in € m.	6,201
CapEx-based in %	1.6	CapEx-based in € m.	12,057

The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities:[1,2]		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.[1]	
Coverage ratio in %	85.0	Coverage in € m.	734,382

1 Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure. Excluding investments in central governments, central banks and supranational issuers.
2 Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure.

Qualitative Disclosures

The KPI reporting for financial undertakings is to be accompanied by the qualitative disclosure provisions contained in Annex XI of the Delegated Regulation to support the financial undertakings' explanations and markets' understanding of the reported KPI.

Contextual Information in Support of the Quantitative Indicators, on the Scope of Assets, Data Sources and Limitations

We display our KPI without providing the complementary information to be provided according to Annex IV Delegated Regulation in this management summary. We provide the KPI as well as the complementary information according to Annex IV Delegated Regulation in the 'Supplementary Information – Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation (EU) 2021/2178'.

The definition of assets under management we apply for the purpose of determining the Taxonomy-eligibility and Taxonomy-alignment of our investments deviates from the definition of AuM as otherwise stated in the 'Our Performance Indicators – Our Financial Performance'. For our Article 8 Taxonomy Reporting we follow the guidance from the European Commission in the Commission staff document Frequently Asked Questions (FAQs) on "What is the EU Taxonomy Article 8 delegated act and how will it work in practice". Accordingly, the value of all covered assets under management used for reporting the proportion of Taxonomy-–alignment, Taxonomy-eligibility and Taxonomy-non-eligibility encompasses the value of all assets under management from our collective and individual portfolio management activities without investments in central governments, central banks and supranational issuers. For the avoidance of doubt, references to “Group AuM” in this section are to AuM of DWS Group calculated in accordance with the foregoing FAQ.

Further, we have not used estimates for assessing Taxonomy-alignment of our investments.

We used data from external data service providers for our Article 8 Taxonomy Regulation reporting. For our Illiquid businesses, data sources used include internal sources and external counterparties such as investee companies and fund managers.

Further, based on guidance entitled “Frequently asked questions: How should financial and non-financial undertakings report taxonomy-eligible economic activities and assets in accordance with the Taxonomy Regulation Article 8 Disclosures Delegated Act?” by the European Commission on 31 January 2022, we applied a look-through approach to the majority of our fund holdings, to the extent relevant data was available, to improve our reporting.

ESG data on all of our directly managed Real Estate assets is incorporated in a third-party ESG data management platform (Measurabl). Taxonomy-alignment for Real Estate assets is to be assessed applying the technical screening criteria of the Delegated Regulation (EU) 2021/2139.

Real Estate assets outside of the EU, with the exception of those which have a UK Energy Performance Certificate, are not subject to the EU Energy Performance Certificates regime nor the EU Energy Performance of Buildings Directive, which are required for technical screening for the environmental objective “Climate Change Mitigation” of the Taxonomy Regulation. At present, there is no established and widely recognised international method available to translate various global non-EU energy performance assessment schemes into EU Energy Performance Certificates. Therefore, we believe it is currently not possible to accurately assess climate mitigation performance of non-EU/non-UK Real Estate assets.

We applied the substantial contribution technical screening criteria for Climate Change Mitigation according to the Delegated Regulation (EU) 2021/2139 to our directly managed Real Estate assets located in the EU and the UK. The result of this analysis was that only an immaterial percentage fulfilled those criteria in 2023.

For all of our directly managed Real Estate assets we could not completely assess Taxonomy-alignment according to the technical screening criteria of Delegated Regulation (EU) 2021/2139 with the environmental objective of Climate Change Adaptation of the Taxonomy Regulation because we believe it is at present not possible to accurately assess climate change adaptation due to inadequate methodology, capacity and verification systems

As a consequence, the weighted average value of all investments that are directed at funding, or are associated with taxonomy-aligned economic activities used for calculating our KPI does not include the value of our directly managed Real Estate assets.

ESG data on all our indirectly managed Real Estate assets is not available in Measurabl, because we do not have sufficient access to these assets at this point in time. Therefore, due to lack of data availability, it is not possible to assess Taxonomy-alignment for these assets. Indirectly managed assets are assets the value of which is included in our collective and/or individual portfolio management activities as we are ultimately responsible for their management, but which are directly managed by a third party.

All data have limitations which include the reliance on external valuation methodology, data availability and data quality such as completeness and correctness that can result in over- or understating of the KPI. The information is provided as of 31 December 2023.

Compliance of our Business Strategy, Product Design Processes and Engagement with Clients and Counterparties

Notwithstanding the many challenges in obtaining reliable data for the economic activities covered by the Taxonomy Regulation, we will continue to seek to comply with it in relation to our business strategy, product design processes and engagement with clients and counterparties.

We also aim to make further use of data reported in accordance with the Taxonomy Regulation in our research activities as well as in proxy voting and engagement, where such data are available and reliable.

Information pursuant to Sections 289a and 315a of the German Commercial Code and Explanatory Report

Structure of the Share Capital including Authorized and Conditional Capital

For information regarding DWS Group's share capital please refer to note '18 – Equity' to the 'Consolidated Financial Statements'.

Restriction on Voting Rights or the Transfer of Shares

Under Section 136 of the German Stock Corporation Act (AktG) the voting right of the affected shares is excluded by law. As far as DWS KGaA held own shares as of 31 December 2023 in its portfolio according to Section 71b of the German Stock Corporation Act (AktG) no rights could be exercised.

Pursuant to Section 285 (1) Sentence 2 of the German Stock Corporation Act (AktG), the shareholder of the General Partner, DB Beteiligungs-Holding GmbH, is not entitled to vote its shares in certain situations, for example, for the election or removal of the Supervisory Board members, the ratification of acts of management, the appointment of the auditor and the appointment of a special auditor.

We are not aware of any other restrictions on voting rights or the transfer of shares.

Shareholdings which Exceed 10% of the Voting Rights

The German Securities Trading Act (Wertpapierhandelsgesetz) requires that any investor whose share of voting rights reaches, exceeds or falls below certain thresholds as the result of purchases, disposals or otherwise, must notify us and the German Federal Financial Supervisory Authority thereof. The lowest threshold is 3%.

DWS KGaA has its registered seat in Frankfurt am Main, Germany and its business address is Mainzer Landstrasse 11-17, 60329 Frankfurt am Main. DWS KGaA is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 111128. The company is a partnership limited by shares incorporated in Germany and governed by German law.

DB Beteiligungs-Holding GmbH, which has its registered seat in Frankfurt am Main, Germany, and is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 87504, is the largest shareholder of DWS KGaA. As per 20 April 2018, DB Beteiligungs-Holding GmbH held 158,981,872 units or a 79.49% share in DWS KGaA. We are not aware of any changes as of 31 December 2023.

DB Beteiligungs-Holding GmbH is a wholly-owned subsidiary of Deutsche Bank AG, which has its registered seat in Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 30000. Deutsche Bank AG is the ultimate beneficial owner of those units held by DB Beteiligungs-Holding GmbH.

The remaining shares are held by investors outside of Deutsche Bank Group.

DWS KGaA is not aware of any other shareholder holding directly or indirectly more than 10% or more of the voting rights.

Shares with Special Control Rights

Shares which confer special control rights have not been issued.

Rules Governing the Appointment and Replacement of the Managing Directors of the General Partner (Executive Board)

Pursuant to the Articles of Association of DWS KGaA (Section 7) the management of DWS KGaA is the sole responsibility of the General Partner, DWS Management GmbH. Pursuant to Section 6 (1) and (2) of the Articles of Association of the General Partner, the General Partner shall have at least two Managing Directors (Geschäftsführer) who are appointed and dismissed by resolution of the shareholders' meeting of DWS Management GmbH. The Managing Directors manage the business activities of DWS Management GmbH and – with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – the business activities of DWS KGaA. For ease of reference, the Managing Directors are collectively referred to as the "Executive Board". They are also responsible for representing DWS Management GmbH as well as DWS KGaA vis-à-vis third parties. Decisions taken by the Executive Board are in accordance with the law, the Articles of Association of DWS KGaA and the General Partner, the Terms of Reference of the Executive Board and, subject to the statutory and regulatory restrictions, instructions from the shareholders' meeting of the General Partner. For certain material decisions in relation to the business of DWS KGaA the General Partner also requires approval from the Joint Committee (see section 'Corporate Governance Statement – Corporate Bodies'). The Executive Board has a Chairperson (Chief Executive Officer), who is appointed by the shareholders' meeting of the General Partner pursuant to the Terms of Reference for the Executive Board.

Pursuant to the German Investment Firm Act evidence must be provided to the German Federal Financial Supervisory Authority (BaFin) and to the Deutsche Bundesbank that any member of the Executive Board is reliable and has adequate professional suitability and sufficient time availability to exercise the respective task before the member is appointed (Section 67 (2) number 1 of the Securities Institutions Act).

Pursuant to Section 62 (2) of the Securities Institutions Act, BaFin can demand that members of the Executive Board are dismissed and prohibit them from carrying out their activities if such members are not reliable or do not have the professional suitability to manage the company or do not commit sufficient time to the performance of their functions. In addition, BaFin can require the dismissal of members of the Executive Board and prohibit them from carrying out their activities if such members have intentionally or recklessly contravened the provisions of the Securities Institutions Act, the regulations issued to support its implementation or orders issued by BaFin, and if they persist in such behaviour despite having been duly cautioned by BaFin.

Rules Governing the Amendment of the Articles of Association

Any amendment of the Articles of Association of DWS KGaA requires a resolution of the General Meeting of the company pursuant to Section 179 of the German Stock Corporation Act (AktG). Pursuant to the Articles of Association of DWS KGaA, the resolutions of the General Meeting are taken by a simple majority of votes and, in so far as a majority of capital stock is required, by a simple majority of capital stock, except where law or the Articles of Association determine otherwise (Section 25 (1)). Resolutions passed in the General Meeting require the approval of the General Partner where they involve matters which, in the case of a limited partnership, require the authorization of the personally liable partners. This includes resolutions on the amendment of the Articles of Association. To the extent that the resolutions of the General Meeting are subject to the consent of the General Partner, the General Partner shall declare at the General Meeting whether consent to the resolutions will be given or will be refused (Section 25 (3)). The authority to amend the Articles of Association in so far as such amendments merely relate to the wording has been assigned to the Supervisory Board (Section 25 (4)).

Amendments to the Articles of Association become effective upon their entry in the Commercial Register pursuant to Section 181 (3) of the German Stock Corporation Act (AktG).

Powers of the General Partner to Issue or Buy Back Shares

On 9 June 2022 the General Meeting of DWS KGaA approved the creation of two authorized capitals in the total amount of € 80 million:

The General Partner is authorized to increase the share capital of the company on or before 8 June 2025 once or more than once, by up to a total of € 20 million – through the issuance of new shares against cash payment or contribution in kind ("Authorized Capital 2022/I"). Shareholders are to be granted pre-emptive rights, but the General Partner is authorized to except broken amounts from shareholders' pre-emptive rights. The General Partner is also authorized to exclude pre-emptive rights if the capital increase against contribution in kind is carried out in order to acquire companies or shareholdings in companies. Finally, the General Partner is authorized to exclude the pre-emptive rights if the issue price of the new shares is not significantly lower than the quoted price of the shares already listed at the time of the final determination of the issue price and the total shares issued since the authorization in accordance with Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG) do not exceed 10% of the share capital at the time the authorization becomes effective – or if the value is lower – at the time the authorization is utilized. Decisions of the General Partner to utilize the Authorized Capital 2022/I and to exclude pre-emptive rights require the approval of the Supervisory Board. The new shares may also be taken up by banks specified by the General Partner with the obligation to offer them to shareholders (indirect pre-emptive right). Further details are governed by Section 4 of the Articles of Association.

The General Partner is authorized to increase the share capital of the company on or before 8 June 2025 once or more than once, by up to a total of € 60 million through the issuance of new shares against cash payment ("Authorized Capital 2022/II"). Shareholders are to be granted pre-emptive rights, but the General Partner is authorized to except broken amounts from shareholders' pre-emptive rights. Decisions of the General Partner to utilize the Authorized Capital 2022/II and to exclude pre-emptive rights require the approval of the Supervisory Board. The new shares may also be taken up by certain banks specified by the General Partner with the obligation to offer them to the shareholders (indirect pre-emptive right). Further details are governed by Section 4 of the Articles of Association.

By resolution of the Annual General Meeting of 5 June 2019 the General Partner is authorized to purchase, on or before 31 May 2024, its own shares in a total volume of up to 5% of the share capital at the time the resolution is taken or – if the value is lower – of the share capital at the time this authorization is exercised. Together with its own shares acquired for other reasons and which are from time to time in the company's possession or attributable to the company pursuant to Section 71a et. seq. of the German Stock Corporation Act (AktG), the own shares purchased on the basis of this authorization may not at any time exceed 10% of the company's respectively applicable share capital. The own shares may be bought through the stock exchange or by means of a public purchase offer to all shareholders. The authorization provides for certain thresholds by defining a minimum and maximum consideration for the acquisition of a treasury share. The countervalue for the purchase of shares (excluding ancillary purchase costs) through the stock exchange may not be more than

10% higher or lower than the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before the obligation to purchase. In the case of a public purchase offer, it may not be more than 20% higher or lower than the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before the day of publication of the offer. If the volume of shares offered in a public purchase offer exceeds the planned buyback volume, acceptance must be in proportion to the shares offered in each case. The preferred acceptance of small quantities of up to 100 of the company's shares offered for purchase per shareholder may be provided for.

In addition, the General Partner is authorized to dispose of the purchased shares on the stock exchange or by an offer to all shareholders. The General Partner is also authorized to use shares purchased on the basis of authorizations pursuant to Section 71 (1) number 8 of the German Stock Corporation Act (AktG) to issue staff shares to employees and retired employees of DWS Group or to use them to service option rights on shares of DWS and/or rights or duties to purchase shares of DWS granted to employees or members of executive or non-executive management bodies of DWS Group.

Furthermore, the General Partner is authorized, with the exclusion of shareholders' pre-emptive rights, to sell such own shares to third parties against cash payment if the purchase price is not substantially lower than the price of the shares on the stock exchange at the time of sale. The General Partner may only use this authorization if it has been ensured that the number of shares sold on the basis of this authorization does not exceed 10% of the company's share capital at the time this authorization becomes effective or – if the amount is lower – at the time this authorization is exercised. Shares that are issued or sold during the validity of this authorization with the exclusion of pre-emptive rights, in direct or analogous application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), are to be included in the maximum limit of 10% of the share capital. Also to be included are shares that are to be issued to service option and/or conversion rights from convertible bonds, bonds with warrants, convertible participatory rights or participatory rights, if these bonds or participatory rights are issued during the validity of this authorization with the exclusion of pre-emptive rights in corresponding application of Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG).

Finally, the General Partner is also authorized to cancel shares acquired on the basis of the described authorizations or a preceding authorization without the execution of this cancellation process requiring a further resolution by the General Meeting.

By resolution of the Annual General Meeting of 5 June 2019 the General Partner is authorized pursuant to Section 71 (1) number 8 of the German Stock Corporation Act (AktG) to execute the purchase of shares under the resolved authorization also with the use of derivatives. The purchase of shares may be executed, apart from in the ways described above with the use of put and call options or forward purchase contracts. DWS KGaA may sell to third parties put options based on physical delivery and buy call options from third parties if it is ensured by the option conditions that these options are fulfilled only with shares which themselves were acquired subject to compliance with the principle of equal treatment. All share purchases based on put or call options are limited to shares in a maximum volume of 5% of the actual share capital at the time of the resolution by the General Meeting on this authorization. The term of the options must be selected such that the share purchase upon exercising the option is carried out at the latest on 31 May 2024.

The authorization provides for certain thresholds for such transactions. The purchase price to be paid per share upon exercise of the put options or upon the maturity of the forward purchase may not exceed by more than 10% or fall below 10% of the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before conclusion of the respective transaction in each case excluding ancillary purchase costs but taking into account the option premium received. The call options may only be exercised if the purchase price to be paid does not exceed by more than 10% or fall below 10% of the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before the acquisition of the shares.

The authorized capitals and the authorization to purchase and sell own shares have not been utilized so far.

Significant Agreements which Take Effect, Alter or Terminate upon a Change of Control of the Company Following a Takeover Bid

Significant agreements which take effect, alter or terminate upon a change of control of the company following a takeover bid have not been entered into.

Agreements for Compensation in Case of a Takeover Bid

If a member of the Executive Board leaves the Group within the scope of a change of control, she or he is not entitled to any specific one-off compensation payment. For information on the compensation system, please refer to the 'Compensation Report – Executive Board Compensation'.

Consolidated Financial Statements

Consolidated Financial Statements

Consolidated Statement of Income

in € m.	Notes	2023	2022
Management fees income		3,563	3,719
Management fees expense		1,248	1,263
Net management fees	6	**2,315**	**2,456**
Performance and transaction fee income		132	134
Performance and transaction fee expense		4	8
Net performance and transaction fees	6	**128**	**125**
Net commissions and fees from asset management	6	**2,443**	**2,582**
Interest and similar income[1]		117	39
Interest expense		14	18
Net interest income		**103**	**21**
Net gains (losses) on financial assets/liabilities at fair value through profit or loss[2]		113	(185)
Net income (loss) from equity method investments	11	42	66
Provision for credit losses		0	(1)
Other income (loss)[2]		(88)	228
Total net interest and non-interest income		**2,614**	**2,712**
Compensation and benefits	19	865	846
General and administrative expenses	7, 14	972	933
Impairment of goodwill and impairment/(impairment reversal) of other intangible assets	12	0	68
Total non-interest expenses		**1,837**	**1,847**
Profit (loss) before tax		**777**	**866**
Income tax expense	20	224	271
Net income (loss)		**553**	**595**
Attributable to:			
Non-controlling interests		2	1
DWS shareholders		552	594

[1] Interest and similar income includes € 95 million for 2023 and € 21 million for 2022, calculated based on effective interest method.
[2] Net gains (losses) on financial assets/liabilities at fair value through profit or loss is mainly attributable to trading assets held by guaranteed funds of € 111 million for 2023 (€ (186) million for 2022). This is offset by income (loss) from liabilities held by guaranteed funds of € (111) million for 2023 (€ 186 million for 2022) shown in other income. DWS Group has no shares in these funds. Other income includes a sales gain of € 30 million for 2022 from the transfer of the digital investment platform to MorgenFund GmbH.

Consolidated Statement of Comprehensive Income

in € m.	2023	2022
Net income (loss) recognised in the income statement	**553**	**595**
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Remeasurement gains (losses) related to defined benefit plans, before tax	(7)	58
Income tax expense (benefit) related to items that will not be reclassified to profit or loss	(2)	19
Items that are or may be reclassified to profit or loss:		
Financial assets mandatory at fair value through other comprehensive income		
Unrealized net gains (losses) arising during the period, before tax	3	(73)
Equity method investments		
Net gains (losses) arising during the period	0	0
Foreign currency translation		
Unrealized net gains(losses) arising during the period, before tax	(140)	195
Realized net gains (losses) arising during the period (reclassified to profit or loss), before tax	0	0
Income tax expense (benefit) related to items that are or may be reclassified to profit or loss	1	(23)
Total other comprehensive income (loss), net of tax	**(143)**	**185**
Total comprehensive income (loss), net of tax	**410**	**780**
Attributable to:		
Non-controlling interests	2	1
DWS shareholders	409	779

Earnings per Common Share

	Notes	2023	2022
Earnings per common share:			
Basic	8	€ 2.76	€ 2.97
Diluted	8	€ 2.76	€ 2.97
Number of common shares (in million)	18	200	200

Consolidated Balance Sheet

in € m.	Notes	31 Dec 2023	31 Dec 2022
ASSETS			
Cash and bank balances	9	1,414	1,979
Financial assets at fair value through profit or loss:	9		
Trading assets		1,661	1,346
Positive market values from derivative financial instruments		30	21
Non-trading financial assets mandatory at fair value through profit or loss		2,693	2,122
Investment contract assets mandatory at fair value through profit or loss		484	469
Total financial assets at fair value through profit or loss	9	**4,868**	**3,959**
Financial assets at fair value through other comprehensive income	9	82	80
Equity method investments	11	420	415
Loans at amortized cost	9	4	6
Property and equipment	13	24	23
Right-of-use assets	14	135	121
Goodwill and other intangible assets	12	3,694	3,749
Other assets	9, 15	839	877
Assets for current tax	20	108	71
Deferred tax assets	20	95	131
Total assets		**11,683**	**11,412**

in € m.	Notes	31 Dec 2023	31 Dec 2022
LIABILITIES AND EQUITY			
Financial liabilities at fair value through profit or loss:	9		
Trading liabilities		31	38
Negative market values from derivative financial instruments		118	127
Investment contract liabilities designated at fair value through profit or loss		484	469
Total financial liabilities at fair value through profit or loss	9	**633**	**634**
Other short-term borrowings	9	8	21
Lease liabilities	14	152	139
Other liabilities	9, 15	2,800	2,500
Provisions	16	50	36
Liabilities for current tax	20	21	40
Deferred tax liabilities	20	202	213
Long-term debt	9	0	0
Total liabilities		**3,866**	**3,584**
Common shares, no par value, nominal value of € 1.00	18	200	200
Additional paid-in capital		3,440	3,447
Retained earnings		3,857	3,720
Accumulated other comprehensive income (loss), net of tax		293	432
Total shareholders' equity		**7,791**	**7,799**
Non-controlling interests		26	29
Total equity		**7,817**	**7,828**
Total liabilities and equity		**11,683**	**11,412**

Consolidated Changes in Equity

	Shareholders' equity									
				Accumulated other comprehensive income, net of tax						
				Unrealized net gains (losses)						
in € m.	Common Stock	Additional paid in capital	Retained earnings	On financial assets mandatory at fair value through other comprehensive income, net of tax	From equity method investments	Foreign currency translation, net of tax	Total	Total	Non-controlling interest	Total equity
Balance as of 1 January 2022	**200**	**3,448**	**3,487**	**(28)**	**19**	**295**	**286**	**7,421**	**24**	**7,445**
Total comprehensive income (loss), net of tax	0	0	594	(50)	0	195	145	740	0	740
Remeasurement gains (losses) related to defined benefit plans, net of tax	0	0	39	0	0	0	0	39	0	40
Cash dividends paid	0	0	400	0	0	0	0	400	0	400
Net change in share awards in the reporting period, net of tax	0	(2)	0	0	0	0	0	(2)	0	(2)
Other	0	0	0	0	0	0	0	0	4	5
Balance as of 31 December 2022	**200**	**3,447**	**3,720**	**(78)**	**19**	**491**	**432**	**7,799**	**29**	**7,828**
Balance as of 1 January 2023	**200**	**3,447**	**3,720**	**(78)**	**19**	**491**	**432**	**7,799**	**29**	**7,828**
Total comprehensive income (loss), net of tax	0	0	552	2	0	(140)	(138)	414	2	415
Remeasurement gains (losses) related to defined benefit plans, net of tax	0	0	(5)	0	0	0	0	(5)	0	(5)
Cash dividends paid	0	0	410	0	0	0	0	410	0	410
Net change in share awards in the reporting period, net of tax	0	(7)	0	0	0	0	0	(7)	0	(7)
Other	0	0	0	0	0	0	0	0	(4)	(4)
Balance as of 31 December 2023	**200**	**3,440**	**3,857**	**(76)**	**19**	**351**	**293**	**7,791**	**26**	**7,817**

Consolidated Statement of Cash Flows

in € m.	2023	2022
Cash flows from operating activities:		
Net income (loss)	**553**	**595**
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Restructuring activities	0	0
(Gain) loss on sale of financial assets from investing activity	(2)	(1)
Deferred taxes, net	25	1
Impairment, depreciation, other amortization and (accretion)	42	123
Share of net loss (income) from equity method investments	(42)	(66)
Other non-cash movements	(39)	54
Income (loss) adjusted for non-cash charges, credits and other items	**537**	**708**
Adjustments for net change in operating assets and liabilities:		
Interest-earning time deposits with banks	38	(48)
Other assets	5	210
Investment contract liabilities designated at fair value through profit or loss	15	(93)
Other liabilities	290	(386)
Trading assets and liabilities, positive and negative market values from derivative financial instruments, net[1]	(340)	141
Other, net	(17)	(10)
Net cash provided by (used in) operating activities	**528**	**522**
Thereof: Net cash provided by (used in) operating activities of guaranteed funds	(14)	(5)
Cash flows from investing activities:		
Proceeds from sale and maturities of:		
Non-trading financial assets mandatory at fair value through profit or loss[2]	3,428	1,869
Equity method investments	0	0
Property and equipment	0	1
Disposals of intangible assets	0	0
Purchase of:		
Non-trading financial assets mandatory at fair value through profit or loss[3]	(3,990)	(2,164)
Equity method investments	0	(49)
Property and equipment	(7)	(1)
Additional intangible assets	(67)	(39)
Dividends received from equity method investments	28	45
Loans at amortized cost made to other parties	(2)	(1)
Net cash provided by (used in) investing activities	**(609)**	**(340)**

in € m.	2023	2022
Cash flows from financing activities:		
Cash dividends paid to DWS shareholders	(410)	(400)
Other borrowings	0	0
Repayment of other borrowings	(14)	(53)
Repayment of lease liabilities (principal)	(21)	(19)
Net change in non-controlling interests	(2)	5
Net cash provided by (used in) financing activities	**(447)**	**(468)**
Net effect of exchange rate changes on cash and cash equivalents	**(1)**	**26**
Net increase (decrease) in cash and cash equivalents	**(529)**	**(259)**
Cash and cash equivalents at beginning of period	1,795	2,055
Net increase (decrease) in cash and cash equivalents	(529)	(259)
Cash and cash equivalents at end of period	**1,266**	**1,795**

[1] Comprises mainly of trading assets held by consolidated guaranteed funds that are offset by payables to clients held by guaranteed funds and presented in other liabilities.
[2] The inflows result mainly from maturities and disposals of government and corporate bonds.
[3] The outflows result mainly from investments in government and corporate bonds.

Supplemental cash flow information

in € m.	2023	2022
Net cash provided by (used in) operating activities includes:		
Income taxes paid (received), net	253	348
Interest paid	14	18
Interest received	97	20
Dividends received	17	8
Cash and bank balances:		
Cash	0	0
Bank balances on demand	1,266	1,795
Total cash and cash equivalents	**1,266**	**1,795**
Time deposits	147	183
Total cash and bank balances	**1,414**	**1,979**

Notes to the Consolidated Financial Statements

01 – Basis of Preparation

The accompanying consolidated financial statements present the operations of DWS Group GmbH & Co. KGaA (DWS KGaA) with its business address at Mainzer Landstrasse 11-17, 60329 Frankfurt am Main, and its consolidated subsidiaries presented as a single economic unit (collectively the Group).

The Group as asset manager offers individuals and institutions access to the Group's investment capabilities across all major liquid and illiquid asset classes.

DWS KGaA is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 111128. The company is a partnership limited by shares incorporated in Germany and governed by German law.

DB Beteiligungs-Holding GmbH, has its registered seat in Frankfurt am Main, Germany, is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 87504 and is the parent company of DWS KGaA holding a 79.49% share of DWS KGaA. The remaining shares are held by external investors. The ultimate parent company of DWS KGaA is Deutsche Bank AG, headquartered in Frankfurt am Main, Germany, registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 30000. The consolidated financial statements of Deutsche Bank AG in accordance with IFRS can be viewed on the Investor Relations website of Deutsche Bank AG (https://www.db.com/ir).

The accompanying consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB and endorsed by the EU and in compliance with Section 315a/315e German Commercial Code. The Group's application of IFRS results in no differences between IFRS as issued by the IASB and endorsed by the EU.

The Executive Board has a reasonable expectation that DWS KGaA and the Group have adequate resources to continue in operating existence for the foreseeable future. Accordingly, the Group's annual consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements have been prepared as at the end our reporting period, 31 December 2023 and comprise the period from 1 January 2023 to 31 December 2023. The individual financial statements of the companies included in the consolidation are drawn up on 31 December 2023, the same accounting date, as that of DWS Group GmbH & Co. KGaA. They have been prepared using uniform accounting policies. Please refer to note '02 – Significant Accounting Policies and Critical Accounting Estimates' for additional information.

The consolidated financial statements are stated in euro, the presentation currency of the Group except when otherwise indicated and are rounded to the nearest million. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. "N/A" is read as not applicable.

The Group's consolidated balance sheet is not presented using a current/non-current classification. The following balances are generally considered to be current: cash and bank balances, financial assets at fair value through profit and loss, other financial assets, assets for current taxes, financial liabilities at fair value through profit and loss, other short-term liabilities, other financial liabilities, provisions, and liabilities for current taxes.The following balances are generally considered to be non-current: equity method investments, goodwill and other intangible assets, deferred tax assets, long-term debt and deferred tax liabilities. All other balances are mixed in nature (including both current and non-current portions).

Disclosures about the management of risks arising from financial instruments as required by IFRS 7 "Financial Instruments: disclosures" are set forth in the 'Risk Report' of the 'Summarised Management Report' and are an integrated part of the consolidated financial statements. These audited disclosures are marked with a reference to IFRS 7/IAS 1 within the 'Risk Report'.

On 7 March 2024, the Executive Board prepared the consolidated financial statements, submitted them to the Supervisory Board for review and approval and released them for publication.

02 – Significant Accounting Policies and Critical Accounting Estimates

Accounting Policies

Consolidation Principles

In accordance with IFRS 10 "Consolidated Financial Statements", the Group's consolidated financial statements include the financial statements of DWS KGaA and its subsidiaries including certain structured entities.

Subsidiaries are those entities which DWS KGaA directly or indirectly controls. Control over an entity is evidenced by the Group's ability to exercise its power in order to affect any variable returns that the Group is exposed to through its involvement with the entity.

When assessing whether to consolidate an entity, the Group evaluates a range of control factors, namely:

– the purpose and design of the entity,
– the relevant activities and how these are determined,
– whether the Group's rights result in the ability to direct the relevant activities,
– whether the Group has exposure or rights to variable returns,
– whether the Group has the ability to use its power to affect the amount of its returns.

Where voting rights are relevant, the Group is deemed to have control where it holds, directly or indirectly, more than half of the voting rights over an entity unless there is evidence that another investor has the practical ability to unilaterally direct the relevant activities. Potential voting rights that are deemed to be substantive are also considered when assessing control.

Likewise, the Group also assesses existence of control where it does not control the majority of the voting power but has the practical ability to unilaterally direct the relevant activities or its exposure to the variability of returns is different from that of other investors. This may arise in circumstances where the size and dispersion of holdings of the shareholders give the Group the power to direct the activities of the investee. Issuance of a subsidiary's stock to third parties are treated as non-controlling interests. Profit or loss attributable to non-controlling interests are reported separately in the Consolidated Statement of Income and Consolidated Statement of Comprehensive Income.

At the date that control of a subsidiary is lost, the Group

a) derecognizes the assets (including attributable goodwill) and liabilities of the subsidiary at their carrying amounts.
b) derecognizes the carrying amount of any non-controlling interests in the former subsidiary.
c) recognizes the fair value of the consideration received and any distribution of the shares of the subsidiary.
d) recognizes any investment retained in the former subsidiary at its fair value and
e) recognizes any resulting difference of the above items as a gain or loss in the income statement

Any amounts recognized in prior periods in other comprehensive income in relation to that subsidiary would be reclassified to the Consolidated Statement of Income or transferred directly to retained earnings if required by other IFRS.

Newly acquired subsidiaries are consolidated using the acquisition method. This method requires all of a subsidiary's and consolidated structured entity's assets and liabilities to be recognised at fair value at the acquisition date or at the date on which control is acquired. Any difference between the cost and the fair value of the assets and liabilities is recognised as goodwill under intangible assets.

Structured Entities

Structured entities are designed to serve a specific business purpose and voting rights or similar rights are not the dominant factor in deciding who controls the entity. This is the case, for example, when voting rights only relate to administrative tasks and the relevant activities are controlled through contractual agreements.

Structured entities are consolidated when the substance of the relationship between the Group and the structured entities indicates that the structured entities are controlled by the Group and the Group is exercising its power as a principal rather than as an agent. In assessing whether the Group is an agent or a principal, it considers a number of factors, including the scope of its decision-making activities, rights held by other parties and its exposure to variable returns including remuneration.

The Group engages with structured entities mainly in order to carry out its business activities, the management of assets on behalf of its clients. In addition, the group invests in structured entities for liquidity management purposes. A group entity may act as fund manager or some other capacity and provide funding and liquidity facilities to both group sponsored and third party funds.

The Group holds mainly shares in the following structured entities which are to be consolidated based on the principles described:

- **Guaranteed funds** which provide a partial notional guarantee at a date specified in the respective guaranteed contract are managed by the Group. Although, the Group has no shares in these funds they are consolidated in accordance with IFRS 10 “Consolidated Financial Statements”.
- **Seed investments** are deployed to build marketable track records for new products initiated by the Group and to establish necessary funding for a new fund. Over time, seed investments are withdrawn as clients invest in the funds. Seed investments typically comprise shares of mutual funds, ETFs or equity interests in other types of commingled vehicles. The duration of deployed capital is typically up to three years.
- **Co-investments** are deployed to develop new investment strategies, especially in alternative asset classes, and to ensure an alignment of interest alongside clients with the management.

Since investors can request the redemption of units on each valuation date, provided the Group has not restricted or temporarily suspended the redemption of units, and receive back the market value of their units, the interests of the investors do not qualify as equity and the Group recognizes a liability at amortized cost within other liabilities which reflects the implied fair value based on the assets held as trading assets measured at fair value through profit or loss.

Equity Method

Investments in associates are accounted for under the equity method. An associate is an entity in which the Group has significant influence, but not a controlling interest, over the operating and financial management policy decisions of the entity.

Significant influence is generally presumed when the Group holds between 20% and 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether the Group has significant influence. Among the other factors that are considered in determining whether the Group has significant influence are representation on the board of directors and material intercompany transactions. The existence of these factors could require the application of the equity method of accounting for a particular investment even though the Group’s investment is less than 20% of the voting stock.

Under the equity method, the Group’s investments in associates are initially recorded at cost including any directly related transaction costs incurred in acquiring the associate, and subsequently increased (or decreased) to reflect both the Group’s pro-rata share of the post-acquisition net income (or loss) of the associate and other movements included directly in the equity of the associate.

Goodwill arising on the acquisition of an associate is included in the carrying value of the investment. As goodwill is not reported separately it is not specifically tested for impairment. Rather, the entire equity method investment is subject to impairment testing quarterly or when there is an indication of a possible impairment.

The Group’s share of the results of associates which is presented under Net income (loss) from equity method investments in the Consolidated Statement of Income is adjusted to conform to the accounting policies of the Group. Profits and losses resulting from transactions between the Group and its associates are eliminated to the extend of the Group’s share.

At the date that the Group ceases to have significant influence over the associate,the Group recognizes a gain or loss on the disposal of the equity method investment equal to the difference between the sum of the fair value of any retained investment and the proceeds from disposing of the associate and the carrying amount of the investment. Amounts recognized in prior periods in other comprehensive income in relation to the associate are accounted for on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities.

Foreign Currency Translation

The consolidated financial statements are presented in euro while various entities in the Group use a different functional currency, being the currency of the primary economic environment in which the entity operates.

An entity records foreign currency revenues, expenses, gains and losses in its functional currency using the exchange rates prevailing at the dates of recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the period end closing rate. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the historical exchange rate at the date of the transaction. Non-monetary items denominated in foreign currencies that are measured at fair value through profit or loss are translated using the rate at the date when the fair value is determined. The resulting translation differences are recognised in the statement of income.

For purposes of translation into the Group's presentation currency, assets and liabilities of foreign operations are translated at the period end closing rate and items of income and expense are translated into euros at the rates prevailing on the dates of the transactions, or average rates of exchange where these approximate actual rates. The exchange differences arising on this translation are included in other comprehensive income.

Commissions and Fees from Asset Management

The Group applies the IFRS 15, "Revenue from Contracts with Customers" five-step revenue recognition model to the recognition of commissions and fee income, under which income must be recognized when control of goods and services is transferred, hence the contractual performance obligations to the customer has been satisfied.

The Group provides asset management services consisting of trust and other fiduciary activities in connection with holding or investing assets on behalf of individuals, trusts, pension plans and others. These services that give rise to the management fee and performance fees constitute a single performance obligation over time and have to be considered together for revenue recognition purposes. The terms and conditions of management fees and performance fees are governed in the asset management agreement. The management and performance fee are variable consideration such that at each reporting date the Group estimates the fee amount to which the entity will be entitled in exchange for transferring the promised services to the customer. The benefits arising from the asset management services are simultaneously received and consumed by the customer over time.

For the management fee component including other recurring fees this is the end of the monthly or quarterly service period. Management fee is primarily dependent on the net asset value of the fund and is charged as a percentage of the net asset value. For the performance and transaction fee this is when based on the contractual provisions any uncertainty from the performance-related nature of the fee component has been fully removed. Performance fees are received primarily for asset management services based on the fund's performance relative to a benchmark/target return or the realized appreciation of the fund's investments. Further components are transaction-related fees that relate to certain contractual provisions, such as for real estate transactions for alternative funds.

Revenue and expenses from the distribution of fund units arise from front-end load fees and distribution fees. The associated revenue and expenses are reported gross as commission and fee income and commission and fee expense respectively.

The gross management fee and performance fee income and expense are disclosed in note '06 – Net Commissions and Fees from Asset Management'.

Financial Assets and Liabilities

Financial assets and liabilities measured at fair value are recognised or derecognised in the consolidated balance sheet on trade date, which is when the Group commits to purchase or sell the asset, or to issue or repurchase the liability. Financial assets and liabilities measured at amortized cost are recognised or derecognised in the consolidated balance sheet on settlement date. At initial recognition, financial assets and liabilities are measured at fair value.

Financial Assets

The Group classifies and measures financial assets in line with IFRS 9 where the classification is based on both the business model used for managing the financial assets and contractual cash flow characteristics of the financial assets.

Business Model

There are three business models defined under IFRS 9:

- **hold to collect:** Financial assets held with the objective to collect contractual cash flows
- **hold to collect and sell:** Financial assets held with the objective of both collecting contractual cash flows and selling financial assets
- **other:** Financial assets that do not meet criteria of either "hold to collect" or "hold to collect and sell"

Financial assets "hold to collect" are subsequently measured at amortized cost based on effective interest method and assessed for impairment based on expected credit loss model.

Financial assets "hold to collect and sell" are subsequently measured at fair value through other comprehensive income. Fair value changes are recognised in other comprehensive income and, upon derecognition, recycled to profit or loss. Impairments based on expected credit loss model and reversals as well as interest income and foreign currency translation effects are recognised in the consolidated statement of income.

"Other" financial assets are measured at fair value through profit or loss. Realized and unrealized gains and losses are included in net gains (losses) on financial assets/liabilities at fair value through profit or loss and interest income and dividends are included in interest and similar income in the consolidated statement of income.

For financial assets "hold to collect" and "hold to collect and sell" an assessment to determine whether contractual cash flows are solely payments of principal and interest (SPPI) on the principle amount outstanding at initial recognition is performed to determine the classification.

Impairment

IFRS 9 impairment requirements apply to all financial assets measured at amortised cost or at fair value through other comprehensive income.

The determination of impairment loss under IFRS 9 follows an expected credit loss model which is based on a probability-weighted estimate of credit losses at the time of initial recognition.

IFRS 9 states a three stage approach as follows:

– **Stage 1:** The Group recognizes a credit loss allowance at an amount equal to twelve-month expected credit losses for all financial assets in scope. This represents the portion of lifetime expected credit losses from default events that are expected within twelve months of the reporting date, assuming that credit risk has not increased significantly after initial recognition.
– **Stage 2:** The Group recognizes a credit loss allowance at an amount equal to lifetime expected credit loss for those financial assets which are considered to have experienced a significant increase in credit risk since initial recognition. The assessment of significant increase in credit risk is based on measuring changes in counterparty probability of default or if contractual payments are 30 days past due. This requires the computation of ECL based on lifetime probability of default that represents the probability of default occurring over the remaining lifetime of the financial asset. Allowance for credit losses is higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to twelve months in stage 1.
– **Stage 3:** The Group recognizes a loss allowance at an amount equal to lifetime expected credit losses reflecting a probability of default of 100% via the recoverable cash flows for the asset for those financial assets that are credit-impaired.

Financial Liabilities

Financial liabilities subsequently measured at amortized cost follow the effective interest method.

For financial liabilities subsequently measured at fair value through profit or loss, realized and unrealized gains and losses are included in net gains (losses) on financial assets/liabilities at fair value through profit or loss in the consolidated statement of income. Further, for financial liabilities designated at fair value through profit and loss, the fair value movements attributable to the Group's own credit component are recognized in other comprehensive income.

Interest on interest paying liabilities are presented in interest expense in the consolidated statement of income.

Determination of Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability between independent market participants. Fair value valuation techniques are discussed in note '09 – Financial Instruments'.

Goodwill and Other Intangible Assets

Goodwill arises on the acquisition of subsidiaries and associates and represents the excess of the aggregate of the cost of an acquisition and any non-controlling interests in the acquiree over the fair value of the identifiable net assets acquired at the date of the acquisition.

For the purpose of calculating goodwill, fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows to present value. This discounting is either performed using market rates or by using risk-free rates and risk-adjusted expected future cash flows. Any non-controlling interests in the acquiree is measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets (this is determined for each business combination).

Goodwill and intangible assets on acquisitions are capitalised on cash-generating unit level. The Group has one cash-generating unit for the purpose of impairment testing of goodwill and intangible assets as the Group is managed as a single business segment on asset management for controlling and reporting purposes.

Goodwill is tested for impairment annually by comparing the recoverable amount of the goodwill with the carrying amount. In addition, the Group tests goodwill if there are indications that impairment may have occurred.

Other intangible assets are recognized separately from goodwill when they are separable or arise from contractual or other legal rights and their fair value can be measured reliably. Intangible assets that have a finite useful life are stated at cost less any accumulated amortization and accumulated impairment losses. Intangible assets that have a finite useful life are amortized on a straight-line basis based on their expected useful life. These assets are tested for impairment and their useful lives reaffirmed at least annually.

Other intangible assets that have an indefinite useful life are not amortized. Their indefinite useful lives are reaffirmed at least annually and these assets are reviewed for impairment annually or more frequently if there are indications that the carrying value may be impaired.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. These contracts will mainly relate to office buildings and other leases for vehicles.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group applies the short-term lease recognition exemption for short-term leases (i. e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-Use Assets

As a lessee the Group recognises right-of-use assets at the date the underlying asset is available for use (commencement date). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to an annual impairment review.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e. g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Employee Benefits

Share-Based Compensation Plans

In DWS Group there are two main categories of share-based compensation plans, which are described below:

DWS Share-Based Plans (Cash-settled)

The Group made grants of share-based compensation under the DWS Equity Plan. This plan represents a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified time period.

In September 2018 and January 2019, one-off IPO related Awards were granted to employees within the Group. Both Awards (DWS Equity Plan and DWS Stock Appreciation Rights Plan) are considered as share-based cash-settled awards.

All employees who are offered DWS Equity Plan Awards are subject to performance condition and forfeiture provision which need to be met for each tranche to be capable of settlement. In case such performance conditions are not met, the tranche will lapse.

Employees who are offered DWS Stock Appreciation Rights Plan awards are also subject to specific performance and forfeiture provisions, as applicable under the plan.

Compensation expense is recorded on a straight-line basis over the period in which employees perform services to which the awards relate to, or over the period of the tranches for those awards delivered in tranches. Estimates of expected forfeitures are periodically adjusted in the event of actual forfeitures or for changes in expectations. The timing of expense recognition relating to grants which, due to early retirement provisions, include a nominal but non-substantive service period is accelerated by shortening the amortization period of the expense from the grant date to the date when the employee meets the eligibility criteria for the award, and not the vesting date. For awards that are delivered in tranches, each tranche is considered a separate award and amortized separately.

The principal inputs for the fair value of the awards are the market value on reporting date, discounted for any dividends foregone over the holding periods of the award.

The liabilities incurred are re-measured at the end of each reporting period until settlement with recognizing any gains and losses in profit and loss.

Deutsche Bank Share-Based Plans (Equity-settled)

Some Group employees continue to hold deferred awards granted under the DB Equity Plan, under the rules established for Deutsche Bank Group as applicable.

Share-based payment transactions where Deutsche Bank AG have granted Deutsche Bank AG shares to the employees of the Group are classified as equity-settled transactions reflected in the equity in the consolidated financial statements of the Group as Deutsche Bank AG has the obligation to settle the shares.

The substance of the Deutsche Bank's share award programs is that Deutsche Bank AG makes a capital contribution to the Group, which correspondingly makes a share-based payment to its employees in exchange for services. Compensation cost related to the grant of parent company awards to employees of the Group are recognized in the consolidated financial statements as compensation expense with a corresponding credit to equity. The compensation expense based on the fair value at grant date of the awards (and adjusted for expected forfeitures) is amortized over the requisite substantial service period of the award.

For share awards, the fair value is the quoted market price of the share reduced by the present value of the expected dividends from Deutsche Bank AG that will not be received by the employee and adjusted for the effect, if any, of restrictions beyond the vesting date. In case an award is modified such that its fair value immediately after modification exceeds its fair value immediately prior to modification, a re-measurement takes place and the resulting increase in fair value is recognized as additional compensation expense in the consolidated financials of the Group.

Compensation expense is recorded on a straight-line basis over the period in which employees perform services to which the awards relate or over the period of the tranches for those awards delivered in tranches. Estimates of expected forfeitures are periodically adjusted in the event of actual forfeitures or for changes in expectations. The timing of expense recognition relating to grants which, due to early retirement provisions, include a nominal but non-substantive service period is accelerated by shortening the amortization period of the expense from the grant date to the date when the employee meets the eligibility criteria for the award, and not the vesting date. For awards that are delivered in tranches, each tranche is considered a separate award and amortized separately.

If there are recharge arrangements in place to compensate Deutsche Bank AG for the cost of acquiring the shares to settle its obligation, the Group recognizes a corresponding liability that is accrued over the respective service/vesting period.

From the perspective of the Group, the recharge forms part of the determination of the net capital contribution received in respect of the share-based payment transaction. As the Group recognizes a capital contribution as part of the accounting for the share-based payment transaction, the Group recognizes its reimbursement of the contribution to DB Group Services Ltd. (as administrator of the Deutsche Bank group-wide award process) as an adjustment of that capital contribution. The Group therefore recognizes a recharge liability with a corresponding debit in equity.

The liabilities incurred are re-measured at the end of each reporting period until settlement, recognizing any gains and losses in equity.

Post-Employment Benefit Plans

The Group provides a number of pension benefits. In addition to defined contribution plans, there are retirement benefit plans accounted for as defined benefit plans. The assets of all the Group's defined contribution plans are held in independently administered funds. Contributions are generally determined as a percentage of salary and are expensed based on employee services rendered, generally in the year of contribution.

All retirement benefit plans accounted for as defined benefit plans are valued using the projected unit-credit method to determine the present value of the defined benefit obligation and the related service costs. Under this method, the determination is based on actuarial calculations which include assumptions about demographics, salary increases and interest and inflation rates. Actuarial gains and losses are recognized in other comprehensive income and presented in equity in the period in which they occur. The majority of the Group's benefit plans is funded.

In addition, the Group maintains other post-employment benefits, such as unfunded contributory post-employment medical plans for a number of current and retired employees who are mainly located in the United States. These plans pay stated percentages of eligible medical and dental expenses of retirees after a stated deductible has been met. Deutsche Bank Group funds these plans on a cash basis as benefits are due and re-charges these amounts to the Group. Analogous to retirement benefit plans these plans are valued using the projected unit-credit method. The Group only pays for participation in these plans.

In the fourth quarter 2023, a refinement of the discount curve methodology for defined benefit plans was applied to the Eurozone curve in order to better align to market data which resulted in a benefit recognized in other comprehensive income of € 2 million.

Refer to note '19 – Employee Benefits' for further information on the accounting for pension benefits and other post-employment benefits.

Termination Benefits

Termination benefits arise when employment is terminated by the Group before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits as a liability and an expense if the Group is demonstrably committed to a detailed formal plan without realistic possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due in more than twelve months after the end of the reporting period are discounted to their present value. The discount rate is determined by reference to market yields on high-quality corporate bonds.

Provisions and Contingent Liabilities

Provisions are recognized in accordance with IAS 37 and if the Group has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as of the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted and measured at the present value of the expenditure expected to be required to settle the obligation, using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party (for example, because the obligation is covered by an insurance policy), an asset is recognized if it is virtually certain that reimbursement will be received.

Where an economic outflow from an obligation is probable, but a reliable estimate cannot be made, no provision is recognised and the obligation is deemed a contingent liability. Contingent liabilities also include possible obligations for which the possibility of future economic outflow is more than remote but less than probable. Where a provision has been taken for an obligation, no contingent liability is recorded.

Income Taxes

The Group recognizes the current and deferred tax consequences of transactions that have been included in the consolidated financial statements using the provisions of the respective jurisdictions' tax laws. Current and deferred taxes are recognized in profit or loss except to the extent that the tax relates to items that are recognized directly in equity or other comprehensive income in which case the related tax is recognized directly in either equity or other comprehensive income accordingly.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, unused tax losses and unused tax credits. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profit will be available against which those unused tax losses, unused tax credits and deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period that the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Current tax assets and liabilities are offset when
1. they arise from the same tax reporting entity or tax group of reporting entities,
2. the legally enforceable right to offset exists and
3. they are intended to be settled net or realized simultaneously.

Deferred tax assets and liabilities are offset when the legally enforceable right to offset current tax assets and liabilities exists and the deferred tax assets and liabilities relate to income taxes levied by the same taxing authority on either the same tax reporting entity or tax group of reporting entities.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, branches and associates and interests in joint ventures except when the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future. Deferred income tax assets are provided on deductible temporary differences arising from such investments only to the extent that it is probable that the differences will reverse in the foreseeable future and sufficient taxable income will be available against which those temporary differences can be utilized.

Deferred tax related to fair value re-measurement of financial instruments, which are charged or credited directly to other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognized in the statement of income once the underlying transaction or event to which the deferred tax relates is recognized in the statement of income.

Consolidated Statement of Cash Flows

The Group's cash flow statement is prepared using the indirect method for cash flows from operating activities. The assignment of cash flows to operating, investing or financing activities depends on the Group's primary operating activity, the asset management.

Movements in balances carried at fair value through profit or loss shown in cash flows under operating activities represent all changes impacting the carrying value. This includes the impact of market movements and cash inflows and outflows. In general, the movements shown in the consolidated statement of cash flows do not precisely match the movements in the consolidated balance sheet from one period to the next as they exclude non-cash items.

For purposes of the consolidated statement of cash flows, the Group's cash and cash equivalents include cash and bank balances on demand.

Accounting Estimates and Assumptions

The preparation of financial statements under IFRS requires the use of accounting estimates and assumptions. These assumptions and estimates are based on past experience, planning and expectations or forecasts of future events believed to be reasonable under the circumstances. Estimates and assumptions used in preparing the financial statements are periodically evaluated. Actual results may differ from these estimates. particularly in relation to potential impacts of macroeconomic and geopolitical uncertainties.

The Group has identified the following estimates and assumptions as significant:

Fair Values of Financial Assets and Liabilities

The Group uses valuation techniques to establish the fair value of instruments where prices quoted in active markets are not available. Therefore, where possible, parameter inputs to the valuation techniques are based on observable data derived from prices of relevant instruments traded in an active market. These valuation techniques involve some level of management estimation and judgment, the degree of which will depend on the price transparency for the instrument or market and the instrument's complexity.

Management judgement is generally required only to a limited extent to determine the fair value of financial instruments with quoted prices in an active market. Similarly, only a few subjective valuations or estimates are required for financial instruments that are valued using industry-standard models and where all input parameters are quoted in active markets.

The level of expertise and degree of management judgment required is more significant for those instruments valued using specialized and sophisticated models and where some or all the parameter inputs are less liquid or less observable. Where different valuation techniques indicate a range of possible fair values for an instrument then management has to decide what point within the range of estimates appropriately represents the fair value. Further, some valuation adjustments may require the exercise of management judgment to achieve fair value.

The assumptions underlying the determination of fair values for the measurement parameters and measurement methods used as well as quantitative disclosures are provided in note '09 – Financial Instruments'.

Goodwill and Other Intangible Assets

The Group estimates the fair value of identifiable intangible assets acquired at the acquisition date based on forecast profits, taking account of synergies. This assessment involves judgement in determining assumptions relating to potential future revenues, profit margins, appropriate discount rates and the expected duration of client relationships. The carrying amount is reviewed on a regular basis.

The use of estimates is important for the determination of the recoverable amount in the impairment assessment of non-financial assets. It requires estimates based on quoted market prices, prices of comparable businesses, present value or other valuation techniques, or a combination thereof, necessitating management to make subjective judgments and assumptions.

Additional information and quantitative disclosures are provided in note ‘12 – Goodwill and Other Intangible Assets’.

Provisions and Contingent Liabilities

The Group may be involved in litigation, arbitration and regulatory proceedings and investigations. Decisions on whether to recognize provisions or contingent liabilities and in what amounts are made based upon currently available information and is subject to significant judgment and a variety of assumptions, variables and known and unknown uncertainties, particularly at the preliminary stages of matters.

The matters for which the Group determines that the possibility of a future loss is more than remote will change from time to time, as will the matters as to which a reliable estimate can be made and the estimated possible loss for such matters. Actual results may prove to be significantly higher or lower than the estimate of possible loss in those matters where such an estimate was made.

Additional information and quantitative disclosures are provided in note ‘16 – Provisions’.

Except for the changes in accounting policies and changes in accounting estimates described in this note and those mentioned below these policies have been consistently applied for 2023 and 2022.

03 – Recently Adopted and New Accounting Pronouncements

The Group has adopted the following accounting pronouncements effective 1 January 2023 which had no material impact on the consolidated financial statements.

IAS 8 “Accounting policies, changes in accounting estimates and errors”

In February 2021, the IASB issued “Definition of Accounting Estimates”, which amended IAS 8 “Accounting Policies, changes in accounting estimates and errors”. The amendments introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies, with a primary focus on the definition of and clarifications on accounting estimates. The amendments introduce a new definition for accounting estimates by clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments. The amendments did not have a material impact on the Group’s consolidated financial statements. These amendments were endorsed by the EU on 2 March 2022.

IAS 1 “Presentation of Financial Statements”

On 12 February 2021, the IASB issued the amendments to IAS 1 “Presentation of Financial Statements” paragraphs 117–122 to require entities to disclose their material accounting policy information rather than their significant accounting policies. To support this amendment the IASB also amended IFRS Practice Statement 2 “Making Materiality Judgements” to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

- Requiring companies to disclose their material accounting policies rather than their significant accounting policies
- Clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed

– Clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements

The amendments are effective from 1 January 2023 but may be applied earlier. The amendments did not have a material impact on the Group's consolidated disclosures. These amendments were endorsed by the EU on 2 March 2022.

IFRS 17 "Insurance Contracts"

On 18 May 2017, the IASB issued IFRS 17, "Insurance contracts", which establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. IFRS 17 replaces IFRS 4 "Insurance contracts" which has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner, benefiting both investors and insurance companies. Insurance obligations will be accounted for using current values – instead of historical cost. The information will be updated regularly, providing more useful information to users of financial statements. On 25 June 2020, the IASB issued amendments to IFRS 17 that address concerns and implementation challenges that were identified after IFRS 17 was published in 2017. In December 2021 the IASB issued the amendment for a transition option to comparative information about financial asses presented on initial application of IFRS 17 with the aim to avoid temporary accounting mismatches between financial assets and insurance contract liabilities. The amendments are effective for annual periods beginning on or after 1 January 2023 with early adoption permitted. Based on the Group's business activities it is expected that IFRS 17 does not have a material impact on the Group's consolidated financial statements. These amendments were endorsed by the EU on 19 November 2021.

IAS 12 "Income Taxes"

On 7 May 2021, the IASB issued amendments to IAS 12 "Income Taxes". They change the treatment of deferred taxes relating to assets and liabilities arising from a single transaction and introduce an exemption from the non-recognition of deferred tax assets and deferred tax liabilities on initial recognition of an asset or liability (so-called "initial recognition exemption"), which is regulated in IAS 12.15(b) and IAS 12.24. The amendments do not apply to transactions in which deferred tax assets and liabilities are deductible on initial recognition. Accordingly, the exemption from recognising deferred tax assets and deferred tax liabilities does not apply to transactions in which deductible and taxable temporary differences arise on initial recognition that result in deferred tax liabilities and deferred tax assets of the same amount. The amendments are effective for annual periods beginning on or after 1 January 2023. Early application is permitted. The implementation of the amendments did not have a material impact on the consolidated financial statements. These amendments were endorsed by the EU on 11 August 2022.

In May 2023, the IASB issued "International Tax Reform – Pillar Two Model Rules", which amended IAS 12 "Income Taxes". The amendments introduce a temporary exception to the requirement to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and require an entity to disclose that it has applied the exception. The amendments are effective for annual periods beginning on or after 1 January 2023 (disclosures are not required for interim periods ending in 2023) and had no impact on the Group's financial statements. These amendments were endorsed by the EU on 9 November 2023.

New Accounting Pronouncements

The following accounting pronouncements were not effective as of 31 December 2023 and have not been applied by the Group even if earlier adoption is permitted.

Classification of Liabilities as Current or Non-current (amendments to IAS 1 "Presentation of Financial Statements")

In January 2020 with final stage in July 2020, the IASB issued amendments to IAS 1 "Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current". They clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and have substance. The amendments also clarify that classification is unaffected by management's intentions or expectations about whether an entity will exercise its right to defer settlement or will choose to settle early, In October 2022 the IASB reconfirmed that only covenants specified in a loan arrangement with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. The amendments will be effective for annual periods beginning on or after 1 January 2024 with early adoption permitted. The amendment is not expected to have a material impact on the Group's consolidated financial statements. These amendments were endorsed by the EU on 20 December 2023.

Lease Liability in a Sale and Leaseback (amendments to IFRS 16 "Leases")

On 22 September 2022, the IASB issued amendments to IFRS 16 "Leases" that clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the IFRS 15 requirements to be accounted for as a sale. The amendments are effective for annual periods beginning on or after 1 January 2024 with early adoption permitted. The amendment is not expected to have a material impact on the Group's consolidated financial statements. These amendments were endorsed by the EU on 21 November 2023.

Supplier Finance Arrangements (amendments to IAS 7 "Statements of Cash Flows" and IFRS 7 "Financial instruments: disclosures")

On 25 May 2023, the IASB issued the amendment to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial instruments: disclosures" regarding the disclosure of supplier finance arrangements that have all of the following characteristics

- A finance provider pays amounts a company (the buyer) owes its suppliers.
- A company agrees to pay under the terms and conditions of the arrangements on the same date or at a later date than its suppliers are paid.
- The company is provided with extended payment terms or suppliers benefit from early payment terms, compared with the related invoice payment due date.

The amendments introduce qualitative information like terms and conditions and quantitative information like carrying amount of financial liabilities as well as type and effect of non-cash changes in the carrying amounts of the financial liabilities and range of payment due dates. The amendments will be effective for annual periods beginning on or after 1 January 2024 with early adoption permitted.The amendment is not expected to have a material impact on the Group's consolidated financial statements. These amendments have yet to be endorsed by the EU.

Lack of Exchangeability (amendments to IAS 21 "The effects of changes in foreign exchange rates")

In August 2023 the IASB amended IAS 21 "The effects of changes in foreign exchange rates" to clarify when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability.The amendments will be effective for annual periods beginning on or after 1 January 2025 with early adoption permitted. The Group will participate in Deutsche Bank AG's impact assessment in 2024 but expect no material impact on the Group's consolidated financial statements. These amendments have yet to be endorsed by the EU.

04 – Acquisitions and Dispositions

In the period 1 January 2023 to 31 December 2023 there were no acquisitions accounted for as business combinations.

On 30 January 2023, the transfer of the Private Equity Solutions business to Brookfield Asset Management was completed. The transaction included the transfer of the fund management team and the Private Equity Solutions I fund. The Group will remain an investor in Private Equity Solutions I.

05 – Business Segment and Related Information

The Group operates a single business segment for reporting and controlling purposes. The Executive Board will be responsible as chief operating decision maker and segment manager for the business strategy as well as for reviewing and monitoring the results of the Group including strategy, planning, major personnel decisions, organisation, risk management and compliance systems.

The Group's operating activity is managed using one globally integrated investment group targeting the same client segments, distribution channels and asset classes. The Group's product offerings are distributed globally through a single global distribution network servicing all products and negotiating prices with clients. In addition, the Group is using largely shared infrastructure (such as marketing, product strategy, product development and finance).

Notes to the Consolidated Income Statement

06 – Net Commissions and Fees from Asset Management

Split of net commissions and fees from asset management by type and product

in € m.	2023	2022
Management fees:		
Management fee income	3,563	3,719
Management fee expense	1,248	1,263
Net management fees	**2,315**	**2,456**
Thereof:		
Active Equity	718	756
Active Multi Asset	219	215
Active Systematic and quantitative investments	202	204
Active Fixed Income	224	249
Active Cash	34	25
Passive including Xtrackers	376	383
Alternatives	541	609
Other	2	15
Performance and transaction fees:		
Performance and transaction fee income	132	134
Performance and transaction fee expense	4	8
Net performance and transaction fees	**128**	**125**
Thereof:		
Alternatives	94	104
Active and Other	33	21
Total net commissions and fees from asset management	**2,443**	**2,582**

Split of commission and fee income from asset management by region

in € m.	2023	2022
Commission and fee income from asset management:		
Germany	1,506	1,542
Europe (excluding Germany), Middle East and Africa	1,446	1,487
Americas	701	782
Asia/Pacific	43	41
Total commission and fee income from asset management	**3,695**	**3,853**
Commission and fee expense from asset management	**1,252**	**1,271**
Net commissions and fees from asset management	**2,443**	**2,582**

As of 31 December 2023, there were performance obligations to be satisfied of € 225 million with a time band of three years from 2025 to 2027 (as of 31 December 2022, € 267 million with a time band of three years from 2024 to 2026) from Alternative funds. The decrease of performance obligations to be satisfied was mainly driven by decline in the real estate valuations due to market conditions.

07 – General and Administrative Expenses

in € m.	2023	2022
Information technology	162	145
Professional services	80	92
Market data and research services	70	72
Occupancy, furniture and equipment expenses	53	49
Banking services and outsourced operations	253	230
Marketing expenses	35	37
Travel expenses	17	14
Charges from Deutsche Bank Group[1]	163	182
Other expenses	138	111
Total general and administrative expenses	**972**	**933**

[1] Thereof € 136 million related to infrastructure charges from Deutsche Bank Group for the year 2023 (€ 106 million for the year 2022) and € 27 million related to DWS functions in Deutsche Bank Group entities for the year 2023 (€ 76 million for the year 2022).

08 – Earnings per Common Share

Basic earnings per common share are computed by dividing net income (loss) attributable to DWS shareholders by the average number of common shares outstanding during the year. The average number of common shares outstanding is defined as the average number of common shares issued.

Diluted earnings per common share assumes the conversion into common shares of outstanding securities or other contracts to issue common stock. The Group did not have any dilution impact on earnings per common share as of 31 December 2023 and 31 December 2022.

Computation of basic and diluted earnings per common share

in € m. (unless stated differently)	2023	2022
Net income (loss) attributable to DWS shareholders – numerator for basic earnings per common share	552	594
Net income (loss) attributable to DWS shareholders after assumed conversions – numerator for diluted earnings per common share	552	594
Number of common shares (in million)	200	200
Weighted-average shares outstanding – denominator for basic earnings per common share (in million)	200	200
Adjusted weighted-average shares after assumed conversions – denominator for diluted earnings per common share (in million)	200	200

Earnings per common share

	2023	2022
Basic earnings per common share	€ 2.76	€ 2.97
Diluted earnings per common share	€ 2.76	€ 2.97

Notes to the Consolidated Balance Sheet

09 – Financial Instruments

The major financial instruments held by the Group and their valuation are described in the following:

Trading Assets and Corresponding Payables Held by Consolidated Funds

Trading assets held by consolidated guaranteed funds and consolidated seed investments –The valuation of these assets including equity instruments and debt instruments follows the valuation prepared by the fund and includes relevant IFRS adjustments if applicable.
Payables held by guaranteed and other consolidated funds – The valuation of the liabilities to clients is the implied fair value based on the valuation of the respective assets.

Derivative Financial Instruments

Positive market value from derivative financial instruments – This position mainly relates to short-term derivatives the Group entered into to manage the profit or loss volatility associated with our share price-linked, equity-based compensation. The fair value of the hedge options is calculated using a Black-Scholes option pricing model.
Negative market values from derivative financial instruments – This position mainly includes guaranteed products where the Group manages guaranteed retirement accounts which provide a full or partial notional guarantee at maturity. The Group provides partial notional guarantees to guaranteed funds. These guarantees are considered as derivatives. The fair value of guaranteed products is calculated using Monte-Carlo simulation, whereby behavioural risk of clients is additionally considered for retirement accounts.

Non-Trading Assets

Seed investments and co-investments – The valuation of the Group's share is based on the valuation of the respective fund and include relevant IFRS adjustments if applicable.
Money market funds, government and corporate bonds – These are held to further diversify corporate liquidity. The valuation of money market funds is based on observable market data. The valuation of bonds is based on quoted prices.
Sub-sovereign bonds – These long-term German sub-sovereign bonds are held to manage the interest-rate exposure resulting from guaranteed retirement accounts and to further diversify corporate liquidity. The valuation of the bonds is based on observed market prices as well as broker quotes.

Unit-Linked Life Insurance Financial Instruments

Investment contract assets and liabilities – The investment contract assets represent the fund shares held in the client contracts which valuation is prepared by the fund and includes relevant IFRS adjustments if applicable. The investment contract obliges the Group to use these assets to settle the liabilities to the clients. Therefore, the fair value of investment contract liabilities is determined by the fair value of the underlying assets based on observable market data. As the liabilities are fully collateralised, credit risk does not need to be considered when determining their fair value.

Financial Instruments Held at Amortized Cost

Cash and bank balances – The primary objective of cash and bank balances is to collect nominal value of the Group's money in cash or its bank accounts, that are of a short-term nature, and any related interest on these balances.
Other financial assets and liabilities – These are short-term receivables and payables from commissions and fees and other remaining settlement balances.

The following table shows the carrying value as well as the fair value hierarchy and total fair value if required. Fair value information for short-term financial instruments held at amortized cost are not reflected as the carrying value is a reasonable approximation of the fair value. Therefore, there is neither fair value nor fair value hierarchy required. For other financial assets and liabilities, please refer to note '15 – Other Assets and Other Liabilities'. All fair value measurements in the table below are recurring fair value measurements.

Carrying value and fair value by fair value hierarchy

	31 Dec 2023					31 Dec 2022				
	Carrying amount				Fair value	Carrying amount				Fair value
in € m.	Total	Level 1	Level 2	Level 3	Total	Total	Level 1	Level 2	Level 3	Total
Financial assets held at fair value:										
Trading assets:										
Debt instruments held by consolidated guaranteed funds	1,321	17	1,305	0	1,321	1,146	2	1,144	0	1,146
Debt instruments held by consolidated seed investments	47	27	20	0	47	25	7	18	0	25
Equity instruments held by consolidated guaranteed funds	116	116	0	0	116	94	94	0	0	94
Equity instruments held by consolidated seed investments	177	177	0	0	177	82	82	0	0	82
Total trading assets	**1,661**	**336**	**1,325**	**0**	**1,661**	**1,346**	**184**	**1,162**	**0**	**1,346**
Positive market values from derivative financial instruments	**30**	**0**	**29**	**0**	**30**	**21**	**0**	**20**	**2**	**21**
Non-trading financial assets mandatory at fair value through profit or loss:										
Debt instruments – co-investments	451	0	0	451	451	504	0	0	504	504
Debt instruments – seed investments	55	5	49	0	55	37	15	21	0	37
Debt instruments – money market funds	0	0	0	0	0	0	0	0	0	0
Debt instruments – government bonds	750	690	61	0	750	605	542	63	0	605
Debt instruments – corporate bonds	838	399	439	0	838	670	64	606	0	670
Debt instruments – other debt instruments	572	428	62	82	572	276	191	52	34	276
Thereof: liquidity positions	486	428	58	0	486	243	191	52	0	243
Equity instruments	27	0	0	27	27	29	0	0	29	29
Thereof: co-investments	2	0	0	2	2	2	0	0	2	2
Total non-trading financial assets mandatory at fair value through profit or loss	**2,693**	**1,523**	**610**	**560**	**2,693**	**2,122**	**813**	**742**	**567**	**2,122**
Debt instruments – investment contract assets mandatory at fair value through profit or loss	**484**	**0**	**484**	**0**	**484**	**469**	**0**	**469**	**0**	**469**
Total financial assets held at fair value through profit or loss	**4,868**	**1,859**	**2,448**	**561**	**4,868**	**3,959**	**997**	**2,393**	**568**	**3,959**
Debt instruments – sub-sovereign bond at fair value through other comprehensive income	82	0	82	0	82	80	0	80	0	80
Total financial assets at fair value through other comprehensive income	**82**	**0**	**82**	**0**	**82**	**80**	**0**	**80**	**0**	**80**
Total financial assets held at fair value	**4,950**	**1,859**	**2,530**	**561**	**4,950**	**4,038**	**997**	**2,473**	**568**	**4,038**
Financial assets held at amortized cost:										
Cash and bank balances	1,414					1,979				
Loans	4	0	3	0	3	6	0	6	0	6
Other financial assets	759					823				
Total financial assets held at amortized cost	**2,178**	**0**	**3**	**0**	**3**	**2,808**	**0**	**6**	**0**	**6**

	31 Dec 2023					31 Dec 2022				
	Carrying amount				Fair value	Carrying amount				Fair value
in € m.	Total	Level 1	Level 2	Level 3	Total	Total	Level 1	Level 2	Level 3	Total
Financial liabilities held at fair value:										
Trading liabilities:										
Investment funds (short position)	31	31	0	0	31	38	38	0	0	38
Total trading liabilities	**31**	**31**	**0**	**0**	**31**	**38**	**38**	**0**	**0**	**38**
Negative market values from derivative financial instruments	**118**	**0**	**15**	**103**	**118**	**127**	**0**	**22**	**104**	**127**
Investment contract liabilities designated at fair value through profit or loss	484	0	484	0	484	469	0	469	0	469
Total financial liabilities designated at fair value through profit or loss	**484**	**0**	**484**	**0**	**484**	**469**	**0**	**469**	**0**	**469**
Total financial liabilities held at fair value through profit or loss	**633**	**31**	**500**	**103**	**633**	**634**	**39**	**491**	**104**	**634**
Payables from guaranteed and other consolidated funds	**1,485**	**0**	**1,485**	**0**	**1,485**	**1,281**	**0**	**1,281**	**0**	**1,281**
Total financial liabilities held at fair value	**2,118**	**31**	**1,985**	**103**	**2,118**	**1,916**	**39**	**1,773**	**104**	**1,916**
Financial liabilities held at amortized cost:										
Other short-term borrowings	8					21				
Other financial liabilities	1,194					1,121				
Thereof: payables from performance related payments	335					326				
Long-term debt	0					0				
Total financial liabilities held at amortized cost	**1,202**					**1,142**				

Trading assets increased by € 315 million, mainly driven by assets held by consolidated guaranteed funds due to mark-to-market valuation gains and net purchases amounting to € 198 million. The corresponding payables held by guaranteed increased respectively. Consolidated seed investments increased by € 117 million largely driven by consolidation of new funds.

Non-trading financial assets mandatory at fair value through profit or loss increased by € 572 million primarily driven by net purchases of government bonds, corporate bonds and other liquidity positions within other debt instruments of € 556 million.

Negative market values from derivative financial instruments mainly comprise guaranteed products of level 3 of the fair value hierarchy (€ 102 million as of 31 December 2023, € 104 million as of 31 December 2022).

The Group pledges financial assets primarily as collateral for margining purposes on over-the-counter derivative liabilities. Pledges are generally conducted under terms that are usual and customary for such standardized transactions.

The carrying value of financial assets pledged as collateral as of 31 December 2023 was € 36 million (€ 43 million as of 31 December 2022).

Fair Value Valuation Techniques and Controls

The valuation techniques and controls of the Group are noted below.

Level 1 – Prices quoted in active markets – The fair value of instruments that are quoted in active markets is determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place.

Level 2 – Valuation techniques using observable market data – The Group uses valuation techniques to establish the fair value of instruments where prices quoted in active markets are not available. Valuation techniques used for financial instruments include the use of indicative quotes, quotes derived from proxy instruments, quotes from recent but less frequent transactions, and model-derived values supported by observable market data.

For some instruments a rate or other parameter, rather than a price is quoted. Where this is the case then the market rate or parameter is used as an input to a valuation model to determine fair value. For some instruments, modelling techniques follow industry standard models, for example, discounted cash flow analysis and standard option pricing models. These models are dependent upon estimated future cash flows, discount factors and volatility levels.

Frequently, valuation models require multiple parameter inputs. Where possible, parameter inputs are based on observable data or are derived from the prices of relevant instruments traded in active markets. Where observable data is not available for parameter inputs, then other market information is considered. For example, indicative broker quotes and consensus pricing information are used to support parameter inputs where they are available.

Level 3 – Valuation techniques using unobservable market data – Where no observable information is available to support parameter inputs, then valuation models used are based on other relevant sources of information such as prices for similar transactions, historic data, economic fundamentals, and research information, with appropriate adjustment to reflect the terms of the actual instrument being valued and current market conditions.

Significant unobservable inputs and valuation adjustments are subject to regular reviews. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation control group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS.

Validation and control – The Group has an established valuation control framework which governs internal control standards, methodologies, and procedures over the valuation process. The PVCC develops and governs the valuation control framework and ensures review and appropriateness of various detailed aspects of the controls such as independent price verification classification, testing thresholds and market data approvals. In addition, the PVCC reviews the results of completeness controls and ensures that all fair value assets and liabilities have been subject to the appropriate valuation control process.

Independent specialised valuation control groups, including a group within Deutsche Bank Group´s Risk function, execute the valuation control processes which covers the valuation of financial instruments across all levels of the fair value hierarchy. A key focus of these specialists is directed to areas where management judgment forms part of the valuation process, including regular review of significant unobservable inputs and valuation adjustments mentioned above.

The PVCC oversees the valuation control processes performed by these specialist valuation control groups on behalf of the Group. Results of the valuation control processes are collected and analysed as part of a standard monthly reporting cycle. Variances outside of pre-set and approved tolerance levels are escalated both within the Finance function and Senior Business Management for review, resolution and, if required, adjustment. This process is summarised in the Valuation Control Report and reviewed by the PVCC.

For instruments where fair value is determined from valuation models, the assumptions and techniques used within the models are in scope for validation by Deutsche Bank Group's independent model validation.

Transfers

Transfers between levels take place when there is a change in the inputs that is relevant to categorization in the fair value hierarchy. Where applicable, transfers between levels 1, 2 and 3 are assumed to take place at the beginning of the year.

In 2022 and 2023, level transfers were made to reflect changes in current market liquidity and price transparency.

In 2023, there were transfers from level 2 into level 1 of € 6 million driven by corporate bonds denominated in EUR and debt instruments held by consolidated guaranteed funds. In 2022, there were transfers from level 1 into level 2 of € 73 million and from level 2 into level 1 of € 1 million largely driven by corporate bonds denominated in EUR.

There were no transfers into and out of level 3 in 2023 and in 2022.

Analysis of Financial Instruments in Fair Value Hierarchy Level 3

Financial instruments at fair value categorised in level 3 of the fair value hierarchy are valued based on one or more unobservable parameters.

Reconciliation of financial instruments in level 3

	Financial assets					Financial liabilities	
in € m.	Positive market values from derivative financial instrument	Debt instruments – Co-investments	Debt instruments – Other debt instruments	Equity instruments	Total	Negative market values from derivative financial instruments	Total
Balance as of 1 January 2022	**0**	**474**	**29**	**30**	**533**	**140**	**140**
Changes in the group of consolidated companies	0	0	0	0	0	0	0
Total gains (losses) through profit or loss	2	34	0	1	36	35	35
Total FX gains (losses)	0	12	1	(1)	12	0	0
Purchases	0	53	4	0	57	0	0
Sales	0	1	0	0	1	0	0
Settlements	0	68	0	1	69	0	0
Transfers into Level 3	0	0	0	0	0	0	0
Transfers out of Level 3	0	0	0	0	0	0	0
Balance as of 31 December 2022	**2**	**504**	**34**	**29**	**568**	**104**	**104**
Balance as of 1 January 2023	**2**	**504**	**34**	**29**	**568**	**104**	**104**
Changes in the group of consolidated companies	0	(1)	0	0	(1)	0	0
Total gains (losses) through profit or loss	0	(41)	5	(7)	(42)	3	3
Total FX gains (losses)	0	(12)	(1)	0	(12)	0	0
Purchases	0	35	47	4	86	1	1
Sales	0	0	0	0	0	0	0
Settlements	1	35	3	0	39	0	0
Transfers into Level 3	0	0	0	0	0	0	0
Transfers out of Level 3	0	0	0	0	0	0	0
Balance as of 31 December 2023	**0**	**451**	**82**	**27**	**561**	**103**	**103**

Sensitivity Analysis of Unobservable Parameters

The value of financial instruments is dependent on unobservable parameter inputs from a range of reasonably possible alternatives. Appropriate levels for these unobservable input parameters are selected to ensure consistency with prevailing market evidence. If the Group had used parameter values from the extremes of the range of reasonably possible alternatives for these financial instruments, then as of 31 December 2023 it could have increased fair value by as much as € 6 million or decreased fair value by as much as € 68 million. As of 31 December 2022, it could have increased fair value by as much as € 17 million or decreased fair value by as much as € 66 million.

The sensitivity calculation aligns to the approach used to assess valuation uncertainty for prudent valuation purposes. Prudent valuation is a mechanism for quantifying valuation uncertainty and assessing an exit price with a 90% certainty. Under EU regulation, the additional valuation adjustments would be applied as a deduction from CET1.

The Group has limited potential impact from the relative uncertainty in the fair value of financial instruments for which valuation is dependent on unobservable parameters.

Sensitivity analysis of unobservable parameters

	31 Dec 2023		31 Dec 2022	
in € m.	Positive fair value movement from using reasonable possible alternatives	Negative fair value movement from using reasonable possible alternatives	Positive fair value movement from using reasonable possible alternatives	Negative fair value movement from using reasonable possible alternatives
Positive market values from derivative financial instruments	0	0	0	0
Debt instruments – co-investments	0	55	1	47
Debt instruments – other debt instruments	1	5	0	2
Equity instruments	0	3	0	3
Negative market values from derivative financial instruments	4	4	15	15
Total	**6**	**68**	**17**	**66**

Quantitative Information about the Sensitivity of Significant Unobservable Inputs

The range of values shown below represents the highest and lowest inputs used to value the exposures.

Financial instruments in level 3 and quantitative information about unobservable inputs

	31 Dec 2023						31 Dec 2022					
	Fair value						Fair value					
in € m. (unless stated otherwise)	Assets	Liabilities	Valuation technique(s)	Significant unobservable input(s) (Level 3)	Range		Assets	Liabilities	Valuation technique(s)	Significant unobservable input(s) (Level 3)	Range	
Positive market values from derivative financial instruments	0	0	Adjusted net asset method	Price per net asset value	100%	100%	2	0	Market approach	Price per net asset value	100%	100%
Debt instruments – co-investments	449	0	Adjusted net asset method	Price per net asset value	100%	100%	502	0	Market approach	Price per net asset value	100%	100%
	2	0	DCF	Credit Spread	12%	25%	2	0	Intex model	Credit Spread	17%	22%
				Recovery rate	75%	75%				Recovery rate	75%	75%
				Default rate	1%	1%				Default rate	1%	1%
				Pre-payment rate	20%	20%				Pre-payment rate	20%	20%
Debt instruments – other debt instruments	20	0	Adjusted net asset method	Price per net asset value	100%	100%	17	0	Market approach	Price per net asset value	100%	100%
	38	0	DCF	Credit Spread	2%	9%	16	0	Intex model	Credit Spread	2%	10%
				Recovery rate	75%	75%				Recovery rate	75%	75%
				Default rate	1%	1%				Default rate	1%	1%
				Pre-payment rate	20%	25%				Pre-payment rate	20%	20%
	24	0	DCF	Discount rate	10%	11%						
Equity instruments	26	0	Market approach	Comparable multiples	5.6x	8.3x	27	0	Market approach	Price per net asset value	100%	100%
	1	0	DCF	Discount rate	17%	17%	2	0	Market approach	Price per net asset value	100%	100%
Negative market values from derivative financial instruments	0	103	Option pricing model	Cancellation rate	0%	15%	0	104	Option pricing model	Cancellation rate	0%	15%
Total	**561**	**103**					**568**	**104**				

Credit Risk

For the Group, credit risk exposure relates primarily to financial instruments held at amortized cost, corporate, government and sub-sovereign bonds, money market funds and other debt instruments as well as unfunded commitments within contingent liabilities. For unfunded commitments please refer to note '17 – Contractual Obligations and Commitments'.

The key driver of our credit risk is the credit quality of credit institutions in which overnight deposits and, potentially, term deposits (up to one year) are placed. For deposits, we established a maximum concentration limit per counterpart of 35% in relation to the total of our liquidity positions which comprises of cash and bank balances, money market funds, government, sub sovereign and corporate bonds and other debt instruments. In the table below we show the highest maximum concentration risk regarding our counterparties.

Cash and bank balances by rating of institution

in € m.	31 Dec 2023	31 Dec 2022
S&P A1	842	333
S&P A2	390	1,573
Other	182	73

Liquidity positions and concentration

	31 Dec 2023	31 Dec 2022
Liquidity positions (in € m.)	3,570	3,577
Max concentration (%) – limit 35%	22%	23%

The Group applied the IFRS 9 "Financial Instruments" requirement to recognize a loss allowance for ECL on financial assets that are measured at amortised cost and fair value through other comprehensive income as well as unfunded commitments. For details on the model please refer to note '02 – Significant Accounting Policies and Critical Accounting Estimates'.

The table below shows the maximum exposure to credit risk which is the carrying amount of financial assets described in the above paragraph and the respective ECL reflected in profit or loss statement or other comprehensive income. The calculation of ECL considers amongst others internal and external credit rating of the counterparts. No financial instruments were assigned to stage 3 as of 31 December 2023 respectively as of 31 December 2022.

Gross carrying value of financial assets subject to credit risk

			31 Dec 2023			31 Dec 2022
in € m.	Carrying value gross	ECL Stage 1	ECL Stage 2	Carrying value gross	ECL Stage 1	ECL Stage 2
Cash and bank balances	1,414	0	0	1,979	0	0
Loans	4	0	0	6	0	0
Sub-sovereign bonds	82	0	0	80	0	0
Other financial assets	759	0	0	823	0	0
Contingent liabilities	106	0	0	111	0	0
Total	**2,365**	**0**	**0**	**2,999**	**0**	**0**

Market Risk

For the Group, market risk exposure relates to financial assets held at fair value through profit or loss, financial liabilities held at fair value through profit or loss and other financial liabilities which are shown in the table above. In addition, market risk exposure relates to strategic investments that are mainly equity method investments and structural foreign exchange which are not part of financial instruments but considered for market risk. For equity method investments, please refer to note '11 – Equity Method Investments'. For structural foreign exchange resulting in Currency Translation Adjustments that is part of accumulated other comprehensive income, please refer to 'Consolidated Changes in Equity'.

The Group's market risk exposure is mainly driven by the capital at risk especially deployed by the Group into seed investments and co-investments, and where a financial claim against us is inherent in the product, such as Guaranteed Products. As introduced for this note, trading assets from consolidated funds and investment contract assets are largely offset by their respective liabilities. Therefore, only limited market risk remains.

Liquid seed capital – The liquid seed investments are exposed to the daily volatility of market prices. The risk is mitigated via typically short tenor and offsetting risk positions which are classified as derivatives. Therefore, a sensitivity analysis for this portfolio is not needed.

Co-Investments, strategic investments and illiquid seed investments – These investments are subject to the risk of a potential event on their fair value resulting in significant decrease and the need to partially impair or even fully write-off.

At 31 December 2023, the Group's exposure to market risk in its co-investment portfolio was € 453 million. Co-investments include primarily private real estate, infrastructure, private equity, and sustainable funds.

The following table is a summary of the effect that a hypothetical increase or decrease in market prices would have on the carrying value of such investments. Depending, for example, on the level of leverage of investments, the book value can be affected more or less strongly by market value changes.

Estimated net profit or loss impact from co-investment sensitivity to potential changes in market prices

in € m.	31 Dec 2023	31 Dec 2022 Pro-forma
Market price reduction:		
10%	(63)	(70)
Market price increase:		
10%	63	70

The sensitivity analysis disclosed in previous years has been replaced by above analysis to provide a more comprehensive representation of risk by including all co-investment sectors rather than focus on real estate. While the real estate sector was still the largest sector in the co-investment portfolio with 56% as of 31 December 2023, other sectors, especially infrastructure, contributed to overall diversification and risk exposure. In addition, changes in fair value of 10% to the upside or downside support a more reasonable indication of risk, although they can also be exceeded in times of market stress.

Guaranteed products – The guaranteed products shortfall is primarily exposed to changing long-term interest rates.

The following assumption is applied for the sensitivity analysis of guaranteed products shortfall:

Long-term interest rates are the most significant out of various factors that can influence the guaranteed products shortfall. All other factors influencing the guaranteed products shortfall are assumed to remain static.

The sensitivity analysis is performed based on the following methodology:

The guaranteed products shortfall is calculated with option pricing model using Monte-Carlo simulation considering stochastic interest rates and equities for a Constant Proportion Portfolio Insurance strategy. This mechanism rebalances the asset allocation individually for each client account.

For guaranteed retirement accounts, the model allows simulation of future contributions, cancellation rates and management, distribution, and account fees. The current valuation calculates a shortfall value based on a representative sample of accounts which is scaled to the population size.

Estimated net profit or loss impact from guaranteed products sensitivity for potential changes in long-term interest rates

in € m.	31 Dec 2023	31 Dec 2022
Reduction in long-term interest rate:		
50 bp	(8)	(9)
100 bp	(20)	(20)
Increase in long-term interest rate:		
50 bp	6	7
100 bp	10	12

The sensitivity of the guaranteed products shortfall to long-term interest rates is not linear, with reductions in the long-term interest rates having a far greater impact on the shortfall value than increases of a similar magnitude.

Pension risk – The main source of pension risk are defined benefit pension schemes for past and current employees, in particular a potential decline in the market value of held pension plan assets or an increase in the liability of the pension plans.

For details on the risks inherent in post-employment benefit plans, please refer to note '19 – Employee Benefits' which includes a detailed sensitivity analysis.

Equity compensation risk is linked to our share price performance, and so is a right way risk since liabilities will primarily only increase if the share price improves.

For details on share-based compensation plans, please refer to note '19 – Employee Benefits' which includes details on structure, terms and fair value of share-based awards.

Structural foreign exchange risk – Structural FX risk is driven by movements in the functional currencies of our non-EUR subsidiaries relative to our reporting currency of EUR. The primary currencies to which structural FX risk is sensitive are USD and GBP, weakening of either relative to the EUR results in higher structural FX risk and associated capital requirements.

Following assumption is applied for the sensitivity analysis of structural FX risk:

The analysis assumes a range of percentage changes, 10% and 20% up and down change, to the USD/EUR rate and the GBP/EUR rate.

The sensitivity analysis is performed based on the following methodology:

Aggregated balance sheet exposures in the respective functional currencies are translated in EUR group currency whereby a 10% and 20% up and down change in the USD/EUR and GBP/EUR exchange rate is applied to estimate the impact on balance sheet.

Estimated balance sheet impact from structural FX risk sensitivity for potential specific FX moves

in € m.	31 Dec 2023	31 Dec 2022
USD weakens relative to EUR by:		
10%	(311)	(317)
20%	(570)	(581)
GBP weakens relative to EUR by:		
10%	(31)	(33)
20%	(57)	(60)
USD strengthens relative to EUR by:		
10%	380	387
20%	856	871
GBP strengthens relative to EUR by:		
10%	38	40
20%	86	91

Liquidity Risk

The following table presents an analysis of our contractual undiscounted cash flows of financial liabilities based upon earliest legally exercisable maturity as of 31 December 2023.

Maturity analysis of the earliest contractual undiscounted cash flow of financial liabilities

						31 Dec 2023						31 Dec 2022
in € m.	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Trading liabilities	31	0	0	0	0	31	38	0	0	0	0	38
Negative market values from derivatives financial instruments	118	0	0	0	0	118	127	0	0	0	0	127
Investment contract liabilities	0	0	484	0	0	484	0	0	469	0	0	469
Other short-term borrowings	2	5	0	0	0	8	7	13	0	0	0	21
Lease liabilities	1	6	22	76	72	177	1	5	17	76	61	159
Long-term debt	0	0	0	0	0	0	0	0	0	0	0	0
Other financial liabilities	2,677	0	3	0	0	2,680	2,399	0	3	0	0	2,402
Contingent liabilities	106	0	0	0	0	106	111	0	0	0	0	111
Total	**2,935**	**11**	**509**	**76**	**72**	**3,604**	**2,683**	**18**	**489**	**76**	**61**	**3,328**

Contractual undiscounted cash flows of investment contract liabilities and payables from guaranteed and other consolidated funds of € 1,971 million as of 31 December 2023 (31 December 2022 € 1,755 million) were linked to offsetting assets and receivables of the nearly identical amount and with identical maturity. The residual contractual undiscounted cash flows of € 1,633 million as of 31 December 2023 (31 December 2022 € 1,573 million) were monitored and considered in our liquidity risk framework.

10 – Interest Rate Benchmark Reform

As of 31 December 2023, the non-derivative financial instruments and other commitments, as described in the Annual Report 2022, with a maturity date past 30 June 2023, when the requirements to submit quotes is expected to end, have been converted to the new rates except for some immaterial amount.

11 – Equity Method Investments

The Group holds interests in five (2022: five) associates and no (2022: none) joint ventures. One associate is considered to be significant for the Group, based on its net income and total assets.

Significant Investments

Investment	Principal place of business	Nature of relationship	Ownership percentage
Harvest Fund Management Co., Ltd.	Shanghai, China	Strategic investment	30%

The below presented 2023 financial information is based on 2023 IFRS unaudited financial statements of Harvest Fund Management Co., Ltd., while the 2022 financial information has been updated with the 2022 audited IFRS financial statements of Harvest Fund Management Co., Ltd.

Summarised financial information

in € m.	2023	2022
Total net revenues	843	1,016
Net Income	199	237
Other comprehensive income (loss)	1	7
Total comprehensive income	**200**	**244**

in € m.	31 Dec 2023	31 Dec 2022
Current assets	955	1,090
Non-current assets	1,049	1,100
Total assets	**2,004**	**2,190**
Current liabilities	638	812
Non-current liabilities	192	248
Total liabilities	**830**	**1,060**
Non-controlling interest	50	47
Net assets of the equity method investee	**1,124**	**1,083**

Reconciliation of total net assets to the Group's carrying amount

in € m. (unless stated otherwise)	31 Dec 2023	31 Dec 2022
Net assets of the equity method investee	1,124	1,083
Group's ownership percentage on the investee's equity	30%	30%
Group's share of net assets	337	325
Goodwill	18	18
Intangible assets	14	15
Other adjustments	2	3
Carrying amount	**371**	**361**

The share in net income was € 56 million in 2023 (2022: € 69 million). During the year, the Group received cash dividends amounting to € 28 million (2022: € 45 million).

Non-Significant Investments

Aggregated financial information on the Group's share in associates that are individually immaterial

in € m.	31 Dec 2023	31 Dec 2022
Carrying amount of all associates that are individually immaterial to the Group	**49**	**54**
Aggregated amount of the Group's share of profit (loss) from continuing operations	(14)	(3)
Aggregated amount of the Group's share of post-tax profit (loss) from discontinued operations	0	0
Aggregated amount of the Group's share of other comprehensive income	0	0
Aggregated amount of the Group's share of total comprehensive income (loss)	**(15)**	**(3)**

The Group recognised no impairment loss in 2023 (2022: € 2 million).

12 – Goodwill and Other Intangible Assets

Goodwill

Changes in Goodwill

Changes in the carrying amount of goodwill, as well as gross amounts and accumulated impairment losses of goodwill, for the period ended 31 December 2023 and 31 December 2022, are shown below.

Goodwill movement

in € m.	
Balance as of 1 January 2022	**2,822**
Disposals	0
Exchange rate changes	113
Balance as of 31 December 2022	**2,936**
Gross amount of goodwill	2,936
Accumulated impairment losses	0
Balance as of 1 January 2023	**2,936**
Disposals	5
Exchange rate changes	(63)
Balance as of 31 December 2023	**2,867**
Gross amount of goodwill	2,867
Accumulated impairment losses	0

As of 31 December 2023, changes mainly relate to foreign exchange rate impacts of € (63) million (31 December 2022: € 113 million).

Goodwill Impairment Test

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generated unit. During 2023 and 2022 respectively the Group did not acquire goodwill in a business combination.

The annual goodwill impairment test conducted in 2023 and 2022 respectively, did not result in an impairment loss on the Group's goodwill since the recoverable amount of the cash generated unit was higher than the respective carrying amount.

A review of the Group's strategy, political or global risks for the asset management industry such as a return of the European sovereign debt crisis, uncertainties regarding the implementation of already adopted regulation as well as a slowdown of gross domestic product growth may negatively impact the performance forecasts and thus, could result in an impairment of goodwill in the future.

Carrying Amount

The carrying amount for the cash generated unit is determined based on the Group's equity.

Recoverable Amount

The recoverable amount is the higher of the Group's fair value less costs of disposal and its value in use. The Group determines the recoverable amount based on value in use and employs the discounted cash-flow method which reflects the specifics of the asset management business and its regulatory environment. The model calculates the present value of the estimated future earnings that are distributable to the shareholders after fulfilling the respective regulatory capital requirements.

The discounted cash-flow method uses earnings projections based on five-year strategic plans, which are discounted to their present value. Estimating future earnings involves judgment and the consideration of past and current performance as well as expected capital retention requirements/contributions in line with the business plan, market expectations and commercial, legal or regulatory requirements.

Earnings projections beyond the initial five-year period are adjusted to derive a sustainable level. In case of a going concern, the cash flow to equity is assumed to increase by or converge towards a constant long-term growth rate of up to 2.0% in 2023 and 2.0% in 2022. This is based on the revenue forecast as well as expectations for the development of gross domestic product and inflation and is captured in the terminal value.

Key Assumptions and Sensitivities

Key Assumptions: The recoverable amount of a cash generated unit is sensitive to the earnings projections, to the discount rate (cost of equity) applied and to the long-term growth rate. The discount rates applied have been determined based on the capital asset pricing model and comprise a risk-free interest rate, a market risk premium and a factor covering the systematic market risk (beta factor). The values for the risk-free interest rate, the market risk premium and the beta factors are determined using external sources of information. Cash generated unit-specific beta factors are determined based on a respective group of peer companies. Variations in all of these components might impact the discount rates. The Group use a discount rate (after tax) of 10.9% in 2023 (2022: 10.3%).

Management determined the values for the key assumptions based on a combination of internal and external analysis. Estimates for efficiency and the cost reduction program are based on progress made to date and scheduled future projects and initiatives

Key Management Assumptions are:

- Maintaining leadership in mature markets (e. g., Equity, Multi-Asset and Fixed income)
- Expanding true areas of strength like Xtrackers and Alternatives
- Further build out digital capabilities
- Expand distribution partnerships to expand our global business
- Continue a multi-year execution to replace core infrastructure platforms

Uncertainty associated with key assumptions and potential events/circumstances that could have a negative effect:

- Challenging and continued uncertainty around the market environment and volatility unfavourable to our investment strategies
- Unfavourable margin development and adverse competition levels in key markets and products beyond expected levels
- Business/execution risks, e. g., under achievement of net flow targets from market uncertainty, loss of high quality client facing employees, unfavourable investment performance, lower than expected efficiency gains
- Uncertainty around regulation and its potential implications not yet anticipated

Sensitivities: To test the resilience of the recoverable amount, key assumptions used in the discounted cash-flow model (for example, the discount rate and the earnings projections) are sensitized. Management believes that no reasonable changes in key assumptions could cause an impairment loss.

Other Intangible Assets

Changes in intangible assets

	Purchased intangible assets						Internally generated intangible assets	
	Unamortized	Amortized					Amortized	
in € m.	Retail Investment Management Agreements	Customer-related intangible assets	Contract- based intangible assets	Trademarks	Software and other	Total amortized purchased intangible assets	Software	Total other intangible assets
Cost of acquisition/manufacture:								
Balance as of 1 January 2022	**1,017**	**112**	**20**	**0**	**88**	**221**	**242**	**1,479**
Additions	0	0	0	0	0	0	39	39
Disposals	0	0	0	0	0	0	19	19
Reclassifications from (to) held for sale	0	0	0	0	0	0	(30)	(30)
Exchange rate changes	67	7	0	0	(1)	7	(2)	72
Balance as of 31 December 2022	**1,083**	**120**	**20**	**0**	**88**	**227**	**230**	**1,541**
Additions	0	0	0	30	0	30	37	67
Disposals	0	0	0	0	0	0	3	3
Reclassifications from (to) held for sale	0	0	0	0	0	0	0	0
Exchange rate changes	(37)	(4)	0	0	0	(4)	1	(40)
Balance as of 31 December 2023	**1,046**	**115**	**20**	**30**	**88**	**253**	**265**	**1,564**
Accumulated amortization and impairment:								
Balance as of 1 January 2022	**257**	**112**	**20**	**0**	**88**	**221**	**172**	**650**
Amortization for the year	0	0	0	0	0	0	28	28
Disposals	0	0	0	0	0	0	19	19
Reclassifications from (to) held for sale	0	0	0	0	0	0	(23)	(23)
Impairment losses and (reversals of impairment)	68	0	0	0	0	0	3	71
Exchange rate changes	17	7	0	0	(1)	7	(1)	22
Balance as of 31 December 2022	**342**	**120**	**20**	**0**	**88**	**227**	**158**	**728**
Amortization for the year	0	0	0	0	0	0	24	25
Disposals	0	0	0	0	0	0	3	3
Reclassifications from (to) held for sale	0	0	0	0	0	0	0	0
Impairment losses and (reversals of impairment)	0	0	0	0	0	0	3	3
Exchange rate changes	(12)	(4)	0	0	0	(4)	0	(15)
Balance as of 31 December 2023	**330**	**115**	**20**	**0**	**88**	**224**	**183**	**737**
Carrying amount:								
As of 1 January 2022	**760**	**0**	**0**	**0**	**0**	**0**	**70**	**830**
As of 31 December 2022	**741**	**0**	**0**	**0**	**0**	**0**	**72**	**813**
As of 31 December 2023	**716**	**0**	**0**	**29**	**0**	**29**	**82**	**827**

As of 31 December 2023, there was an impairment loss on internally generated software amounting to € 3 million (31 December 2022: impairment loss of € 3 million) reflected under general and administrative expenses in the consolidated statement of income which is mainly due to the decommissioning and divestment of applications that the Group no longer uses.

Amortizing Intangible Assets

The total amortization of intangibles amounting to € 25 million (2022: € 28 million) is reflected under general and administrative expenses in the consolidated Statement of Income.

Useful life of amortized intangible assets by asset class

	Useful life in years
Software	up to 10
Customer-related intangible assets	up to 20
Contract-based intangible assets	up to 8
Trademarks	up to 20

Unamortized Intangible Assets

Within this asset class, the Group recognizes certain contract-based intangible assets, which are deemed to have an indefinite useful life.

The asset class comprises the below detailed investment management agreements related to retail mutual funds. Due to the specific nature of these intangible assets, market prices are ordinarily not observable and, therefore, the Group values such assets based on the income approach, using a post-tax discounted cash-flow methodology.

Retail investment management agreements – These assets, amounting to € 716 million, relate to the Group's US retail mutual fund business. Retail investment management agreements are contracts that give the Group the exclusive right to manage a variety of mutual funds for a specified period. Since these contracts have a long history of renewal at minimal cost, these agreements are not expected to have a foreseeable limit on the contract period. Therefore, the rights to manage the associated assets under management are expected to generate cash flows for an indefinite period of time. This intangible asset was recorded at fair value based upon a valuation provided by a third party at the date of acquisition of Zurich Scudder Investments, Inc. in 2002.

The recoverable amount was calculated as fair value less costs of disposal using the multi-period excess earnings method applying a five-year plan. The fair value measurement was categorized as level 3 in the fair value hierarchy.

The key assumptions in determining the fair value less costs of disposal include the asset mix, the flows forecast, the effective fee rate and discount rate as well as the terminal value growth rate. The discount rate (cost of equity) applied in the annual calculation was 10.9% in 2023 (10.6% in 2022). The terminal value growth rate was 3.4% (for 2022 3.8%). Based on the annual impairment assessment as per 1 October 2023, performed in the fourth quarter 2023 and predominantly due to lower asset under management, an impairment loss in the amount of € 93 million was recognized in the income statement as impairment of goodwill and impairment (impairment reversal) of other intangible assets. The trigger test as of year-end identified an indicator for impairment reversal as compared to prior period impairment losses. A change in the Federal Reserve's interest rate policy outlook mid-December 2023 resulted in a significant increase in the asset under management of the underlying contracts and therefore projected revenues, a reversal of prior period impairments of € 93 million were recognized and recorded at the end of the year to the income statement under impairment of goodwill and impairment (impairment reversal) of other intangible assets. The discount rate used was 10.8% and the terminal value growth rate was 3.4%. Any adverse movement in the key assumptions could lead to an indication that the carrying value may be impaired.

As of 31 December 2022, and impairment loss of € 68 million was recognized in the Group's income statement within impairment of goodwill and impairment (impairment reversal) of other intangible assets, due to net outflows and change in the discount rate to 10.9% in the fourth quarter 2022.

13 – Property and Equipment

in € m.	Furniture and equipment	Leasehold improvements	Construction in progress	Total
Cost of acquisition:				
Balance as of 1 January 2022	**23**	**72**	**0**	**95**
Additions	1	0	0	1
Disposals	0	1	0	1
Transfers in (out)	0	0	(1)	0
Exchange rate changes	0	4	0	5
Balance as of 31 December 2022	**24**	**76**	**0**	**100**
Balance as of 1 January 2023	**24**	**76**	**0**	**100**
Additions	2	2	3	7
Disposals	1	37	0	37
Transfers in (out)	1	2	(3)	0
Exchange rate changes	0	(2)	0	(3)
Balance as of 31 December 2023	**26**	**41**	**0**	**67**
Accumulated depreciation and impairment:				
Balance as of 1 January 2022	**17**	**51**	**0**	**69**
Depreciation	2	3	0	5
Disposals	0	0	0	0
Transfers in (out)	0	0	0	0
Exchange rate changes	0	3	0	4
Balance as of 31 December 2022	**20**	**57**	**0**	**77**
Balance as of 1 January 2023	**20**	**57**	**0**	**77**
Depreciation	2	3	0	5
Disposals	1	36	0	37
Transfers in (out)	0	0	0	0
Exchange rate changes	0	(2)	0	(2)
Balance as of 31 December 2023	**21**	**22**	**0**	**43**
Carrying amount:				
As of 31 December 2022	**4**	**19**	**0**	**23**
As of 31 December 2023	**5**	**19**	**0**	**24**

Furniture and equipment consist primarily of IT equipment and furniture within the Group's premises.

Leasehold improvements consist primarily of fixtures and fittings and the cost of any structural improvements to leased properties.

Construction in progress represent expenditure incurred during an asset's construction which has been capitalised. These will be transferred to the respective asset class once construction has been completed.

There were no items of property and equipment subject to restrictions on title or which had been pledged as security against liabilities and no commitments for acquisition of property and equipment as of 31 December 2023.

All classes of property and equipment are initially recognised on the balance sheet at cost. Subsequent measurement follows as cost less depreciation and any accumulated impairment losses. Depreciation occurs on a straight-line basis over the asset's useful economic life.

Useful economic life of property and equipment by asset class

	Useful life in years
Furniture and equipment	7 to 10 years
Leasehold improvements	shorter of 10 years or the remaining lease term

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. Impairment losses are recognised in the Consolidated Statement of Income. As of 31 December 2023 and 31 December 2022, there were no impairment losses of property and equipment.

14 – Leases

Leases as Lessee

Right-of-use assets

in € m.	Properties	Other	Total right-of-use assets
Cost value:			
Balance as of 1 January 2022	**161**	**1**	**162**
Additions	19	0	19
Disposals	4	0	4
Exchange rate changes	5	0	5
Balance as of 31 December 2022	**181**	**1**	**182**
Balance as of 1 January 2023	**181**	**1**	**182**
Additions	37	0	37
Disposals	1	0	2
Exchange rate changes	(4)	0	(4)
Balance as of 31 December 2023	**213**	**1**	**214**
Accumulated depreciation and impairment:			
Balance as of 1 January 2022	**42**	**0**	**43**
Depreciation	19	0	19
Disposals	2	0	2
Impairment losses	0	0	0
Exchange rate changes	1	0	1
Balance as of 31 December 2022	**60**	**1**	**60**
Balance as of 1 January 2023	**60**	**1**	**60**
Depreciation	21	0	21
Disposals	1	0	1
Impairment losses	0	0	0
Exchange rate changes	(1)	0	(1)
Balance as of 31 December 2023	**79**	**1**	**79**
Carrying amount:			
Balance as of 31 December 2022	**121**	**0**	**121**
Balance as of 31 December 2023	**134**	**0**	**135**

The Group's right-of-use assets consist primarily of premises leased under long-term rental agreements. Some lease agreements include options to extend the lease by a defined amount of time, price adjustment clauses and escalation clauses in line with general office rental market conditions. The lease agreements do not include any clauses that impose any restriction on Group's ability to pay dividends, engage in debt financing transactions or enter into further lease agreements and do not include any residual value guarantees.

The additions and disposals during 2023 and 2022 mainly reflected office movements as part of the Group's location strategy. The additions in 2022 mainly reflected additional spaces.

Amounts recognised in consolidated statement of income

in € m.	2023	2022
Interest expense on lease liabilities	4	4
Income from sub-leasing right-of-use assets presented in other income	0	0
Expenses relating to short-term leases	0	0

Amounts recognised in consolidated statement of cash flows

in € m.	2023	2022
Cash outflows for leases	25	23
Thereof: principal portion	21	19
Thereof: interest portion	4	4
Thereof: leases not reflected on balance sheet	0	0

Extension options and leases not yet commenced but committed

in € m.	31 Dec 2023	31 Dec 2022
Future cash outflows not reflected in lease liabilities:		
Not later than one year	0	0
Later than one year and not later than five years	20	23
Later than five years	150	167
Total future cash outflows not reflected in lease liabilities	**170**	**191**

Most property leases contain extension options exercisable by the Group by providing prior written notice to the landlord before the end of the lease. This notice period ranges from

18 months to 90 days before the end of the non-cancellable contract period. In certain rare instances, leases will renew automatically unless prior written notice is provided.

Where practical, the Group will seek to include extension options in its leases for operational flexibility.

All options are exercisable by the Group and not the lessors. At commencement date, the Group assess whether it is reasonably certain to exercise any extension options. If so, these are included in the initial measurement of associated lease liabilities.

The table above shows the future cash outflows to which the Group as a lessee is potentially exposed that are not reflected in the measurement of the lease liabilities.

Leases as Lessor

Finance Lease

The Group reflects finance lease contracts within loans at amortized costs. As of 31 December 2023 there was one contract with a net investment of € 1.6 million (as of 31 December 2022: € 2 million). During 2023, the Group reflected rental income in the amount of € 0.2 million (2022: € 0.2 million) shown within general and administrative expenses.

15 – Other Assets and Other Liabilities

in € m.	31 Dec 2023	31 Dec 2022
Other assets:		
Other financial assets:		
Receivables from commissions/fees	208	194
Remaining other financial assets	551	629
Total other financial assets	**759**	**823**
Other non-financial assets:		
Other tax receivables	38	12
Remaining other non-financial assets	42	42
Total other non-financial assets	**80**	**54**
Total other assets	**839**	**877**

in € m.	31 Dec 2023	31 Dec 2022
Other liabilities:		
Other financial liabilities:		
Payables from commissions/fees	150	146
Payables from performance related payments	335	326
Remaining other financial liabilities	709	649
Payables from guaranteed and other consolidated funds[1]	1,485	1,281
Total other financial liabilities	**2,680**	**2,402**
Other non-financial liabilities:		
Other tax payables	24	18
Remaining other non-financial liabilities	97	80
Total other non-financial liabilities	**120**	**98**
Total other liabilities	**2,800**	**2,500**

[1] Payables from guaranteed and other consolidated funds carried at amortized cost and reflected with their implied fair value of the respective trading assets through profit or loss (please refer to note '09 – Financial Instruments').

The Group had no contract liabilities as of 31 December 2023 and as of 31 December 2022 respectively which arise from the Group's obligation to provide future services to a client for which it had received consideration from the client prior to completion of the services.

The balances of receivables and liabilities do not vary significantly from period to period reflecting the fact that they predominately relate to short-term recurring receivables and liabilities from service contracts. Client payment in exchange for services provided is generally subject to performance by the Group over the specific service period such that the Group's right to payment arises at the end of the service period when its performance obligations are fully completed.

16 – Provisions

Movements by class of provision

in € m.	Operational risk	Civil litigations	Restructuring – staff related	Other	Total
Balance as of 1 January 2022	**14**	**1**	**0**	**1**	**16**
New provisions	8	7	0	20	35
Amounts used	1	0	0	12	13
Unused amounts reversed	2	0	0	0	2
Effects from exchange rate fluctuations/unwind of discount	0	0	0	0	0
Transfers	0	0	0	1	1
Balance as of 31 December 2022	**19**	**8**	**0**	**9**	**36**
Balance as of 1 January 2023	**19**	**8**	**0**	**9**	**36**
New provisions	4	1	0	37	42
Amounts used	2	1	0	23	25
Unused amounts reversed	1	0	0	2	3
Effects from exchange rate fluctuations/unwind of discount	0	0	0	0	0
Transfers	0	0	0	0	0
Balance as of 31 December 2023	**21**	**8**	**0**	**21**	**50**

Classes of Provisions

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. The definition used to determine provisions from operational risk differs from the risk management definition, as it excludes risk of loss resulting from civil litigations or regulatory enforcement matters.

Civil litigation provisions arise out of current or potential claims or proceedings alleging non-compliance with contractual, other legal or regulatory responsibilities, that have resulted or may result in demands from clients, customers, counterparties, or other parties in civil litigations.

Restructuring provisions arise out of restructuring activities and cover termination benefits.

Other provisions include provisions for regulatory enforcement and several specific items arising from a variety of different circumstances not covered under the named classes above.

The provisions recognized by the Group are considered short-term nature with the expectation of usage over the next year.

Current Individual Proceedings

The Group operates in a large number of jurisdictions in which there are different legal and regulatory requirements. By the nature of its business, from time to time, the Group becomes involved in litigation, arbitration proceedings and regulatory investigations. For the matters for which a reliable estimate can be made, the provisions the Group has recognized for civil litigation and regulatory enforcement matters as of such dates are set forth collectively in the table above, but the Group has not disclosed whether it has established a provision or contingent liability for any matter individually because it has concluded that such individual disclosure can be expected to prejudice seriously the outcome of the proceeding.

On 25 September 2023, the Group agreed, without admitting or denying the SEC's findings, to a cease-and-desist order, censure and USD 19 million civil money penalty to settle the SEC's ESG related investigation of DWS Investment Management Americas, Inc. in relation to its US business. Separately, DWS Investment Management Americas, Inc. also reached a cease-and-desist order and USD 6 million civil money penalty to settle the SEC's investigation of AFC-related services the company provided on behalf of certain DWS US (primarily retail) mutual funds, in respect of which the company is the investment adviser.

On 31 May 2022, the Public Prosecutor's office in Frankfurt implemented a search of our Frankfurt offices after it had launched an investigation into ESG related topics. On 16 January 2024 and 1 February 2024, the Public Prosecutor's office conducted further investigative measures. Each time the delivery of further documents was agreed. The Group is engaged in discussions with the Public Prosecutor's office to resolve the matter, although the outcome is yet to be concluded.

With respect to outstanding investigation and litigation matters, the Group cannot exclude that the outcomes may be adverse and could involve outflow of funds in excess of the amounts for which we have recognized provisions, but none of such proceedings is currently expected to have a significant impact on the Group's financials. The Group has not stated the provision amounts to avoid influencing the outcome of the proceedings.

17 – Contractual Obligations and Commitments

Contractual obligations result from purchase obligations which include future payments mainly for technology services and asset management services.

Commitments cover contingent receivables and contingent liabilities. The Group had no contingent receivables to report as of 31 December 2023 and 31 December 2022. Contingent liabilities mainly relate to unfunded commitments given to funds, for which the Group acts as an investor.

Contractual obligations and commitments by maturity buckets

in € m.	31 Dec 2023	31 Dec 2022
Purchase obligations:		
< 1 year	41	42
1–3 years	72	111
3–5 years	50	77
> 5 years	48	38
Total purchase obligations	**210**	**268**
Contingent liabilities:		
< 1 year	106	111
1–3 years	0	0
3–5 years	0	0
> 5 years	0	0
Total contingent liabilities	**106**	**111**

18 – Equity

Capital Management

A forward-looking capital plan is maintained to assess the development of capital supply and demand and the projected capitalization of the Group from an accounting, regulatory and economic perspective. The economic perspective considers all relevant risks quantified by economic capital models using internal definitions and quantification methods. Capital planning is embedded into the Group's overall strategic planning process to ensure an integrated financial and risk planning approach and considers appropriate risk appetite thresholds. Results of the planning process feed into management decisions. They support the strategic direction of the Group in the assessment of potential profitable growth and investment opportunities.

Common Shares

The company's share capital consists of common shares issued in registered form without par value. As of 31 December 2023 the share capital of the company amounts to € 200 million and is divided into up to 200,000,000 ordinary bearer shares. Under German law, each share represents an equal stake in the subscribed capital. Therefore, each share has a nominal value of € 1.00, derived by dividing the total amount of share capital by the number of shares.

There are no issued ordinary shares that have not been fully paid.

Number of shares	
Common shares as at 31 December 2022	**200,000,000**
Changes	0
Common shares as at 31 December 2023	**200,000,000**

Authorized Capital

The General Partner is authorized to increase the share capital of the company on or before 8 June 2025 once or more than once, by up to a total of € 20 million through the issuance of new shares against cash payment or contribution in kind ("Authorized Capital 2022/I"). The General Partner is further authorized to increase the share capital of the company on or before 8 June 2025 once or more than once, by up to a total of € 60 million through the issuance of new shares against cash payment ("Authorized Capital 2022/II"). Further details are governed by Section 4 of the Articles of Association.

Authorized capital	General Description	Expiration date
€ 20,000,000	Authorized Capital 2022/I	8 June 2025
€ 60,000,000	Authorized Capital 2022/II	8 June 2025

Dividends

	2023 (proposal)	2022
Cash dividend (in € m.)	1,220	410
Cash dividend per common share (in €)	6.10	2.05

The Executive Board and Supervisory Board will propose a dividend payment of € 6.10 per share, which includes an ordinary dividend of € 2.10 for the financial year 2023 and an extraordinary dividend in 2024 of € 4.00, at the Annual General Meeting on 6 June 2024.

Additional Notes

19 – Employee Benefits

Share-Based Compensation Plans

There are two categories of share-based compensation plans, which are described below: DWS Share-Based Plans (cash-settled) and the DB Equity Plan (equity settled).

DWS Share-Based Plans (Cash-Settled)

The Group made grants of share-based compensation under the DWS Equity Plan. This plan represents a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified time period.

In September 2018, one-off IPO related awards under the DWS Stock Appreciation Rights Plan were granted to all DWS employees. A limited number of DWS senior managers were granted a one-off IPO related performance share unit under the DWS Equity Plan instead. For members of the Executive Board, one-off IPO related awards under the DWS Equity Plan were granted in January 2019.

The DWS Stock Appreciation Rights Plan represents a contingent right to receive a cash payment equal to any appreciation (or gain) in the value of a set number of notional DWS shares over a fixed period of time. This award does not provide any entitlement to receive DWS shares, voting rights or associated dividends.

The DWS Equity Plan is a phantom share plan representing a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified period of time.

The award recipient for any share-based compensation plan is not entitled to receive dividends The share awards granted under the terms and conditions of any share-based compensation plan are forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period (or the end of the retention period for upfront awards). Vesting usually continues after termination of employment in cases such as redundancy or retirement.

Basic terms of the DWS share-based plans

Grant year(s)	Award type	Vesting schedule	Eligibility
2021-2023 DWS Equity Plan	Annual awards	1/4: 12 months, 1/4: 24 months, 1/4: 36 months, 1/4: 48 months[1]	Selected employees as annual performance-based compensation (InstVV MRTs)
	Annual awards	1/3: 12 months, 1/3: 24 months, 1/3: 36 months[1]	Selected employees as annual performance-based compensation (non-InstVV MRTs)
	Annual awards (senior management)	1/5: 12 months, 1/5: 24 months, 1/5: 36 months, 1/5: 48 months, 1/5: 60 months[1]	Members of the Executive Board
	Annual award – upfront	Vesting immediately at grant[1]	Regulated employees
	Severance	Individual specification	Regulatory requirement for certain employees to defer severance payments
	Retention/new hire/off-cycle[4]	Individual specification	Selected employees to attract and retain the best talent
2019-2020 DWS Equity Plan	Annual awards	1/3: 12 months, 1/3: 24 months, 1/3: 36 months[1]	Selected employees as annual performance-based compensation
	Annual awards (senior management)	1/5: 12 months, 1/5: 24 months, 1/5: 36 months, 1/5: 48 months, 1/5: 60 months[1]	Members of the Executive Board
	Severance	Individual specification	Regulatory requirement for certain employees to defer severance payments
	New hire/off-cycle[4]	Individual specification	Selected employees to attract and retain the best talent
	Performance share unit award (one-off IPO related award granted in 2019)	1/3: March 2022, 1/3: March 2023, 1/3: March 2024[1]	Members of the Executive Board

Grant year(s)	Award type	Vesting schedule	Eligibility
2018 DWS Equity Plan	Performance share unit award (one-off IPO related award)[1]	1/3: March 2022, 1/3: March 2023, 1/3: March 2024[1]	Selected senior managers
2018 DWS Stock Appreciation Rights Plan	Stock appreciation rights award (one-off IPO related award)	For non-MRTs: 1 June 2021[3] For MRTs: 1 March 2023[1,3]	all DWS employees[2]

1 Depending on their individual regulatory status, a six months retention period (AIFMD/UCITS MRTs) or a 12-months retention period (InstVV, or IFD MRTs starting from 2023) applies after vesting.
2 Unless the employee received performance share unit award.
3 For outstanding awards, a 4-year exercise period applies following vesting/retention period.
4 Off-Cycle awards to non-InstVV regulated employees only.

Movements in share award units

	DWS Equity Plan		DWS SAR Plan			
	2023	2022	2023		2022	
Share units (in thousands)	Number of awards	Number of awards	Number of awards[1]	Weighted-average exercise price	Number of awards	Weighted-average exercise price
Outstanding at beginning of year	**1,816**	**1,890**	**837**	**€ 24.65**	**910**	**€ 24.65**
Granted	895	863	0	€ 0.00	0	€ 0.00
Released or exercised	(924)	(910)	(125)	€ 24.65	(42)	€ 24.65
Forfeited	(49)	(78)	0	€ 24.65	(1)	€ 24.65
Expired	0	0	(16)	€ 0.00	(15)	€ 0.00
Other movements	6	50	0	€ 24.65	(1)	€ 24.65
Outstanding at end of year	**1,744**	**1,816**	**696**	**€ 24.65**	**850**	**€ 24.65**
Of which exercisable	0	0	655	€ 0.00	652	€ 0.00

1 Brought forward numbers from 2022 have been amended based on updated information.

Key information regarding awards granted, released and remaining in the year

	2023			2022		
	Weighted average fair value per award granted in year	Weighted average share price at exercise/ release in year	Weighted average remaining contractual life in years	Weighted average fair value per award granted in the year	Weighted average share price at exercise/ release in year	Weighted average remaining contractual life in years
DWS Equity Plan	€ 25.37	€ 31.41	1.3	€ 27.96	€ 28.96	1.3
DWS Stock Appreciation Rights Plan	€ 0.00	€ 31.64	1.9	€ 0.00	€ 31.88	3.0

The fair value of outstanding share-based awards recognised in the income statement up to the period ending 2023 and 2022 was €46 million and € 46 million respectively, of which € 27 million (2022: € 20 million) relate to fully vested awards.

The fair value of the DWS Stock Appreciation Rights Plan awards have been measured using the generalised Black-Scholes model. The inputs used in the measurement of the fair values at grant date and measurement date of the DWS Stock Appreciation Rights Plan awards were as follows:

	Measurement date 31 Dec 2023	Measurement date 31 Dec 2022
	SAR	SAR
Units (in thousands)	696	850
Fair value (weighted average)	€ 10.81	€ 7.64
Share price	€ 34.80	€ 30.36
Exercise price	€ 24.65	€ 24.65
Expected volatility (weighted-average) in %	32	32
Expected life (weighted-average) in years	1.9	3.0
Expected dividends (% of income)	88	66

Given there is no liquid market for implied volatility of DWS shares, the calculation of DWS share price volatility is based on 5-year historical data for DWS and a comparable peer group.

Deutsche Bank Share-Based Plans (Equity-Settled)

Some Group employees continue to hold deferred awards granted under the DB Equity Plan, under the rules established for Deutsche Bank Group.

The share awards granted under the terms and conditions of the DB Equity Plan may be forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period. Vesting usually continues after termination of employment in cases such as redundancy or retirement.

In countries where legal or other restrictions hinder the delivery of shares, a cash plan variant of the DB Equity Plan was used for granting awards.

Basic terms of these share plans of Deutsche Bank Group

Grant year(s)	Award type	Vesting schedule	Eligibility
2019-2023 DB Equity Plan	Annual award	1/4: 12 months, 1/4: 24 months, 1/4: 36 months, 1/4: 48 months[1]	Selected employees as annual performance-based compensation (InstVV MRTs and employees in certain Deutsche Bank business division)
	Annual award	1/3: 12 months, 1/3: 24 months, 1/3: 36 months[1]	Selected employees as annual performance-based compensation
	Annual award	1/5: 12 months, 1/5: 24 months, 1/5: 36 months, 1/5: 48 months, 1/5: 60 months[1]	Selected employees as annual performance-based compensation (senior management)
	Annual award – upfront	Vesting immediately at grant[2]	Regulated employees
	New hire	Individual specification	Selected employees to attract the best talent
2018 DB Equity Plan	Annual award	Cliff vesting after 54 months[1]	Members of senior management

[1] For InstVV-regulated employees (and Senior Management) a further retention period of twelve months applies (six months for awards granted in 2018).
[2] Share delivery takes place after a further retention period of twelve months.

In addition, the Group participates in a broad-based employee share ownership plan offered by Deutsche Bank Group and known as the Global Share Purchase Plan. The Global Share Purchase Plan offers employees in specific countries the opportunity to purchase Deutsche Bank shares in monthly instalments over one year. At the end of the purchase cycle, the acquired stock is matched in a ratio of one to one up to a maximum of ten free shares, provided that the employee remains at Deutsche Bank Group for another year. In total, 519 Group staff from nine countries enrolled in the fifteenth cycle that began in November 2023.

Movements in share award units, including grants under the cash plan variant of the DB Equity Plan

	2023	2022
Share units (in thousands)	Number of awards[1]	Number of awards
Outstanding at beginning of year	**235**	**627**
Granted	5	5
Released or exercised	(194)	(386)
Forfeited	(4)	(1)
Expired	0	0
Other movements	10	26
Outstanding at end of year	**52**	**271**
Of which exercisable	0	0

[1] Brought forward numbers from 2022 have been amended based on updated information.

Key information regarding awards granted, released and remaining in the year

	2023			2022		
	Weighted average fair value per award granted in year	Weighted average share price at exercise/release in year	Weighted average remaining contractual life in years	Weighted average fair value per award granted in the year	Weighted average share price at exercise/release in year	Weighted average remaining contractual life in years
DB Equity Plan	€ 10.18	€ 11.59	1.4	€ 10.55	€ 9.09	0.6

As of 31 December 2023, the grant value of outstanding share awards was approximately € 0.3 million (31 December 2022: € 3 million).

In addition, approximately 0.2 million shares were issued to plan participants in 2023 following the vesting of DB Equity Plan awards granted in prior years.

Post-Employment Benefit Plans

Nature of Plans

The Group participates in a number of post-employment benefit plans on behalf of its employees. These plans are sponsored either by the Group directly or by other entities of Deutsche Bank Group and include both defined contribution plans and defined benefit plans. These plans are accounted for based on the nature and substance of the plan. Generally, for defined benefit plans the value of a participant's accrued benefit is based on each employee's remuneration and length of service; contributions to defined contribution plans are typically based on a percentage of each employee's remuneration. The remainder of this note focuses predominantly on the Group's defined benefit plans.

The defined benefit plans are described on a geographical basis, reflecting differences in the nature and risks of benefits, as well as in the respective regulatory environments. In particular, the requirements set by local regulators can vary significantly and broadly determine the design and financing of the benefit plans. Key information is also shown based on participant status, which provides an indication of the maturity of the Group's obligations.

Key information regarding the participant status of the defined benefit obligations

	31 Dec 2023				31 Dec 2022			
in € m. (unless stated otherwise)	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Defined benefit obligation related to:								
Active plan participants	181	33	7	221	172	26	6	204
Participants in deferred status	117	3	0	120	106	3	0	109
Participants in payment status	110	7	0	118	98	2	0	100
Total defined benefit obligation	**409**	**43**	**7**	**458**	**376**	**31**	**6**	**413**
Fair value of plan assets	**398**	**56**	**4**	**458**	**378**	**38**	**3**	**419**
Funding ratio (in %)	**97**	**130**	**55**	**100**	**100**	**124**	**46**	**101**

The majority of the Group's defined benefit plan obligations relate to Germany. Outside of Germany, the largest obligations relate to Switzerland and Luxembourg. In Germany, post-employment benefits are usually agreed on a collective basis with respective employee workers councils. The Group's main pension plans are governed by boards of trustees, fiduciaries or their equivalent.

Post-employment benefits can form an important part of an employee's total remuneration. The Group follows the approach that their design shall be attractive to employees in the respective market, but sustainable over the longer term. At the same time, the Group tries to limit its risks related to provision of such benefits. Consequently, the Group has moved to offer defined contribution plans in many locations over recent years.

Historically, pension plans were typically based on final pay prior to retirement. These types of benefits still form a significant part of the pension obligations for participants in deferred and payment status. Currently, in Germany, Switzerland and Luxembourg, the main defined benefit pension plans for active staff are cash account type plans where the Group credits an annual amount to individuals' accounts based on an employee's current salary. Dependent on the plan rules, the accounts increase either at a fixed interest rate or participate in market movements of certain underlying investments to limit the associated investment risk. Sometimes, in particular in Germany, there is a guaranteed benefit amount within the plan rules, e. g. payment of at least the amounts contributed. Upon retirement, beneficiaries may usually opt for a lump sum or for conversion of the accumulated account balance into an annuity. This conversion is often based on market conditions and mortality assumptions at retirement.

The following amounts of expected benefit payments by the Group in respect of defined benefit plans include benefits attributable to employees' past and estimated future service and include both amounts paid from external pension trusts and paid directly by the Group in respect of unfunded plans.

Expected future benefit payments

in € m. (unless stated otherwise)	Germany	EMEA (excluding Germany)	APAC	Total
Actual benefit payments 2023	11	1	1	12
Benefits expected to be paid 2024	12	3	1	16
Benefits expected to be paid 2025	12	3	1	15
Benefits expected to be paid 2026	14	3	1	17
Benefits expected to be paid 2027	15	3	1	19
Benefits expected to be paid 2028	17	2	1	21
Benefits expected to be paid 2029-2033	107	15	5	127
Weighted average duration of defined benefit obligation (in years)	10	12	7	10

Multi-Employer Plans

Mainly in the UK and the US, some employees participate in defined benefit plans sponsored by another entity within the wider Deutsche Bank Group, for example retirement benefit plans in the UK as well as post-employment medical plans in the US. Generally the risk associated to the plan is within the sponsoring entity while the Group entities are obliged to pay for costs incurred for their respective employees within the sponsoring entity.

Selected legal entities of the Group are member of the BVV Versicherungsverein des Bankgewerbes a.G. (BVV) together with other financial institutions. The BVV, pension provider for Germany's financial industry, offers retirement benefits to eligible employees in Germany and Luxembourg as a complement to post-employment benefit commitments of the Group. Both employers and employees contribute on a regular basis to the BVV. The BVV provides annuities of a fixed amount to individuals on retirement and increases these fixed amounts if surplus assets arise within the plan. Under legislation in Germany, the employer is ultimately liable for providing the benefits to its employees. An increase in benefits may also arise due to additional obligations to retirees for the effects of inflation. BVV is a multi-employer defined benefit plan. In line with industry practice, the Group accounts for these benefits as a defined contribution plan since insufficient information is available to identify assets and liabilities relating to the Group's current and former employees because the BVV does not fully allocate plan assets to beneficiaries or to member companies. According to the BVV's most recent disclosures, there is no current deficit in the plan that may affect the amount of future Group contributions. Furthermore, any plan surplus emerging in the future will be distributed to the plan members, hence it cannot reduce future Group contributions.

Oversight and Risk Management

Oversight for the Group's pension plans and related risks is performed by the Risk and Control Committee, as mandated by the Executive Board. The Risk and Control Committee is supported by the Pension Working Group. This mandate covers oversight with regards to guidelines for funding, asset allocation, actuarial assumption setting and risk management. Risk management includes the management and control of risks for the Group related to market developments, asset investment, regulatory or legislative requirements, as well as monitoring demographic changes leveraging Deutsche Bank Group's pension oversight and operative control mechanism implemented. During and after acquisitions or changes in the external environment (e. g. legislation, taxation), topics such as the general plan design or potential plan amendments are considered. To the extent that pension plans are funded, the assets held mitigate some of the liability risks, but introduce investment risk.

The Group's largest post-employment benefit plan risk exposures relate to potential changes in credit spreads, interest rates, price inflation and longevity, although these have been partially mitigated through the investment strategy adopted.

Overall, the Group is seeking to minimize the impact of pensions on its financial position from market movements, subject to balancing the trade-offs involved in financing post-employment benefits, regulatory capital and constraints from local funding or accounting requirements. Deutsche Bank Group measures pension risk exposures on a regular basis using specific metrics developed for this purpose. This process covers Deutsche Bank Group overall including the oversight of the Group's exposures.

Funding

Various external pension trusts are maintained to fund the majority of the Group's defined benefit plan obligations. The Group's funding principle is to maintain coverage of the defined benefit obligation by plan assets within a range of 80% to 100% of the obligation, subject to meeting any local statutory requirements. The Group has also determined that certain plans should remain unfunded, although their funding approach is subject to periodic review, e. g. when local regulations or practices change. Obligations for any unfunded plans are accrued on the balance sheet.

For externally funded defined benefit plans local minimum funding requirements may apply. However, for defined benefit plans in Germany which are externally funded by a Contractual Trust Agreement, no regulatory minimum funding requirements exist. In most countries the Group expects to receive an economic benefit from any plan surpluses of plan assets compared to defined benefit obligations, typically by way of reduced future contributions. Given the broadly fully funded position and the investment strategy adopted in the Group's key funded defined benefit plans, any minimum funding requirements that may apply are not expected to impact the Group's liquidity position. The Group considers not re-claiming benefits paid from the Group's assets as an equivalent to making cash contributions into the external pension trusts during the year.

Since 2022, the funding status for pension plans in Germany and Luxembourg moved into surplus due to significant market movements. The Group has claimed € 12 million in 2023 and € 14 million in 2022 from the trust accounting for all the benefits paid from the Group's assets on behalf of the trust.

Actuarial Methodology and Assumptions

31 December is the measurement date for all plans. All plans are valued by independent qualified actuaries using the projected unit credit method.

The key actuarial assumptions applied in determining the defined benefit obligations at 31 December are presented below in the form of weighted averages.

Applied actuarial assumptions

	31 Dec 2023			31 Dec 2022		
	Germany	EMEA (excluding Germany)	APAC	Germany	EMEA (excluding Germany)	APAC
Discount rate (in %)	3.33	1.75	4.06	3.80	2.63	3.61
Rate of price inflation (in %)	2.33	1.52	1.60	2.63	1.86	1.60
Rate of nominal increase in future compensation levels (in %)	2.51	1.91	4.81	2.82	2.20	4.25
Rate of nominal increase for pensions in payment (in %)	2.79	0.55	N/A	2.97	0.77	N/A
Assumed life expectancy at age 65:						
For a male aged 65 at measurement date	21.4	21.9	N/A	21.3	21.8	N/A
For a female aged 65 at measurement date	23.6	23.8	N/A	23.6	23.7	N/A
For a male aged 45 at measurement date	22.7	23.8	N/A	22.6	23.6	N/A
For a female aged 45 at measurement date	24.7	25.5	N/A	24.7	25.4	N/A
Mortality tables applied	modified Richttafeln Heubeck 2018G	Country specific tables	N/A	modified Richttafeln Heubeck 2018G	Country specific tables	N/A

For the Group's most significant plans the discount rate used at each measurement date is set based on a high-quality corporate bond yield curve – sourced from reputable third-party index and data providers and rating agencies – reflecting the timing, amount and currency of the future expected benefit payments for the respective plan.

The price inflation assumptions in the Eurozone are set with reference to market measures of inflation based on inflation swap rates in those markets at each measurement date. For other countries, the price inflation assumptions are typically based on long-term forecasts by Consensus Economics Inc.

The assumptions for the increases in future compensation levels and for increases to pension payments are developed separately for each plan, where relevant. Each is set based on the price inflation assumption and reflecting the Group's reward structure or policies in each market, as well as relevant local statutory and plan-specific requirements.

Mortality assumptions can be significant in measuring the Group's obligations under its defined benefit plans. These assumptions have been set in accordance with current best estimate in the respective countries. Future potential improvements in longevity have been considered and included where appropriate.

Reconciliation in movement of liabilities and assets – Impact on Financial Statements

				2023				2022
in € m.	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Change in the present value of the defined benefit obligation:								
Balance, beginning of year	**376**	**31**	**6**	**413**	**478**	**35**	**5**	**518**
Defined benefit cost recognized in profit or loss:								
Current service cost	11	1	1	13	13	2	1	15
Interest cost	14	1	0	15	5	0	0	6
Past service cost and gain or loss arising from settlements	1	0	0	1	2	0	0	2
Defined benefit cost recognized in other comprehensive income:								
Actuarial gain or loss arising from changes in financial assumptions	16	2	0	18	(116)	(7)	0	(124)
Actuarial gain or loss arising from changes in demographic assumptions	0	0	0	0	9	0	0	9
Actuarial gain or loss arising from experience	0	6	0	6	0	1	0	1
Cash flow and other changes:								
Contributions by plan participants	0	1	0	1	0	1	0	1
Benefits paid	(11)	(1)	(1)	(12)	(14)	(1)	0	(15)
Acquisitions/divestitures	0	0	0	0	(5)	(1)	0	(6)
Exchange rate changes	0	2	0	1	0	1	0	1
Other[1]	2	0	1	3	4	0	2	6
Balance, end of year	**409**	**43**	**7**	**458**	**376**	**31**	**6**	**413**
thereof:								
Unfunded	0	1	3	4	0	1	3	5
Funded	409	42	4	454	376	30	3	408
Change in fair value of plan assets:								
Balance, beginning of year	**378**	**38**	**3**	**419**	**429**	**39**	**1**	**469**
Defined benefit cost recognized in profit or loss:								
Interest income	14	1	0	16	5	0	0	5
Defined benefit cost recognized in other comprehensive income:								
Return from plan assets less interest income	10	13	0	23	(52)	(3)	0	(56)
Cash flow and other changes:								
Contributions by plan participants	0	1	0	1	0	1	0	1
Contributions by the employer	5	1	0	7	6	1	0	8
Benefits paid[2]	(11)	(1)	0	(12)	(14)	(1)	0	(15)
Acquisitions/divestitures	0	0	0	0	0	0	0	0
Exchange rate changes	0	2	0	2	0	1	0	1
Other[1]	2	0	1	3	4	0	2	6
Plan administration costs	0	0	0	0	0	0	0	0
Balance, end of year	**398**	**56**	**4**	**458**	**378**	**38**	**3**	**419**
Funded status, end of year	**(11)**	**13**	**(3)**	**0**	**2**	**7**	**(3)**	**6**

				2023				2022
in € m.	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Change in irrecoverable surplus (asset ceiling):								
Balance, beginning of year	**0**	**(6)**	**0**	**(6)**	**0**	**(5)**	**0**	**(5)**
Interest cost	0	0	0	0	0	0	0	0
Changes in irrecoverable surplus	0	(5)	0	(5)	0	(1)	0	(1)
Exchange rate changes	0	(1)	0	(1)	0	0	0	0
Balance, end of year	**0**	**(12)**	**0**	**(12)**	**0**	**(6)**	**0**	**(6)**
Net asset (liability) recognized	**(11)**	**1**	**(3)**	**(12)**[3]	**2**	**2**	**(3)**	**0**[4]

1 Transfers between other subsidiaries of Deutsche Bank Group.
2 For funded plans only.
3 Thereof € 8 million recognized in other assets and € 21 million in other liabilities.
4 Thereof € 10 million recognized in other assets and € 10 million in other liabilities.

Investment Strategy

The Group participates in Deutsche Bank Group's overall investment strategy. The investment objective is to protect against adverse impacts of changes in the funding position of its defined benefit pension plans on key financial metrics, with a primary focus on protecting the plans' IFRS funded status, while taking into account the plans' impact on other metrics, such as regulatory capital and local profit or loss accounts. Since 2021, there has been a shift in the investment strategy in selected markets to balance competing key financial metrics. Investment managers manage pension assets in line with investment mandates or guidelines as agreed with the pension plans' trustees and investment committees.

For key defined benefit plans for which the Group aims to protect the IFRS funded status, a liability driven investment approach is applied. Risks from mismatches between fluctuations in the present value of the defined benefit obligations and plan assets due to capital market movements are minimized, subject to balancing relevant trade-offs. This is achieved by allocating plan assets closely to the market risk factor exposures of the pension liability to interest rates, credit spreads and inflation such that plan assets broadly reflect the underlying risk profile and currency of the pension obligations.

Where the desired hedging level as defined in Deutsche Bank Group's overall investment strategy for these risks cannot be achieved with physical instruments (i. e. corporate and government bonds), derivatives are employed. Derivatives mainly include interest rate, inflation swaps and credit default swaps. Other derivative instruments are also used, such as interest rate futures and options. In practice, a completely hedged approach is impractical, because of insufficient market depth for ultra-long-term corporate bonds, as well as liquidity and cost considerations. Therefore, plan assets contain further asset categories to create long-term return enhancement and diversification benefits such as equity, real estate, high yield bonds or emerging markets bonds. Furthermore, the above mentioned shift in the investment strategy in 2021 allows for actively taken market risk exposures from interest rates and credit spreads within defined limits. As a result, the market risk from plan assets has been reduced.

Plan Asset Allocation to Key Asset Classes

The following table shows the asset allocation of the Group's funded defined benefit plans to key asset classes, i. e. exposures include physical securities in discretely managed portfolios and underlying asset allocations of any commingled funds used to invest plan assets.

Asset amounts in the following table include both "quoted" (i. e. level 1 assets in accordance with IFRS 13 "Fair Value Measurement" – amounts invested in markets where the fair value can be determined directly from prices which are quoted in active, liquid markets) and "other" (i. e. level 2 and 3 assets in accordance with IFRS 13) assets.

Plan asset allocation to key asset classes

				31 Dec 2023				31 Dec 2022
in € m.	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Cash and cash equivalents	10	2	1	14	3	2	2	7
Equity instruments[1]	49	14	0	63	41	9	0	49
Investment-grade bonds[2]:								
Government	72	9	1	82	69	5	1	75
Non-government bonds	150	16	0	166	139	11	0	150
Non-investment-grade bonds:								
Government	4	0	0	4	3	0	0	4
Non-government bonds	13	1	0	14	11	1	0	12
Securitised and other debt investments	0	1	0	1	0	0	0	1
Alternatives:								
Real estate	27	8	0	35	24	6	0	30
Commodities	2	0	0	2	2	0	0	2
Private equity	0	0	0	0	0	0	0	0
Other[3]	38	3	0	41	37	2	0	39
Derivatives (market value):								
Interest rate	34	1	0	35	47	1	0	48
Credit	(1)	0	0	(1)	0	0	0	0
Inflation	0	0	0	0	0	0	0	0
Foreign exchange	1	0	0	1	2	0	0	2
Other	0	0	0	0	0	0	0	0
Total fair value of plan assets	**398**	**56**	**4**	**458**	**378**	**38**	**3**	**419**

1 Allocation of equity exposure is broadly in line with the typical index in the respective market.
2 Investment-grade means BBB and above based on average credit ratings which are determined on the basis of the ratings of the rating agencies Fitch, Moody's and S&P. The average credit rating exposure for the Group's main plans is around A.
3 Amongst others this position contains commingled funds which could not be segregated into the other asset categories.

The following table sets out the Group's funded defined benefit plan assets only invested in "quoted" assets, i. e. level 1 assets in accordance with IFRS 13.

Plan asset allocation of level 1 assets

				31 Dec 2023				31 Dec 2022
in € m.	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Cash and cash equivalents	3	1	0	5	(4)	1	0	(3)
Equity instruments[1]	37	1	0	39	30	1	0	31
Investment-grade bonds[2]:								
Government	23	4	0	27	26	3	0	28
Non-government bonds	0	0	0	0	0	0	0	0
Non-investment-grade bonds:								
Government	0	0	0	0	0	0	0	0
Non-government bonds	0	0	0	0	0	0	0	0
Securitised and other debt investments	0	0	0	0	0	0	0	0
Alternatives:								
Real estate	0	0	0	0	0	0	0	0
Commodities	0	0	0	0	0	0	0	0
Private equity	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Derivatives (market value):								
Interest rate	0	0	0	0	0	0	0	0
Inflation	0	0	0	0	0	0	0	0
Others	0	0	0	0	0	0	0	0
Total fair value of quoted plan assets	**64**	**6**	**0**	**70**	**52**	**5**	**0**	**56**

1 Allocation of equity exposure is broadly in line with the typical index in the respective market.
2 Investment-grade means BBB and above based on average credit ratings which are determined on the basis of the ratings of the rating agencies Fitch, Moody's and S&P. The average credit rating exposure for the Group's main plans is around A.

Geographical allocation of invested plan assets

							31 Dec 2023							31 Dec 2022
in € m. (unless stated otherwise)	Germany	United Kingdom	United States	Other Eurozone	Other developed countries	Emerging markets	Total	Germany	United Kingdom	United States	Other Eurozone	Other developed countries	Emerging markets	Total
Cash and cash equivalents	0	0	1	10	2	1	14	0	0	2	2	1	2	7
Equity instruments	1	2	36	13	9	2	63	1	1	27	12	6	1	49
Government bonds (investment-grade and above)	16	0	3	35	9	19	82	13	0	3	39	4	15	75
Government bonds (non-investment-grade)	0	0	0	0	0	4	4	0	0	0	0	0	4	4
Non-government bonds (investment-grade and above)	15	4	56	71	18	1	166	10	9	50	65	15	1	150
Non-government bonds (non-investment-grade)	0	0	1	13	0	0	14	0	0	0	11	0	0	12
Securitised and other debt investments	0	0	0	0	1	0	1	0	0	0	0	0	0	1
Subtotal	**32**	**7**	**96**	**144**	**39**	**27**	**344**	**25**	**10**	**82**	**129**	**28**	**23**	**296**
Share (in %)	9	2	28	42	11	8	100	8	3	28	44	9	8	100
Other asset categories							114							122
Fair value of plan assets							**458**							**419**

Plan assets included derivative transactions with other Deutsche Bank Group entities with a market value of positive € 33 million and positive € 46 million at 31 December 2023 and 31 December 2022, respectively. There were neither a material number of securities issued by the Group nor other claims against the Group assets included in the fair value of plan assets. The plan assets did not include any real estate which is used by the Group.

Key Risk Sensitivities

The Group's defined benefit obligations are sensitive to changes in capital market conditions and actuarial assumptions. Sensitivities to capital market movements and key assumption changes are presented in the following table. Each market risk factor or assumption is changed in isolation. Sensitivities of the defined benefit obligations are approximated using geometric extrapolation methods based on plan durations for the respective assumption. Duration is a risk measure that indicates the broad sensitivity of the obligations to a change in an underlying assumption and provides a reasonable approximation for small to moderate changes in those assumptions.

For example, the interest rate duration is derived from the change in the defined benefit obligation to a change in the interest rate based on information provided by the local actuaries of the respective plans. The resulting duration is used to estimate the remeasurement liability loss or gain from changes in the interest rate. For other assumptions, a similar approach is used to derive the respective sensitivity results.

For defined benefit pension plans, changes in capital market conditions will impact the plan obligations via actuarial assumptions – mainly interest rate and inflation rate – as well as the plan assets' fair value. Where the Group applies a liability driven investment approach, the overall exposure to such changes is reduced. To help readers gain a better understanding of the Group's risk exposures to key capital market movements, the net impact of the change in the defined benefit obligations and plan assets due to a change of the related market risk factor or underlying actuarial assumption is shown. Where changes in actuarial assumptions do not affect the plan assets, only the impact on the defined benefit obligations is reported.

Asset-related sensitivities are derived for major plans which are applicable to the Group by using risk sensitivity factors determined by Deutsche Bank Group's market risk management function. These sensitivities are calculated based on information provided by the plans' investment managers and extrapolated linearly to reflect the approximate change of the plan assets' market value in case of a change in the underlying risk factor.

The sensitivities illustrate plausible variations over time in capital market movements and key actuarial assumptions. The Group is not in a position to provide a view on the likelihood of these capital market or assumption changes. While these sensitivities illustrate the overall impact on the funded status of the changes shown, the significance of the impact and the range of reasonable possible alternative assumptions may differ between the different plans that comprise the aggregated results. Even though plan assets and plan obligations are sensitive to similar risk factors, actual changes in plan assets and obligations may not fully offset each other due to imperfect correlations between market risk factors and actuarial assumptions. Caution should be used when extrapolating these sensitivities due to non-linear effects that changes in capital market conditions and key actuarial assumptions may have on the overall funded status. Any management actions that may be taken to mitigate the inherent risks in the post-employment defined benefit plans are not reflected in these sensitivities.

Sensitivity analysis of changes in actuarial assumptions

	31 Dec 2023			31 Dec 2022		
in € m.	Germany	EMEA (excluding Germany)	APAC	Germany	EMEA (excluding Germany)	APAC
Interest rate (–50 bp):						
(Increase) in defined benefit obligations	(20)	(2)	0	(20)	(1)	0
Interest rate (+50 bp):						
Decrease in defined benefit obligations	19	2	0	19	1	0
Rate of price inflation (–50 bp):[1]						
Decrease in defined benefit obligations	7	0	0	7	0	0
Rate of price inflation (+50 bp):[1]						
(Increase) in defined benefit obligations	(7)	0	0	(7)	0	0
Rate of real increase in future compensation levels (–50 bp):						
Decrease in defined benefit obligations, net impact on funded status	0	0	0	1	0	0
Rate of real increase in future compensation levels (+50 bp):						
(Increase) in defined benefit obligations, net impact on funded status	0	0	0	(1)	0	0
Longevity improvements by 10%:[2]						
(Increase) in defined benefit obligations, net impact on funded status	(4)	0	0	(4)	0	0

1 Incorporates sensitivity to changes in nominal increase for pensions in payment to the extent linked to the price inflation assumption.
2 Estimated to be equivalent to an increase of around 1 year in overall life expectancy.

Expected Cash Flows

The following table shows expected cash flows for post-employment benefits in 2024, including contributions to the Group's external pension trusts in respect of funded plans, direct payment to beneficiaries in respect of unfunded plans, as well as contributions to defined contribution plans.

Expected cash flow for post-employment benefits

in € m.	2024
Expected contributions to:	
Group internal defined benefit plan assets	12
Defined benefit plan assets sponsored by another company of Deutsche Bank Group	(1)
BVV	4
Other defined contribution plans	20
Expected benefit payments for unfunded defined benefit plans	0
Expected total cash flow related to post-employment benefits	**35**

Expense of Employee Benefits

The following table presents a breakdown of specific expenses according to the requirements of IAS 19 "Employee Benefits" and IFRS 2 "Share-based payment" respectively.

Expense of employee benefits

in € m.	2023	2022
Expenses for defined benefit plans:		
Service cost[1]	13	17
Net interest cost (income)	0	1
Total expenses defined benefit plans	**14**	**18**
Expenses for defined contribution plans:		
BVV	4	4
Other defined contribution plans	20	19
Total expenses for defined contribution plans	**24**	**23**
Total expenses for post-employment benefit plans	**37**	**41**
Employer contributions to mandatory German social security pension plan	16	15
Expenses for share-based payments, equity settled	3	5
Expenses for share-based payments, cash settled	31	13
Expenses for cash retention plans	30	44
Expenses for severance payments[2]	28	25

1 Including severance related past service costs of € 1 million in 2023 (€ 2 million in 2022).
2 Excluding the acceleration of expenses for deferred compensation awards not yet amortized. Including severance related past service costs.

20 – Income Taxes

in € m.	2023	2022
Current tax expense (benefit):		
Tax expense (benefit) for current year	231	267
Adjustments for prior years	(31)	2
Total current tax expense (benefit)	**199**	**269**
Deferred tax expense (benefit):		
Origination and reversal of temporary differences, unused tax losses and tax credits	(2)	(7)
Effect of changes in tax law and/or tax rate	1	2
Adjustments for prior years	26	6
Total deferred tax expense (benefit)	**25**	**1**
Total income tax expense (benefit)	**224**	**271**

Income tax expense in 2023 was € 224 million (2022: € 271 million). The effective tax rate of 28.8% (2022: 31.3%) was mainly impacted by non-deductible expenses, partly offset by tax exempt income and changes from unrecognized tax losses.

Total current tax expense includes benefits from previously unrecognized tax losses which reduced the current tax expense by € 10 million in 2023. In 2022 current tax expense was not impacted by these effects.

In 2023 the total deferred tax expense was reduced by € 2 million due to benefits from previously unrecognized tax losses, partially offset by expenses arising from write-downs of deferred tax assets. In 2022 these effects decreased the deferred tax expense by € 2 million.

The domestic income tax rate including corporate tax, solidarity surcharge, and trade tax used for calculating deferred tax assets and liabilities was 31.9% for 2023 and 2022.

Difference between applying German statutory (domestic) income tax rate and actual income tax expense (benefit)

in € m.	2023	2022
Expected tax expense (benefit) at domestic income tax rate of 31.9% (31.9% for 2022)	**248**	**276**
Foreign rate differential	(26)	(32)
Tax-exempt gains on securities and other income	(8)	(9)
Loss (income) on equity method investments	(8)	(12)
Non-deductible expenses	28	26
Changes in recognition and measurement of deferred tax assets	(12)	(3)
Effect of changes in tax law and/or tax rate[1]	1	2
Effect related to share-based payments	0	0
Other[1]	1	23
Actual income tax expense (benefit)	**224**	**271**

[1] Current and deferred tax expense (benefit) relating to prior years are mainly reflected in the line items changes in recognition and measurement of deferred tax assets and other.

Income taxes charged or credited to equity (other comprehensive income/additional paid-in capital)

in € m.	2023	2022
Actuarial gains/losses related to defined benefit plans	2	(19)
Financial assets mandatory at fair value through other comprehensive income:		
Unrealized net gains/losses arising during the period	(1)	23
Realized net gains/losses arising during the period (reclassified to profit or loss)	0	0
Other equity movement:		
Unrealized net gains/losses arising during the period	0	0
Realized net gains/losses arising during the period (reclassified to profit or loss)	0	0
Income taxes (charged) credited to other comprehensive income	**1**	**5**
Other income taxes (charged) credited to equity	**(3)**	**1**

Major components of the Group's gross deferred tax assets and liabilities

in € m.	31 Dec 2023	31 Dec 2022
Deferred tax assets:		
Unused tax losses	4	8
Unused tax credits	0	1
Deductible temporary differences:		
Employee benefits, including equity settled share-based payments	98	82
Trading activities, including derivatives	121	144
Leases	37	33
Intangible assets	4	4
Accrued interest expense	8	4
Financial assets at fair value through other comprehensive income	0	37
Other assets	12	10
Total deferred tax assets pre offsetting	**284**	**323**
Deferred tax liabilities:		
Taxable temporary differences:		
Employee benefits, including equity settled share-based payments	11	8
Trading activities, including derivatives	132	155
Leases	35	30
Intangible assets	195	197
Financial assets at fair value through other comprehensive income	0	0
Other assets	18	15
Total deferred tax liabilities pre offsetting	**391**	**405**

Deferred tax assets and liabilities, after offsetting

in € m.	31 Dec 2023	31 Dec 2022
Presented as deferred tax assets	95	131
Presented as deferred tax liabilities	202	213
Net deferred tax liabilities	**107**	**82**

The change in the balance of deferred tax assets and deferred tax liabilities does not equal the deferred tax expense/(benefit). This is due to deferred taxes that are booked directly to equity and the effects of exchange rate changes on tax assets and liabilities denominated in currencies other than Euro.

Items for which no deferred tax assets were recognized[1]

in € m.	31 Dec 2023	31 Dec 2022
Not expiring	(199)	(237)
Expiring in subsequent period	(12)	0
Expiring after subsequent period	(2)	(20)
Unused tax losses	**(213)**	**(257)**

1 Amounts in the table refer to unused tax losses for federal income tax purposes.

Deferred tax assets were not recognized on these items because it is not probable that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilized.

As of 31 December 2023, DWS Group recognized deferred tax assets of € 1 million (2022: € 4 million), that exceed deferred tax liabilities in entities which have suffered a loss in either the current or preceding period. This is based on management's assessment that it is probable that the respective entities will have taxable profits against which the unused tax losses, unused tax credits and deductible temporary differences can be utilized.

Generally, in determining the amounts of deferred tax assets to be recognized, management uses historical profitability information and, if relevant, forecasted operating results, based upon approved business plans, including a review of the eligible carry-forward periods, tax planning opportunities and other relevant considerations.

As of 31 December 2023, the Group had temporary differences associated with the Group's parent company's investments in subsidiaries, branches and associates and interests in joint ventures of € 129 million (2022: € 136 million), in respect of which no deferred tax liabilities were recognized.

In December 2021, the Organization for Economic Co-Operation and Development (OECD) issued Global Anti-Base Erosion and Profit Shifting Rules under the Pillar 2 Framework. In May 2023, the IASB issued amendments to IAS 12 "Income Taxes" to introduce a mandatory temporary exception to the accounting for deferred taxes arising from the implementation of Pillar 2 model rules and disclosure requirements. The application of the exception outlined above has to be applied immediately with the disclosure requirements to be effective for annual periods beginning on or after 1 January 2023. The mandatory temporary exception has been applied and there has been no impact on the Group's consolidated financial statements.

Deutsche Bank AG as the ultimate parent entity conducted comprehensive impact assessments based on most recent available and historic country-by-country reporting data. Based on these impact assessments no material amounts are expected to be allocated to DWS Group.

21 – Related Party Transactions

Related parties are considered as a person or entity who has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial or operational decisions. The Group's related parties include:

– Key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by, or for which significant voting power is held by key management personnel or their close family members
– Deutsche Bank AG and its subsidiaries including DB Beteiligungs-Holding GmbH, joint ventures, associates and their respective subsidiaries
– DWS Group's subsidiaries and associates and their respective subsidiaries
– Post-employment benefit plans for the benefit of DWS KGaA and its related party entities employees

Transactions with Related Party Persons

Related party persons are key management personnel who have direct or indirect authority and responsibility for planning, directing and controlling the activities of the Group as well as their close family members. The Group considers the members of the Executive Board and the Supervisory Board to constitute key management personnel.

As of 31 December 2023, transactions with related party persons were loans and commitments of € 14 million and deposits of € 6 million. As of 31 December 2022, transactions with related party persons were loans and commitments of € 13 million and deposits of € 6 million.

Transactions with Related Party Entities

Transactions between DWS KGaA and its subsidiaries meet the definition of related party transactions. If these transactions are eliminated on consolidation, they are not disclosed as related party transactions. Transactions between the Group and its associates and their respective subsidiaries also qualify as related party transactions. Moreover, transactions with Deutsche Bank Group entities, including its associates and joint ventures and their respective subsidiaries qualify as related party transactions.

The transactions with Deutsche Bank Group entities shown in the table below are mainly related to cash management activities, asset management agreements, outsourced services and leases.

DWS KGaA incurred expenses for key management personnel services to DWS Management GmbH, a wholly owned subsidiary of Deutsche Bank AG, of € 24 million for the year 2023 (€ 40 million for the year 2022). Furthermore, on 20 June 2023, DWS KGaA paid a dividend of € 326 million for the fiscal year 2022 to DB Beteiligungs-Holding GmbH, a wholly owned subsidiary of Deutsche Bank AG (on 14 June 2022, € 318 million for the fiscal year 2021 respectively).

Transactions with associates resulted to € 9 million revenues for 2023 (€ 1 million revenues for 2022) and € 60 million expenses for 2023 (€ 7 million expenses for 2022). These transactions are mainly related to distribution agreements and service agreements. In addition, the Group had no further transactions as of 31 December 2023 and 31 December 2022 respectively with joint ventures and associates of Deutsche Bank Group.

Transactions with Deutsche Bank Group entities

	2023				2022			
in € m.	Net interest and non-interest income	Non-interest expenses	Assets	Liabilities	Net interest and non-interest income	Non-interest expenses	Assets	Liabilities
Deutsche Bank AG	(283)	137	906	332	(300)	98	862	233
Other Deutsche Bank Group entities	(26)	61	115	109	(47)	112	113	116

Transactions with Related Party Pension Plans

Under IFRS, certain post-employment benefit plans are considered related parties. The Group has business relationships with a number of its pension plans pursuant to which it provides financial services to these plans, including investment management services. The Group's pension funds may hold or trade Deutsche Bank AG and its related parties' shares or securities.

Transactions with Related Party Pension Plans

in € m.	31 Dec 2023	31 Dec 2022
Other assets	1	1
Fees paid from plan assets to asset managers of the Group	1	1
Market value of derivatives with a counterparty of the Group/Deutsche Bank Group	33	46
Notional amount of derivatives with a counterparty of the Group/Deutsche Bank Group	343	506

22 – Information on Subsidiaries and Shareholdings

GRI 2-2

Composition of the Group

DWS Group GmbH & Co. KGaA is the direct or indirect holding company for the Group's subsidiaries.

The Group consists of 75 consolidated entities, thereof 47 subsidiaries and 28 consolidated structured entities.

50 of the entities controlled by the Group are directly or indirectly held by the Group at 100% of the ownership interests (share of capital). Third parties also hold ownership interest in 25 of the consolidated entities (non-controlling interest). As of 31 December 2023 the non-controlling interests are neither individually nor cumulatively material to the Group.

Shareholdings

The following tables show the shareholdings of the Group pursuant to Section 313 (2) of the German Commercial Code (HGB).

Subsidiaries

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
1	DWS Group GmbH & Co. KGaA	Frankfurt		
2	DB Vita S.A.	Luxembourg		84.0
3	DBRE Global Real Estate Management IB, Ltd.	George Town		100.0
4	DBX Advisors LLC	Wilmington		100.0
5	Deutsche Alternative Asset Management (UK) Limited	London		100.0
6	Deutsche Capital Partners China Limited (in voluntary liquidation)	George Town		100.0
7	Deutsche Cayman Ltd.	Camana Bay		100.0
8	Deutsche Grundbesitz-Anlagegesellschaft mit beschränkter Haftung	Frankfurt		99.8
9	DI Deutsche Immobilien Treuhandgesellschaft mbH	Frankfurt		100.0
10	DIP Management GmbH	Frankfurt		100.0
11	DWS Alternatives France	Paris		100.0
12	DWS Alternatives Global Limited	London		100.0
13	DWS Alternatives GmbH	Frankfurt		100.0
14	DWS Asset Management (Korea) Company Limited	Seoul		100.0
15	DWS Beteiligungs GmbH	Frankfurt		98.6

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
16	DWS CH AG	Zurich		100.0
17	DWS Distributors, Inc.	Wilmington		100.0
18	DWS Far Eastern Investments Limited	Taipei		60.0
19	DWS Global Business Services Inc.	Taguig City		100.0
20	DWS Group Services UK Limited	London		100.0
21	DWS Grundbesitz GmbH	Frankfurt		99.9
22	DWS India Private Limited	Mumbai		100.0
23	DWS International GmbH	Frankfurt		100.0
24	DWS Investment GmbH	Frankfurt		100.0
25	DWS Investment Management Americas, Inc.	Wilmington		100.0
26	DWS Investment S.A.	Luxembourg		100.0
27	DWS Investments Australia Limited	Sydney		100.0
28	DWS Investments Hong Kong Limited	Hong Kong		100.0
29	DWS Investments Japan Limited	Tokyo		100.0
30	DWS Investments Shanghai Limited	Shanghai		100.0
31	DWS Investments Singapore Limited	Singapore		100.0
32	DWS Investments UK Limited	London		100.0
33	DWS Real Estate GmbH	Frankfurt		89.9
34	DWS Service Company	Wilmington		100.0
35	DWS Shanghai Private Equity Fund Management Limited	Shanghai		100.0
36	DWS Trust Company	Concord		100.0
37	DWS USA Corporation	Wilmington		100.0
38	European Value Added I (Alternate G.P.) LLP	London		100.0
39	Leonardo III Initial GP Limited	London		100.0
40	Prof. Weber GmbH	Mannheim		100.0
41	RoPro U.S. Holding, Inc.	Wilmington		100.0
42	RREEF America L.L.C.	Wilmington		100.0
43	RREEF European Value Added I (G.P.) Limited	London		100.0
44	RREEF Fund Holding LLC	Wilmington		100.0
45	RREEF Management L.L.C.	Wilmington		100.0
46	Treuinvest Service GmbH	Frankfurt		100.0
47	WEPLA Beteiligungsgesellschaft mbH	Frankfurt		100.0

Consolidated Structured Entities

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
48	DB Impact Investment (GP) Limited	London		100.0
49	DBRE Global Real Estate Management US IB, L.L.C.	Wilmington		100.0
50	DBX ETF Trust	Wilmington	1	-
51	DWS Access S.A.	Luxembourg	1	-
52	DWS Alternatives (IE) ICAV	Dublin		-
53	DWS Funds	Luxembourg	1	-
54	DWS Garant	Luxembourg	1	-
55	DWS Invest	Luxembourg	1	-
56	DWS Invest (IE) ICAV	Dublin		-
57	DWS Zeitwert Protect	Luxembourg		-
58	DWS-Fonds Treasury Liquidity (EUR)	Frankfurt		100.0
59	Dynamic Infrastructure Securities Fund LP	Wilmington		-
60	ERET Lux 1 S.à r.l.	Luxembourg		100.0
61	European Real Estate Transformation Fund S.C.A. SICAV-RAIF	Luxembourg		100.0
62	G.O. IB-US Management, L.L.C.	Wilmington		100.0
63	Infrastructure Debt Fund S.C.Sp. SICAV-RAIF	Luxembourg		-
64	PEIF II SLP Feeder 2 LP	Edinburgh		100.0
65	PEIF III SLP Feeder GP, S.à r.l.	Senningerberg		-
66	PEIF III SLP Feeder, SCSp	Senningerberg	2	55.1
67	Property Debt Fund S.C.Sp. SICAV-RAIF	Luxembourg		-
68	RREEF Core Plus Residential Fund LP	Wilmington		100.0
69	RREEF DCH, L.L.C.	Wilmington		100.0
70	SGI SLP Feeder GP S.à.r.l.	Senningerberg		-
71	SGI SLP Feeder SCSp	Senningerberg	2	56.0
72	Timing Chance Multi Asset Income	Frankfurt		100.0
73	Vermögensfondmandat Flexible (80% teilgeschützt)	Luxembourg		-
74	Xtrackers (IE) Public Limited Company	Dublin	1	0.1
75	Xtrackers II	Luxembourg	1	0.1

Associated Companies

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
76	Arabesque AI Ltd	London	3	24.3
77	Deutscher Pensionsfonds Aktiengesellschaft	Cologne	3	25.1
78	G.O. IB-SIV Feeder, L.L.C.	Wilmington	3	15.7
79	Harvest Fund Management Co., Ltd.	Shanghai	3	30.0
80	MorgenFund GmbH	Frankfurt	3	30.0

Other Companies where the Holding Exceeds 20%

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
81	DB Real Estate Global Opportunities IB (Offshore), L.P.	Camana Bay	4	33.6
82	Deutsches Institut für Altersvorsorge GmbH	Frankfurt	5	22.0
83	DWS Offshore Infrastructure Debt Opportunities Feeder LP	George Town	4, 6	26.3

Other Companies with Status as Shareholder with Unlimited Liability pursuant to Section 313 (2) Number 6 HGB

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
84	DEBEKO Immobilien GmbH & Co Grundbesitz OHG	Eschborn	2	0.1
85	RREEF European Value Added Fund I L.P.	London	2	0.0

Footnotes:

1 Only specified assets and related liabilities (silos) of this entity were consolidated.
2 Status as shareholder with unlimited liability pursuant to Section 313 (2) number 6 HGB.
3 Accounted under the equity method.
4 Classified as structured entity not to be accounted under the equity method under IFRS (please refer to note '23 – Structured Entities').
5 No significant influence; classified as non-trading financial assets mandatory at fair value through profit or loss.
6 Own funds of € 39.7 million/result of € 3.8 million (business year 2022).

Significant Restrictions to Access or Use the Group's Assets

Statutory, contractual or regulatory requirements as well as protective rights of non-controlling interests might restrict the ability of the Group to access and transfer assets freely to or from other entities within the Group and to settle liabilities of the Group.

The following restrictions impact the Group's ability to use assets:

- The assets of consolidated structured entities, which mainly consist of guaranteed funds, are held for the benefit of the parties that have bought the shares issued by these entities.
- Investment contract related financial assets held to back unit linked contracts offered by DB Vita S.A. (the Group's specialist for unit-linked products).

Restricted assets

	31 Dec 2023		31 Dec 2022	
in € m.	Total assets	Restricted assets	Total assets	Restricted assets
Interest earning deposits with banks	1,320	69	1,779	84
Financial assets at fair value through profit or loss	4,868	2,150	3,959	1,822
Financial assets at fair value through other comprehensive income	82	0	80	0
Loans at amortized cost	4	0	6	0
Other	5,409	18	5,588	25
Total	**11,683**	**2,237**	**11,412**	**1,931**

The table above excludes assets that are not encumbered at an individual entity level but which may be subject to restrictions in terms of their transferability within the Group. Regulatory and central bank requirements or corporate laws may restrict the Group's ability to transfer assets to or from other entities within the Group in certain jurisdictions. Referring to this the US Federal Reserve Board required certain commitments with respect to the DWS Group operations in the US that are grouped under DWS USA Corporation (DWS Intermediate Holding Company) in accordance with Regulation YY. That includes restrictions on capital distributions that could arise from non-compliance by DWS Intermediate Holding Company with applicable regulatory requirements. Capital distribution restrictions would also be imposed on DWS Intermediate Holding Company in an event that Deutsche Bank's Intermediate Holding Company became subject to such restrictions.

23 – Structured Entities

Nature, Purpose and Extent of the Group's Interests in Structured Entities

The Group engages in various business activities with structured entities which are designed to achieve a specific business purpose. A structured entity is one that has been set up so that any voting rights or similar rights are not the dominant factor in deciding who controls the entity. An example is when voting rights relate only to administrative tasks and the relevant activities are directed by contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- Restricted activities
- A narrow and well defined objective
- Insufficient equity to permit the structured entity to finance its activities without subordinated financial support
- Financing in the form of multiple contractually linked instruments to investors that create concentration of credit or other risks (tranches)

As part of its business, the Group is responsible for the set up and management of various entities that are used to manage portfolios of assets on behalf of its clients. These entities are classified as structured entities. Structured entities may be established as corporations, trusts or partnerships. Structured entities generally finance the purchase of assets by issuing debt or equity securities that are collateralised by and/or indexed to the assets held by the structured entities.

The Group is considered a fund's sponsor if market participants associate this structured entity with the Group. This is assumed to be the case if the term "DWS" or "Xtrackers" is used in a fund's name. Investment funds managed by group-internal asset managers can be reasonably associated with the Group. As a sponsor, the Group is involved in the legal set-up and marketing of internally managed funds. This may include providing seed capital to the funds and providing administrative services to ensure the investment funds' operation.

Income Derived from Involvement with Structured Entities

The Group earns management fees and, occasionally, performance-based fees for its investment management service in relation to funds. The majority of the net commission and fees from asset management activities and most of the net gains (losses) on financial assets/liabilities at fair value through profit or loss relates to structured entities.

Financial Support

During 2023 and 2022 respectively, the Group did not provide non-contractual support to consolidated and unconsolidated structured entities.

Consolidated Structured Entities

The Group has the following consolidated structured entities and considers the net asset value of the consolidated structured entities as the size and maximum exposure at risk.

Consolidated structured entities

in € m.	31 Dec 2023	31 Dec 2022
Assets:		
Guaranteed funds	1,457	1,278
Seed investments	226	108
Co-investments	6	7
Liquidity positions	1,580	1,020
Total assets	**3,269**	**2,412**
Liabilities:		
Guaranteed funds	1,456	1,277
Seed investments	31	11
Co-investments	3	2
Liquidity positions	0	0
Total liabilities	**1,490**	**1,289**
Net income (loss) attributable to DWS shareholders:		
Guaranteed funds	0	0
Seed investments	13	(3)
Co-investments	(1)	5
Liquidity positions	39	(2)
Total net income (loss) attributable to DWS shareholders	**51**	**(1)**

Unconsolidated Structured Entities

These are structured entities which are not consolidated because the Group does not control them through voting rights, contract, funding agreements, or other means.

Interests in Unconsolidated Structured Entities

The Group's interests in unconsolidated structured entities refer to contractual involvement that exposes the Group to variability of returns from the performance of the structured entities. Examples of interests in unconsolidated structured entities include debt or equity investments (seed capital, co-investments), receivables from asset management fees (shown in other assets) and certain derivative instruments in which the Group is absorbing variability of returns from the structured entities.

Below is a description of the Group's interest in unconsolidated structured entities by type:

Securitization

The Group set up structured note vehicles with the primary objective to realize investment returns by investing in the debt of US infrastructure companies. The debt securitization assets held are classified as non-trading financial assets mandatory at fair value through profit or loss.

Funds

The Group sets up and manages various structured entities to accommodate client requirements to hold investments in specific assets. Those assets including seed and co-investments are classified as non-trading financial assets mandatory at fair value through profit and loss as the Group's business model assessment under IFRS 9 "Financial Instruments" resulted in "other business model".

Where we have an institutional mandate which is structured as a fund (e. g. German "Spezialfonds") these have been considered as structured entities.

Maximum Exposure to Unconsolidated Structured Entities

The maximum exposure to loss is determined by considering the nature of the interest in the unconsolidated structured entities. The maximum exposure for financial assets at fair value through profit and loss, loans and other assets is reflected by their carrying value in the consolidated balance sheet. The maximum exposure for derivatives under IFRS 12 "Disclosure of Interests in Other Entities", as interpreted by the Group, is reflected by the notional amounts of € 7,606 million as of 31 December 2023 (31 December 2022 € 6,947 million). Such amounts or their development do not reflect the economic risks faced by DWS Group because they do not take into account the effects of collateral or economic hedges nor the probability of such losses being incurred. Contingent liabilities (unfunded commitments to funds) are reflected with their outstanding committed amount at reporting date. The total maximum exposure is calculated by adding total assets, total contingent liabilities and notional amounts of derivatives.

The following table shows, by type of structured entity, the carrying amounts of the Group's interests recognized in the consolidated financial statement and the maximum exposure. The decrease in non-trading financial assets mandatory at fair value through profit or loss is mainly driven by mark-to-market valuation losses, redemptions and maturities of the investment contract assets offset by higher investments into seed and co-investments.

Carrying amounts and maximum exposure relating to the Group's interests

			31 Dec 2023			31 Dec 2022
in € m.	Securitizations	Funds	Total	Securitizations	Funds	Total
Assets:						
Financial assets at fair value through profit or loss – non-trading financial assets mandatory at fair value through profit or loss:						
Debt instruments – co-investments	0	416	416	0	467	467
Debt instruments – seed investments	0	51	51	0	37	37
Debt instruments – money market funds	0	0	0	0	0	0
Debt instruments – other debt instruments	38	23	61	16	16	32
Equity instruments	0	0	0	0	0	0
Investment contract assets	0	484	484	0	469	469
Total financial assets at fair value through profit or loss	**38**	**974**	**1,012**	**16**	**989**	**1,005**
Other assets	0	253	253	0	246	246
Total assets	**38**	**1,227**	**1,265**	**16**	**1,235**	**1,252**
Liabilities:						
Financial liabilities at fair value through profit or loss:						
Negative market values from derivative financial instruments	0	1	1	0	1	1
Total financial liabilities at fair value through profit or loss	**0**	**1**	**1**	**0**	**1**	**1**
Total liabilities	**0**	**1**	**1**	**0**	**1**	**1**
Notional amount of derivatives	**0**	**7,606**	**7,606**	**0**	**6,947**	**6,947**
Contingent liabilities	**0**	**106**	**106**	**0**	**111**	**111**
Maximum exposure	**38**	**8,939**	**8,977**	**16**	**8,295**	**8,310**

24 – Events after the Reporting Period

After the reporting date no material events occurred which had a significant impact on the results of operations, financial position and net assets of the Group.

25 – Additional Disclosures

Staff Costs

in € m.	2023	2022
Staff costs:		
Wages and salaries	743	721
Other benefits including social security	122	124
thereof: those relating to pensions	67	67
Total staff costs	**865**	**846**

Staff

As of 31 December 2023 the effective staff employed (full-time equivalent – FTE) was 4,378 (31 December 2022: 3,657). Part-time staff is included in these figures proportionately.

The average number of effective staff employed (full-time equivalent) in 2023 was 4,256 (2022: 3,579). An average of 2,538 (2022: 1,879) staff members worked outside Germany.

Executive Board and Supervisory Board Remuneration

	2023		2022	
	in €	Share units[1]	in €	Share units[1]
Executive Board:				
Total compensation	**14,840,451**	**N/A**	**21,467,462**	**N/A**
Thereof:				
DWS share-based compensation granted by DWS Management GmbH	3,329,000	89,101	4,422,769	144,064
DWS share-based compensation granted by DWS Group	693,125	18,552	1,086,962	35,406
Total DWS share-based compensation	**4,022,125**	**107,653**	**5,509,731**	**179,470**
Total compensation to former members of the Executive Board	**16,135,041**	**N/A**	**6,705,894**	**N/A**
Provision for pension obligations to former members of the Executive Board	**3,314,774**	**N/A**	**1,387,477**	**N/A**
Supervisory Board:				
Total compensation [2]	**1,105,833**	**N/A**	**1,062,500**	**N/A**

[1] Units were calculated by dividing the respective amounts in euro by the average share price of DWS share over the last ten trading days prior to 1 March 2023, prior to 1 March 2022 respectively.
[2] Excluding value added tax.

The members of the Supervisory Board receive fixed annual compensation according to the provisions of the Articles of Association. The annual base compensation amounts to € 85,000 for each Supervisory Board member. The Supervisory Board Chairman receives twice that amount and the Deputy Chairperson one and a half times that amount. Members and chairs of the committees of the Supervisory Board are paid additional fixed annual compensation. The compensation determined is disbursed to each Supervisory Board member within the first three months of the following year. In case of a change in Supervisory Board membership during the year, compensation for the financial year will be paid on a pro rata basis, rounded up/down to full months. Deutsche Bank Group shareholder representatives and one independent shareholder representative on the Supervisory Board have waived their Supervisory Board Compensation in line with applicable policies and procedures.

Declaration on the German Corporate Governance Code

The Managing Directors of DWS Management GmbH, representing the general partner of DWS Group GmbH & Co. KGaA, and the Supervisory Board issued the Declaration of Conformity in accordance with Section 161 of the German Stock Corporation Act (AktG). The declaration is published on DWS's website (https://group.dws.com/corporate-governance/declaration-of-conformity-pursuant-to-ss161-german-stock-corporation-act-aktg/).

Principal Accountant Fees and Services

Breakdown of the fees charged by the auditor of the consolidated financial statements for the financial year, broken down into the fee by category

Fee category in € m	2023	2022
Audit fees	6	5
Thereof: to KPMG AG	3	2
Audit-related fees	1	1
Thereof: to KPMG AG	1	1
All other fees	0	0
Thereof: to KPMG AG	0	0
Total fees	**6**	**6**

KPMG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, Germany was appointed as the Group auditor. The audit fees include fees for auditing the annual financial statements and the consolidated financial statements of DWS KGaA and various audits of the annual financial statements of subsidiaries. The fees for audit-related services include fees for other certification services required by law or statutory regulations and fees for voluntary certification services, such as voluntary audits for internal management purposes and the issue of audit certificates.

Confirmations

Responsibility Statement by the Executive Board

The Executive Board of DWS Group GmbH & Co. KGaA, Frankfurt, is responsible for preparing the consolidated financial statements and the summarised management report of the Group.

The Group's consolidated financial statements for 2023 were prepared according to the International Financial Reporting Standards (IFRS), which are published by the International Accounting Standards Board (IASB), London, and have been endorsed by the European Union. The Group's application of IFRS results in no differences between IFRS as issued by the IASB and IFRS as endorsed by the EU.

The Group has established effective internal control and steering systems in order to ensure that our summarised management report and consolidated financial statements comply with applicable accounting rules and to ensure proper corporate reporting.

The risk management system set up is designed such that the Executive Board can identify material risks early on and take appropriate defensive measures as necessary. The reliability and effectiveness of the internal control and risk management system are continually audited throughout the Group by our internal audit department.

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the summarised management report includes a fair review of the development and performance of the business and the position of the Group and DWS Group GmbH & Co. KGaA, together with a description of the principal opportunities and risks associated with the expected development of the Group and DWS Group GmbH & Co. KGaA.

Frankfurt am Main, 7 March 2024

DWS Group GmbH & Co. KGaA,
represented by: DWS Management GmbH, its general partner

The Managing Directors (Executive Board)

Dr Stefan Hoops	Manfred Bauer	Dirk Goergen	Dr Markus Kobler	Dr Karen Kuder

Independent Auditor's Report

Note: The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

Based on the results of our audit, we have issued the following unqualified audit opinion:

To DWS Group GmbH & Co. KGaA, Frankfurt am Main

Report on the Audit of the Consolidated Financial Statements and of the Summarized Management Report

Opinions

We have audited the consolidated financial statements of DWS Group GmbH & Co. KGaA and its subsidiaries (the Group), which comprise the consolidated balance sheet as of December 31, 2023, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated changes in equity and the consolidated statement of cash flows for the financial year from January 1, 2023 to December 31, 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the summarized management report of DWS Group GmbH & Co. KGaA including the section "Compensation Report" which contains the remuneration report as part of the summarized management report for the financial year from January 1, 2023 to December 31, 2023.

In accordance with German legal requirements, we have not audited the content of those components of the summarized management report specified in the "Other Information" section of our auditor's report.

The summarized management report contains unaudited sections which are cross references that are not required by law. Those cross references as well as the information therein were in accordance with German legal requirements not audited.

In our opinion, on the basis of the knowledge obtained in the audit,

– the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2023, and of its financial performance for the financial year from January 1, 2023 to December 31, 2023, and
– the accompanying summarized management report as a whole provides an appropriate view of the Group's position. In all material respects, this summarized management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the summarized management report does not cover the content of those components of the summarized management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the summarized management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the summarized management report in accordance with Section 317 HGB and EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der

Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Summarized Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the summarized management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1, 2023 to December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of goodwill

Please refer to note 2 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of goodwill can be found under note 12 and information on the economic development of the asset management industry is presented in the section "Economic and Competitive Environment" in the summarized management report.

THE FINANCIAL STATEMENT RISK

As of December 31, 2023, goodwill amounted to EUR 2,867 million and, at 25% of total assets, accounts for a substantial share of assets.

Goodwill is tested for impairment annually at the level of the single operating segment. For this purpose, the carrying amount is compared with the recoverable amount of the business segment. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of fair value less costs to sell and the value in use of the business segment. The effective date for the impairment test is October 1, 2023.

Impairment testing of goodwill is complex and based on a range of assumptions that require judgment. These include the expected business and earnings development of the business segment for the next five years, the assumed long-term growth rates and the discount rate used.

Competition in the asset management industry continued to intensify in financial year 2022. Future business prospects continue to be negatively affected in particular by the continued compression of margins globally and rising costs of market entry. Nevertheless, DWS Group GmbH & Co. KGaA did not identify any need for impairment as a result of the impairment test carried out.

There is the risk for the consolidated financial statements that impairment existing as of the reporting date was not identified due to improper determination of the parameters relevant for the evaluation. Moreover, there is a risk that the existing impairment as of reporting date is not properly recognized because of inappropriate determination of the data relevant for the valuation. This includes the risk that improper application of the factors used to identify a single business segment led to an existing need to recognize impairment losses not being identified. There is also the risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

Based on our risk assessment of material misstatements we have performed audit procedures to assess the design and implementation as well as test of operating effectiveness of the Company’s processes and controls. Furthermore, we have performed substantive audit procedures. Hence, we have performed the following audit procedures:

We assessed the proper application of the factors used to identify the individual business segment, in particular with regard to the management and reporting structures of the Group, the structure of the variable remuneration components of all the members of the Executive Board as well as a peer group analysis of other listed asset managers. We also assessed, with the help of our valuation specialists, the appropriateness of the significant assumptions and the calculation method used by the Company. To this end, we discussed the expected development of business and earnings as well as the assumed long-term growth rates with those responsible for planning. In addition, we reconciled this information with other internally available forecasts, e.g. the budget prepared by the Executive Board and approved by the Supervisory Board. Furthermore, we evaluated the consistency of assumptions with external market assessments.

Further, we satisfied ourselves of the quality of the Company's forecasts to date by comparing the budgets from previous financial years with the actual results achieved and by analyzing deviations. Since even minor changes to the discount rate can have a material effect on the results of the impairment test, we compared the assumptions and parameters underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

We verified the computational accuracy of the valuation model used by the Company.

In order to take account of the existing forecast uncertainty and the earlier deadline selected for impairment testing, we examined the effects of possible changes in the discount rate, the earnings trend and the long-term growth rates on the recoverable amount (sensitivity analysis), by calculating alternative scenarios and comparing them with the values stated by the Company.

Furthermore, we scrutinized the final analysis of the measurement results made by the Company, including the assessment of the relation between the recoverable amount as well as the carrying amount of equity and the market capitalization.

Finally, we assessed whether the disclosures in the notes regarding impairment of goodwill are appropriate.

OUR OBSERVATIONS

The calculation method used for impairment testing of goodwill is appropriate and in line with the accounting policies to be applied. The Company's assumptions and parameters used for measurement are appropriately derived overall. The factors used to identify a single business segment were applied appropriately. The related disclosures in the notes are appropriate.

Impairment testing of the “Scudder” intangible asset

Please refer to note 2 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of other intangible assets can be found under note 12 and information on the economic development of the asset management industry is presented in the section “Economic and Competitive Environment” in the summarized management report.

THE FINANCIAL STATEMENT RISK

As of December 31, 2023, other intangible assets of EUR 716 million consist of contractual agreements granting temporary exclusive rights to manage American mutual funds. These contractual arrangements can be extended without significant costs and, moreover, have a long history of extensions. The Company therefore recognized an intangible asset with an indefinite useful life and reviews annually this assessment.

The “Scudder” intangible asset is tested for impairment annually. In addition, it is tested whenever there is an indication that the intangible asset may be impaired. The effective date for the impairment test is October 1, 2023 For this purpose, the carrying amount is compared with the recoverable amount of the contractually agreed exclusive rights. If the recoverable amount is below the carrying amount, an impairment loss is recognized. If the recoverable amount exceeds the carrying amount, an assessment is performed, if an indication that an impairment loss recognized in prior periods may no longer exist or may have decreased and if that results from a significant change in the estimates used to determine the recoverable amount.

The impairment test of the “Scudder” intangible asset is complex and is based on a number of assumptions that require judgment. These include the asset mix, the expected net changes in cash flows of the managed mutual funds, the effective fee rate, the assumed long-term growth rates and the discount rate used.

As a result of the annual impairment test performed as of October 1, 2023, the Company identified a need for an impairment. Further the Company has identified as of December 31, 2023 indications which could lead to a need of a reversal of an impairment. As a result, an impairment reversal analysis has been performed. This analysis resulted in a recoverable amount being above the carrying amount and for that reason a need for an impairment reversal.. Prior period impairments were correspondently revised.

There is the risk for the consolidated financial statements that an impairment or reversal of impairment existing at the reporting date was not identified because the valuation method was not implemented appropriately and in accordance with the applicable valuation principles and the assumptions and parameters underlying the valuation were not appropriately derived. There is also the risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

Based on our risk assessment of material misstatements we have performed audit procedures to assess the design and implementation as well as test of operating effectiveness of the Company’s processes and controls. Furthermore, we have performed substantive audit procedures. Hence, we have performed the following audit procedures:

We obtained an understanding of the Company's process for deriving assumptions requiring judgment, identifying indications of impairment or reversal of impairment and determining recoverable amounts based on explanations provided by DWS accounting staff.

With the help of KPMG valuation specialists, we assessed, among other things, the appropriateness of the Company's calculation method. To this end, we discussed the assumed long-term growth rates with those responsible for planning and assessed the consistency of the assumptions with external market assessments.

Further, we satisfied ourselves of the quality of the Company's forecasts to date by comparing the budgets from previous financial years with the results actually achieved and by analyzing deviations. We compared the assumptions and parameters underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

In order to take into account the existing forecasting uncertainty for the impairment test, we examined the effects of possible changes in expected net changes in cash flows of the managed mutual funds, the effective fee rate and the assumed long-term growth rates, or the discount rate used, on the recoverable amount by calculating alternative scenarios and comparing them with the Company's figures (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes on the recoverability of the "Scudder" intangible assets are appropriate.

OUR OBSERVATIONS

The valuation methodology underlying the impairment test of the "Scudder" intangible assets is appropriate and consistent with the accounting policies to be applied. The Company's assumptions and parameters on which the valuation is based are generally appropriate. The related disclosures in the notes are appropriate.

Other Information

Management respectively the supervisory board are responsible for the other information. The other information comprises the following components of the summarized management report, whose content was not audited:

- the integrated non-financial group statement, whose disclosures are marked as unaudited,
- the corporate governance statement according to the Section 315d of HGB, to which reference is made in the summarized management report and
- the information that is not typically included in management reports and marked as unaudited

The other information also includes the remaining parts of the annual report. The other information does not include the audited consolidated financial statements, the summarized management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the summarized management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the summarized management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If we conclude in the course of our audit that the information included in the other information contains a material misstatement, we are required to report on that. We have nothing to report in this regard.

We were engaged to perform a separate audit of the Remuneration Report according to IDW AsS 870 (German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer – Institute of Public Auditors in Germany) which is included into the Management Report. For the scope, approach and results of the audit we refer to our audit opinion as of 8. March 2024.

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Summarized Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the summarized management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the summarized management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the summarized management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Summarized Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and whether the summarized management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the summarized management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this summarized management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the summarized management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the summarized management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the summarized management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated

financial statements and on the summarized management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the summarized management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by management in the summarized management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance in accordance with Section 317 (3b) HGB on the Electronic Reproduction of the Consolidated Financial Statements and the Summarized Management Report Prepared for Publication Purposes

We have performed assurance work in accordance with Section 317 (3b) HGB to obtain reasonable assurance about whether the reproduction of the consolidated financial statements and the summarized management report (hereinafter the "ESEF documents") contained in the file that can be downloaded by the issuer from the electronic client portal with access protection, „DWSGroup-2023-12-31-de.zip“ (SHA256-Hashwert: 71063c978e4ba54c8698568998f9efb6ec7eba4b9d26ebdc9a39f0484a69231f) and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance only extends to the conversion of the information contained in the consolidated financial statements and the summarized management report into the ESEF format and therefore relates neither to the information contained in this reproduction nor any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the consolidated financial statements and the summarized management report contained in the above-mentioned electronic file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this reasonable assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying summarized management report for the financial year from January 1, 2023 to December 31, 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and the Summarized Management Report" above.

We conducted our assurance work on the reproduction of the consolidated financial statements and the summarized management report contained in the above-mentioned electronic file in accordance with Section 317 (3a) HGB and of the IDW Assurance Standard: Assurance in accordance with Section 317 (3a) HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (IDW AsS 410 (06.2022) Accordingly, our responsibilities are further described below. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022).

The company's management is responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the summarized management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the company's management is responsible for the internal controls they consider necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The company's management is also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited consolidated financial statements and audited summarized management report as well as other documents to be published to the operator of the German Federal Gazette [Bundesanzeiger].

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance of the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the electronic file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited summarized management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor at the annual general meeting on June 15, 2023, and engaged by the chairperson of the Audit Committee on October 19, 2023. We have audited DWS Group GmbH & Co. KGaA since its initial public offering in financial year 2018

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Miscellaneous – Use of this Auditor's Report

Our Auditor's Report must be read in connection with the audited annual financial statements and the audited summarized management report as well as the audited ESEF documents. The annual financial statements and summarized management report transferred to the ESEF format including the version for publishing in the German Federal Gazette are merely electronical reproductions of the audited annual financial statements and audited summarized management report and do not replace them. Especially the ESEF Report and the included opinion therein must be read in connection with the electronic ESEF documents.

German Public Auditor Responsible for the Engagement

The German public auditor responsible for the engagement is Markus Fox.

Frankfurt am Main, March 8, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

[Signature] Fox	[Signature] Adilova
Wirtschaftsprüfer	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

Note: The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

Limited Assurance Report of the Independent Auditor regarding the Integrated Non-financial Group Statement

To DWS Group GmbH & Co. KGaA, Frankfurt am Main

We have performed an independent limited assurance engagement on the integrated non-financial group statement of DWS Group GmbH & Co. KGaA, Frankfurt am Main (further "DWS" or "Company"), for the period from January 1 to December 31, 2023.

References made to the Global Reporting Initiative ("GRI") within the integrated non-financial group statement are not subject to our assurance engagement.

Management's Responsibility

The legal representatives of the Company are responsible for the preparation of the integrated non-financial group statement in accordance with §§ 315c in conjunction with 289c to 289e HGB and with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (further „EU Taxonomy Regulation") and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the Company as disclosed in Section "[Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation]" of the integrated non-financial group statement and in the section "Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation" within the Supplementary Information.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the integrated non-financial group statement and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the integrated non-financial group statement that is free of – intended or unintended – material misstatements.

The EU Taxonomy Regulation and the supplementing Delegated Acts contain wordings and terms that are still subject to substantial uncertainties regarding their interpretation and for which not all clarifications have been published yet. Therefore, the legal representatives have included a description of their interpretation in Section "[Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation]" of the integrated non-financial group statement and in the section "Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation" within the Supplementary Information. They are responsible for its tenability. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations is subject to uncertainty.

Independence and Quality Assurance on the Part of the Auditing Firm

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QMS 1 (09.2022)).

Practitioner's Responsibility

It is our responsibility to express a conclusion on the integrated non-financial group statement for the period from January 1 to December 31, 2023 based on our work performed within a limited assurance engagement.

We conducted our work in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", published by IAASB. Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the integrated non-financial group statement of the Company for the period from January 1 to December 31, 2023 has not been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the legal representatives as disclosed in Section "Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation" of the integrated non-financial group statement and in the section "Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation" within the Supplementary Information.

We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures for a selection of items:

- Gaining an understanding of the structure of the Group's sustainability organization and the involvement of stakeholders.
- Inquiries of group-level personnel who are responsible for the materiality analysis in order to understand the processes for determining material topics and respective reporting boundaries for DWS Group GmbH & Co. KGaA.
- A risk analysis, including media research, to identify relevant information on DWS Group GmbH & Co. KGaA's sustainability performance in the reporting period.
- Evaluation of the design of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights, and anti-corruption and bribery as well as on further reported matters.
- Inquiries of group-level personnel who are responsible for the design and implementation of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights, and anti-corruption and bribery as well as on further reported matters.
- Inquiries of group-level personnel who are responsible for determining disclosures on concepts, due diligence processes, results and risks, performing internal control functions and consolidating disclosures.
- Inquiries of responsible employees at Group level to obtain an understanding of the approach to determine the key performance indicators, including qualitative information in accordance with EU taxonomy.
- Assessing the design and implementation of systems and procedures for identifying, processing and monitoring information to the key performance indicators according to the EU Taxonomy Regulation, including accompanying information to be provided under the relevant annexes.
- Inspection of selected internal and external documents.
- Assessment of the overall presentation of the disclosures.

The legal representatives have to interpret vague legal concepts in order to be able to compile the relevant disclosures according to Article 8 of the EU Taxonomy Regulation. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations and, correspondingly, our assurance thereof are subject to uncertainty.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the integrated non-financial group statement of DWS Group GmbH & Co. KGaA for the period from January 1 to December 31, 2023 has not been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation of the legal representatives disclosed in Section "[Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation]" of the integrated non-financial group statement and in the section "Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation" within the Supplementary Information.

References made to the Global Reporting Initiative ("GRI") within the integrated non-financial group statement are not covered by our conclusion.

Restriction of Use/General Engagement Terms

This assurance report is addressed to DWS Group GmbH & Co. KGaA for information purposes and may not be used in any other context than to inform the company about the result of the assurance engagement. In particular, disclosure of this audit opinion to third parties or its use in sales prospectuses or other similar public documents or media is excluded.

Our assignment for DWS Group GmbH & Co. KGaA, Frankfurt am Main, and professional liability as described above was governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 according to Attachment 2 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein including the limitation of our liability as stipulated in No. 9 and accepts the validity of the General Engagement Terms with respect to us.

Frankfurt am Main, March 8, 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

[Signature] Fox
Wirtschaftsprüfer
[German Public Auditor]

[Signature] ppa. Seidel

Compensation Report

Compensation Report

GRI 2-19; 2-20; 2-21

The 2023 compensation report for the members of the Executive Board of DWS Management GmbH as the General Partner of the DWS KGaA and the Supervisory Board of the DWS KGaA was prepared jointly by the members of the Executive Board and the Supervisory Board in accordance with Section 162 German Stock Corporation Act.

The compensation report sets out the broad lines of the compensation systems for the members of the Executive Board and the Supervisory Board and provides clear and comprehensible information on the compensation granted and due by DWS KGaA and subsidiaries of the Group to each current and former member of the Executive Board and the Supervisory Board in the 2023 financial year.

The compensation report complies with the current legal and regulatory requirements of the German Stock Corporation Act (AktG), in particular Section 162 (1) and (2) AktG, the Remuneration Regulation for Institutions (Institutsvergütungsverordnung – InstVV) as well as the Investment Firm Directive and its transposition into national law in the German Investment Firm Act (Wertpapierinstitutsgesetz – WpIG) as applicable. It also takes into account the recommendations of the German Corporate Governance Code and complies with the relevant requirements of the applicable accounting rules for capital market-oriented companies.

Based on Section 162 AktG, the compensation report also provides clear and comprehensible information on the compensation granted and due to each current and former member of the Joint Committee in the 2023 financial year.

Executive Board Compensation

Compensation Governance

DWS Management GmbH is the General Partner of the DWS KGaA. As such, it is responsible for the management of the business of the DWS KGaA. The subject of this section of the compensation report is the compensation for the members of the Executive Board, who represent the General Partner and fulfil its task of managing the business.

Due to DWS Management GmbH's legal form, not the Supervisory Board of DWS KGaA but the shareholders’ meeting of DWS Management GmbH is responsible for the structure of the compensation system of the Executive Board of DWS Management GmbH and for the determination of the specific structure as well as the individual amount of compensation. The Joint Committee of DWS KGaA has a right of proposal with respect to the determination of the amount of individual variable compensation. The Joint Committee consists of two members delegated by the shareholders’ meeting of the DWS Management GmbH and two members delegated by the shareholder representatives on the Supervisory Board.

The shareholders' meeting may resolve to amend the compensation system if necessary. In the case of significant changes, but at least every four years, the compensation system is submitted to the General Meeting of DWS KGaA for approval.

Due to regulatory requirements, the Executive Board members with responsibility for the Coverage and Product division each have, in addition to their service contracts with DWS Management GmbH, an additional service contract with a subsidiary of the Group. The shareholders’ meeting is solely responsible for the structure of the compensation system and the determination of the individual compensation relating to DWS Management GmbH. However, the total compensation of the Executive Board members includes both the compensation determined by DWS Management GmbH as well as by the subsidiaries of the Group consolidated in the Group financial statements. For reasons of transparency, the compensation system on which compensation from the subsidiaries is based is explained in broad lines in section ‘Application of the Compensation System in the Financial Year 2023’.

Alignment of Executive Board Compensation with DWS's Strategy

The Executive Board of the Group is responsible for steering and controlling the entire Group. The compensation system for the Executive Board plays a vital role in promoting and implementing the Group's long-term strategy and developing a value-based, sustainable management system aligned with shareholder interests. An additional objective of the compensation system is to offer Executive Board members a market-oriented, competitive compensation package in balance with statutory and regulatory conditions and the principles of good corporate governance.

The following principles in particular have been taken into consideration in the development of the compensation system and the determination of individual variable compensation:

General principles of the compensation

Promoting DWS Group's strategy	The strategy of the Group forms the basis for the definition of the relevant and at the same time ambitious objectives. The level of target achievement determines the level of compensation. Excellent performance can thus be rewarded appropriately, while a failure to achieve objectives results in the reduction of variable compensation, up to and including complete forfeiture (pay for performance).
Focus on long-term group performance	Long-term objectives and performance parameters as well as variable compensation granted on a largely deferred basis guarantee a forward-looking, sustainable work to promote further success and positive business development.
Sustainability: the focus of action	Responsible and sustainable action are of paramount strategic importance. For that reason, the performance parameters of the compensation system are closely linked with DWS's sustainability strategy.
Consideration of the shareholders' interests	Clearly defined key financials that are aligned with the performance of the DWS Group, which directly determine the setting of the variable compensation and the granting of variable compensation in the form of share-based components ensures that variable compensation is closely aligned with the performance of DWS shares and shareholder interests.
Motivating collective and individual performance	Ambitious and motivating individual objectives in the Executive Board member's area of responsibility and consideration of the performance of the Executive Board as a whole promote a successful and dynamic environment.

Compensation-Related Events in 2023

Annual General Meeting 2023 Approval of the Compensation Report for the Previous Financial Year

The compensation report prepared in accordance with the requirements of Section 162 of the AktG on the compensation granted and owed in the financial year 2022 to the current and former members of the Executive Board and the Supervisory Board by DWS KGaA and group companies was approved by the Annual General Meeting of DWS KGaA on 15 June 2023 by a majority of 97,99% pursuant to Section 120a (4) AktG. The format of the report will therefore also be maintained in principle for this compensation report for the financial year 2023. In section 'Application of the Compensation System in the Financial Year 2023 – Appropriateness of Compensation – Horizontal – external benchmarking', additional information were included on the peer group of international asset managers with the aim of greater transparency.

Composition of the Executive Board

In the 2023 financial year, the following changes in personnel occurred: Angela Maragkopoulou has been appointed as new COO and member of the Executive Board as of 1 January 2023. She succeeded Mark Cullen, who resigned as a member of the Executive Board and Chief Operating Officer with effect from end of 31 December 2022. The new COO division will focus on Technology and Operations, Data, and Business Services. As of 31 December 2023, Angela Maragkopoulou resigned as a member of the Executive Board.

Dirk Goergen became CEO of the America region with effect from 1 January 2023. In addition to his role as a member of the Executive Board and Global Head of the Client Coverage Division. The Chairman of the Executive Board Dr Stefan Hoops has taken over additional responsibility for the Investment Division since 1 January 2023.

Claire Peel resigned as a member of the Executive Board and Chief Financial Officer with effect from end of 30 September 2023. Dr Markus Kobler has been appointed as a member of the Executive Board and Chief Financial Officer for a period of three years with effect from 1 November 2023.

The Executive Board thus comprised six members in the 2023 financial year from January to September, five members in October and six members from November to December. From 1 January 2024, it will be composed only of five members. Until September, three women were members of the Executive Board and from October there were two, equal to 33.3%. From 1 January 2024 there will be one woman, equal to 20%.

Compensation Decisions in 2023

For the two new members of the Executive Board, Angela Maragkopoulou and Dr Markus Kobler, appointed in 2023, the shareholders' meeting has set a target total compensation in accordance with the compensation system. Both the market environment taking into account compensation data of international asset managers (peer group) and the scope of responsibility as well as previous compensation conditions were included in the analysis. The shareholders' meeting determined the compensation as follows: The target total compensation of the new COO Division was set at € 2,000,000 per year. This amount consists of a base salary of € 950,000 and a target variable compensation of € 1,050,000 per year. The target total compensation for the new Chief Financial Officer is € 1,950,000. This sum consists of the base salary of € 950,000 per year and a target variable compensation of € 1,000,000.

Benefits relating to the commencement of the activities of Angela Maragkopoulou and Dr Markus Kobler as new members of the Executive Board in order to compensate for the loss of benefits from the respective previous employer are explained in the new section 'Application of the Compensation System in the Financial Year 2023 – Benefits relating to the Commencement of Activities as Executive Board Member'.

Benefits resulting from the termination of the mandate of Angela Maragkopoulou are described in the section 'Application of the Compensation System in the Financial Year 2023 – Benefits in the Event of Termination of the Mandate'.

Against the background of Manfred Bauer's extension of his mandate for a further three years from 1 July 2023, the total target remuneration was revised to € 2,100,000 per year with effect from 1 July 2023. The sum consists of a base salary of € 1,200,000 per year and a target variable remuneration of € 900,000. The increase took due account of Manfred Bauer's wide area of responsibility within the Executive Board and the duration of membership in the Executive Board.

Approval of the Compensation System by the 2021 Annual General Meeting

The current compensation system for the members of the Executive Board was submitted for approval to the Annual General Meeting of DWS Group on 9 June 2021, in accordance with Section 120a (1) AktG and approved by a majority of 99.21%.

Detailed information on the compensation system is published on the DWS's website (https://download.dws.com/download?elib-assetguid=04a356d46c0b407ebd88ff8e3361fb6e&publishLocationGuid=eacbc9cf4b8e4d2189eb69cd09e2ff4f&&&).

The compensation system was implemented within the framework of the Executive Board service contracts and applied to all members of the Executive Board active in the 2023 financial year.

Deviations from the Compensation System

The shareholders' meeting in the 2023 financial year did not make use of the possibility provided for in the compensation system pursuant to Section 87a (2) sentence 2 AktG to temporarily deviate from individual components of the system in special, extraordinary situations.

Principles of Compensation Determination

Compensation Structure

Compensation for Executive Board members consists of non-performance-related (fixed) and performance-related (variable) components. The fixed and variable compensation together constitute an Executive Board member's total compensation. The shareholders' meeting defines target and maximum amounts for all compensation components. The total compensation of all Executive Board members is furthermore subject to additional caps.

Non-performance related component (fixed compensation)

The fixed compensation comprises a base salary, contributions to a pension plan and fringe benefits.

Base salary

Base salary is determined based on the position held by an Executive Board member and the associated shared responsibility for management. In addition, the duration of membership in the Executive Board is taken into account by the ability to set a higher base salary for Executive Board members upon reappointment. Furthermore, the amount of the base salary offered depends on the relevant market conditions. In the light of regulatory requirements, a cap for variable compensation amounting to 200% of fixed compensation is factored in; therefore, fixed compensation is determined in such a way that a competitive and market-oriented total compensation can be ensured even while taking these requirements into account.

The base salary currently amounts to € 2,800,000 per year for the Chairman of the Executive Board and between € 950,000 and € 1,200,000 per year for the other Executive Board members. It is paid in twelve equal monthly instalments.

Fringe benefits

Furthermore, all Executive Board members are entitled to receive “fringe benefits”. They consist on the one hand of contractually agreed regularly recurring benefits such as contributions to insurance policies, coverage of costs for participation in medical check-ups and – for Executive Board members based in Germany – a company car option on the basis of the applicable Company Car Policy of Deutsche Bank Group. In addition, Executive Board members not resident in Germany may be granted certain ad-hoc benefits, such as reimbursement of costs for preparing income tax returns.

The availability and individual utilization of fringe benefits may vary depending on location and personal situation, which is why the amount of fringe benefits cannot be precisely determined at the beginning of a year. However, the cap on total compensation (maximum compensation) pursuant to Section 87a (1) sentence 2 number 1 AktG (maximum compensation) may in total not be exceeded by these benefits.

Company pension plan

In addition, Executive Board members receive a commitment to pension benefits under the defined contribution pension plan offered to employees in Germany.

For each of the Executive Board members a fixed annual value in the amount of € 90,000 and € 300,000 for the Chairman of the Executive Board is contributed to the pension plan. The annual contribution is invested in selected investment funds. Furthermore, an additional risk contribution of € 10,000 is provided to cover the risk of early pension events. The sum of the market values of the investments forms the pension amount available to be paid as pension benefit in case of a pension event (age limit, invalidity or death).

Executive Board members domiciled outside of Germany who pay taxes on their income outside Germany may opt for a pension allowance in lieu of the pension plan commitment; the allowance is equivalent to the annual contribution to the pension provision.

Performance-related component (variable compensation)

Variable compensation is performance-related and is granted as either the Short-Term Award or the Long-Term Award, depending on the tenure of the relevant objectives. For variable compensation, the objectives and performance parameters are defined at the beginning of a fiscal year; the extent to which the objectives are achieved determines the amount of variable compensation. This always ensures a close link between performance and compensation.

Short-Term Award

The Short-Term Award is used to reward the achievement of individual and divisional objectives of an Executive Board member. The performance criteria on which the Short-Term Award is based are short-term objectives for a financial year. The agreed objectives support DWS's business and strategic objectives and are aligned with the individual Executive Board members' areas of responsibility and the specific challenges associated with it.

The Short-Term Award is determined based on the objectives listed in the individual Balanced Scorecard as well as on up to three further individual objectives. The portion of the Short-Term Award determined by the Balanced Scorecard accounts for 20% of the performance evaluation. The additional individual objectives account for an equivalent share of the Short-Term Award. The sum of the Balanced Scorecard and the additional individual objectives amounts to 40% of the total reference variable compensation.

The target amounts of the Short-Term Award based on a year-round full-time employment at 100% achievement grade are currently between € 200,000 and € 1,600,000. The maximum possible level of target achievement is capped uniformly at 150%.

Long-Term Award

The focus of assessment of variable compensation lies on the achievement of long-term and strategic objectives. The Long-Term Award, which covers the long-term strategic targets, uniformly comprising 60% of the total reference variable compensation.

The Long-Term Award consists mainly of the **DWS Group component** linked in accordance with the strategy of the Group to three selected performance indicators as key metrics for the success and growth of the business: Adjusted cost-income ratio, net flows, and Environmental, Social and Governance footprint. In order to address the expected volatility of demand for Cash products and the associated risk of unpredictability/randomness of the measurement of success, the target for net flows was set at the beginning of 2023 on the basis of net flow excluding Cash. The identification of this performance indicator for the year 2023 is therefore consistently shown in this report as net flows excluding Cash.

Each of the three aforementioned objectives is weighted at a fixed percentage of the reference size for the DWS Group component by the shareholders’ meeting. This reference size amounts to a total of 50% of the total reference variable compensation.

Due to regulatory requirements, the overall performance of Deutsche Bank Group must also be taken into account when determining the variable compensation. For this reason, collective objectives are linked additionally to the Deutsche Bank Group strategy and performance. In accordance with this strategy, four performance metrics of the Deutsche Bank Group form the reference value for the **Deutsche Bank Group component** of the Long-Term Award: Three of them, the Common Equity Tier 1 capital ratio and post-tax return on tangible equity, as well as cost-income ratio are unchanged compared to 2022 financial year. Last year's newly introduced ESG metric was extended to allow a more balanced view on the three dimensions of the ESG concept of Deutsche Bank Group. The four aforementioned objectives specified are equally weighted within the Deutsche Bank Group component. The Deutsche Bank Group component accounts for 10% of the total reference variable compensation.

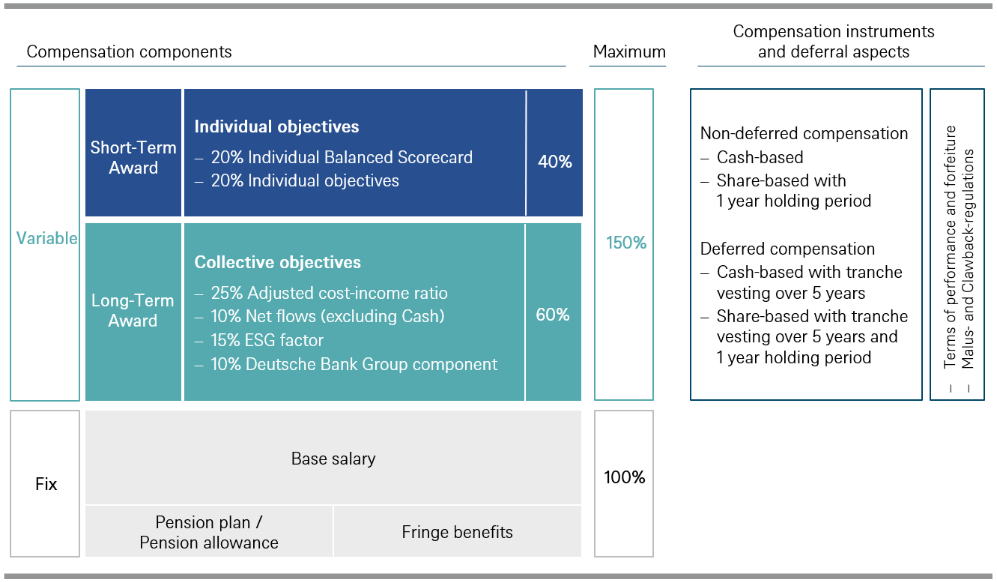
The target amounts of the Long-Term Award based on a year-round full-time employment at 100% achievement grade are currently between € 300,000 and € 2,400,000. The maximum possible level of target achievement is uniformly capped at 150%.

Compensation instruments and deferral periods

The defined variable compensation for Executive Board members can be granted entirely on a deferred basis, subject to a minimum deferral of 60%, this ensures that the sustainability of success is adequately taken into account in the business and risk strategy and leads to a long-term incentive effect of variable compensation. Moreover, more than half of the total variable compensation is granted in the form of share-based instruments, the value of which is linked to DWS's share price performance.

The deferred compensation instruments are subject to additional performance and forfeiture conditions which can result in the full or partial forfeiture (malus). In addition, the shareholders' meeting may reclaim already paid variable compensation under certain circumstances (clawback). Variable compensation awarded for a fiscal year is disbursed over a period of one up to six years.

Overview of the compensation system



Further rules: Maximum compensation as well as commitments and benefits in connection with the start and end of the activity.

Composition of the Target Total Compensation and Compensation Caps

In accordance with the compensation system, the shareholders' meeting defines a target total compensation for each Executive Board member.

In order to take appropriate account of factors such as competition and the market environment as well as the various areas of responsibility and the requirements of the respective position and duration of membership in the Executive Board, the compensation system allows for differentiation with respect to the amount of the target total compensation and the ratio of fixed to variable compensation components. The relative shares of the compensation components in the annual target total compensation are determined in the following ranges due to the differentiation:

Compensation components and relative share

in %	Relative share of total compensation CFO, COO, CAO and Head of Product Division	CEO and Head of Client Coverage Division
Long-term award	19–32	29–35
Short-term award	13–21	19–24
Base salary	42–63	38–48
Pension contribution/pension allowance	3–6	1–5
Regular fringe benefits	1	1
Reference total compensation	**100**	**100**

The total compensation is furthermore subject to additional caps which are to be reviewed when determining the compensation:

Pursuant to Section 87a (1) sentence 2 number 1 AktG, the shareholders' meeting set a limit (maximum compensation) for total compensation for the Executive Board members amounting to € 9.85 million each. This cap comprises not only base salary and variable compensation but also regular and ad-hoc fringe benefits and pension service costs for company pension plan or pension allowances.

Pursuant to the Capital Requirements Directive applicable to the financial sector as implemented by Section 25a (5) of the German Banking Act (Kreditwesengesetz – KWG) and Section 6 InstVV, the ratio of fixed to variable compensation is capped at 1:1, i. e., the amount of variable compensation may not exceed the fixed compensation. The shareholders' meeting has utilized the option provided by law and resolved to increase the upper limit for the ratio of fixed to variable compensation to 1:2.

The shareholders' meeting defines a target and a maximum amount for variable components. The maximum possible level of target achievement for short-term as well as long-term variable compensation components is limited uniformly to 150% of the respective target amount. If the level of target achievement exceeds that amount, short-term as well as long-term variable compensation determined at the end of the year is limited to 150% of the reference variable compensation.

If, after determining target achievement, variable or total compensation is calculated to exceed one of the above-mentioned caps, the variable compensation will be reduced accordingly by an equal percentage reduction in the Short-Term and Long-Term Awards until the amount of variable or total compensation meets the limit.

In the following table all target and maximum amounts for the variable compensation elements as well as the base salary for each Executive Board member in the financial year 2023 based on a year-round full-time employment is shown. The maximum amounts of short-term as well as long-term variable compensation components were set uniformly at 150% of the respective target amount according to the maximum possible level of target achievement.

Target and maximum amounts[1]

	2023					2022
		Variable compensation				
in €	Base salary	Short-Term Award	Long-Term Award[2]	Total	Total compensation	Total compensation
Chief Executive Officer and Head of Executive Division						
Target value	2,800,000	1,600,000	2,400,000	4,000,000	6,800,000	6,800,000
Maximum value	2,800,000	2,400,000	3,600,000	6,000,000	8,800,000	8,800,000
Chief Financial Officer and Head of CFO Division[3]						
Target value	950,000	400,000	600,000	1,000,000	1,950,000	2,000,000
Maximum value	950,000	600,000	900,000	1,500,000	2,450,000	2,400,000
Chief Operating Officer and Head of COO Division[3]						
Target value	950,000	420,000	630,000	1,050,000	2,000,000	2,800,000
Maximum value	950,000	630,000	945,000	1,575,000	2,525,000	3,575,000
Head of Chief Administrative Officer Division						
Target value	950,000	200,000	300,000	500,000	1,450,000	1,450,000
Maximum value	950,000	300,000	450,000	750,000	1,700,000	1,700,000
Head of Client Coverage Division[4]						
Target value	1,200,000	480,000	720,000	1,200,000	2,400,000	2,400,000
Maximum value	1,200,000	720,000	1,080,000	1,800,000	3,000,000	3,000,000
Head of Product Division[3,4]						
Target value	1,200,000	360,000	540,000	900,000	2,100,000	1,450,000
Maximum value	1,200,000	540,000	810,000	1,350,000	2,550,000	1,700,000

1 Values are annualised values.
2 The Long-Term Award accounts for 60% of the total reference variable compensation, 50% are determined by the DWS Group component and 10% by the Deutsche Bank Group component.
3 For details on the determination of compensation data in 2023 for this function, please refer to section 'Compensation-Related Events in 2023'.
4 Due to regulatory requirements, the current function holders have another employment contract with a subsidiary within the Group. For reasons of comparability, the values given refer to full-time employment throughout the year.

Application of the Compensation System in the Financial Year 2023

Non-Performance Related Component (Fixed Compensation)

The fixed components of compensation in the form of base salary, fringe benefits and pension contributions or allowances were granted in the financial year as non-performance related and in accordance with the compensation system based on the individual contractual commitments and individual utilization.

The Supervisory Board of DWS KGaA has agreed to bear reasonable costs for the necessary legal advice and support for the Executive Board members in the current investigations affecting the company. Furthermore, in those cases where the assumption of costs represents a benefit in kind in the tax sense, the Supervisory Board of DWS KGaA has decided that the company will assume the income tax for the benefit in kind economically.

Performance Related Component (Variable Compensation)

The variable performance-related compensation for the 2023 financial year was determined by the shareholders' meeting following the proposal of the Joint Committee based on the achievement of the pre-defined and agreed financial and non-financial objectives. For all targets, demanding and ambitious target and maximum values as well as performance parameters for the 2023 financial year were defined, from which the level of achievement of the targets could be transparently derived. The range of possible target achievement was between 0% and 150%.

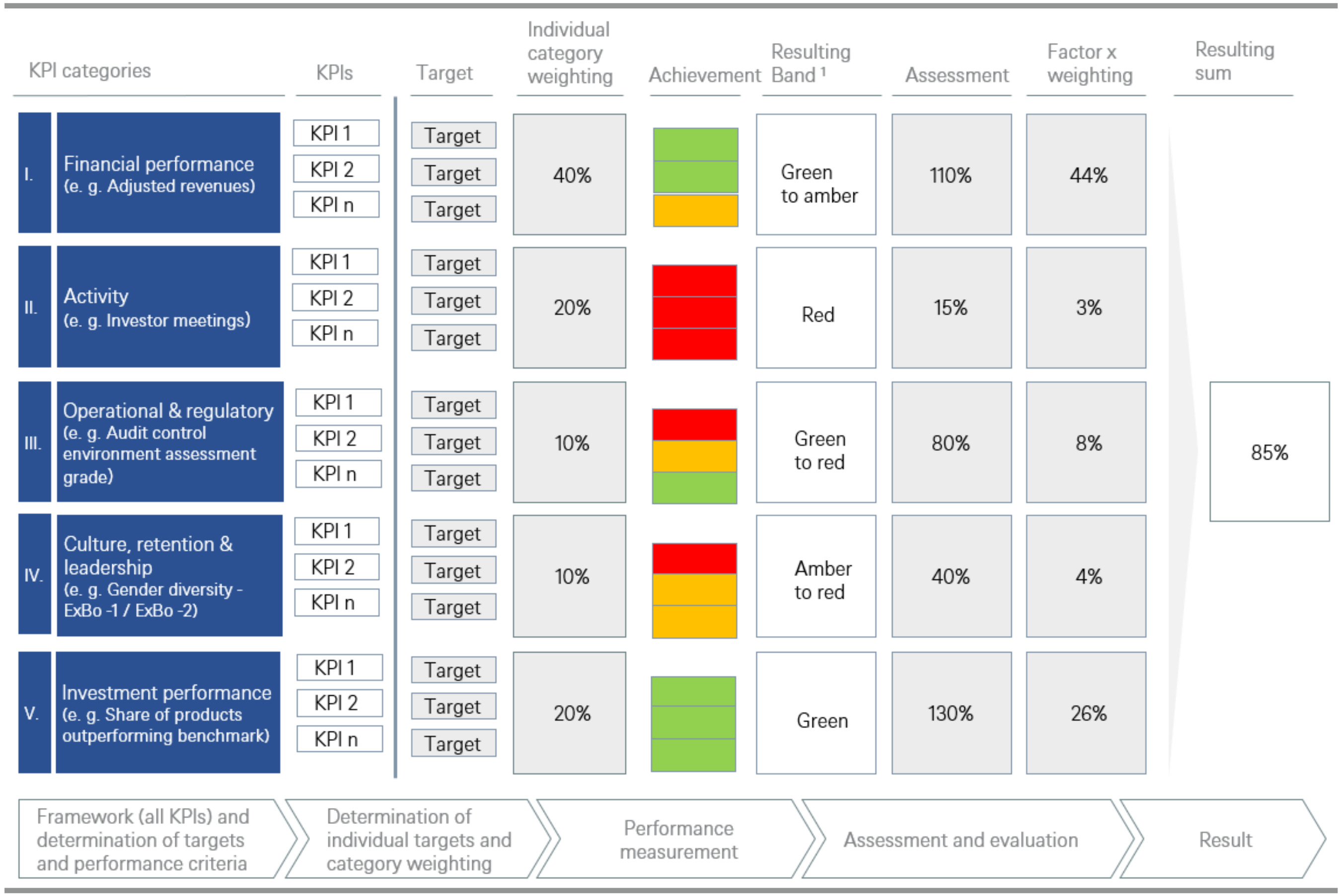
Short-Term Award

The Short-Term Award is determined based on the results of the individual Balanced Scorecard as well as on the achievement of individual objectives.

Individual Balanced Scorecard

The Balanced Scorecard is a tool used to steer and control key performance indicators (KPIs) and renders it possible to measure the achievement of strategic objectives. At the same time, it offers an overview of the priorities set throughout the entire Group. The Balanced Scorecard contains key financial as well as non-financial performance indicators in a balanced ratio. In accordance with strategic priorities, aspects such as ESG considerations are also taken into account – for instance, sustainable finance and products, regulatory requirements and corporate culture.

Balanced Scorecard (illustrative representation)



1 Resulting bands of KPI categories: Green (100-150%), Green to amber (75-125%), Green to red (50-100%), Amber to red (25-75%), Red (0-50%).

These performance indicators are bundled into five categories associated with the business model of an asset manager. The categories are individually weighted depending on the respective area of responsibility of the Executive Board members. Clear financial and non-financial objectives are set for all performance indicators; these can be reviewed at any time based on defined metrics and are measured transparently at the end of each fiscal year.

The level of achievement of the targets is translated into a percentage target achievement for each category at the end of the year, taking into account predefined lower and upper limits. The target achievement level of the individual Balanced Scorecards for each Executive Board member is calculated based on the respective percentage of target achievement and the individual weightings of the individual categories.

The Balanced Scorecard achievement levels were between 90% and 115% in the reporting year 2023.

Individual objectives

Up to three additional individual objectives are agreed between the shareholders' meeting and each Executive Board member as part of the annual objective setting process for each fiscal year. The objectives consider the respective area of responsibility and can be directly influenced. Thus, depending on the specific strategic and operational challenges for each individual Executive Board member, they play a key role in implementing the overall strategy of the Group.

The objectives balance financial and non-financial objectives, with at least one of them relating to the sustainability strategy. Objectives may cover strategic projects and initiatives as well as operational activities if they lay the groundwork for the structure and organization of DWS and its long-term development.

For the 2023 financial year, the shareholders' meeting has defined targets from the following subject areas topics for the members of the Executive Board and combined them with relevant and concrete evaluation criteria as well as a weighting:

Individual objectives 2023

Member of the Executive Board	Weight in %	Individual Objectives
Dr Stefan Hoops	33.3	Oversee implementation of Capital Markets Day cornerstones
	33.3	Driving sustainability ambitions forward and ensure execution
	33.3	Implement new Investment Division setup
Manfred Bauer	30.0	Delivering on product pipeline in line with the Framework including defined share of ESG products
	40.0	Executing on communicated targets owned by Product in Capital Markets Day through delivery of strategic growth initiatives
	30.0	Ensure proper functioning of Group Sustainability Committee
Dirk Goergen	33.3	Establish a sound governance framework for Americas business, addressing Regulator and Audit findings
	33.3	Roll-out Net Promotor Score client satisfaction survey methodology across client base
	33.3	Strengthening partnership focus and further institutionalizing strategic dialogue with key clients
Dr Markus Kobler[1]	30.0	Contribution to formulating a preliminary plan for the remediation of the IT infrastructure project, with responsibility for the financial impact
	35.0	Progress DWS's sustainability agenda, enhancing governance and control frameworks
	35.0	Ensure stringent risk management and control environment and adherence to regulatory changes
Dr Karen Kuder	30.0	Takeover of the new CAO role
	30.0	Resolve greenwashing allegations against the Group together with supervisory authorities
	40.0	Further developing CAO control functions and governance on more independence of the Group
Angela Maragkopoulou[2]	50.0	Delivering on COO division-led IT transformation project
	20.0	Contribution to the Group's sustainability strategy
	30.0	Contribution to the Group's strategy communicated at the Capital Market Day
Claire Peel[3]	30.0	Execute transformation to become a standalone asset manager for the CFO division, with partnership from Deutsche Bank
	35.0	Progress Group's sustainability agenda and enhancing governance and control frameworks
	35.0	Ensure stringent risk management and control environment and adherence to regulatory changes

[1] Member since 1 November 2023.
[2] Member from 1 January 2023 until 31 December 2023.
[3] Member until 30 September 2023.

To determine the respective level of target achievement, contribution to the Company was measured based on pre-defined milestones and deliverables, measurable indicators or feedback from internal and external partners on the one hand. On the other hand, it was also assessed how the member of the Executive Board embodies DWS's values and beliefs in the day-to-day conduct. In particular, feedback from the various control functions such as Anti-Financial Crime, Audit, Compliance, Human Resources and Risk is also taken into account.

The individual objective achievement levels were between 80% and 120% in the reporting year 2023.

Overall achievement of Short-Term Award objectives

The portion of the Short-Term Award determined by the balanced scorecard as well as the additional individual objectives account for an equivalent share of 50% each of the performance evaluation of the Short-Term Award.

Taking into account the respective level of target achievement of the balanced scorecard and the individual objectives, the following overall target achievement levels and amounts result in the Short-Term Award:

Overall achievement levels Short-Term Award

	Target Value	Overall achievement level Short-Term Award	Overall achievement Short-Term Award
	in €	in %	in €
Dr Stefan Hoops	1,600,000	113.0	1,808,000
Manfred Bauer[1]	112,000	114.0	127,680
Dirk Goergen[1]	192,000	107.5	206,400
Dr Markus Kobler[2]	66,667	111.5	74,334
Dr Karen Kuder	200,000	117.5	235,000
Angela Maragkopoulou[3]	420,000	85.0	357,000
Claire Peel[4]	240,000	96.5	231,600

[1] The values given refer to the DWS Management GmbH contract (40% working time allocation).
[2] Member since 1 November 2023.
[3] Member from 1 January 2023 until 31 December 2023.
[4] Member until 30 September 2023.

Long-Term Award

The performance criteria on which the Long-Term Award is based consist of collective long-term objectives which were consistently defined for all Executive Board members. For 2023 financial year the shareholders' meeting determined the target values as well as lower and upper limits and the achievement grade matrix, from which the level of target achievement is determined at the end of the year.

DWS Group component

In accordance with Group's strategy, the shareholders' meeting has selected the following three performance indicators:

- Adjusted cost-income ratio (weight 50%)
- Net flows (excluding Cash) (weight 20%)
- Environmental, Social and Governance footprint (weight 30%)

Based on the communicated medium-term targets by 2025 as well the ESG footprint ambitions, ambitious targets for 2023 were defined, the success of which was measured at the end of the year on the basis of the defined assessment matrix of 2023 as follows:

Overall achievement DWS Group component 2023

Objectives		Medium-term targets/ambitions	Weight	Result	Target achievement level	Achievement level (weighted)	Overall achievement level
Adjusted cost-income ratio		Adjusted cost-income ratio of <59% in the medium term to 2025	50%	64.0%	100%	50.0%	
Net flows (excluding Cash)		Positive net flows to 2025 in order to achieve strategic growth targets	20%	€ 23 bn.	100%	20.0%	
Environmental, Social and Governance (ESG) footprint[1]			30%		116%	34.9%	
Thereof:							
Environment	Sustainability rating	Maintain or improve our CDP (Climate change) B score by 2024	7,5%	B	100%	7.5%	104.9%
	Scope 3 operational emissions (travel – air and rail)	Achieve a minimum 46% reduction of in-scope operational emissions by 2030 compared to base year 2019 (aligned to our 2030 interim net zero target)	7,5%	(42%)	140%	10.5%	
Social	Volunteer hours per employee	Perform 90 minutes of volunteering on average per employee per year by 2024	7,5%	104 minutes	130%	9.8%	
Governance	Ethic, conduct and speak-up culture[2]	N/A	7,5%	74.7%	95%	7.1%	

[1] The Group ESG objectives have changed compared to 2022. ESG net flows with a previous weighting of 6% are no longer reported. The weighting of the remaining four ESG objectives relevant to the compensation have increased accordingly by 1,5 percentage point.
[2] The percentages figure reflects the level of agreement in a predefined set of questions asked within the Annual People Survey. The survey is conducted on a platform hosted by an external company.

Adjusted cost-income ratio

The adjusted cost-income ratio underscores the consistent focus of the Group's management on further increasing operational efficiency and cost control in order to generate long-term growth and maximize shareholder value.

The adjusted cost-income ratio (adjusted for litigation expenses, restructuring and severance costs as well as costs incurred in the context of transformation) at 64% in 2023 comfortably meets DWS's outlook of below 65% for 2023.

Net flows (excluding Cash)

Net flows represent assets acquired or withdrawn by clients within a specified period. Inflows and outflows constitute a key driver of change in assets under management. For that reason, this financial indicator has represented a key yardstick for measuring the organic growth of the Group.

Supported by all three pillars – Passive including Xtrackers, Active and Alternatives – DWS recorded net flows (excluding Cash) of € 23 billion in 2023.

Environmental, Social and Governance footprint

The Group's strategic direction remains committed to sustainability with a focus on climate change and stakeholder engagement.

The following collective ESG objectives and targets were achieved in 2023:

Under **environmental** aspects the sustainability CDP rating is a B score, compared to A- in the previous year. CDP's methodology was updated so that a B was the maximum possible score for those responders who did not make their full questionnaire available on CDP's website. Emissions from travel (air and rail) continued to be significantly reduced versus a 2019 baseline.

Social aspects are used as a benchmark for a corporate culture that actively promotes social commitment, striving to achieve a broad-based involvement of the Group's employees in projects relating to corporate social responsibility with partner organizations. The volunteering hours of employees significantly increased to 104 minutes per employee.

Corporate **governance** aspects relate to ethical conduct, integrity and a speak-up culture as a component of the annual employee survey. In particular, the aim is to gain insight into and assess attitudes towards leadership and to develop a culture of open dialogue. The level of agreement achieved in 2023 was 74,7%.

For on overview of the strategy and all sustainability KPIs that have been in place since 2023, please refer to the sections 'Our Strategy and Our Market – Our Strategy – Internal Management System', 'Our Performance Indicators – Our Financial Performance' and 'Our Responsibility – Sustainable Action – Sustainability KPIs' in the 'Summarised Management Report' of the DWS Annual Report 2023.

Overall achievement DWS Group component

From the aforementioned target achievements and taking into account the respective share of the three objectives, a calculated level of target achievement of 104.9% was determined for the DWS Group component.

Deutsche Bank Group component

The overall performance of Deutsche Bank Group which is to be taken into account when determining variable compensation due to regulatory requirements, is determined by the following performance indicators:

Overall achievement Deutsche Bank Group component 2023[1]

Objectives			Target value	Weight	Result	Overall achievement level
Common Equity Tier 1 capital ratio		The bank's Common Equity Tier 1 capital, as a percentage of the risk weighted assets for credit, market and operational risk	>=13.1%	25.0%	13.7%	
Post-tax return on tangible equity		The profit (loss) attributable to the bank's shareholders after AT1 coupons as a percentage of average tangible shareholders' equity	>=8.0%	25.0%	7.4%	
Cost-income ratio		Noninterest expenses as a percentage of total net revenues, which are defined as net interest income before provision for credit losses plus noninterest income	<=70.0%	25.0%	75.1%	
Environmental, Social and Governance				25.0%		70.0%
Thereof:						
Environment	Sustainable Finance Volume	Volume of new sustainable financing and investments facilitated across Corporate Bank, Investment Bank and Private Bank, as defined under the "Sustainable Finance Framework – Deutsche Bank Group"	>=€ 70 bn.	8.3%	€ 64 bn.	
Social	Gender Diversity	Measures percentage share of Managing Director, Director and Vice President population who are women, aligned with the externally communicated target of 35% by 2025	>=31.8%	8.3%	32.3%	
Governance	Control Risk Management Grade	The Control Risk Management Grade measures the timely and sustainable remediation process of findings and drives the culture of Risk Awareness and Risk Management	>=2.5	8.3%	2.04	

[1] Further information on the results of the Deutsche Bank Group Component can be viewed in the Deutsche Bank Annual Report.

The overall level target achievement in 2023 of all objectives of Deutsche Bank Group component was 70%.

Overall achievement of Long-Term Award objectives

The DWS Group component accounts for 50% and the Deutsche Bank Group component accounts for 10% in the performance measurement of the variable compensation.

In summary, the Long-Term Award results in the following overall levels of target achievement, taking into account the respective levels of target achievement as well as the portion of the targets in the DWS respectively Deutsche Bank Group component:

Overall target achievement level Long-Term Award

	Target Value in €	Overall achievement level DWS Group Component (50%) in %	Overall achievement level Deutsche Bank Group Component (10%) in %	Overall achievement Long-Term Award in €
Dr Stefan Hoops	2,400,000			2,377,500
Manfred Bauer[1]	168,000			166,425
Dirk Goergen[1]	288,000			285,300
Dr Markus Kobler[2]	100,000	104.9	70.0	99,063
Dr Karen Kuder	300,000			297,188
Angela Maragkopoulou[3]	630,000			624,094
Claire Peel[4]	360,000			356,625

[1] The values given refer to the DWS Management GmbH contract (40% working time allocation).
[2] Member since 1 November 2023.
[3] Member from 1 January 2023 until 31 December 2023.
[4] Member until 30 September 2023.

Appropriateness of Compensation

The shareholders' meeting regularly reviews the appropriateness of the compensation system, the individual compensation components as well as the overall compensation.

It ensures that the compensation is market-oriented and appropriate for comparable companies and takes into account both the size and international business model of DWS as well as its economic position and profitability.

To that end, external and internal benchmark studies are performed to assess whether compensation is in line with the market:

Horizontal – external benchmarking

Given the Group's international orientation, the review of market conformity of total compensation is based on compensation market data of international asset managers that are comparable in terms of assets under management and number of employees. This group of 20 companies includes independent, listed asset managers as well as asset managers who are part of a larger financial institution or insurance company. These include asset managers such as abrdn, Affiliated Managers Group, AllianceBernstein, Allianz Global Investors, Amundi, Morgan Stanley, Schroders and UBS. The comparison factors in the compensation levels and structures. In addition, compensation is benchmarked against companies in Germany listed on the SDAX and MDAX which are comparable in terms of market capitalization.

Vertical – internal benchmarking

Furthermore, the shareholders' meeting considers the development of Executive Board compensation by way of a vertical comparison. It examines the ratio of average compensation of the members of the Executive Board to the average compensation of the first management level below the Executive Board and the employees of the Group worldwide over time. The workforce comprises non-tariff and tariff employees.

The review of appropriateness for the 2023 financial year has shown that the compensation resulting from the achievement of targets for the 2023 financial year is appropriate.

Compliance with the Cap on Total Compensation (Maximum Compensation)

Compliance with the cap for total compensation for the Executive Board members amounting to € 9.85 million each set by the shareholders' meeting pursuant to Section 87a (1) sentence 2 number 1 AktG shall be verified each financial year. Finally, compliance with the maximum compensation in 2023 financial year can only be reported after the last tranches of the deferred remuneration instruments disbursed in fiscal year 2030.

Multi-Year Variable Compensation

In accordance with the InstVV and the applicable provisions relating to AIFMD/UCITS V, at least 60% of total variable compensation is granted to Executive Board members in deferred form. Up to 100% of the variable compensation offered may be granted on a deferral basis.

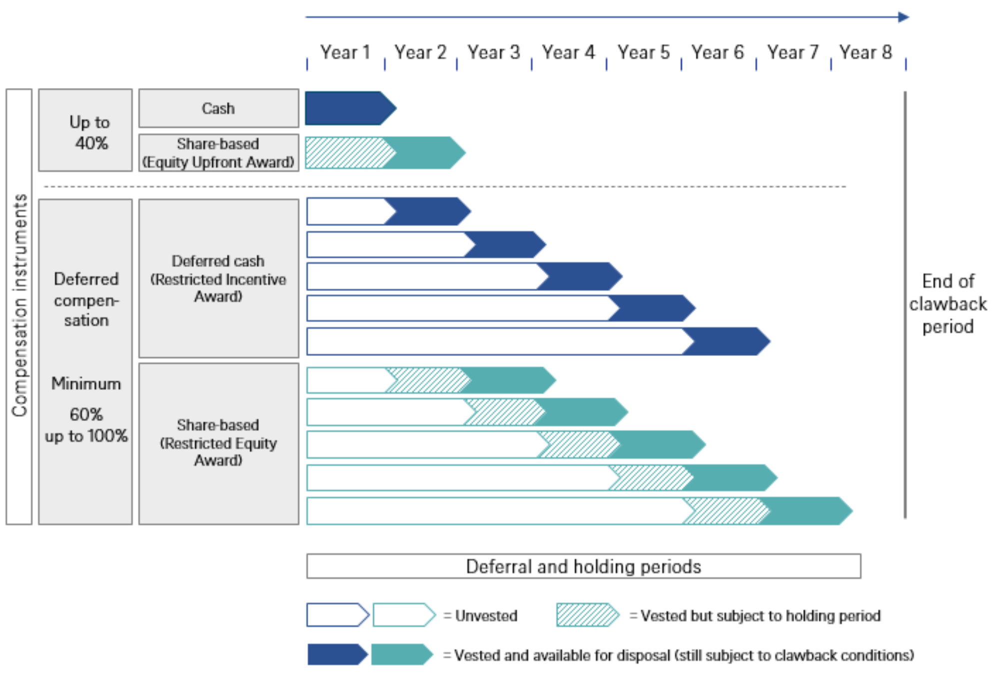
More than half of the deferred compensation is granted in the form of share-based instruments (DWS Restricted Equity Award) while the remainder is granted as deferred cash compensation (DWS Restricted Incentive Award). The DWS Restricted Incentive Award may also be replaced, in whole or in part, with an award under the DWS Employee Investment Plan – Elected Employee Investment Plan Award, which will track the value of selected underlying DWS investment funds. The deferred components of compensation, whether granted as DWS Restricted Equity Award, DWS Restricted Incentive Award or Elected Employee Investment Plan Award, vest in equal annual tranches over a five-year period. Each tranche of the DWS Restricted Equity Award is subject to an additional holding period of one year after vesting.

Additionally, more than half of non-deferred compensation is awarded in the form of share-based instruments (DWS Equity Upfront Award). The DWS Equity Upfront Award is also subject to an additional holding period of one year. Only the remaining amount of the non-deferred compensation can be paid out immediately in cash.

Of the total variable compensation, less than 20% may be paid out in cash immediately, while more than 80% are paid at a later date. Variable compensation awarded for a fiscal year is disbursed over a period of up to six years. Only then may Executive Board members dispose over the full amount of the variable compensation granted to them for a fiscal year. Payment is made after the expiry of the respective deferral or holding period of each tranche.

During the vesting and holding period, the value of the DWS Equity Award depends on the share price performance of DWS shares and thus on the sustainable performance of the Group, thereby establishing a link between compensation of Executive Board members and the success of the company. The value of any Elected Employee Investment Plan Award (where applicable) depends on the value of the selected underlying DWS investment funds.

Overview of award instruments and deferral periods (illustrative representation)



Performance and forfeiture conditions and clawback

The variable compensation components are subject to special performance and forfeiture conditions during the deferral and holding periods; these conditions can result in a partial reduction to the forfeiture in full of the variable compensation granted but not yet paid out. This ensures that appropriate consideration is given to the sustainability of the success of the business and risk strategy and ultimately provides a long-term incentive for variable compensation granted to Executive Board members.

In particular, the following events can result in the partial or complete forfeiture (malus rule):

- Failure to comply with certain performance conditions set at DWS Group's level, such as DWS Group's pre-tax profit, regulatory own funds requirements under the Investment Firm Regulation (EU) 2019/2033 (IFR) and DWS's capital adequacy in line with DWS Group´s risk appetite statement.
- Failure to comply with certain performance conditions set at Deutsche Bank Group's level, such as reporting an after-tax operating loss or exceeding certain capital adequacy requirements. Further information on the Deutsche Bank Group performance conditions can be viewed in the Deutsche Bank Group Annual Report.
- Misconduct on the part of individual Executive Board members, such as breach of internal or external rules and regulations, termination for cause or negative individual contributions to performance.

In the event of specific individual negative performance contributions by Executive Board members, the shareholders' meeting may reclaim variable compensation components already granted up to two years after expiry of the last deferral period (clawback) in accordance with Section 18 (5) and Section 20 (6) InstVV.

The possibility of a full or partial forfeiture (malus) or reclaiming (clawback) of the Executive Board members' variable compensation components is reviewed regularly and in a timely manner before the respective due dates. The suspension and postponement of the vesting and release date for Deferred Awards in the 2022 financial year, based on the review carried out for a former member of the Executive Board, was maintained in the 2023 financial year. The suspension and postponement of the vesting and release date ends with a final decision on the forfeiture or release of the awards. Beyond that, no use was made of the possibility of suspending and postponing the vesting and release dates for Deferred Awards in the 2023 financial year. Furthermore, there was no forfeiture or clawback of awards in 2023.

The following table shows the characteristics of the deferred and share-based compensation instruments that have been granted to active and previous members of the Executive Board since the IPO in March 2018 for the performance of their duties on the Executive board:

Overview on award types

Award Type	Description	Deferral period	Retention period
2019-2023 DWS Equity Upfront Award	Upfront equity proportion (cash settled): The value of the DWS Equity Upfront Award is linked to DWS's share price.	N/A	12 months
2019-2023 DWS Restricted Incentive Award	Non-equity based portion (deferred cash compensation): The Executive Board members can also elect to link all or part of the value of the DWS Restricted Incentive Award to selected DWS investment fund(s), in which case the Awards will be granted under the "DWS Employee Investment Plan – Elected Employee Investment Plan Award". The value of the Employee Investment Plan depends on the performance of the selected underlying investment funds over the vesting period.	Pro rata vesting over five years	N/A
2019-2023 DWS Restricted Equity Award	Deferred equity portion (cash settled): The value of the DWS Restricted Equity Award is linked to DWS's share price over the vesting and retention period.	Pro rata vesting over five years	12 months
2019 DWS Performance Share Unit Award granted under DWS Equity Plan	One-off IPO related equity portion (cash settled): The value of the DWS Performance Share Unit Award is linked to DWS's share price.	Pro rata vesting over three years	12 months

Benefits relating to the Commencement of Activities as Executive Board Member

In the event of an initial appointment of external executives as Executive Board members, benefits may be granted to offset the forfeiture of benefits granted by the previous employer – particularly for outstanding variable compensation or pension plan commitments forfeited upon joining DWS Group. The Shareholders' Meeting shall decide on the form in which the compensation is granted. In the 2023 financial year, two new members joined the Executive Board and the DWS Group.

Angela Maragkopoulou became a member of the Executive Board on 1 January 2023. In the course of the appointment, it was agreed to replace the deferred compensation awarded to her by her previous employer, which lapse as a result of the change to the DWS Group with a one-time replacement award of the same value. The awards were awarded in the form of a deferred share-based instrument (DWS Restricted Equity Award) in the amount of € 183,345.92, due in two tranches in September 2025 and September 2026, and subsequently subject to an additional holding period of one year, as well as deferred cash compensation (DWS Restricted Incentive Award) in the amount of € 105,000, due in December 2026.

Dr Markus Kobler became a member of the Executive Board on 1 November 2023. It was agreed with Dr Markus Kobler to replace the deferred compensation awarded to him by his previous employer which was forfeited as a result of the transfer to the DWS Group with a one-time replacement award of the same value. The award was awarded in the form of a deferred share-based instrument (DWS Restricted Equity Award) in the amount of € 1,193,050.87 due in five tranches in March of the years 2024 to 2028, each of which is subject to an additional holding period of one year, as well as deferred cash compensation (DWS Restricted Incentive Award) in the amount of € 561,617.09, due in five tranches in March of the years 2024 to 2028. In addition, Dr Markus Kobler was promised a one-time substitute Sign-On Award in the amount of € 826,603 in compensation for the loss of his claims for variable compensation from his previous employer for the financial year 2023. 60% will be granted in equal tranches over a period of five years in deferred form. Share-based instruments shall be subject to an additional one-year retention period after vesting.

All awards mentioned above are subject to the usual performance and forfeiture conditions as well as clawback regulations until they are awarded. In future, the respective sub-amounts of the awards will be reported in the reporting year in which they are granted to the active and former members of the Executive Board in accordance with the requirements of Section 162 AktG (inflow).

Benefits in the Event of Termination of the Mandate

Benefits upon early termination

The Executive Board members are in principle entitled to receive a severance payment upon early termination of their appointment at the initiative of the shareholders´ meeting, provided the shareholders´ meeting is not entitled to revoke the appointment or give notice under the contractual agreement for cause. The circumstances of the early termination of the appointment and the length of service on the Executive Board are to be taken into account when determining the amount of the severance payment. The severance payment, as a rule, is two annual compensation amounts and is limited to the claims to compensation for the remaining term of the contract. The calculation of the severance payment is based on the annual compensation for the previous financial year and on the expected annual compensation for the current financial year, if applicable. The severance payment is determined in accordance with the statutory and regulatory requirements, in particular with the provisions of the InstVV.

In the 2023 financial year, Angela Maragkopoulou resigned by mutual agreement with effect from the end of 31 December 2023, her service contract ended with effect from 31 December 2023. On the basis of the service contracts with DWS Management GmbH, a severance payment of € 2,050,000 was agreed. All contractual arrangements for variable compensation components, including a clawback option, shall apply mutatis mutandis to the severance payment. 60% of the severance payment will be made in equal tranches in deferred form over a period of five years. Share-based instruments are subject to an additional one-year holding period after vesting. The respective amounts will be reported in the reporting year in which they will be granted to Angela Maragkopoulou in accordance with the requirements of Section 162 of the AktG (inflow).

Benefits in the event of regular termination

The Executive Board members receive a commitment to pension benefits under the defined contribution pension plan offered to employees in Germany.

The following table shows the annual pension contribution and annual service cost for the years 2023 and 2022 as well as the corresponding commitment amounts as of 31 December 2023 and 31 December 2022 for the members of the Executive Board working in 2023. The different amounts result in particular from the different duration of the Executive Board's activities.

Pension contribution and obligation

	Annual contribution		Total contributions, end of year		Service cost (IFRS) in the year		Defined benefit obligation (IFRS), end of year	
in €	2023	2022	2023	2022	2023	2022	2023	2022
DWS Management GmbH:								
Dr Stefan Hoops	300,000	175,000	475,000	175,000	316,565	182,506	510,658	185,744
Manfred Bauer	36,000	36,000	126,000	90,000	38,135	39,002	137,583	97,274
Dirk Goergen	36,000	36,000	183,000	147,000	38,262	39,191	209,969	166,213
Dr Markus Kobler[1]	0	–	0	–	0	–	0	–
Dr Karen Kuder	90,000	15,000	105,000	15,000	95,091	16,318	112,705	16,658
Angela Maragkopoulou[2]	0	–	0	–	0	–	0	–
Claire Peel[3]	0	0	0	0	0	0	0	0
DWS Group:								
Manfred Bauer	54,000	54,000	189,000	135,000	57,084	58,404	206,181	145,662
Dirk Goergen[4]	0	54,000	0	220,500	0	58,628	0	249,109
Total	**516,000**	**370,000**	**1,078,000**	**782,500**	**545,137**	**394,049**	**1,177,096**	**860,660**

1 Member since 1 November 2023. Dr Markus Kobler opted for a pension supplement in lieu of the pension plan commitment in the amount of € 90,000.
2 Member from 1 January 2023 until 31 December 2023. The annual savings contribution of € 90,000 under the pension plan was made available as cash compensation at the request of Angela Maragkopoulou as no statutory pension entitlement existed at the termination date.
3 Member until 30 September 2023. Claire Peel opted for a pension supplement in lieu of the pension plan commitment in the amount of € 90,000.
4 Dirk Goergen became CEO of the Americas region with effect from 1 January 2023. In the course of taking over regional responsibility for the Americas, an employment agreement with DWS Investment Americas Inc. was established. Under this agreement an annual pension supplement of € 54,000, less contributions in the amount of € 3,733 made to the US retirement plan, will be granted in lieu of the pension plan commitment.

Crediting from Other Board Memberships

The Executive Board members' service agreements stipulate that Executive Board members shall ensure that compensation to which they may be entitled as members of a board, specifically a supervisory board, an advisory board or comparable institution within a company of the DWS Group or Deutsche Bank Group (Section 18 AktG), does not accrue to them. Accordingly, Executive Board members did not receive any compensation in the 2023 financial year from mandates in Group companies.

This does not apply to the compensation received by the members of the Executive Board responsible for the Coverage and Product divisions as a result of their further contract of employment with a subsidiary within the DWS Group.

Compensation for board memberships – specifically on supervisory boards or advisory boards – for a company not belonging to the DWS or Deutsche Bank Group is offset against the base salary at a rate of 50%. Compensation not exceeding € 100,000 per board membership and calendar year is not offset. In the 2023 financial year, there was no offsetting from a mandate with a company not belonging to Group companies.

Compensation System for Additional Service Contracts with a Subsidiary of the Group

Due to regulatory requirements, Executive Board members with responsibility for the Coverage and Product division each have, in addition to their service contracts with DWS Management GmbH, an additional service contract with a subsidiary of the Group. The total compensation of the Executive Board members includes both the compensation received from DWS Management GmbH as well as from the subsidiaries of the Group consolidated in the Group financial statements. The compensation system on which the compensation from the subsidiaries is based is subject to the relevant branch-specific remuneration provisions stated in the EU Directives on Alternative Investment Fund Managers and Undertakings for Collective Investment in Transferable Securities V. If employees of the subsidiaries have been identified as having a material impact on Deutsche Bank Group's risk profile (InstVV Material Risk Taker), the stricter regulation apply in case of deviating regulation.

The employees of the subsidiaries are subject to the compensation standards and principles as outlined in the DWS Compensation Policy. The policy is reviewed on an annual basis. As part of the Compensation Policy, the Group employs a Total Compensation philosophy which comprises fixed pay and variable compensation and ensures an appropriate relationship to each other.

Fixed pay is used to compensate employees for their skills, experience and competencies, commensurate with the requirements, size and scope of their role. The appropriate level of fixed pay is determined with reference to the prevailing market rates for each role, internal comparisons and applicable regulatory requirements.

Variable compensation enables to provide additional reward to employees for their performance and behaviours without encouraging excessive risk-taking. The variable compensation basically consists of two elements: DWS component (corresponds to 25% of the reference value of the variable compensation) and individual component (corresponds to 75% of the reference value of the variable compensation).

For employees identified as InstVV Material Risk Taker (MRT), half of the DWS component is determined by the three performance indicators at the level of the DWS Group, which also apply to the members of the Executive Board: Adjusted cost-income ratio, net flows (excluding Cash) and ESG footprint. Each of the objectives is weighted at a fixed percentage. The second half of the DWS component of variable remuneration considers four equally weighted objectives at Deutsche Bank Group level, also applicable for the Executive Board members: Common Equity Tier 1 capital ratio, post-tax return on tangible equity, cost-income ratio, and ESG KPIs.

For the 2023 financial year, a target achievement level of 76.25% was set for the DWS component based on the assessment of the defined performance indicators at the level of the DWS and Deutsche Bank Group, taking into account the weighting of 50% each.

The individual component of the variable compensation is determined on the basis of objectives agreed with each employee for the financial year.

Both DWS component as well as the individual component may be awarded in cash, share-based or fund-based instruments under the Group deferral arrangements. For employees who are identified as having a material impact on the company's risk profile at least 40% of the total variable compensation must be granted on a deferred basis. The limit is increased to 60% depending on the amount of the variable remuneration and the risks that a risk taker may pose. The Group retains the right to reduce the total amount of variable compensation, including the DWS Component, to zero in cases of significant misconduct, performance-related measures, disciplinary outcomes or unsatisfactory conduct or behaviour by the employee subject to applicable local law.

Total Compensation is supplemented by additional benefits, which are considered to be fixed remuneration in the regulatory sense, as they are not directly linked to the performance or individual discretion.

The fixed-to-variable compensation ratio is 1:3. Nevertheless, for employees identified as InstVV Material Risk Taker, the stricter ratio 1:2 still applies.

Executive Board Compensation in the 2023 Financial Year

Compensation of the Members of the Executive Board Acting in the Financial Year

In the 2023 financial year, the compensation for the members of the Executive Board for the performance of their duties for and on behalf of the Group and its subsidiaries is provided below.

This comprises on the one hand the compensation determined for their activity as a member of the Executive Board on an individual basis for the 2023 financial year. In addition, the compensation granted and due (inflows) in the year under review in accordance with

Section 162 AktG is shown. The inflows are reported broken down by fixed and variable compensation components including the fringe benefits.

Inflows as well as the compensation determined for the 2023 financial year from the additional service contracts of the members of the Executive Board with responsibility for the Coverage and Product division are shown in a separate table; they relate to the period in which the person affected was a member of the Executive Board.

For the members of the Executive Board who left the Board prematurely in 2022, pro rata variable compensation until the end of the respective contract term in the 2023 financial year are shown the section 'Executive Board Compensation in the 2023 Financial Year – Compensation of the Previous Members of the Executive Board'.

Compensation determined

Following the proposal of the Joint Committee, the shareholders' meeting determined the compensation and its composition under the service contract with DWS Management GmbH for the 2023 financial year based on the assessment of the achievement of the objectives as follows:

Total compensation for the 2023 and 2022 financial years

	2023					2022
		Variable compensation				
in €	Base salary	Short-Term Award	Long-Term Award	Total	Total compensation	Total compensation
Dr Stefan Hoops	2,800,000	1,808,000	2,377,500	4,185,500	6,985,500	3,773,216
Manfred Bauer[1,2]	430,000	127,680	166,425	294,105	724,105	568,300
Dirk Goergen[1]	480,000	206,400	285,300	491,700	971,700	935,760
Dr Markus Kobler[3]	158,333	74,334	99,063	173,397	331,730	–
Dr Karen Kuder	950,000	235,000	297,188	532,188	1,482,188	236,624
Angela Maragkopoulou[4]	950,000	357,000	624,094	981,094	1,931,094	–
Claire Peel[5]	900,000	N/A	N/A	117,644	1,017,644	1,953,200
Total	**6,668,333**	**2,808,414**	**3,849,570**	**6,775,628**	**13,443,961**	**7,467,100**

1 The table above sets out the compensation determined under the service contract with DWS Management GmbH (40% working time allocation).
2 For details on the determination of compensation data in 2023 for this function, please refer to section 'Compensation-Related Events in 2023'.
3 Member since 1 November 2023.
4 Member from 1 January 2023 until 31 December 2023.
5 Member until 30 September 2023. In the light of Claire Peel's decision to terminate the employment contract prematurely, part of the variable compensation granted in the form of deferred compensation and/or compensation elements with a retention period shall be forfeit according to the applicable plan rules. For 2023, no variable compensation components were granted in deferred form and/or with a retention period. The amount shown as variable compensation corresponds to the part that will be paid in cash.

In the additional service contracts of the Executive Board members with responsibility for the Coverage and Product division with 60% working time allocation, the responsible for the compensation determined the compensation and its composition for the 2023 financial year on the basis of the assessment of the achievement of the respective targets as follows:

Total compensation in the additional service contracts for the 2023 and 2022 financial years

	2023			2022
in €	Base salary	Variable compensation	Total compensation	Total compensation
Manfred Bauer[1]	645,000	439,163	1,084,163	921,094
Dirk Goergen[2]	969,839	947,086	1,916,924	1,589,625
Total	**1,614,839**	**1,386,249**	**3,001,087**	**2,510,719**

1 For details on the determination of compensation data in 2023 for this function, please refer to section 'Compensation-Related Events in 2023'.
2 Dirk Goergen became CEO of the America region with effect from 1 January 2023. In the course of taking over regional responsibility for America, an employment contract with DWS Investment Americas Inc. was established. The prorated total compensation was revised taking into account the additional responsibility.

In summary, within the scope of DWS Management GmbH and additional service contracts share-based components were determined for the 2023 financial year as follows:

Share-based components

	2023		2022	
	Share-based components in €	Share-based components in Units[1]	Share-based components in €	Share-based components in Units[1]
Granted by DWS Management GmbH	3,329,000	89,101	4,422,769	144,064
Granted by DWS Group	693,125	18,552	1,086,962	35,406
Total	**4,022,125**	**107,653**	**5,509,731**	**179,470**

1 Units were calculated by dividing the respective amounts in euro by the average share price of DWS share over the last ten trading days prior to 1 March 2023 and 1 March 2022 respectively.

Compensation granted and due (inflows)

The following tables show the fixed as well as the variable compensation components granted and due to the active members of the Executive Board in the reporting year according to Section 162 AktG (broken down by cash portion and various award instruments differentiated according to the respective grant years). These are the compensation components that were either actually paid ("granted") to individual members of the Executive Board during the reporting period or were already due in law during the reporting period but have not yet been paid (“due”). In addition to the compensation levels, pursuant to Section 162 (1) sentence 2 AktG, the relative shares of fixed and variable components of the total compensation are shown.

With respect to deferred awards from previous years disbursed in the year under review, the respective DWS Group and Deutsche Bank Group performance conditions were met.

Compensation granted and due (inflows) in the 2023 and 2022 financial years according to Section 162 AktG

	Dr Stefan Hoops				Manfred Bauer							
	2023		2022		2023				2022			
	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %
Components of fixed compensation:												
Base salary	2,800	88	1,563	100	430[1]	645[1]	1,075	69	380	570	950	64
Pension allowance	0	0	0	0	0	0	0	0	0	0	0	0
Fringe benefits	12	0	1	0	166[2]	4	171	11	285[2]	4	289	19
Total fixed compensation	**2,812**	**88**	**1,564**	**100**	**596**	**649**	**1,246**	**80**	**665**	**574**	**1,239**	**83**
Components of variable compensation:												
Cash compensation for 2022 (2021)	387	12	0	0	38	70	108	7	52	76	129	9
DWS Restricted Incentive Awards:												
2022 DWS Restricted Incentive Award for 2021	0	0	0	0	0	23	23	1	0	0	0	0
2022 Elected Employee Investment Plan Award for 2021	0	0	0	0	0	0	0	0	0	0	0	0
2021 DWS Restricted Incentive Award for 2020	0	0	0	0	6	23	29	2	6	23	29	2
2021 Elected Employee Investment Plan Award for 2020	0	0	0	0	0	0	0	0	0	0	0	0
2020 DWS Restricted Incentive Award for 2019	0	0	0	0	0	0	0	0	0	0	0	0
2020 Elected Employee Investment Plan Award for 2019	0	0	0	0	0	0	0	0	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	0	0	0	0	0	0	0	0	0	0	0	0
2019 Elected Employee Investment Plan Award for 2018	0	0	0	0	0	0	0	0	0	0	0	0
DWS Equity Awards:												
2022 DWS Equity Upfront Award for 2021	0	0	0	0	51	74	125	8	0	0	0	0
2021 DWS Equity Upfront Award for 2020	0	0	0	0	0	0	0	0	21	78	99	7
2021 DWS Restricted Equity Award for 2020	0	0	0	0	6	22	27	2	0	0	0	0
2020 DWS Restricted Equity Award for 2019	0	0	0	0	0	0	0	0	0	0	0	0
2019 DWS Restricted Equity Award for 2018	0	0	0	0	0	0	0	0	0	0	0	0
2019 DWS Performance Share Unit Award (IPO)	0	0	0	0	0	0	0	0	0	0	0	0
Total variable compensation	**387**	**12**	**0**	**0**	**101**	**212**	**312**	**20**	**80**	**177**	**256**	**17**
Total compensation	**3,198**	**100**	**1,564**	**100**	**697**	**861**	**1,558**	**100**	**744**	**751**	**1,495**	**100**

[1] For details on the determination of compensation data in 2023 for this function, please refer to section ‘Compensation-Related Events in 2023’.
[2] Fringe benefits as shown include income tax for the benefits in kind resulting from the assumption of costs for legal advice; please also refer to section 'Application of the Compensation System in the Financial Year 2023'.

	Dirk Goergen								Dr Markus Kobler (member since 1 November 2023)			
	2023				2022				2023		2022	
	DWS Management GmbH in € t.	DWS Group[2] in € t.	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %
Components of fixed compensation:												
Base salary	480	970	1,450	44	480	720	1,200	58	158	91	–	N/M
Pension allowance	0	54	54	2	0	0	0	0	15	9	–	N/M
Fringe benefits	278[1]	345	623	19	263[1]	(2)[3]	261	13	0	0	–	N/M
Total fixed compensation	**758**	**1,369**	**2,127**	**65**	**743**	**718**	**1,461**	**70**	**173**	**100**	**–**	**N/M**
Components of variable compensation:												
Cash compensation for 2022 (2021)	91	174	265	8	129	178	307	15	0	0	–	N/M
DWS Restricted Incentive Awards:												
2022 DWS Restricted Incentive Award for 2021	1	53	54	2	0	0	0	0	0	0	–	N/M
2022 Elected Employee Investment Plan Award for 2021	0	0	0	0	0	0	0	0	0	0	–	N/M
2021 DWS Restricted Incentive Award for 2020	22	31	52	2	22	31	52	3	0	0	–	N/M
2021 Elected Employee Investment Plan Award for 2020	0	0	0	0	0	0	0	0	0	0	–	N/M
2020 DWS Restricted Incentive Award for 2019	15	23	38	1	15	23	38	2	0	0	–	N/M
2020 Elected Employee Investment Plan Award for 2019	0	0	0	0	0	0	0	0	0	0	–	N/M
2019 DWS Restricted Incentive Award for 2018	1	1	2	0	1	1	2	0	0	0	–	N/M
2019 Elected Employee Investment Plan Award for 2018	0	0	0	0	0	0	0	0	0	0	–	N/M
DWS Equity Awards:												
2022 DWS Equity Upfront Award for 2021	125	172	298	9	0	0	0	0	0	0	–	N/M
2021 DWS Equity Upfront Award for 2020	0	0	0	0	73	105	178	9	0	0	–	N/M
2021 DWS Restricted Equity Award for 2020	20	29	50	2	0	0	0	0	0	0	–	N/M
2020 DWS Restricted Equity Award for 2019	14	20	34	1	15	22	36	2	0	0	–	N/M
2019 DWS Restricted Equity Award for 2018	1	2	3	0	1	2	3	0	0	0	–	N/M
2019 DWS Performance Share Unit Award (IPO)	135	203	338	10	0	0	0	0	0	0	–	N/M
Total variable compensation	**426**	**709**	**1,134**	**35**	**256**	**361**	**617**	**30**	**0**	**0**	**–**	**N/M**
Total compensation	**1,184**	**2,077**	**3,261**	**100**	**999**	**1,079**	**2,078**	**100**	**173**	**100**	**–**	**N/M**

1 Fringe benefits as shown include income tax for the benefits in kind resulting from the assumption of costs for legal advice; please also refer to section 'Application of the Compensation System in the Financial Year 2023'.
2 Dirk Goergen became CEO of the Americas region with effect from 1 January 2023. In the course of taking over regional responsibility for the Americas, an employment agreement with DWS Investment Americas Inc. was established. The prorated total compensation was revised taking into account the additional responsibility. Due to local currency allocation, the compensation shown is subject to exchange rate fluctuations. Pension contributions under the US retirement plan in the amount of € 3,733 are counted against the pension allowance shown. The fringe benefits as shown include benefits in kind agreed to Dirk Görgen in connection with his stay in America, such as the assumption of costs for tax advice and housing allowances.
3 Due to the economic participation in the costs of a company bicycle, which exceeds the amount of the other fringe benefits, a negative balance is to be shown for the financial year 2022.

	Dr Karen Kuder				Angela Maragkopoulou[1] (member from 1 January 2023 until 31 December 2023)				Claire Peel (member until 30 September 2023)			
	2023		2022		2023		2022		2023		2022	
	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %
Components of fixed compensation:												
Base salary	950	98	158	100	950	100	–	N/M	900	46	1,200	65
Pension allowance	0	0	0	0	0	0	–	N/M	68	3	90	5
Fringe benefits	4	0	1	0	1	0	–	N/M	25	1	0	0
Total fixed compensation	**954**	**98**	**159**	**100**	**951**	**100**	**–**	**N/M**	**993**	**51**	**1,290**	**70**
Components of variable compensation:												
Cash compensation for 2022 (2021)	16	2	0	0	0	0	–	N/M	151	8	210	11
DWS Restricted Incentive Awards:												
2022 DWS Restricted Incentive Award for 2021	0	0	0	0	0	0	–	N/M	14	1	0	0
2022 Elected Employee Investment Plan Award for 2021	0	0	0	0	0	0	–	N/M	13	1	0	0
2021 DWS Restricted Incentive Award for 2020	0	0	0	0	0	0	–	N/M	44	2	44	2
2021 Elected Employee Investment Plan Award for 2020	0	0	0	0	0	0	–	N/M	0	0	0	0
2020 DWS Restricted Incentive Award for 2019	0	0	0	0	0	0	–	N/M	41	2	41	2
2020 Elected Employee Investment Plan Award for 2019	0	0	0	0	0	0	–	N/M	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	0	0	0	0	0	0	–	N/M	28	1	28	2
2019 Elected Employee Investment Plan Award for 2018	0	0	0	0	0	0	–	N/M	0	0	0	0
DWS Equity Awards:												
2022 DWS Equity Upfront Award for 2021	0	0	0	0	0	0	–	N/M	204	11	0	0
2021 DWS Equity Upfront Award for 2020	0	0	0	0	0	0	–	N/M	0	0	151	8
2021 DWS Restricted Equity Award for 2020	0	0	0	0	0	0	–	N/M	42	2	0	0
2020 DWS Restricted Equity Award for 2019	0	0	0	0	0	0	–	N/M	36	2	39	2
2019 DWS Restricted Equity Award for 2018	0	0	0	0	0	0	–	N/M	36	2	39	2
2019 DWS Performance Share Unit Award (IPO)	0	0	0	0	0	0	–	N/M	338	17	0	0
Total variable compensation	**16**	**2**	**0**	**0**	**0**	**0**	**–**	**N/M**	**945**	**49**	**551**	**30**
Total compensation	**970**	**100**	**159**	**100**	**951**	**100**	**–**	**N/M**	**1,938**	**100**	**1,841**	**100**

[1] In addition to the compensation components as shown, the annual savings contribution under the pension plan of € 90,000 was made available in cash at the request of Angela Maragkopoulou, as no statutory pension entitlement existed at the termination date.

Compensation of the Previous Members of the Executive Board

Compensation granted and due (inflow)

The following tables show the compensation granted and due (inflows) according to Section 162 AktG in the year under review for former members of the Executive Board with regard to the previous performance of their duties for and on behalf of the Group and its subsidiaries shown in the order of their leaving date.

The variable compensation inflows are reported broken down by cash portion and various award types. These are the compensation components that were either actually paid ("granted") to former members of the Executive Board during the reporting period or were already due in law during the reporting period but have not yet been paid ("due"). Furthermore, the inflows from further service contracts of the members of the Executive Board from commitments during the time in which they were members of the Executive Board are presented. In addition to the compensation levels, pursuant to Section 162 (1) sentence 2 AktG, the relative shares of fixed and variable components of the total compensation are shown.

For the members of the Executive Board who left the Board prematurely in 2022, contractual compensation from fixed compensation components (pro-rate base salaries, pension allowances and fringe benefits) as well as pro rata variable compensation until the end of the respective contract term in the 2023 financial year are also shown. In addition, components from the severance payments that were reported in the 2022 compensation report and that were received in the reporting year.

With respect to deferred awards from previous years paid in the year under review, the respective DWS Group and Deutsche Bank Group performance conditions were met.

Compensation granted and due (inflows) in the 2023 financial year according to Section 162 AktG for former members

	Mark Cullen[1] (member until 31 December 2022)		Stefan Kreuzkamp[2] (member until 31 December 2022)				Dr Asoka Woehrmann[3] (member until 9 June 2022)	
	2023		2023				2023	
	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %
Components of fixed compensation:								
Fixed compensation	313	15	0	0	0	0	200	4
Termination benefits	238	12	266	2,100	2,366	54	1,630	31
Pension supplement	23	1	0	0	0	0	0	0
Fringe benefits	15	1	268	3	271	6	560	11
Total fixed compensation	**588**	**29**	**534**	**2,103**	**2,637**	**60**	**2,390**	**46**
Components of variable compensation:								
Cash compensation for 2022	278	14	121	191	312	7	554	11
DWS Equity Upfront Award	345	17	171	213	385	9	661	13
DWS Restricted Incentive Award	150	7	129	193	322	7	634	12
Elected Employee Investment Plan Award	158	8	0	39	39	1	213	4
DWS Restricted Equity Award	198	10	116	171	286	7	510	10
DWS Performance Share Unit Award (IPO)	335	16	135	203	338	8	230	4
Total variable compensation	**1,466**	**71**	**673**	**1,009**	**1,682**	**38**	**2,802**	**54**
Pension service costs	0	0	0	66	66	2	27	1
Total compensation	**2,053**	**100**	**1,207**	**3,179**	**4,386**	**100**	**5,219**	**100**

[1] Assignment contract ended 31 March 2023. For the financial year 2023, a pro rata variable compensation of € 385,320 was set until the end of the contract period. The respective amounts will be reported in the reporting year in which they are granted in accordance with the requirements of Section 162 AktG (inflow).
[2] Assignment contract ended 31 December 2022. Fringe benefits as shown in the DWS Management GmbH include income tax for the benefits in kind resulting from the assumption of costs for legal advice; please also refer to section 'Application of the Compensation System in the Financial Year 2023'.
[3] Assignment contract ended 31 January 2023. For the financial year 2023, a pro rata variable compensation of € 298,313 was set until the end of the contract period. The respective amounts will be reported in the reporting year in which they are granted in accordance with the requirements of Section 162 AktG (inflow). Fringe benefits as shown include income tax for the benefits in kind resulting from the assumption of costs for legal advice; please also refer to section 'Application of the Compensation System in the Financial Year 2023'.

	Pierre Cherki (member until 9 June 2020)				Robert Kendall (member until 9 June 2020)				Nikolaus von Tippelskirch (member until 9 June 2020)	
	2023				2023				2023	
	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %
Components of variable compensation:										
Cash compensation for 2022	0	0	0	0	0	0	0	0	0	0
DWS Equity Upfront Award	0	0	0	0	0	0	0	0	0	0
DWS Restricted Incentive Award	149	14	162	18	105	84	189	26	83	16
Elected Employee Investment Plan Award	0	129	129	14	0	0	0	0	0	0
DWS Restricted Equity Award	154	124	278	31	109	86	195	27	84	17
DWS Performance Share Unit Award (IPO)	135	203	338	37	135	203	338	47	338	67
Total compensation	**438**	**470**	**908**	**100**	**350**	**372**	**722**	**100**	**505**	**100**

	Jonathan Eilbeck (member until 30 November 2018)		Thorsten Michalik (member until 30 November 2018)				Nicolas Moreau[1] (member until 25 October 2018)	
	2023		2023				2023	
	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	DWS Group in € t.	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %
Components of variable compensation:								
Cash compensation for 2022	0	0	0	0	0	0	0	0
DWS Equity Upfront Award	0	0	0	0	0	0	0	0
DWS Restricted Incentive Award	38	43	15	30	45	43	90	43
Elected Employee Investment Plan Award	0	0	0	0	0	0	0	0
DWS Restricted Equity Award	49	57	20	39	59	57	117	57
DWS Performance Share Unit Award (IPO)	0	0	0	0	0	0	0	0
Total compensation	**86**	**100**	**35**	**69**	**104**	**100**	**207**	**100**

1 The table above sets out the inflows for Mr Moreau with regard to the previous performance of duties as an Executive Board member. Inflows with regard to the previous performance of duties as a Management Board member of Deutsche Bank AG are disclosed in the Compensation Report of Deutsche Bank Group.

Pension payments

No pension payments have been made to former members of the Executive Board.

Compensation for Supervisory Board Members

The compensation for members of the Supervisory Board is set forth in the Articles of Association of DWS KGaA. Any amendment of the Articles of Association requires a resolution of the General Meeting of DWS KGaA.

The members of the Supervisory Board receive a fixed annual compensation (“Supervisory Board compensation”). The annual base compensation amounts to € 85,000 for each member, the Chairperson of the Supervisory Board receives twice that amount and the Deputy Chairperson one and a half times that amount.

Members and the chairpersons of the committees of the Supervisory Board are paid an additional fixed annual compensation as follows.

Committee compensation

in €	Chairperson	Member
Audit and Risk Committee	40,000	20,000
Nomination Committee	20,000	15,000
Remuneration Committee	20,000	15,000
Adhoc Committee ESG matters	20,000	15,000

The Supervisory Board compensation is disbursed within the first three months of the following year.

In case of a change in the composition of the Supervisory Board during the year, the compensation for the financial year will be paid on a pro rata basis, rounded up/down to full months.

The members of the Supervisory Board are reimbursed by the company for the cash expenses they incur in the performance of their office, including any value added tax on their compensation and reimbursement of expenses. Furthermore, any employer contributions to social security schemes that may be applicable under foreign law to the performance of their work on the Supervisory Board is paid for each member of the Supervisory Board affected. Finally, the Chairman of the Supervisory Board will be reimbursed appropriately for travel expenses incurred in performing representative tasks due to his role.

In the interest of DWS KGaA, the members of the Supervisory Board are included in an appropriate amount, with a deductible, in any financial liability insurance policy held by the company. In the financial year 2023, Deutsche Bank Group provided a directors’ and officer´s liability insurance to the members of the Supervisory Board.

The current Supervisory Board compensation and the underlying compensation system was determined prior to the IPO of DWS KGaA in 2018 with the support of an independent external remuneration advisor. The compensation takes into account the responsibilities, requirements and time commitment of the members of the Supervisory Board. It also reflects, based on a horizontal peer group comparison, the compensation arrangements of competitors and selected German listed companies of comparable size, market capitalization and structure and is therefore competitive.

The Supervisory Board considers the appropriateness of the compensation level and system in its annual self-assessment as part of the efficiency review.

In addition, the Supervisory Board compensation is reviewed from time to time with the help of independent external experts at the instigation of the Supervisory Board or the Executive Board, representing the General Partner. Based on the results of a review undertaken in the first quarter 2021, the Executive Board and the Supervisory Board saw no cause for any amendments. Subsequently, the confirmation of the current compensation of the members of the Supervisory Board was proposed to the General Meeting on 9 June 2021 and approved by 99.85% of all valid votes.

In the event that the Executive Board and the Supervisory Board see reason for change, they will submit a modified compensation system and a proposal for a corresponding amendment of the Articles of Association of DWS KGaA to the General Meeting. In any case, the compensation for the Supervisory Board, including the underlying compensation system, will be presented to the General Meeting for its approval (“Billigung”) every four years. Potential conflicts of interest on the part of individual members of the Executive Board or members of the Supervisory Board with regard to the compensation system for the Supervisory Board will be treated in accordance with the existing policies and procedures.

In the opinion of the Executive Board and the Supervisory Board the design of the Supervisory Board compensation as a purely fixed compensation without performance-related elements is most suitable to properly reflect and promote the independence of the Supervisory Board and its advisory and monitoring function. This enables the Supervisory Board to make its decisions objectively and independently of the Executive Board in the interests of the company, without being guided by any short-term business successes that might be reflected in variable compensation.

The Supervisory Board compensation provides a useful counterbalance to the strategically oriented compensation system for the members of the Executive Board, which contains both fixed and variable components. Supervisory Board compensation thus contributes to the implementation of a sustainable corporate strategy at DWS KGaA.

The appropriateness of Supervisory Board compensation ensures that the company will continue to be able to attract appropriately qualified candidates to join the Supervisory Board; in this way, Supervisory Board compensation also makes a sustainable contribution to promoting the business strategy and the long-term development of the company.

The table below provides the Supervisory Board Compensation (excluding value added tax) granted and owed to the individual members of the Supervisory Board for the financial years 2023 in according to Section 162 AktG.

DWS KGaA does not provide members of the Supervisory Board with benefits after they have left the Supervisory Board.

Supervisory Board compensation

	Compensation for fiscal year 2023						Compensation for fiscal year 2022					
in €	Supervisory Board	Audit and Risk Committee	Remuneration Committee	Nomination Committee	Adhoc Committee ESG matters	Total	Supervisory Board	Audit and Risk Committee	Remuneration Committee	Nomination Committee	Adhoc Committee ESG matters	Total
Karl von Rohr[1]	28,333	–	–	3,333	3,333	35,000	–	–	–	–	–	–
Ute Wolf	127,500	40,000	–	–	15,000	182,500	127,500	40,000	–	–	15,000	182,500
Stephan Accorsini	85,000	20,000	–	–	–	105,000	85,000	20,000	–	–	–	105,000
Prof Dr Christina E. Bannier	49,583	–	8,750	–	–	58,333	–	–	–	–	–	–
Annabelle Bexiga	42,500	–	7,500	–	–	50,000	85,000	–	15,000	–	–	100,000
Aldo Cardoso	85,000	20,000	15,000	–	–	120,000	85,000	20,000	15,000	–	–	120,000
Minoru Kimura[2]	–	–	–	–	–	–	–	–	–	–	–	–
Bernd Leukert[1]	–	–	–	–	–	–	–	–	–	–	–	–
Christine Metzler	42,500	–	–	–	–	42,500	–	–	–	–	–	–
Angela Meurer	85,000	–	–	7,500	–	92,500	85,000	–	–	–	–	85,000
Richard I. Morris, Jr.	85,000	20,000	–	15,000	15,000	135,000	85,000	20,000	–	15,000	15,000	135,000
Erwin Stengele	85,000	–	15,000	–	7,500	107,500	85,000	–	15,000	–	–	100,000
Margret Suckale	85,000	–	20,000	15,000	–	120,000	85,000	–	20,000	15,000	–	120,000
Kazuhide Toda[2]	–	–	–	–	–	–	–	–	–	–	–	–
Said Zanjani	42,500	–	–	7,500	7,500	57,500	85,000	–	–	15,000	15,000	115,000

[1] Deutsche Bank Group shareholders' representatives on the Supervisory Board have waived their Supervisory Board compensation in line with Deutsche Bank Group policies and procedures.
[2] Independent shareholders' representatives on the Supervisory Board waived their Supervisory Board compensation in line with applicable policies and procedures.

Compensation for Joint Committee Members

The compensation for members of the Joint Committee is set forth in the Articles of Association of DWS KGaA. The members of the Joint Committee receive a fixed annual remuneration of € 20,000 and the Chairperson of € 40,000.

The compensation is disbursed within the first three months of the following year.

In case of a change in the composition of the Joint Committee during the year, the compensation for the financial year will be paid on a pro rata basis, rounded up/down to full months.

The members of the Joint Committee are reimbursed by the company for the cash expenses they incur in the performance of their office, including any value added tax on their compensation and reimbursement of expenses. Furthermore, any employer contributions to social security schemes that may be applicable under foreign law to the performance of their work on the Joint Committee is paid for each member of the Joint Committee affected. Finally, the Chairperson of the Joint Committee will be reimbursed appropriately for travel expenses incurred in performing representative tasks due to his role.

In the interest of DWS KGaA, the members of the Joint Committee are included in an appropriate amount, with a deductible, in any financial liability insurance policy held by the company. In the financial year 2023, Deutsche Bank Group provided a directors' and officer´s liability insurance to the members of the Joint Committee.

The following table provides the compensation (excluding value added tax) granted and owed to the individual members of the Joint Committee for the financial year 2023.

Compensation for Joint Committee members

in €	Compensation for fiscal year 2023	Compensation for fiscal year 2022
James von Moltke[1]	–	–
Karl von Rohr[1]	–	–
Minoru Kimura[2]	–	–
Volker Steuer[1]	–	–
Kazuhide Toda[2]	–	–
Ute Wolf	20,000	20,000

[1] Deutsche Bank Group executives, delegated by the shareholders' meeting of the General Partner to the Joint Committee, have waived their compensation in line with Deutsche Bank Group policies and procedures.
[2] Members of the Joint Committee, delegated by the shareholders' representatives on the Supervisory Board from their midst, waived their compensation in line with applicable policies and procedures.

Comparative Presentation of Compensation and Earnings Development

The table below shows the comparative presentation of the annual change in compensation of the members of the Executive Board and the Supervisory Board, the performance of DWS KGaA and the Group and the average compensation of employees on a full-time equivalence basis. In the following years, the information referred to in Section 162 (1) sentence 2 number 2 AktG, will gradually be expanded to include the change in a financial year compared to the previous year, until a reporting period of five years is reached. From the financial year 2025 onwards, the annual changes for the last five years will be shown.

The information on the compensation of the active and former members of the Executive Board and the Supervisory Board shall be the compensation granted and due pursuant to Section 162 (1) sentence 2 number 1 AktG.

The presentation of the company's performance is to reflect, according to the legal requirements, those of the legally independent company listed on the stock exchange. Accordingly, the net income (loss) of DWS KGaA is used to present earnings within the meaning of Section 162 (1) sentence 2 number 2 AktG. As the Executive Board compensation is measured on the basis of Group relevant data, net income (loss) for the Group is additionally shown as well as adjusted cost-income ratio and net flows (from 2023 excluding Cash) related to the Group. The latter as important key metrics for the Group account for 35% in the performance measurement of the members of the Executive Board. Taking into account the international business model of DWS, all employees of the Group worldwide were considered for the comparison group of employees; this corresponds to the approach in the vertical benchmarking in the context of the review of appropriateness.

in € t. (unless stated otherwise)	2023	2022	2021	2020	Annual change from 2023 to 2022 in %	Annual change from 2022 to 2021 in %	Annual change from 2021 to 2020 in %
1. Company profit development							
Net income (loss) DWS KGaA (in € m.)	541	412	532	388	31	(23)	37
Net income (loss) DWS Group (in € m.)	553	595	782	558	(7)	(24)	40
Adjusted cost-income ratio (CIR) DWS Group (in %)	64.0	60.6	58.1	64.5	3.4 ppt	2.5 ppt	(6.4) ppt
Net flows DWS Group (in € bn.)	28	(20)	48	30	N/M	N/M	N/M
Net flows (excluding Cash) DWS Group (in € bn.)	23	(14)	42	11	N/M	N/M	N/M
2. Average compensation employees							
World-wide on a full-time equivalent basis [1]	155	190	193	179	(19)	(2)	8
3. Executive Board compensation							
Current members of the Executive Board:							
Dr Stefan Hoops (member since 10 June 2022)	3,198	1,564	–	–	104	N/M	N/M
Manfred Bauer (member since 1 July 2020)	1,558	1,495	1,004	478	4	49	110
Dirk Goergen	3,261	2,078	1,540	1,215	57	35	27
Dr Markus Kobler (member since 1 November 2023)	173	–	–	–	N/M	N/M	N/M
Dr Karen Kuder (member since 1 November 2022)	970	159	–	–	N/M	N/M	N/M
Angela Maragkopoulou (member from 1 January 2023 until 31 December 2023)	951	–	–	–	N/M	N/M	N/M
Members who left the Executive Board during the financial year 2023:							
Claire Peel (member until 30 September 2023)	1,938	1,841	1,677	1,492	5	10	12
Members who left the Executive Board before the financial year 2023:							
Mark Cullen (member until 31 December 2022)	2,053	2,610	2,152	1,741	(21)	21	24
Stefan Kreuzkamp (member until 31 December 2022)	4,386	2,721	2,217	2,101	61	23	6
Dr Asoka Woehrmann (member until 9 June 2022)	5,219	5,890	3,976	3,041	(11)	48	31
Pierre Cherki (member until 9 June 2020)	908	618	1,005	3,388	47	(39)	(70)
Robert Kendall (member until 9 June 2020)	722	420	704	2,670	72	(40)	(74)
Nikolaus von Tippelskirch (member until 9 June 2020)	505	244	288	1,453	108	(15)	(80)
Jonathan Eilbeck (member until 30 November 2018)	86	90	91	230	(4)	(1)	(60)
Thorsten Michalik (member until 30 November 2018)	104	108	110	276	(4)	(2)	(60)
Nicolas Moreau (member until 25 October 2018)	207	216	220	1,747	(4)	(2)	(87)

in € t. (unless stated otherwise)	2023	2022	2021	2020	Annual change from 2023 to 2022 in %	Annual change from 2022 to 2021 in %	Annual change from 2021 to 2020 in %
4. Supervisory Board compensation							
Current members of the Supervisory Board:							
Karl von Rohr[2]	35	–	–	–	N/M	N/M	N/M
Ute Wolf	183	183	168	168	0	9	0
Stephan Accorsini	105	105	105	105	0	0	0
Prof Dr Christina E. Bannier (member since 15 June 2023)	58	–	–	–	N/M	N/M	N/M
Aldo Cardoso	120	120	120	120	0	0	0
Bernd Leukert (member since 21 July 2020)[2]	–	–	–	–	N/M	N/M	N/M
Christine Metzler (member since 21 June 2023)	43	–	–	–	N/M	N/M	N/M
Angela Meurer	93	85	85	85	9	0	0
Richard I. Morris, Jr.	135	135	120	120	0	13	0
Erwin Stengele	108	100	100	100	8	0	0
Margret Suckale	120	120	120	120	0	0	0
Kazuhide Toda (member since 15 June 2023)[3]	–	–	–	–	N/M	N/M	N/M
Members who left the Supervisory Board during the financial year 2023:							
Annabelle Bexiga (member until 15 June 2023)	50	100	100	100	(50)	0	0
Minoru Kimura (member from 10 August 2020 until 15 June 2023)[3]	–	–	–	–	N/M	N/M	N/M
Said Zanjani (member until 21 June 2023)	58	115	100	100	(50)	15	0
Members who left the Supervisory Board before the financial year 2023:							
Hiroshi Ozeki (member until 10 April 2020)[3]	–	–	–	–	N/M	N/M	N/M

[1] The average compensation of employees is based on a full-time equivalent basis and, for the first time in 2023, includes employees who were previously employed in service entities of the Deutsche Bank Group. In addition, an improved determination approach was implemented in 2023.
[2] Deutsche Bank Group shareholders' representatives on the Supervisory Board have waived their Supervisory Board compensation in line with Deutsche Bank Group policies and procedures.
[3] Independent shareholders' representatives on the Supervisory Board waived their Supervisory Board compensation in line with applicable policies and procedures.

Independent Auditor’s Report

Note: The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

To DWS Group GmbH & Co. KGaA, Frankfurt am Main

Report on the Audit of the Remuneration Report

We have audited the attached remuneration report of DWS Group GmbH & Co. KGaA, Frankfurt am Main, for the financial year from January 1 to December 31, 2023, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of DWS Group GmbH & Co. KGaA are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from January 1 to December 31, 2023, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to DWS Group GmbH & Co. KGaA, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Frankfurt am Main, 8 March 2024

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

[Signature] Fox	[Signature] Adilova
Wirtschaftsprüfer	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

Employee Compensation (Unaudited)

IFR Article 51

The content of the 2023 Employee Remuneration Report is based on the qualitative and quantitative remuneration disclosure requirements outlined in Article 51 of Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (IFR).

In line with Article 51 the following disclosure focusses on staff whose professional activities have a material impact on the risk profile of the Group (i. e. Material Risk Takers or MRTs), as further detailed below.

This section excludes specifics of the Executive Board remuneration structure which are disclosed in the section 'Executive Board Compensation'.

Regulatory Environment

DWS KGaA qualifies as an Union parent investment holding company and the DWS Group qualifies as an investment firm group within the meaning of the IFR, and is subject to the Investment Firm Directive and its transposition into national law in the German Investment Institutions Act (Wertpapierinstitutsgesetz) and the German Remuneration Ordinance for Investment Firms (Wertpapierinstituts-Vergütungsverordnung). DWS Group consists of a number of subsidiaries located both within the EU/EEA and outside in third countries. The majority of its regulated subsidiaries are management companies which, for those based in the EU/EEA, are regulated under the AIFMD or the UCITS Directive.

In the context of Employee Remuneration, the Group takes into account sector-specific remuneration regulations of its subsidiaries and therefore does not apply IFR and IFD remuneration rules to its AIF/UCITS management companies in EU/EEA and management companies in third countries. Instead, for those entities, the Group complies in general with sector-specific remuneration requirements under AIFMD/UCITS Directive.

DWS KGaA is also an indirectly owned subsidiary of Deutsche Bank AG, a Banking Group subject to the Capital Requirements Directive and its transposition into national law in the German Banking Act (Kreditwesengesetz) and the Remuneration Ordinance for Institutions (InstVV).

As a result of the sector specific remuneration regulations under AIFMD, UCITS Directive and IFD, and in accordance with Section 1 and Section 27 of InstVV, DWS KGaA and its subsidiaries are carved-out from the application of InstVV with the exception of individuals who are identified as having a material impact on Deutsche Bank Group's risk profile (InstVV MRTs). For InstVV MRTs, such as the Executive Board members, the stricter regulation applies in case of deviating regulation.

Identification of Material Risk Takers (MRTs)

Employees who are not employed by an AIF/UCITS management company, and whose professional activities have a material impact on the Group, have been identified in line with Article 3 and 4 of the Commission Delegated Regulation (EU) 2021/2154, supplementing IFD with regard to regulatory technical standards specifying appropriate criteria to identify categories of staff whose professional activities have a material impact on the risk profile of an investment firm or of the assets that it manages (IFD MRTs). In addition, any employee of an AIF/UCITS management company, who is mandated to perform professional activities that have a direct material impact on the risk profile or the business of the Group, has been identified as IFD MRT.

Furthermore, AIFMD/UCITS MRTs have been identified in accordance with the sector-specific remuneration requirements of the AIFM and UCITS Directives.

Compensation Governance

The objective of our compensation governance is to ensure that the Group acts within the framework of its remuneration strategy and policy. The Executive Board is responsible for introducing and implementing the employee compensation system. The Supervisory Board of DWS KGaA has set up a Compensation Control Committee to support it in monitoring the appropriate design of such employee compensation system. This monitoring is carried out taking into account the impact of the compensation system on group-wide risk, capital and liquidity management and the consistency of the compensation strategy with the Group's business and risk strategy.

The DWS Compensation Committee is a delegated committee established by the Executive Board. Its mandate is to develop a sustainable compensation framework and operating principles, make recommendations on total compensation levels and ensure appropriate governance and oversight of the compensation processes. It establishes the Compensation Policy.

As part of its mandate, the committee, using quantitative and qualitative factors, assesses Group and divisional performance as a basis for compensation decisions and makes recommendations to the Executive Board on the total annual amount of variable compensation and its allocation across business divisions and infrastructure functions.

In 2023, the DWS Compensation Committee membership comprised of the Chief Executive Officer, the Chief Financial Officer, Chief Administrative Officer, Head of Product Division and Global Head of Human Resources. The Head of Reward is a non-voting member. Control functions such as Compliance, Anti-Financial Crime and Risk Management are represented on the committee by the CFO and the CAO. Control functions are also appropriately involved in the design and implementation of the Group's compensation system to ensure that conflicts of interest do not arise as a result of the compensation system and to consider the impact of compensation on the Group's risk profile.

Compensation Framework

The compensation framework, generally applicable globally across all regions and business divisions, emphasizes an appropriate balance between fixed pay and variable compensation – together forming total compensation. It aligns incentives for sustainable performance at all levels whilst ensuring the transparency of compensation decisions and their impact on shareholders, investors and employees. The underlying principles of the compensation framework are applied to all employees equally, irrespective of differences in seniority, tenure, gender or ethnicity. The implementation of the gender-neutral compensation policy is monitored by the DWS Compensation Committee.

Fixed pay is used to compensate employees for their skills, experience and competencies, commensurate with the requirements, size and scope of their role. The appropriate level of fixed pay is determined gender neutral with reference to the prevailing market rates for each role, internal comparison and applicable regulatory requirements.

Variable compensation reflects affordability and performance at Group, divisional and individual level. It allows to differentiate individual performance and to drive behaviour through appropriate incentives that can positively influence culture. It also allows for flexibility in the cost base. Variable compensation generally consists of two elements – the franchise variable compensation component and the individual variable compensation component.

The Franchise Variable Compensation component is based on one of the overarching goals of the compensation framework – to ensure an explicit link between variable compensation and the performance of the Group. To assess our annual achievements in reaching our strategic targets, three KPIs are utilized as the basis for determining the 2023 franchise variable compensation: Adjusted CIR, net flows (excluding Cash) and ESG metrics.

The Individual Variable Compensation takes into consideration a number of financial and non-financial factors, relativities within the employee's peer group and retention considerations. In case of negative performance contributions or misconduct, an employee's variable compensation can be reduced accordingly and can go down to zero. Variable compensation is granted and paid out subject to Group affordability. Under the compensation framework, there continues to be no guarantee of variable compensation in an existing employment relationship. Guaranteed variable compensation is utilized only on a very limited basis for new hires in the first year of employment and are subject to the standard deferral requirements.

The compensation strategy is designed to achieve an appropriate ratio between fixed and variable compensation. This helps to align employee compensation with the interests of clients, investors and shareholders and with industry standards while ensuring that the fixed compensation is a sufficiently high proportion of the total compensation to enable the Group to be fully flexible on variable compensation.

The DWS Compensation Committee has determined a ratio of 1:1 with regard to fixed-to-variable remuneration components for IFD MRTs in Control Functions, and a 1:3 ratio for other IFD MRTs.

Determination of Performance-Based Variable Compensation

The variable compensation pools are subject to appropriate risk-adjustment measures which include ex-ante and ex-post risk adjustments. The robust methodology in place aims at ensuring that the determination of variable compensation reflects the risk-adjusted performance as well as the capital and liquidity position of the Group. The total amount of variable compensation is primarily driven by (i) affordability (i. e. what "can" the Group sustainably afford to award in alignment with regulatory requirements) and (ii) performance (what "should" the Group award in order to provide an appropriate compensation for performance and future incentive while protecting the long-term health of the franchise).

When assessing divisional performance, a range of considerations are referenced. Performance is assessed in the context of financial and non-financial targets (based on balanced scorecards). Whilst the allocation of variable compensation to infrastructure functions, and in particular to control functions, depends on the overall Group performance of, it is not dependent on the performance of the division(s) that these functions oversee.

At the level of the individual employee, established variable compensation guiding principles which are gender neutral and detail the factors and metrics that must be taken into account when making Individual variable compensation decisions. These include, for instance, investment performance, client retention, culture considerations, and objective setting and performance assessment based on the total performance approach. Furthermore, any control function inputs and disciplinary sanctions have to be considered in deciding on Individual variable compensation.

Variable Compensation Structure and Vehicles

The compensation structures are designed not to provide incentives for excessive risk-taking but rather provide a mechanism to promote and support the long-term performance of employees and the Group. For MRTs a portion of variable compensation is paid upfront and, an appropriate portion is deferred to ensure alignment to the sustainable Group performance, and/or investors in DWS funds. Generally, DWS share-based instruments are used as an effective way to align compensation with Group's sustainable performance and the interests of shareholders. For investment professionals, where permissible DWS funds-linked instruments are used instead to ensure alignment with the investors.

MRTs with variable compensation at or above € 50,000 (or which exceeds one fourth of total compensation) have at least 40% to 60% of their variable compensation deferred over a period of at least three years. In case the variable compensation is below these thresholds, the Material Risk Takers receive their entire variable compensation in cash without any deferral.

The instruments are subject to a 12-month retention period, and all deferred components are subject to a number of performance conditions, continued employment within Deutsche Bank Group and forfeiture provisions which ensure an appropriate ex-post risk adjustment.

Compensation Decisions for 2023

In a market environment, which was dominated by rising interest rates and a low risk appetite by investors, DWS's diverse range of investment products and solutions contributed to deliver solid results and helped to successfully continue its way to become a stand-alone asset manager.

Despite adverse market developments throughout 2023, DWS was able to generate revenues only slightly lower than the previous year, while maintaining a strict cost management and investing into DWS's future.

The intensified focus on investment performance, innovative and sustainable investment solutions as well as significant contributions from strategic partnerships were key drivers of this success.

Against this backdrop, the DWS Compensation Committee has monitored the affordability of variable compensation for 2023. The committee has concluded that the capital and liquidity base of DWS remain above regulatory minimum requirements, and internal risk appetite threshold.

As part of the overall 2023 variable compensation granted in March 2024, the Franchise Component was awarded in line with the assessment of the defined KPIs. The Executive Board determined a payout of 82.5% for the Franchise Variable Compensation component in 2023.

Material Risk Takers Compensation Disclosure

65 individuals were identified as MRTs according to IFD for financial year 2023. The remuneration elements for IFD MRTs are detailed in the tables below in accordance with Article 51 IFR.

Remuneration awarded for 2023

in € m. (unless stated otherwise)	Supervisory Board	Executive Board	Other Material Risk Takers	Total Material Risk Takers
Number of MRTs[1]	15	6	33	54
Components of fixed compensation:				
Cash-based	1	7	16	24
Shares or equivalent ownership interests	–	0	0	0
Share-linked instruments or equivalent non-cash instruments	–	0	0	0
Other types of instruments under Article 32 (1) (j) (iii) IFD	–	0	0	0
Non-cash instruments which reflect the instruments of the portfolio managed	–	0	0	0
Approved alternative arrangements	–	0	0	0
Other forms	–	0	2	3
Total fixed compensation	**1**	**8**	**18**	**27**
Components of variable compensation:				
Cash-based	–	3	12	15
Thereof: Deferred	–	1	6	7
Shares or equivalent ownership interests	–	0	0	0
Thereof: Deferred	–	0	0	0
Share-linked instruments or equivalent non-cash instruments	–	4	11	16
Thereof: Deferred	–	3	6	9
Other types of instruments under Article 32 (1) (j) (iii) IFD	–	0	0	0
Thereof: Deferred	–	0	0	0
Non-cash instruments which reflect the instruments of the portfolio managed	–	2	1	2
Thereof: Deferred	–	2	1	2
Approved alternative arrangements	–	0	0	0
Thereof: Deferred	–	0	0	0
Other forms	–	0	0	0
Thereof: Deferred	–	0	0	0
Total variable compensation[2]	**–**	**9**	**24**	**33**
Total compensation	**1**	**17**	**42**	**60**

[1] Beneficiaries only (headcount reported for Supervisory Board and Executive Board, FTE reported for the remaining part). Therefore, the totals do not add up to 65 individuals identified as MRTs under IFD.
[2] Variable compensation includes DWS's Year-end performance based variable compensation for 2023, other variable compensation and severance payments. It also includes fringe benefits awards to Executive Board Members which are to be classified as variable remuneration. The table does not include new hire replacement awards for lost entitlements from previous employers (buyouts).

Guaranteed variable remuneration and severance payments – Material Risk Takers

in € m. (unless stated otherwise)	Supervisory Board	Executive Board	Other Material Risk Takers	Total Material Risk Takers
Guaranteed variable remuneration	**–**	**0**	**0**	**0**
Number of beneficiaries[1]	–	0	0	0
Severance payments awarded in previous periods, that have been paid out during the financial year	**–**	**0**	**0**	**0**
Severance payments awarded during the financial year	**–**	**2**	**11**	**13**
Thereof: deferred severance payments awarded	–	1	6	7
Number of beneficiaries[1]	–	1	8	9
Severance payments paid during financial year	–	1	5	6
Highest amount of severance payments awarded to a single person	–	2	8	8

[1] Beneficiaries only (headcount reported for all categories).

Deferred remuneration – Material Risk Takers

in € m.	Deferred remuneration awarded for previous performance periods: Due to vest in the financial year	Deferred remuneration awarded for previous performance periods: Vesting in subsequent financial years	Deferred remuneration awarded for previous performance periods: Total	Explicit ex-post performance adjustment made in the financial year to previoulsy awarded deferred remuneration: Due to vest in the financial year	Explicit ex-post performance adjustment made in the financial year to previoulsy awarded deferred remuneration: Vesting in subsequent financial years	Deferred remuneration due to vest in the financial year that was paid out during the financial year
Supervisory Board:						
Cash-based	–	–	–	–	–	–
Shares or equivalent ownership interests	–	–	–	–	–	–
Share-linked instruments or equivalent non-cash instruments	–	–	–	–	–	–
Other types of instruments under Article 32 (1) (j) (iii) IFD	–	–	–	–	–	–
Non-cash instruments which reflect the instruments of the portfolio managed	–	–	–	–	–	–
Approved alternative arrangements	–	–	–	–	–	–
Other forms	–	–	–	–	–	–
Total Supervisory Board	**–**	**–**	**–**	**–**	**–**	**–**
Executive Board:						
Cash-based	3	7	10	0	0	3
Shares or equivalent ownership interests	3	5	8	0	0	3
Share-linked instruments or equivalent non-cash instruments	1	3	5	0	0	1
Other types of instruments under Article 32 (1) (j) (iii) IFD	0	0	0	0	0	0
Non-cash instruments which reflect the instruments of the portfolio managed	0	1	1	0	0	0
Approved alternative arrangements	0	0	0	0	0	0
Other forms	0	0	0	0	0	0
Total Executive Board	**7**	**16**	**23**	**0**	**0**	**7**
Other Material Risk Takers:						
Cash-based	4	12	16	0	0	4
Shares or equivalent ownership interests	0	0	1	0	0	0
Share-linked instruments or equivalent non-cash instruments	7	15	22	0	0	7
Other types of instruments under Article 32 (1) (j) (iii) IFD	0	0	0	0	0	0
Non-cash instruments which reflect the instruments of the portfolio managed	1	2	3	0	0	1
Approved alternative arrangements	0	0	0	0	0	0
Other forms	0	0	0	0	0	0
Total other Material Risk Takers	**12**	**30**	**42**	**0**	**0**	**12**
Total	**19**	**46**	**65**	**0**	**0**	**19**

Corporate Governance Statement

Corporate Governance Statement

All information presented in this Corporate Governance Statement pursuant to Sections 289f, 315d of the German Commercial Code is shown as of 1 March 2024.

Corporate Bodies

IFR Article 48(a)
GRI 2-9; 2-10; 2-11; 2-17; 2-18

Overview of the Corporate Bodies

GRI 2-1; 3-3

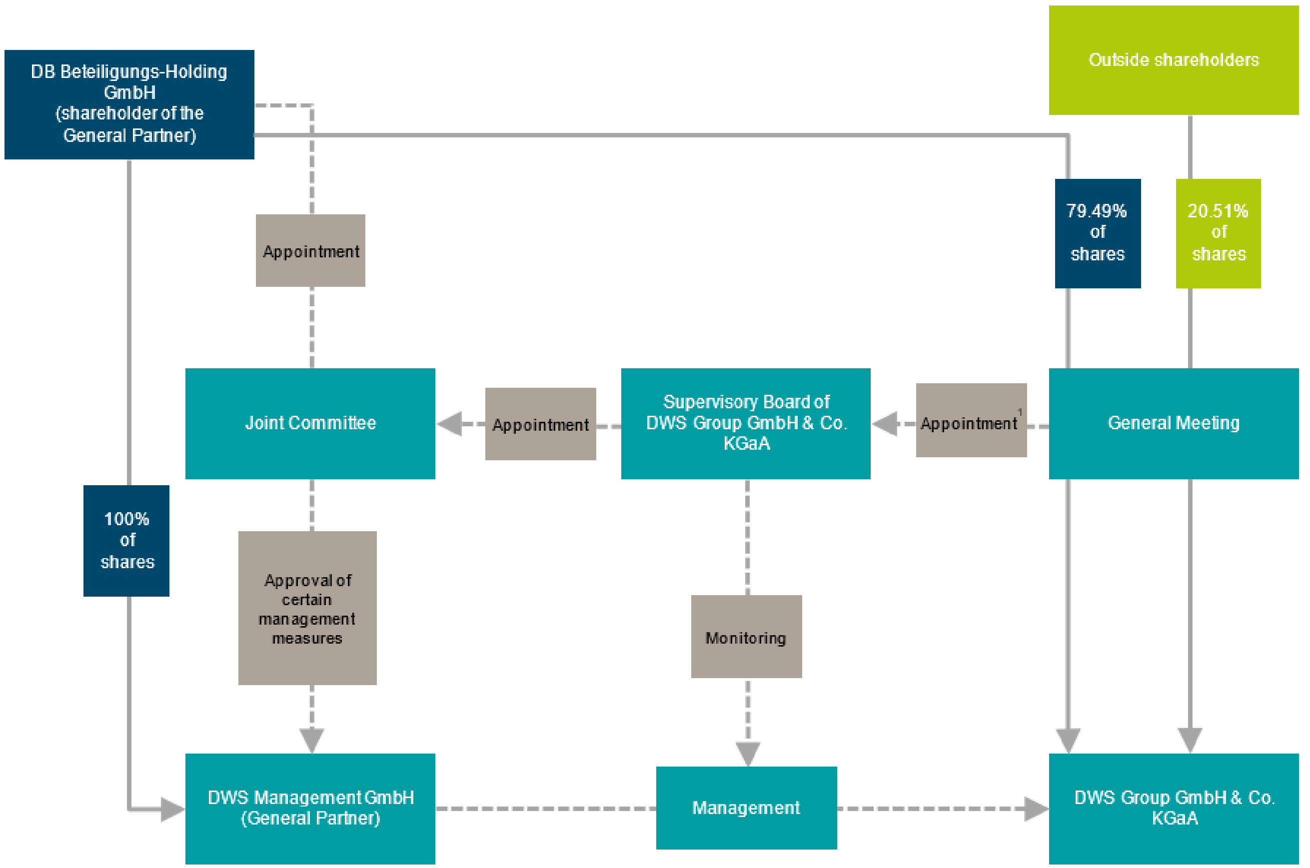
DWS KGaA is a German partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA) with a German-law limited liability company (Gesellschaft mit beschränkter Haftung – GmbH) as its general partner. The company is governed by its Articles of Association and the general provisions of German corporate law, particularly the German Stock Corporation Act (Aktiengesetz – AktG) and the German Commercial Code (Handelsgesetzbuch – HGB).

A KGaA is a hybrid legal form under German corporate law, which has elements of both a limited partnership and a stock corporation (Aktiengesellschaft – AG). Like a stock corporation, the share capital of a KGaA is held by its shareholders. Like a limited partnership, the KGaA is managed by a general partner which is subject to unlimited liability vis-à-vis third parties.

DWS KGaA's sole general partner, DWS Management GmbH (General Partner), is a wholly owned subsidiary of DB Beteiligungs-Holding GmbH, which is 100% owned by Deutsche Bank AG.

DWS KGaA's corporate bodies are its General Partner, acting through its Managing Directors (Geschäftsführer) who collectively are referred to as the Executive Board of DWS KGaA, its Supervisory Board, and the General Meeting of DWS KGaA's shareholders. In addition, DWS KGaA has a Joint Committee that consists of members of the Supervisory Board as well as delegates appointed by the shareholders' meeting of the General Partner.

Corporate Bodies of DWS



[1] Right of outside shareholders to appoint supervisory board members does not extend to employee representatives.

General Partner

The General Partner has the sole responsibility for the management of DWS KGaA, including all management measures. The General Partner is acting through its Managing Directors (Geschäftsführer), who collectively are referred to as the Executive Board of DWS KGaA. The Executive Board manages the day-to-day business and represents DWS KGaA vis-à-vis third parties. Any reference to Executive Board in this report refers to the collective Managing Directors of the General Partner.

The Managing Directors of the General Partner are appointed and dismissed by resolution of the shareholders' meeting of the General Partner, which also has the authority to appoint one of them as the Chairperson, i. e. the CEO.

Certain measures by the General Partner, acting through the Executive Board, require approval from the shareholders' meeting of the General Partner (e. g. the preparation of the annual financial plan of DWS Group, group reorganizations and related contracts, joint ventures, the acquisition and disposal of participations if the transaction value exceeds a certain threshold).

In addition, certain measures undertaken by the General Partner in the course of its management of DWS KGaA require the prior approval of the Joint Committee.

Supervisory Board

The Supervisory Board advises and monitors the General Partner, acting through the Executive Board, in its management of the company. Except for the employee representatives, the members of the Supervisory Board are elected by the shareholders of DWS KGaA at the General Meeting. Shares held by the General Partner or its affiliated companies are not entitled to vote for the election or removal of the members of the Supervisory Board.

In general, the authority and scope for influence of the Supervisory Board of a KGaA is limited as compared to a Supervisory Board of a stock corporation. In particular, the Supervisory Board is not entitled to appoint and dismiss the Managing Directors of the general partner. Additionally, the Supervisory Board does not determine the remuneration for the Managing Directors of the general partner and the underlying remuneration system. Further, the Supervisory Board may not subject the management measures of the general partner to its consent, or issue rules of procedure for the general partner.

Joint Committee

Besides the Supervisory Board and the General Partner (acting through the Executive Board), DWS KGaA has established a Joint Committee as an additional corporate body. The Joint Committee consists of two members delegated by the shareholders' meeting of the General Partner and two members delegated by the shareholders' representatives on the Supervisory Board. The shareholders' meeting of the General Partner appoints one of its delegates as the Chairperson of the Joint Committee; the Chairperson has a casting vote with regard to decisions taken by the Joint Committee.

The Joint Committee has approval rights with regard to certain measures undertaken by the General Partner (e. g. group reorganizations and related contracts; the acquisition and disposal of real estate or participations if the transaction value exceeds a certain threshold). The Joint Committee also possesses a right of proposal with respect to the ratification of acts of management of the General Partner and with respect to the determination of the variable compensation of the Managing Directors of the General Partner. Nonetheless, these matters are legally subject to decisions of the shareholders' meeting of the General Partner. Therefore, the proposals of the Joint Committee are not legally binding, and the shareholders' meeting of the General Partner remains independent in its right to decide on these matters. The Joint Committee reports in text form to the General Meeting on its activities. The report for the reporting year can be found under 'Report of the Joint Committee'.

General Meeting

The General Meeting is the resolution body of the shareholders of DWS KGaA. Shareholders can exercise their voting rights at the General Meeting themselves, by proxy via a representative of their choice, or by a company-nominated proxy acting on their instructions. Among other matters, the General Meeting approves the annual financial statements of the company. The internal procedure of the General Meeting of a KGaA corresponds to that of the general meeting of a stock corporation.

Certain material matters requiring a resolution of the General Meeting also require the consent of the General Partner (which does not have a voting right in the General Meeting as it does not hold shares in DWS KGaA), such as amendments to the Articles of Association, dissolution of the company, mergers, a change in the legal form of DWS KGaA, enterprise agreements (Unternehmensverträge, such as domination agreements or profit and loss transfer agreements) and other fundamental changes as well as the approval of the annual financial statements. The General Partner therefore has a de facto veto right on these matters.

The members of the Supervisory Board – with the exception of the employee representatives – are elected by the General Meeting.

Managing Directors of the General Partner (Executive Board)

The General Partner fulfils its task of managing DWS KGaA through its Managing Directors (Geschäftsführer), who are collectively referred to as the Executive Board. The Managing Directors are appointed and dismissed by resolution of the shareholders' meeting of the General Partner. Pursuant to the Articles of Association of the General Partner, the General Partner shall have at least two Managing Directors. The General Partner shall be represented either jointly by two Managing Directors or by a Managing Director acting jointly with an authorized representative (Prokurist). The shareholders' meeting may, pursuant to the Articles of Association of the General Partner, vest Managing Directors with the authority to represent the General Partner solely. Furthermore, each Managing Director is exempted from the restrictions of entering into a legal transaction in the name of the principal with himself in his own name or as an agent of a third party pursuant to Section 181 2nd alternative German Civil Code (Bürgerliches Gesetzbuch – BGB).

The Managing Directors, i. e. the members of the Executive Board, manage the business activities of DWS Management GmbH and – with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – the business activities of DWS KGaA in accordance with the law, the respective Articles of Association, the Terms of Reference and, subject to statutory and regulatory restrictions, the instructions of the shareholders' meeting. The business activities are managed with the objective of creating sustainable value in the interests of the company, thus taking into account the needs and requirements of the shareholders, the employees, and the other groups affiliated with the company (stakeholders). The business allocation plan (Geschäftsverteilungsplan) assigns specific areas of functional and regional responsibility to each member of the Executive Board. The Executive Board is nevertheless jointly responsible for managing the General Partner and DWS KGaA.

The Executive Board steers DWS KGaA and its subsidiaries based on uniform policies and generally controls the Group entities within the limits of applicable laws. The Executive Board is responsible for ensuring the proper business organisation of the Group, which includes appropriate and efficient risk management as well as compliance with legal regulations and internal policies (Compliance) and takes the necessary measures to ensure that the adequate internal guidelines are developed and implemented. The full Executive Board resolves on appointments of first-level executives under the Executive Board, in particular on the appointment of the global key function holders employed by DWS KGaA, and of management board members of its subsidiaries. In appointing employees to management functions in the Group, the Executive Board takes diversity into account. It strives, in particular, to achieve an appropriate representation of women. In addition, the Executive Board seeks to ensure that the employees in management functions have the knowledge and skills required for the proper performance of tasks and the necessary experience. In the context of succession management, the Executive Board has implemented a series of sophisticated leadership and board readiness assessments designed to identify and develop management talent for enhanced leadership responsibilities. The discipline applied to succession management in line with best practices has resulted in long-term succession plans.

The Executive Board closely collaborates with the Supervisory Board in a cooperative relationship of trust and for the benefit of the company. The Executive Board reports to the Supervisory Board at a minimum within the scope prescribed by law or administrative guidelines, in particular on all issues with relevance for the Group concerning strategy, the intended business policy, planning, business development, risk situation, risk management, staff and leadership team developments, reputation and compliance.

For the members of the Executive Board, the age limit is reached, in general, when a member reaches the retirement age according to the rules of the German statutory pension insurance scheme. The standard retirement age is regularly reached at the age of 67.

The following table shows the members of the Executive Board. The table includes their year of birth, the date on which they were first appointed, the date of their departure or the date when their appointment is scheduled to end as well as their position on the Executive Board.

Members of the Executive Board

Name	Year of birth	First appointment	Appointment until	Position
Dr Stefan Hoops	1980	10 June 2022	30 June 2025	Chief Executive Officer (CEO) and Head of Executive and Investment Division
Manfred Bauer	1969	1 July 2020	30 June 2026	Head of Product Division
Dirk Goergen	1981	1 December 2018	30 November 2024	Head of Client Coverage Division
Dr Markus Kobler	1967	1 November 2023	31 October 2026	Chief Financial Officer (CFO) and Head of CFO Division and COO Division
Dr Karen Kuder	1973	1 November 2022	31 October 2025	Chief Administrative Officer (CAO) and Head of CAO Division
Angela Maragkopoulou	1976	1 January 2023	31 December 2023	Chief Operating Officer (COO) and Head of COO Division
Claire Peel	1974	1 March 2018	30 September 2023	Chief Financial Officer (CFO) and Head of CFO Division

In the following, information is provided on the current members of the Executive Board. The information includes the current positions and area of responsibility according to the current Business Allocation Plan for the Executive Board. Also specified are other board mandates or directorships within and outside of the Group as well as all memberships in legally prescribed supervisory boards or other comparable domestic or foreign supervisory bodies of commercial enterprises. The members of the Executive Board have generally undertaken not to assume chairmanships of supervisory boards of companies outside the Group.

Current Members of the Executive Board

GRI 2-14

The Managing Directors of the General Partner, collectively referred to as the Executive Board, are jointly responsible for managing the business activities of the General Partner – and with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – of DWS KGaA. However, the business allocation plan (Geschäftsverteilungsplan) of the Executive Board assigns each Managing Director specific areas of functional and regional responsibility.

The areas of responsibility of the current members of the Executive Board are as follows:

Dr Stefan Hoops – Dr Stefan Hoops is Managing Director of the General Partner and Chief Executive Officer and Chairman of the Executive Board. He is responsible as Head of the Executive Division for Audit, Communications, Brand and CSR, Corporate Strategy and M&A including Sustainability Strategy. He is Head of the APAC Region.

In addition, Dr Hoops has been Head of the Investment Division since 1 January 2023. In this role he manages and oversees all portfolio management activities, including Active, Passive and Alternatives strategies. Further, he is responsible for trading oversight.

Dr Hoops chairs the Supervisory Boards of DWS Investment GmbH and DWS Grundbesitz GmbH.

Dr Hoops does not have any external directorships subject to disclosure.

Manfred Bauer – As the Head of the Product Division, Mr Bauer is responsible for the global product value chain. This includes product innovation, development, structuring, and launch as well as the product management of the entire product lifecycle. In addition, Mr Bauer is since September 2023 Head of the EMEA (Europe, Middle East, and Africa) region and since May 2023 responsible for the DWS Control Office.

Mr Bauer is the speaker of the Management Board of DWS Investment GmbH and member of the Management Board of DWS Beteiligungs GmbH. Further, Mr Bauer serves as a Chair of the Supervisory Board of DWS Alternatives GmbH as well as of the Supervisory Board of DWS Investment S.A.

Mr Bauer does not have any external directorships subject to disclosure.

Dirk Goergen – Mr Goergen is the Head of the Global Client Coverage Group, responsible for Sales Management and Sales Strategy, consolidating all global distribution teams and activities.

Mr Goergen is also the Regional Head of the Americas and the Chief Executive Officer of DWS USA Corporation.

Mr Goergen does not have any external directorships subject to disclosure.

Dr Markus Kobler – Dr Kobler is the Chief Financial Officer and Head of the CFO Division. His responsibilities include Finance, Financial Accounting, Strategic Financial Planning, Tax, Capital and Liquidity Management, Investor Relations, Risk Management. Since 1 November, he has also been responsible for all Procurement Services including Third-Party Risk Management.

Since 1 January 2024, Dr Kobler is responsible for Technology and Operations including Information Security, and Corporate Services.

Further, the CFO is responsible for the Group’s sustainability-related disclosures, including information according to the recommendations of the “Task Force on Climate-related Financial Disclosures” (TCFD).

Dr Kobler does not have any external directorships subject to disclosure.

Dr Karen Kuder – Dr Kuder is the Chief Administrative Officer and heads the CAO Division. In her role Dr Kuder is responsible for the Legal (including Data Privacy), Compliance and Anti-Financial Crime departments as well as Corporate Governance including Corporate Office, Client and Investment Monitoring and Human Resources.

Dr Kuder is Non-Executive Member of the Board of the DWS USA Corporation.

Dr Kuder does not have any external directorships subject to disclosure.

Former Members of the Executive Board

Angela Maragkopoulou – As the Chief Operating Officer and Head of the COO Division, Ms Maragkopoulou was responsible for Technology and Operations including Information Security, and Corporate Services.

Claire Peel – Ms Peel was the Chief Financial Officer and Head of the CFO Division. Her responsibilities included Finance, Financial Accounting, Strategic Financial Planning, Tax, Capital and Liquidity Management, Investor Relations, Risk Management and the EMEA region.

Further, as the CFO she was responsible for the Group’s sustainability-related disclosures, including information according to the recommendations of the “Task Force on Climate-related Financial Disclosures” (TCFD).

Supervisory Board

The Supervisory Board monitors and advises the General Partner in its task of managing DWS KGaA and its subsidiaries. Between meetings, the Chairperson of the Supervisory Board, and, to the extent relating to the responsibilities of the respective Supervisory Board committees, the Chairpersons of the Supervisory Board committees, maintain contact with the General Partner on a regular basis as far as this is necessary for the proper performance of their supervisory duties. The Chairperson of the Supervisory Board, and – within their respective functional responsibility – the Chairpersons of the Supervisory Board committees, are informed without delay by the General Partner about important events of material significance for the assessment of the situation and the development as well as for the management of the Group. The Chairperson of the Supervisory Board then notifies the Supervisory Board and, if necessary, convenes an extraordinary Supervisory Board meeting; this applies respectively to the Chairpersons of the Supervisory Board committees with regard to the respective committees.

The Chairperson of the Supervisory Board plays a crucial role in the proper functioning of the Supervisory Board and has a leadership role in this regard. He shall ensure the Supervisory Board's effective overall functioning and a cooperative relationship of trust between the members of the Supervisory Board and the General Partner's Executive Board.

In 2023, a total of 33 meetings of the Supervisory Board and its standing committees took place. The Supervisory Board meets regularly without the Executive Board.

In the fourth quarter of 2023 the Supervisory Board performed the annual review of the efficiency of its activities. It conducted a questionnaire-based self-assessment, which was complemented by interviews with selected Supervisory Board members, including the Chairman, the Chairwoman of the Audit and Risk Committee, one independent Supervisory Board member and one employee representative. The assessment was supported by an external advisor who designed the questionnaire and conducted the interviews, using a previously coordinated interview guide. Both the questionnaire and the interview guide considered additional committee responsibilities and included a self-assessment of the knowledge, skills and experience of the Supervisory Board members. The individual feedback provided was consolidated in a report, which included a comparison with previous year's assessment results and with other Supervisory Boards where appropriate. The report was submitted – along with action items recommended by the Nomination Committee – to the Supervisory Board for its discussion and the adoption of measures.

Members of the Supervisory Board

The Supervisory Board is composed of eight shareholders' representatives and four employee representatives, as it is subject to the German One-Third Employee Participation Act (Drittelbeteiligungsgesetz), which requires that one third of the Supervisory Board members are employee representatives. The eight members representing the shareholders are appointed by the General Meeting of DWS KGaA, the four employee representatives are elected by the employees pursuant to the provisions of the One-Third Employee Participation Act (Drittelbeteiligungsgesetz).

The current four employee representatives were elected to the Supervisory Board through the election of employee representatives, which took place on 21 June 2023 in accordance with the One-Third Participation Act.

The shareholders' representatives on the Supervisory Board are elected for the period until conclusion of the General Meeting which adopts the resolutions concerning the ratification of acts of management for the fourth financial year following the beginning of the term of office. The financial year in which the term of office begins is not taken into account. The General Meeting may determine a shorter term of office upon such election. Prof Dr Christina E. Bannier and Kazuhide Toda were appointed as new shareholder representatives to the Supervisory Board on 15 June 2023 and replaced Annabelle Bexiga and Minoru Kimura. There were no further changes amongst the other members representing the shareholders who remained in office throughout the year.

The following table shows the members of the Supervisory Board through 2023, their year of birth, the year of their first election or appointment, the year in which their current mandate or appointment ends, their position on the Supervisory Board, their principal occupation and supervisory board positions as well as directorships at other companies.

Members of the Supervisory Board

Name	Year of birth	Elected/appointed Initially	Currently until	Position on the Supervisory Board	Principal occupation[1]	Other supervisory board positions and directorships[1]
Karl von Rohr	1965	2018	2027	Chairman and shareholder representative	Former Deputy Chairman of the Management Board of Deutsche Bank AG	Former Deputy Chairman of the Management Board of Deutsche Bank AG
Ute Wolf	1968	2018	2027	Deputy Chairperson and shareholder representative	Former Chief Financial Officer of Evonik Industries AG	Former Member of the Management Board of Evonik Industries AG, Member of the Supervisory Board of Klöckner & Co. SE and Chairwoman of the Audit Committee, Member of the Supervisory Member of the Supervisory of Infineon Technologies AG, Neubiberg, Member of the Supervisory Board of MTU Aero Engines AG, Munich
Stephan Accorsini	1969	2018[2]	2027	Employee representative	First Deputy Chairman of the Workers' Council of DWS Investment Group	None
Prof Dr Christina E. Bannier	1974	15 June 2023	2027	Shareholders' representative	Professor of Banking & Finance, Justus-Liebig-University, Gießen	Member of the Supervisory Board of Eurex Clearing AG, Frankfurt am Main, Member of the Supervisory Board of Clearstream Banking AG, Frankfurt am Main
Aldo Cardoso	1956	2018	2027	Shareholders' representative	Former Chairman of the Board of Bureau Veritas	Director of Worldline SA and Chairman of the Audit Committee
Bernd Leukert	1967	2020	2027	Shareholders' representative	Chief Technology, Data and Innovation Officer and member of the Management Board of Deutsche Bank AG	Member of the Management Board of Deutsche Bank AG, Member of the Supervisory Board of Bertelsmann SE & Co. KGaA, Member of the Supervisory Board of Bertelsmann Management SE
Christine Metzler	1974	21 June 2023	2027	Employee representative	Second Deputy Chairman of the Workers' Council of DWS Investment Group	None
Angela Meurer	1962	2018[2]	2027	Employee representative	Chairwoman of the representative body for disabled employees of Deutsche Bank AG	None
Richard I. Morris, Jr.	1949	2018	2027	Shareholders' representative	Advisor to TA Associates Management LP	None
Erwin Stengele	1969	2018[2]	2027	Employee representative	Chairman of the Workers' Council of DWS Investment Group	None
Margret Suckale	1956	2018	2027	Shareholders' representative	Former member of the Management Board of BASF SE	Member of the Supervisory Board of Deutsche Telekom AG, Member of the Supervisory Board of HeidelbergCement AG, Member of the Supervisory Board of Infineon Technologies AG
Kazuhide Toda	1963	15 June 2023	2027	Shareholders' representative	Senior Fellow of Nippon Life Insurance Company	Non-Executive Director, MLC Limited, Sydney, Australia
Former members:						
Annabelle Bexiga	1962	2019	15 June 2023	Shareholders' representative	Founder and Principal, self-employed at Bay Harbour Consulting	Non-Executive Director of StoneX Group Inc., Non-Executive Director of Triton International Limited, Non-Executive Director of Fleetcor Technologies, Inc
Minoru Kimura	1967	2020	15 June 2023	Shareholders' representative	Executive Officer of Nippon Life Insurance Company and Regional CEO for the Americas and Europe	Non-Executive Director of Nippon Life Global Investors Europe Plc, Non-Executive Director of Nippon Life Schroders Asset Management Europe Limited, Non-Executive Director of Nippon Life Insurance Company of America, Non-Executive Director of Nippon Life Global Investors Americas, Inc, Director of Resolution Life Group Holdings Ltd. (since 1 April 2021), Chairman of the Board of Nippon Life Americas, Inc. (since 1 May 2021)
Said Zanjani	1958	2018[2]	21 June 2023	Employee representative appointed by court	Former Chairman of the Workers' Council of DWS Investment Group	None

[1] For Supervisory Board members departed in 2023 information is based on 31 December 2022, for all other members information is as at 31 December 2023.
[2] In the year of first appointment appointed by court until the end of the next elections of employee representatives to the Supervisory Board in accordance with the German One-Third Participation Act (Drittelbeteiligungsgesetz), which took place on 21 June 2023.

Objectives for the Composition of the Supervisory Board, Profile of Requirements and Status of Implementation

Objectives for the Composition of the Supervisory Board

In accordance with German law, the members of the Supervisory Board must be reliable, must have the expertise required to perform their control function and to assess and monitor the company's businesses, and must commit sufficient time to the performance of their tasks. The Supervisory Board first established objectives for its composition and adopted a profile of requirements for the Supervisory Board collectively as described below in its meeting on 29 January 2019 that were last updated on 21 October 2021, when the Supervisory Board determined that the Audit and Risk Committee must comprise at least two financial experts.

The Supervisory Board shall be composed in such a way that its members collectively possess the knowledge, abilities and expert experience to properly complete its tasks. The members of the Supervisory Board collectively and the members of its Audit and Risk Committee must be familiar with the financial industry in general and more specifically with the asset management industry. The composition of the Supervisory Board shall ensure qualified control of and advice to the Executive Board taking into account that the Group is an internationally operating, broadly positioned asset manager. The members of the Supervisory Board should preserve the public reputation of the Group and, in particular, attention should be placed on the integrity, personality, willingness to perform, professionalism and independence of the individuals proposed for election. The objective is for the Supervisory Board collectively to have all of the knowledge and experience considered to be essential, while taking into account the business activities of the Group. The current members of the Supervisory Board fulfil these objectives.

In addition, the Supervisory Board shall have what it considers to be an adequate number of independent members from the group of shareholders' representatives, thereby taking into account the shareholder structure. A Supervisory Board member is considered independent if he or she is independent from the company, its Executive Board and from the controlling shareholder. The Supervisory Board has determined that at least five of the shareholders' representatives shall be independent. Currently, the Supervisory Board has six independent shareholders' representatives: Ms Prof Dr Christina Bannier, Mr Aldo Cardoso, Mr Richard I. Morris, Jr., Ms Margret Suckale, Mr Kazuhide Toda and Ms Ute Wolf.

Mr Karl von Rohr was a member of the Management Board of Deutsche Bank AG until 31 October 2023. Mr Leukert is currently a member of the Management Board of Deutsche Bank AG. Deutsche Bank AG is the sole shareholder of DB Beteiligungs-Holding GmbH, which is the majority shareholder of DWS KGaA. They are, therefore, not considered independent from the controlling shareholder and thus not as independent as defined in Section C.6 of the German Corporate Governance Code. However, they are considered independent from the company and the Executive Board as they have no personal or business relationship with the company or its Executive Board that may cause a substantial structural and not merely temporary – conflict of interest. They are therefore considered independent for the purposes of Section C.7 of the German Corporate Governance Code. The members of the Supervisory Board may not exercise functions on a management body of or perform advisory duties at major competitors. Material conflicts of interest on the part of a member of the Supervisory Board that are not just temporary shall result in the termination of the mandate. As described in the Report of the Supervisory Board, none of the Supervisory Board members had any conflicts of interests in the reporting year.

There is a regular maximum age limit of 75. In exceptional cases, a Supervisory Board member can be elected or appointed for a period that extends no longer than until the end of the fourth Ordinary General Meeting that takes place after he/she has turned the age of 75. The regular length of each individual Supervisory Board membership is not to exceed 15 years. The age limit and the limit on the length of Supervisory Board membership are met by all current Supervisory Board members.

The Supervisory Board shall not comprise more than two former Managing Directors of the General Partner. Currently, there is no former Managing Director of the General Partner on the Supervisory Board.

The Supervisory Board respects diversity when proposing members for appointment to the Supervisory Board. In light of the international operations of the Group, attention should be paid to ensure that the Supervisory Board has an appropriate number of members with long-term international experience. As per today, the professional careers or private lives of four members of the Supervisory Board are centred outside Germany. Furthermore, all the shareholders' representatives on the Supervisory Board have several years of international experience from their current or former activities as management board members or a comparable executive function of corporations or organizations with international operations. In these two ways, the Supervisory Board believes the international activities of DWS are sufficiently taken into account. The objective is to retain the currently existing international profile.

For the election proposals of shareholders' representatives to the General Meeting of DWS KGaA, the Supervisory Board takes into account the recommendations of the Nomination Committee. In reviewing potential candidates for a new election or subsequent appointments to Supervisory Board positions, qualified women shall be included in the selection process and shall be appropriately considered in the election proposals. In accordance with

Section 111 (5) of the German Stock Corporation Act (AktG), the Supervisory Board determined a target for the percentage of female members on the Supervisory Board of at least 30% of the members by 29 January 2024. Currently, five Supervisory Board members are women. This reflects a share of around 42% of all members and about 38% of the shareholders' representatives. It should be taken into account that the Supervisory Board can only influence the composition of the Supervisory Board through its election proposals to the General Meeting.

The Supervisory Board profile of requirements includes, in particular, the knowledge, skills and professional expertise that are collectively required to perform the tasks of the Supervisory Board, taking into account the suitability and properness requirements of the European Banking Authority and the standards which are required under applicable laws (collective qualifications). The Supervisory Board as a whole shall have an understanding of the fields of expertise specified below that is appropriate for the size and complexity of the Group. Accordingly, the Supervisory Board ensures that all Supervisory Board members have sufficient basic knowledge in each field of competence and that several members also contribute extended expertise in each field of competence. This combination results in a mix of expertise that ensures that all fields of competence are collectively and adequately covered.

The fields of competence include, in particular:

- (Non-executive) supervisory experience: Preferably, experience as a member in a supervisory capacity on dual-tiered board structures, and as such, performing a monitoring role over the management body.
- Asset Management: Clear understanding of fiduciary responsibilities, fund management and prudent investment processes of a bank-owned asset manager.
- Experience with client handling, financial markets and jurisdictional expertise with due consideration to be given to US representation.
- Financial markets, in particular experience with financial markets, taking into account the US presence
- Jurisdictional expertise, in particular with regard to the US presence
- Technology, digitalisation, artificial intelligence and operational excellence.
- Financial expertise (including non-financial reporting): The Audit and Risk Committee must comprise at least two financial experts, with one serving as the committee's chairperson. At least one committee member must have expertise in the field of accounting and one further member in the field of auditing pursuant to Section 100 (5), Section 107 (4) of the German Stock Corporation Act (AktG), whilst accounting and auditing also include sustainability reporting and its audit and assurance. It would be advantageous to have that expertise gained within asset management with some knowledge of credit and liquidity management. At least the member with expertise in the field of accounting shall have special knowledge and experience in the application of internal control and risk management systems.
- Risk management and controls which includes promoting a culture of individual accountability, knowledge and experience of risk governance and applicable control environment.
- Compensation and compensation systems as well as succession management.
- Strategic planning, business and risk strategies as well as their implementation.
- Governance and corporate culture.
- ESG and Sustainability, including corporate and social responsibility: Expertise regarding ESG standards and best practices and their implementation.

In addition, each member of the Supervisory Board should be able to weigh the short- and long-term benefits and risks of decisions (business judgement). He or she should act in accordance with stated values and principles and should encourage an open environment Each member of the Supervisory Board should be able to build productive partnerships with key constituents including fellow Supervisory and Executive Board members. Furthermore, each member of the Supervisory Board should be free from substantial structural and not merely temporary conflict of interests and should not engage in any business activities that conflict, directly or indirectly, with regulated activities of the Group. The members of the Supervisory Board shall also have sufficient time to carry out their respective responsibilities taking into account all personal and professional commitments. Members of the Supervisory Board shall not hold more than the allowed number of Supervisory Board mandates in accordance with the applicable legal requirements. The current members of the Supervisory Board fulfil these requirements.

To clearly present the implementation status of the profile of requirements, the Supervisory Board has drawn up a qualification matrix in accordance with recommendation C.1 GCGC. The contents of the matrix are based on a self-assessment by the Supervisory Board members, which was conducted and validated in early 2024 with the support of an independent advisor.

Qualification matrix

	Karl von Rohr (Chair)	Ute Wolf (Deputy Chair)	Prof Dr Christina E. Bannier	Aldo Cardoso	Bernd Leukert	Richard I. Morris, Jr.	Margret Suckale	Kazuhide Toda	Stephan Accorsini[1]	Christine Metzler[1]	Angela Meurer[1]	Erwin Stengele[1]
General information:												
Year of birth	1965	1968	1974	1956	1967	1949	1956	1963	1969	1974	1962	1969
Gender	male	female	female	male	male	male	female	male	male	female	female	male
Nationality	German	German	German	French	German	British, US	German	Japanese	German, Italian	German	German	German
Member since	2018	2018	2023	2018	2020	2018	2018	2023	2018	2023	2018	2018
Committee memberships	Nomination (Chair)	Audit and Risk (Chair)	Remuneration	Remuneration, Audit and Risk	–	Audit and Risk, Nomination	Remuneration (Chair), Nomination	–	Audit and Risk	–	Nomination	Remuneration
Independence (●/○)	●[2]	●/○[2]	●/○[2]	●/○[2]	●[2, 3]	●/○[2]	●/○[2]	●/○[2]	N/A[1]	N/A[1]	N/A[1]	N/A[1]
Competencies:[4]												
Non-executive supervisory experience	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓	✓✓	✓✓
Asset management	✓✓	✓✓	✓	✓✓	✓	✓✓	✓	✓✓	✓✓	✓✓	✓	✓✓
Client handling	✓✓	✓	✓	✓✓	✓	✓✓	✓✓	✓✓	✓	✓	✓✓	✓
Financial markets	✓✓	✓✓	✓✓	✓✓	✓	✓✓	✓	✓✓	✓	✓	✓	✓
Jurisdictional expertise	✓✓	✓	✓	✓✓	✓	✓	✓✓	✓	✓	✓	✓	✓
Technology, digitalization, artificial intelligence and operational excellence	✓	✓	✓	✓	✓✓	✓✓	✓	✓	✓✓	✓	✓	✓✓
Financial expertise including non-financial reporting	✓✓	✓✓[5]	✓	✓✓[5]	✓	✓✓[5]	✓	✓	✓✓	✓	✓	✓✓
Risk management and controls	✓✓	✓✓	✓✓	✓✓	✓✓	✓	✓✓	✓	✓✓	✓	✓	✓
Compensation (systems) and succession management	✓✓	✓	✓✓	✓✓	✓	✓	✓✓	✓	✓✓	✓✓	✓	✓✓
Strategic planning, business and risk strategies as well as their implementation	✓✓	✓✓	✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓	✓	✓
Governance and corporate culture	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓	✓✓
ESG and Sustainability including corporate and social responsibility	✓✓	✓✓	✓✓	✓	✓✓	✓✓	✓✓	✓	✓✓	✓	✓✓	✓

[1] Employee representative.
[2] According to the German Corporate Governance Code (GCGC); ● – independent from the company and the Managing Directors of the General Partner, ○ – independent from the controlling shareholder.
[3] Member of the Management Board of Deutsche Bank AG.
[4] Based on a self-assessment by the Supervisory Board, which was conducted and validated with the support of an independent advisor:
✓ – basic knowledge in order to have an understanding of relevant issues and to be able to make information-based decisions in the respective area,
✓✓ – extended expertise in the respective area.
[5] Financial expert according to Section 100 (5) of the German Stock Corporation Act and Recommendation D.3 of the GCGC.

Standing Committees of the Supervisory Board

IFR Article 48(c)

The Supervisory Board has established the following three standing committees. The committees work closely together and, to the extent required, coordinate their activities with each other and with the Chairperson of the Supervisory Board and consult each other on an ad-hoc basis. To increase efficiency and enhance the exchange of information, committees can also hold joint meetings.

The committee chairpersons report regularly to the Supervisory Board on the work of the committees. The Report of the Supervisory Board in the Annual Report 2023 provides information on the work of the committees over the reporting year.

Audit and Risk Committee

The Audit and Risk Committee consists of three members of the Supervisory Board representing shareholders and one member of the Supervisory Board representing employees. The Committee is chaired by a representative of the shareholders. The Chairperson of the Committee is elected by the Supervisory Board.

The Chairperson of the Committee has expertise in accounting and auditing as well as specialist knowledge and experience in the application of accounting principles and internal control processes. In addition, at least one other member of the Committee must have expertise in the field of accounting or in the field of auditing.

The Audit and Risk Committee generally supports the Supervisory Board in its monitoring activities, in particular, in monitoring the effectiveness of the risk management system, the auditing of the financial statements, especially with regard to the auditor's independence and the additional services provided by the auditor as well as the Executive Board's prompt remediation – through suitable measures – of any deficiencies that might be identified by the auditor and internal control functions based on internal and external audits. These include, in particular any such deficiencies that might relate to any weaknesses that might be found in risk controls, non-compliance with policies, laws and regulatory requirements.

The Committee is entitled to inspect all business documentation of DWS KGaA. The Committee and each of its members are entitled to obtain, through the Chairperson, information in connection with its tasks directly from the auditor, the Executive Board and from the Heads of the central functions responsible for tasks relating to the Committee. The Committee's right to obtain information applies in particular, to the Head of Internal Audit, the Head of the Compliance function, the Head of the Risk function and the Group Controller. The Chairperson will inform all members of the Committee of the information received. The Executive Board is informed without undue delay when information is obtained from any central function Head. If required, the Committee meets without representatives of the Executive Board. This applies in particular when the auditor is called in as an expert, unless the Committee considers the participation of members of the Executive Board to be necessary.

The Committee pre-reviews the annual and consolidated financial statements and management reports including the integrated non-financial group statement, as they are prepared. The Committee discusses the audit reports with the auditor. The Committee also prepares the decisions of the Supervisory Board on the proposal for a resolution to be submitted to the General Meeting with regard to the establishment of the annual financial statements and the approval of the consolidated financial statements as well as the resolution proposal on the appropriation of distributable profit and submits corresponding recommendations to the Supervisory Board. It discusses material changes to the audit and accounting methods.

The Committee discusses the half-year financial reports and the report on the limited review of the quarterly financial statements with the Executive Board and the auditor. The Committee also supports the Supervisory Board in monitoring the financial reporting process and can submit recommendations or suggestions to the Supervisory Board on ensuring the integrity of the financial reporting process.

The Committee submits proposals to the Supervisory Board for the appointment of the auditor, which shall include at least two candidates when tendering the auditor mandate, complies with the requirements of Article 16 (2) Regulation (EU) No. 537/2014 to the extent applicable and it prepares the proposal of the Supervisory Board to the General Meeting for the election of the auditor. The Committee advises the Supervisory Board on issuing, terminating and continuing the audit mandate to the auditor and submits proposals to the Supervisory Board for the auditor's remuneration. The Committee supports the Supervisory Board in monitoring the independence, qualification and efficiency of the auditor as well as the rotation of the members of the audit team. Further, it regularly reviews the quality of the audit based on suitable criteria. Mandates for non-audit-related services given to the auditor or to companies to which the auditor is related in legal, economic or personnel terms need the prior consent of the Audit and Risk Committee. In this the Committee is supported by the Group's Audit Independence Council.

The Committee is appointed by the Supervisory Board to resolve on reserved matters in relation to material Related Party Transactions pursuant to Section 111b of the German Stock Corporation Act (AktG). In this context, the Audit and Risk Committee is supported by the Related Party Transaction Council, which issues the Related Party Approval Report to the Committee if required. The Committee arranges to be informed regularly about the work performed by Internal Audit, the effectiveness of the internal audit system and in particular about the focal areas of its auditing activity and on the results of its audits. It is responsible, in particular, for receiving and handling the quarterly, annual and ad-hoc reports provided by Internal Audit. The Executive Board informs the Committee about special audits, substantial complaints and other exceptional measures at DWS KGaA and its subsidiaries on the part of German and foreign regulatory authorities.

The Committee regularly obtains reports on the receipt and handling of complaints from employees and its subsidiaries, from shareholders of DWS KGaA and from third parties. In particular complaints concerning accounting, internal accounting controls, auditing and other financial reporting matters must be submitted to the Committee without undue delay.

Reports concerning compliance matters are presented in the meetings of the Committee on a regular basis. The Committee is responsible for receiving and dealing with the report by the Head of Compliance on the implementation and effectiveness of the control environment for investment services and activities, on the risks that have been identified and on the complaints-handling reporting as well as remedies undertaken or to be undertaken (Compliance Report). The Compliance Report is issued at least once a year, i. e. within a 12 months period.

In addition, the Committee advises the Supervisory Board on the overall risk appetite and risk strategy on a consolidated basis. It monitors their implementation by senior management. The Committee monitors material aspects of the rating and valuation processes. The Committee receives reports from the Executive Board, which are appropriate to monitor whether the conditions in the client business are in line with the business model and risk structure of DWS KGaA. If this is not the case, the Committee requests proposals from the Executive Board on how the conditions in the client business could be structured to align them with the business model and risk structure of DWS KGaA. The Committee also monitors the implementation of such proposals. In addition, the Committee reviews whether the incentives set by the compensation system take into account the risk, capital and liquidity structure of DWS KGaA as well as the likelihood and maturity of earnings. This is without prejudice to the tasks of the Remuneration Committee. The Committee determines the nature, scope, format and frequency of the information which the General Partner is required to submit on strategy and risks.

The Audit and Risk Committee held nine meetings in 2023.

The current members of the Audit and Risk Committee are Ms Ute Wolf (Chairperson), Mr Stephan Accorsini, Mr Aldo Cardoso, and Mr Richard I. Morris, Jr.

Nomination Committee

The Nomination Committee consists of the three members of the Supervisory Board representing shareholders and one member of the Supervisory Board representing employees. The Committee is chaired by a member of the Supervisory Board representing shareholders.

The tasks of the Nomination Committee are based on Section 25d (11) of the German Banking Act (KWG) and should in substantial parts not solely be performed by the shareholders' representatives on the Supervisory Board. Against this background, the Nomination Committee also comprises employee representatives. However, it is ensured that the candidate recommendations for the election proposals to the General Meeting are prepared exclusively by the Committee's shareholder representatives.

The shareholders' representatives on the Nomination Committee prepare the Supervisory Board's proposals for the election or appointment of new shareholders' representatives to the Supervisory Board. In this context, they take into account the statutory requirements, guidelines from supervisory authorities and criteria specified by the Supervisory Board for its composition as well as the balance and diversity of the knowledge, skills and experience of all members of the Supervisory Board, prepare a job description with a candidate profile, and state the time commitment associated with the tasks.

The Nomination Committee is responsible for drawing up an objective to promote the representation of the under-represented gender on the Supervisory Board as well as a strategy for achieving this and the regular assessment of the structure, size, composition and performance of the Supervisory Board and making recommendations to the Supervisory

Board regarding them. The Nomination Committee supports the Supervisory Board in the regular assessment of the knowledge, skills and experience of the individual members of the Supervisory Board as well as of the body collectively, and in reviewing the principles of the Executive Board for selecting and appointing persons to the upper management levels and the recommendations made to the Executive Board in this respect.

The Nomination Committee held eleven meetings in 2023.

The current members of the Nomination Committee are Mr Karl von Rohr (Chairperson), Ms Angela Meurer, Mr Richard I. Morris, Jr., and Ms Margret Suckale.

Remuneration Committee

The Remuneration Committee consists of three members of the Supervisory Board representing shareholders and one member of the Supervisory Board representing employees.

The Remuneration Committee should include a sufficient number of independent Supervisory Board members. At least one member of the Committee must have sufficient expertise and professional experience in the field of risk management and risk controlling, in particular with regard to mechanisms used to align the compensation systems to DWS KGaA's overall risk propensity and strategy and its capital base. The Committee is chaired by a Chairperson who shall be a member of the Supervisory Board representing shareholders.

The Remuneration Committee monitors the appropriate structure of the compensation systems for the employees and, in particular, the appropriate structure of the compensation for the Head of Compliance and for the employees who have a material influence on the overall risk profile of DWS KGaA and its subsidiaries. The effects of the compensation systems on risk, capital and liquidity management shall be assessed and it shall be ensured that the compensation systems and the group-wide compensation strategy – in consideration of the corporate culture – are aligned to achieving the objectives set out in the business and risk strategies of the Group.

In addition, the Committee supports the Supervisory Board in monitoring the process to identify Group Risk Takers in accordance with Section 27 (2) sentence 1 of the Regulation on Remuneration in Financial Institutions (InstVV) and in this context checks the appropriate structure of the compensation systems for the relevant employees.

The Committee supports the Supervisory Board in monitoring whether the internal controls and other relevant areas are properly implemented in the structuring of the compensation systems. It also supports the Supervisory Board in preparing resolution proposals to the General Meeting on the structuring of variable and fixed compensation in accordance with Section 25a (5) sentence 6 of the German Banking Act (KWG) and in submitting the remuneration system for the member of the Executive Board to the General Meeting pursuant to Section 120a (1) of the German Stock Corporation Act (AktG).

The Committee coordinates its work with the Audit and Risk Committee and works closely with it as required in order to properly perform its tasks.

The Committee is authorized to obtain, via its Chairperson, information relating to the Committee tasks from the Head of Internal Audit and from the Heads of the organizational units responsible for structuring the compensation systems. The Executive Board must be informed of this. In addition, the Committee Chairperson is kept up to date by the Compensation Officer on his work and ensures close coordination of the monitoring activities as well as the submission of the Compensation Officer's reports on the appropriateness and structure of the compensation system.

The Remuneration Committee held four meetings in 2023.

The current members of the Remuneration Committee are Ms Margret Suckale (Chairperson), Ms Christina Bannier, Mr Aldo Cardoso and Mr Erwin Stengele.

Joint Committee

DWS KGaA has a Joint Committee as an additional corporate body. If the Joint Committee has met, it shall report to the General Meeting on its activities. The Joint Committee consists of two members delegated by the shareholders' meeting of the General Partner, and of two members delegated by the shareholders' representatives on the Supervisory Board from their midst. The shareholders' meeting of the General Partner appoints one of its delegates as Chairperson of the Joint Committee. The Chairperson has a casting vote with regard to decisions taken in the Joint Committee.

The shareholders' meeting of the General Partner and the Supervisory Board may at any time dismiss and replace the members they delegated.

With respect the period of office of the members of the Joint Committee the regulations applicable to the shareholders' representatives on the Supervisory Board apply accordingly. For the members delegated by the Supervisory Board it ends no later than their respective term of office as a member of the Supervisory Board.

The following table shows the members of the Joint Committee through 2023, their year of birth, the date when they were first delegated to the Joint Committee and the year in which their term is scheduled to end, their position on the Joint Committee, their principal occupation and supervisory board positions as well as directorships at other companies.

Joint Committee members

		Appointed				
Name	Year of birth	Initially	Currently until	Position on the Joint Committee	Principal occupation	Supervisory board positions and directorships
James von Moltke	1969	2018	2027	Delegated by the shareholders' meeting of the General Partner	Deputy Chairman of the Management Board of Deutsche Bank AG	Deputy Chairman of the Management Board of Deutsche Bank AG
Volker Steuer	1968	1 Nov 2023	2027	Delegated by the shareholders' meeting of the General Partner	Global Head of HR, Head of HR Germany/Global Head of HR Private Bank, Deutsche Bank AG	None
Kazuhide Toda	1963	22 Jun 2023	2027	Delegated by the shareholders' representatives on the Supervisory Board	Senior Fellow of Nippon Life Insurance Company, Japan	Non-Executive Director, MLC Limited, Sydney, Australien
Ute Wolf	1968	2018	2027	Delegated by the shareholders' representatives on the Supervisory Board	Former Chief Financial Officer of Evonik Industries AG	Member of the Supervisory Board of Klöckner & Co. SE and Chairwoman of the Audit Committee; Member of the Supervisory Board of Infineon Technologies AG Infineon Technologies AG, Neubiberg; Member of the Supervisory Board of MTU Aero Engines AG, Munich
Former members:						
Karl von Rohr	1965	2018	15 Nov 2023	Delegated by the shareholders' meeting of the General Partner	Former Deputy Chairman of the Management Board of Deutsche Bank AG	Former Deputy Chairman of the Management Board of Deutsche Bank AG
Minoru Kimura	1967	2020	15 Jun 2023	Delegated by the shareholders' representatives on the Supervisory Board	Executive Officer of Nippon Life Insurance Company and Regional CEO for the Americas and Europe	Non-Executive Director of Nippon Life Global Investors Europe Plc; Non-Executive Director of Nippon Life Schroders Asset Management Europe Limited; Non-Executive Director of Nippon Life Insurance Company of America; Non-Executive Director of Nippon Life Global Investors Americas, Inc; Director of Resolution Life Group Holdings Ltd. (since 1 April 2021); Chairman of the Board of Nippon Life Americas, Inc. (since 1 May 2021)

Share Plans

For information on our employee share programs, please refer to note '19 – Employee Benefits' to the 'Consolidated Financial Statements'.

Related Party Transactions

For information requirement regarding related party transactions please refer to note '21 – Related Party Transactions' to the 'Consolidated Financial Statements'.

Audit Committee Financial Experts

Pursuant to Sections 107 (4), 100 (5) of the German Stock Corporation Act (AktG) the Audit and Risk Committee shall comprise at least two financial experts, with at least one member having expertise in the field of accounting and one further member in the field of auditing. The Supervisory Board has appointed Ute Wolf (Chairwoman), Aldo Cardoso and Richard I. Morris, Jr. as shareholders' representatives to the Audit and Risk Committee. The Chairwoman and the other shareholders' representatives on the Audit and Risk Committee have the required expertise in both financial accounting and in auditing.

Values and Leadership Principles

For information regarding our Code of Conduct, please see section 'Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance' in the Annual Report.

Principal Accountant Fees and Services

For information regarding DWS Group's principal accountant fees and services please refer to note '25 – Additional Disclosures' to the 'Consolidated Financial Statements'.

Compliance with the German Corporate Governance Code

Declaration pursuant to Section 161 of the German Stock Corporation Act (AktG) (Declaration of Conformity 2023)

The Managing Directors of DWS Management GmbH, representing the general partner of DWS Group GmbH & Co. KGaA, and the Supervisory Board of DWS Group GmbH & Co. KGaA submit the following declaration pursuant to Section 161 of the German Stock Corporation Act (AktG):

The last Declaration of Conformity was issued on 8 December 2022. Since then and under consideration of the specific characteristics of a partnership limited by shares as outlined in Section I below, DWS Group GmbH & Co. KGaA ("DWS KGaA") has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 28 April 2022, as published in the Federal Gazette on 27 June 2022, subject to the deviations as disclosed in Section II.

Taking into consideration the specific characteristics of DWS KGaA's legal form as outlined in Section I below, DWS KGaA complies with the applicable recommendations of this new version and will continue to comply with them in the future, whereas the deviations as disclosed in Section II apply.

Section I: Specific characteristics of the legal form of a partnership limited by shares

– Taking into account the specific features of the legal form of a partnership limited by shares (Kommanditgesellschaft auf Aktien or "KGaA") several recommendations of the German Corporate Governance Code ("GCGC") can only be applied in a modified way. The GCGC is geared towards the governance structure typical for a German stock corporation (Aktiengesellschaft or "AG") and does not consider specific characteristics of a KGaA.

– In the legal form of a KGaA, the tasks and duties performed by the management board of an AG are undertaken by the general partners, who are determined in the articles of association of the KGaA and not by the supervisory board. The sole general partner of DWS KGaA is DWS Management GmbH, who has the sole responsibility for the management of DWS KGaA, including all day-to-day management measures and representation of the company vis-à-vis third parties. The Managing Directors of DWS Management GmbH jointly manage the business activities of DWS Management GmbH and – with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – the business activities of DWS KGaA.

– The Supervisory Board of DWS KGaA has no authority to appoint and dismiss the Managing Directors of the General Partner, preside over associated contractual arrangements or determine the remuneration system and the fixed and variable compensation of the Managing Directors. Such decisions are taken by the shareholders' meeting of the General Partner. Certain management measures by the General Partner require prior approval from the shareholders' meeting of the General Partner.

– In addition to the corporate bodies regulated by German law, the legal form of the KGaA allows for the establishment of additional governance bodies. DWS KGaA has put this in use and has set up the Joint Committee as an additional corporate body. Certain management measures require the approval from the Joint Committee as set forth in the Articles of Association of DWS KGaA. Accordingly, DWS Management GmbH may only take such measures with the consent of the Joint Committee. The Joint Committee also possesses a right of proposal with respect to the ratification of acts of management of the Managing Directors of DWS Management GmbH and with respect to the determination of their variable compensation. Nonetheless, these proposals are legally not binding for the shareholders' meeting of DWS Management GmbH. The Joint Committee reports to the general meeting of DWS KGaA on its activities.

– The authority and scope for influence of the supervisory board of a KGaA is limited as compared to the supervisory board of a stock corporation. In addition to the specifics above, the supervisory board of DWS KGaA as a mere supervisory and advisory body is not entitled to subject the management measures to its consent, or issue rules of procedure for DWS Management GmbH. Such rights are reserved to the shareholders' meeting of DWS Management GmbH which can take these measures for the Managing Directors of DWS Management GmbH.

– The general meeting of the shareholders of a KGaA has in principle the same rights and responsibilities as the general meeting of a German stock corporation. In particular this includes the ratification of the acts of management of the general partner and the supervisory board, the election of shareholders' representatives to the supervisory board, the voting on the appropriation of profits and the appointment of the external financial auditor. As defined by German law, the general meeting of a KGaA also approves the annual financial statements, which in the case of an AG is typically performed by the supervisory board and only subject to approval of the general meeting in exceptional cases if the management board and supervisory board decide that the general meeting shall approve, or the supervisory board refuses its approval. Certain material matters requiring a resolution of the general meeting, such as the approval of the annual financial statements but also measures aiming at structural changes such as mergers, a change in the legal form of the company or the conclusion of enterprise agreements, also require the consent of the general partner.

Section II: Deviations

- Until May 2023 relating to recommendation C.4 of the Code, whereby a supervisory board member who is not a member of any management board of a listed company shall not accept more than five supervisory board mandates at non-group listed companies or comparable functions, with an appointment as chair of a supervisory board being counted twice. Until May 2023, one member of the Supervisory Board of DWS KGaA, Mr Aldo Cardoso, held five mandates in supervisory bodies of listed companies and in one case he chaired the respective board. In May 2023, Mr Cardoso resigned from his mandate as Director of Imerys SA and in July 2023 from his mandate as chair of the Board of Bureau Veritas SA. Thereby, he reduced the number of his mandates since May from six to five and, further, since July from five to three. Since then, he no longer holds more than five supervisory board mandates with listed companies or comparable functions.

- Relating to recommendation D.4 of the Code, according to which the supervisory board shall form a nomination committee composed exclusively of shareholder representatives. The tasks of the Nomination Committee of the Supervisory Board of DWS KGaA are based on Section 38 (6) in connection with Section 44 (7) of the German Securities Institutions Act (WpIG) and should in substantial parts not solely be performed by the shareholder representatives on the supervisory board. Against this background, the Nomination Committee of the Supervisory Board of DWS KGaA also comprises employee representatives. However, it will be ensured that the candidate recommendations for the election proposals to the general meeting will be prepared exclusively by the Nomination Committee's shareholder representatives.

- Relating to recommendation G.10, sentence 2, whereby granted long-term variable remuneration components shall be accessible to management board members only after a period of four years. In accordance with the Remuneration Regulation for Institutions (Institutsvergütungsverordnung) and the other remuneration related requirements applicable to DWS Group, the granted long-term variable amounts vest in annual tranches over a retention period of five years. If the tranches represent share-based remuneration elements, they are subject to an additional holding period of one year after they become due. The Managing Directors of DWS Management GmbH can thus dispose of an initial small partial amount of the long-term grant amounts after one year and, taking into account the retention period and the holding period after six years, the last partial amount.

Frankfurt am Main, December 2023

The Managing Directors
of DWS Management GmbH

The Supervisory Board
of DWS Group GmbH & Co. KGaA

Statement on the Suggestions of the German Corporate Governance Code

DWS KGaA complies with the suggestions of the Code in the version dated 28 April 2022, with the following exceptions:

- Our whistleblowing arrangements are not external facing to all third parties (although the arrangements are available to contractors). For instance, we do not include details of how to access the Integrity Hotline on our website. However, if we receive a Whistleblowing notification from an external third party, we will log this as a whistleblowing matter if it contains an allegation of misconduct against a Group staff member.

Diversity at DWS Group

As a global organisation, the Group is committed to an inclusive culture that respects and embraces the diversity of our employees, clients, and communities. As diversity and inclusion are central to the firm's culture, our continuous focus is to:

- Build talented and diverse teams to drive business results
- Create a respectful and inclusive environment where people can thrive
- Strengthen our relationship with our stakeholders – among them clients, partners, regulators, communities, and potential employees

We are convinced that diversity and inclusion, for example, stimulate innovation and help make more balanced decisions thus playing a decisive role in the success of the Group.

The Supervisory Board and Executive Board aim to serve as role models with regards to diversity and inclusion. In line with our above-mentioned conviction, a diverse composition enables the Supervisory Board and the Executive Board to properly perform tasks and duties incumbent upon them under law, the Articles of Association and rules of procedure.

Proportion of Women in Management Positions

IFR Article 48(b)

On 29 January 2019, the Supervisory Board set a target for the percentage of women on our Supervisory Board of at least 30% of the members by 29 January 2024. As of 31 December 2023, the percentage of women on our Supervisory Board is 41.6%.

At the end of the financial year, our Executive Board includes two women which exceeds the German Executives Positions Act II (Zweites Führungspositionengesetz) which was introduced in August 2021.

In 2021, the Executive Board set further targets for the percentage of women for the first management level (32%) and the second management level (33%) beneath the Executive Board, to be reached by 31 December 2024.

As of 31 December 2023, 36.2% of the executive positions at the first management level below the Executive Board were held by women (2022: 34.5%). At the second management level below the Executive Board, this percentage stood at 36.3% (2022: 33.0%).

Diversity Concept for the Supervisory Board

The Group transparently reports on Supervisory Board diversity in this Corporate Governance Statement in the section 'Corporate Bodies – Supervisory Board' and previous section 'Proportion of Women in Management Positions'.

In addition, diversity is measured by the following aspects:

- The age structure is diverse. For more information, please refer to the table 'Members of the Supervisory Board' in section 'Corporate Bodies – Supervisory Board'.
- At the end of the financial year, the length of experience as member of the Supervisory Board, which was constituted first in 2018, ranged from one year to five years. The length of experience in comparable governance bodies was between three and seventeen years.
- The diverse range of the members' educational and professional backgrounds includes banking, business administration, sustainable business, science, law, and information technology.

Diversity Concept for the Executive Board

The implementation of the diversity concept takes places in the course of selecting new members for the Executive Board.

Through the composition of the Executive Board, it is to be ensured that its members have, at all times, the required knowledge, skills and experience necessary to properly perform their tasks. Accordingly, when selecting members for the Executive Board, care is to be taken that they collectively have sufficient expertise and diversity within the meaning of our objectives specified above.

Diversity is demonstrated by the following aspects:

- The age structure is diverse. For more information, please refer to the table 'Members of the Executive Board' in section 'Corporate Bodies – Managing Directors of the General Partner (Executive Board)'.
- The length of experience as member of the Executive Board, since the IPO in 2018, ranged from less than one year to six years. The length of experience in comparable management bodies ranged between five and ten years.
- The diverse range of the members' educational and professional backgrounds includes banking, business administration, social sciences.

Please also refer to section 'Corporate Bodies– Managing Directors of the General Partner (Executive Board)'.

Supplementary Information

Supplementary Information

GRI Content Index

GRI 1: Foundation 2021

Statement of use: DWS Group has reported the information cited in this GRI content index for the period from 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

Our Annual Report 2023 provides comprehensive disclosure of our material topics for our financial and non-financial performance. Please refer to the section 'Summarised Management Report – About this Report – Materiality Assessment' for further information.

GRI Standard	Disclosure	Annual Report Location	Remarks/omissions
GRI 2: General Disclosure 2021			
The organisation and its reporting practices			
2-1	Organisational details	Summarised Management Report – Who We Are Corporate Governance Statement – Corporate Bodies – Overview of the Corporate Bodies Our Shares – Shareholder Structure Imprint	
2-2	Entities included in the organization´s sustainability reporting	Consolidated Financial Statements – Additional Notes – 22 – Information on Subsidiaries and Shareholdings	
2-3	Reporting period, frequency and contact point	Imprint Summarised Management Report – About this Report – Data and Presentation	
2-4	Restatements of information	Summarised Management Report – Our Responsibility – Sustainable Action – Our Sustainability KPIs	
2-5	External assurance	Summarised Management Report – About this Report – External Audit and Evaluation	Omission: we do not report on requirement a.
Activities and workers			
2-6	Activities, value chain and other business relationships	Summarised Management Report – Who We Are	
2-7	Employees	Supplementary Information – Human Capital	
2-8	Workers who are not employees	Supplementary Information – Human Capital	Omission: we do not report on requirement c. Remark: Workers who are not employees are referred to as "contingent workers" in this report.
Governance			
2-9	Governance structure and composition	Corporate Governance Statement – Corporate Bodies	
2-10	Nomination and selection of the highest governance body	Corporate Governance Statement – Corporate Bodies	
2-11	Chair of the highest governance body	Corporate Governance Statement – Corporate Bodies	
2-12	Role of the highest governance body in overseeing the management of impacts	Summarised Management Report – Our Strategy and Our Market – Our Strategy Supplementary Information – Climate Report – Governance	
2-13	Delegation of responsibility for managing impacts	Summarised Management Report – Our Strategy and Our Market – Our Strategy Supplementary Information – Climate Report – Governance	

GRI Standard	Disclosure	Annual Report Location	Remarks/omissions
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Statement – Corporate Bodies – Managing Directors of the General Partner (Executive Board) – Current Members of the Executive Board Supplementary Information – Climate Report – Governance	
2-15	Conflicts of interest	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance – Dealing with Conflicts of Interest Report of the Supervisory Board	
2-16	Communication of critical concerns	Summarised Management Report – Our Responsibility – Entrepreneurial Spirit – Employee Engagement	
2-17	Collective knowledge of the highest governance body	Supplementary Information – Climate Report – Governance Corporate Governance Statement – Corporate Bodies	
2-18	Evaluation of the performance of the highest governance body	Supplementary Information – Climate Report – Governance Corporate Governance Statement – Corporate Bodies	
2-19	Remuneration policies	Compensation Report Summarised Management Report – Our Responsibility – Entrepreneurial Spirit – Employees and Workplace – Remuneration Strategy	
2-20	Process to determine remuneration	Compensation Report	
2-21	Annual total compensation ratio	Compensation Report	
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Letter of the Chief Executive Officer Supplementary Information – Climate Report – Climate Reporting: The Road Ahead	
2-23	Policy commitments	Summarised Management Report – Our Responsibility – Sustainable Action – Our Sustainability KPIs Summarised Management Report – Our Responsibility – Human Rights Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance – Business Ethics	
2-24	Embedding policy commitments	Summarised Management Report – Our Responsibility – Sustainable Action – Our Investment Approach	
2-25	Processes to remediate negative impacts	Summarised Management Report – Our Responsibility – Entrepreneurial Spirit Summarised Management Report – Our Responsibility – Client Commitment	
2-26	Mechanisms for seeking advice and raising concerns	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance – Business Ethics Summarised Management Report – Our Responsibility – Client Commitment Summarised Management Report – Our Responsibility – Entrepreneurial Spirit – Employee Engagement	
2-27	Compliance with laws and regulations	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance	
2-28	Membership associations	Supplementary Information – Stakeholder Engagement	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Supplementary Information – Stakeholder Engagement	
2-30	Collective bargaining agreements	All DWS employees in Germany, who are part of collective bargaining agreements are formally covered by the German “Bankentarif”, which corresponded to 19.8% as of December 2023. According to local jurisdiction the percentage of employees covered by collective bargaining agreements ranges from 22% to 100% in Austria, France, Italy, Luxembourg, Spain and the Netherlands.There is no collective bargaining agreements in Poland, Sweden and Switzerland.	
GRI 3: Material Topics 2021			
Material topics			
3-1	Process to determine material topics	Summarised Management Report – About this Report – Materiality Assessment	
3-2	List of material topics	Summarised Management Report – About this Report – Materiality Assessment	
3-3	Management of material topics	Summarised Management Report – About this Report – Materiality Assessment	

GRI Standard	Disclosure	Annual Report Location	Remarks/omissions
Topic-Specific Standard Disclosures			
Economic			
Anti-Financial Crime			
3-3	Management of material topics	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance – Public Policy and Regulation Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance	
205-2	Communication and training about anti-corruption policies and procedures	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance – Anti-Competitive Behaviour	
Business Ethics			
3-3	Management of material topics	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance – Business Ethics	
Responsible Investing and Financing			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Sustainable Action	
203-1	Infrastructure investments and services supported	Summarised Management Report – Our Responsibility – Sustainable Action – Our Investment Approach Our Investment Approach ESG in Real Estate Investments Supplementary Information – Climate Report – Strategy – How We Incorporate Climate Change Considerations in Our Investment Process	
203-2	Significant indirect economic impacts	Summarised Management Report – Our Responsibility – Sustainable Action	
Company Performance			
3-3	Management of material topics	Summarised Management Report – Who We Are Summarised Management Report – Our Strategy and Our Market Summarised Management Report – Our Responsibility – Client Commitment Summarised Management Report – Our Responsibility – Sustainable Action	
201-1	Direct economic value generated and distributed	Summarised Management Report – Our Performance Indicators – Our Financial Performance	
Epidemics and their Multi-Dimensional Impacts			
3-3	Management of material topics	Summarised Management Report – Risk Report –Non-Financial Risk – Business Continuity and Crisis Management	
Board Effectiveness			
3-3	Management of material topics	Corporate Governance Statement – Corporate Bodies – Overview of the Corporate Bodies	
Compliance Management			
3-3	Management of material topics	Summarised Management Report – Compliance and Control – Anti-Financial Crime and Compliance	
Business Continuity			
3-3	Management of material topics	Summarised Management Report – Risk Report –Non-Financial Risk – Business Continuity and Crisis Management	
Client Satisfaction			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Client Commitment	
Environment			
Climate Change			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Sustainable Action – Our Impact on Climate Change	
201-2	Financial implications and other risks and opportunities due to climate change	Summarised Management Report – Our Responsibility – Sustainable Action – Our Impact on Climate Change Summarised Management Report – Our Responsibility – Sustainable Action – Our Investment Approach – Contribution to Action on Climate Change Supplementary Information – Climate Report – Strategy Supplementary Information – Climate Report – Risk Management	
305-5	Reduction of GHG emissions	Summarised Management Report – Our Responsibility – Sustainable Action – Our Impact on Climate Change Supplementary Information – Climate Report – Metrics and Targets	

GRI Standard	Disclosure	Annual Report Location	Remarks/omissions
Water			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Sustainable Action – Biodiversity and Water	
Biodiversity			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Sustainable Action – Biodiversity and Water	
Social			
Diversity and Equal Opportunities			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Entrepreneurial Spirit – Diversity and Equal Opportunities	
405-1	Diversity of governance bodies and board members	Summarised Management Report – Our Responsibility – Entrepreneurial Spirit – Diversity and Equal Opportunities	
Data Privacy Management			
3-3	Management of material topics	Summarised Management Report – Compliance and Control – Data Protection	
418-1	Substantiated complaints concerning breaches of client privacy and losses of client data	Summarised Management Report – Compliance and Control – Data Protection	
Cybersecurity and Information Security			
3-3	Management of material topics	Summarised Management Report – Compliance and Control – Data Protection	
418-1	Substantiated complaints concerning breaches of client privacy and losses of client data	Summarised Management Report – Compliance and Control – Data Protection	
Human Rights			
3-3	Management of material topics	Summarised Management Report – Our Responsibility – Human Rights	
414-1	New suppliers that were screened using social criteria	Summarised Management Report – Our Responsibility – Human Rights	Partially disclosed: Threshold and criteria for screening but no percentage disclosed
Geopolitical Risks			
3-3	Management of material topics	Summarised Management Report – Outlook – DWS Group – Opportunities and Risks	
Attractive Employer			
3-3	Management of material topics	Summarised Management Report – Our Responsibility –Entrepreneurial Spirit – Employee Engagement	
404-2	Programs for upgrading employee skills and transition assistance programs	Summarised Management Report – Our Responsibility –Entrepreneurial Spirit – Employee Engagement	
Health and Wellbeing			
3-3	Management of material topics	Summarised Management Report – Our Responsibility –Entrepreneurial Spirit – Employee Engagement – Health and Wellbeing	
403-6	Promotion of worker health	Summarised Management Report – Our Responsibility –Entrepreneurial Spirit – Employee Engagement – Health and Wellbeing	

Materiality Assessment – Definition of Material Topics

Material Topic	Definition
Anti-Financial Crime	Means of preventing an organization, its employees and/or its clients from being misused, or from engaging in the commission of certain criminal offences, referred to as financial crime. These relate to the prevention of money laundering, countering terrorism financing, and the prevention of other criminal activities (such as fraud, bribery, and corruption) as well as observing sanctions and embargoes.
Business Ethics	Guidelines or codes that dictate fair, ethical and moral executive, and employee conduct, as well as training on the subject and implementation by staff and management. This includes factors such as business ethics, corporate ethics and conduct guidelines, workplace ethical training, responsible conduct and information pluralism.
Diversity and Equal Opportunities	Commitment to create an inclusive culture and equal opportunities that respect and embrace the diversity of employees, clients, and communities regardless of gender, ethnic origin, age, level of education, sexual orientation, etc.
Responsible Investing and Financing	Refers to investment products aimed at producing a specific sustainability-oriented outcome, the financing of projects or companies with an environmental or social benefit and investing and financing practices specifically geared to making a positive impact. This topic includes factors such as responsible investing and financing, impact investing and financing, green investing and financing, innovative and thematic financing.
Data Privacy Management	The collection, storage, processing, usage and sharing of data that is, or might be, connected to an identifiable person, including sensitive personal information. It covers mandatory and voluntary regulations and security mechanisms that aim to protect personal data, as well as instances of violation of individuals' privacy. This topic includes factors such as personal data protection policies and regulations, personal data handling, processing and transferring, sensitive personal data management, privacy violations and data breaches as well as law enforcement requests for personal data.
Cybersecurity and Information Security	The breakdown or vulnerability of critical information systems and networks due to security breaches, which might disrupt core operations or lead to accidental or illegal access, destruction, alteration or disclosure of protected data. It covers the mechanisms for protecting computers, networks, programs and data, as well as remediation measures if breaches occur. This topic covers factors such as cybersecurity strategy, IT disruption and cyber threats.
Climate Change	The long-term shift in global or regional patterns – such as temperature and rainfall – driven by emissions of greenhouse gases caused by human activity. The topic includes potential risk and opportunities stemming from it. This topic includes aspects such as air quality, air pollution, energy efficiency and the path to net zero.
Human Rights	The fundamental rights and freedoms inherent to all human beings that ensure they are able to live with dignity, freedom, equality, justice and peace, and the measures necessary to uphold these rights
Company Performance	The financial and non-financial performance, which indicates the overall health and value creation of our company from its primary business activities over a given period.
Epidemics and their multi-dimensional impacts	The multidimensional consequences and collateral impacts that an epidemic brings to society and businesses, including adaptation and mitigation measures.
Board Effectiveness	Processes aimed at ensuring and evaluating the knowledge, skills and experience of board members, as well as related performance standards. It covers the structure and composition of a board, including diversity, board independence as well its guiding principles and continuity and improvement practices.
Compliance Management	The securing to meet the requirements of accepted practices, legislation, prescribed rules and regulations, specified standards, or the terms of a contract and the process of identifying, assessing and controlling threats to our organization's capital, earnings, reputation, etc. across all three lines of defence. This topic includes aspects such as data protection and client privacy, regulatory compliance.
Geopolitical risks	Political and military pressures that may pose risks to business if not handled appropriately by national or subnational governments or agencies.
Water	Water (security) refers to the availability of an acceptable quantity and quality of water for health, livelihoods, ecosystems and production, coupled with an acceptable level of water-related risks to people, environments and economies.
Biodiversity	Refers to the impacts on or preservation of the variability among living organisms, which includes the diversity within species, between species, and of ecosystems. It covers references to ecosystem services and the various benefits provided to humans by a healthy ecosystem.
Attractive Employer	Continuous creation of a working environment in which people can be innovative, work in partnership and are enabled to deliver long-term sustainable performance. This includes aspects such as health, well-being and resilience, mobility, employee satisfaction and employee development.

Material Topic	Definition
Business Continuity	The plans, actions, protocols, and training conducted to ensure continuity of core business operations during and after crises that may disrupt commercial activities. It also covers strategies to adapt business models to actual or potential changes in the external environment. This includes factors such as business continuity planning, business recovery, crisis management and response, business model adaptation, supply availability and continuity risks.
Health and Wellbeing	Health and safety in the workplace with a focus on primary risk prevention. It refers to the integration of protocols, training and the design of optimal conditions for employee productivity. It also refers to work-related injuries, illnesses and death, as well as behaviours and workplace risks that can cause physical, psychological, sexual or economic damage to employees.
Client Satisfaction	The strategies and processes intended to meet or surpass customer expectations and the requirements to create a positive experience and build customer loyalty from the point of purchase onwards. This includes factors such as customer centricity, customer acquisition, customer retention, customer satisfaction measurements and metrics, customer service, customer complaints and disputes.

Stakeholder Engagement

GRI 2-28; 2-29

Where appropriate in accordance with our stated strategy, we continue to collaborate with many relevant stakeholders and to participate in a number of investor initiatives in sustainability context.

Name	Type of engagement	Events/developments 2023
Corporate Governance		
Berufsverband der Investment Professionals (DVFA)	Member	DWS continued to be an active supporter of the DVFA. Furthermore, DWS has remained an active promoter and co-initiator of the DVFA-Corporate Governance Scorecard.
Bundesverband Investment und Asset Management (BVI)	Member	DWS remained active in several political engagement and sustainability groups of the BVI, providing consultations on several national and European legislative initiatives and collective comments regarding ESG issues, annually reviewing the Guidelines on German AGMs, as well as drafting and developing several position papers on virtual AGMs.
European Funds and Asset Management Association (EFAMA)	Member	DWS continued to be part of the workstreams regarding ESG & Stewardship Standing Committee as well as Sustainable Finance, providing feedback to various topics.
Global Institutional Governance Network (GIGN)	Member	DWS continued to be a member of an investor group focused on good corporate governance and improving long-term shareholder value.
International Corporate Governance Network (ICGN)	Committee member	DWS was a member of the Global Governance Committee participating in meetings on topics around supply chains and controlled companies as well as consultations.
UK The Investment Association (IA)	Member	A DWS employee acted as an Advisory Board member. Further activities of different DWS employees included being Chair of the IA ETF Committee, being a member of the IA Stewardship & Governance Committee, contributing to a thought leadership working group focused on UK corporate governance best practices, and being a member of the Sustainable and Responsible Investments Committee. DWS employees also participated in the TCFD Implementation Forum on a regular basis.
Corporate responsibility and sustainable finance		
Dutch Association of Investors for Sustainable Development (VBDO)	Member	DWS is a member of the Dutch Association of Investors for Sustainable Development (VBDO).
Global Impact Investing Network (GIIN)	Member	A DWS employee was a guest panelist on a GIIN webinar on Climate Related Investment Strategies. A DWS employee participated on their Investor Council events and attended the annual meeting in NYC.
Principles for Responsible Investment (PRI)	Signatory	DWS has been signatory to the PRI since 2008. DWS employees participated on a regular basis in relevant working groups.
World Economic Forum (WEF)	Working group participant	A member of DWS Research participated in the working group "Transformational Investment".
Climate		
Asia Investor Group on Climate Change (AIGCC)	Member	DWS is a member of the AIGCC. DWS employees participated in several webinars offered by the organization.
CDP	Signatory and reporter	DWS has been an investor signatory of CDP since 2006. As a CDP reporter, DWS provided annual environmental disclosure and performance which is scored by CDP.
Ceres Investor Network on Climate Risk and Sustainability	Member	DWS employees participated in working group sessions including on net zero in private equity. As part of the Valuing Water Finance initiative's investor engagement, DWS continued the engagement with a German apparel company.
Climate Action 100+	Signatory	DWS (DWS Investment GmbH) has been a signatory to Climate Action 100+ since 2017.
Coalition for Climate Resilient Investments (CCRI)	Founding member	DWS is a founding member of the Coalition for Climate Resilient Investment (CCRI).
EU Energy Efficiency Financial Institutions Group (EEFIG)	Founder and steering committee member	A DWS employee is a member of the EEFIG steering committee. As such, the activities of the employee included providing advice to the EU Commission on energy efficiency policy, participating in a working group on financial risk in energy efficient loans, and being a keynote speaker at EEFIG's annual meeting.
Global Investor Statement on Climate Change	Signatory	DWS remained signatory to the Global Investor Statement on Climate Change and has been one of the longest standing supporters since the statement was initiated in 2009.
Global Off-Grid Lighting Association (GOGLA)	Member	DWS became a member of GOGLA in January 2021. DWS employees participated in various workshops and conferences on off grid solar.

Name	Type of engagement	Events/developments 2023
Green Climate Fund (GCF)	Accredited entity status	Following GCF's commitment for a total USD 80m for DWS Universal Green Energy Access Programme, the fund drew down the first half of the funding to be invested in de-centralised renewable electrical energy production and distribution in Africa. The Fund also executed its first investments and is pursuing additional transactions in the pipeline.
Institutional Investors Group on Climate Change (IIGCC)	Member	Various DWS experts contributed to working groups covering net zero, physical climate risk and resilience, providing feedback on formulation of net zero investor expectations for banks. A DWS expert provided input to IIGCC's policy positions and lobbying strategy. Another DWS expert provided guidance on white papers and contributed as a a speaker for a webinar.
Investing in a Just Transition	Signatory	DWS continued to support the PRI Investor Statement on a Just Transition on Climate Change.
Net Zero Asset Manager Initiative (NZAM)	Founding signatory	DWS has been a founding signatory to the NZAM initiative since 2020. DWS provided its second Net Zero Annual Disclosure in 2023 and maintains regular engagement with the network.
Science Based Targets Initiative (SBTi)	Commitment	DWS committed to SBTi in 2021 and regularly engaged with SBTi in context of its net zero activities. DWS provided feedback to SBTis consultation on the draft Net Zero Standard for Financial Institutions.
Spanish Sustainable Investment and Finance Association (SpainSIF)	Member	DWS sponsored the 2023 SpainSIF annual report.
Taskforce on Climate related Financial Disclosure (TCFD)	Supporter	DWS has been a TCFD supporter since 2017 and has issued a Climate Report since 2020.
Social Commitments		
Charta der Vielfalt ("Charta of Diversity")	Signatory	DWS joined the "Charta der Vielfalt", reporting on its activities on social media.
The US Institute	Member	As part of the Diversity & Inclusion working group, DWS employees participated in several discussions regarding advancing diversity practices in the industry. As part of the Head of HR working group, a DWS employee continued to participate and contribute to broader discussions on challenges and best practices in the industry.
Diversity Project	Member	DWS took part in the Female Fund Manager Scheme which sponsored a DWS employee to participate in a trainings series to develop their skills to become portfolio managers. Furthermore, DWS took part in the Upreach work experience Programme and DWS employees are part of Diversity Project's workstreams: Menopause, Gender, and Disability.
Non-Governmental Organisations (NGOs)		
Greenpeace	Stakeholder	DWS was in exchange with Greenpeace in context of its fossil fuel investments.
Reclaim Finance	Stakeholder	DWS continued its regular exchange with Reclaim Finance on fossil fuel investments and engagement related topics and provided input into their research.
Urgewald	Stakeholder	DWS continued its regular exchange with Urgewald on fossil fuel investments related topics and provided input into their research.
World Wide Fund for Nature Germany (WWF DE)	Stakeholder	Since 2021, DWS has been partnering with WWF in the context of DWS Concept ESG Blue Economy fund and on a multi-year marine conservation project in the second largest coral reef in the world. In 2023, DWS entered into a technical collaboration on biodiversity with the WWF.
Real Estate and Infrastructure		
Better Buildings Partnership (BBP)	Member and signatory of Climate Commitment	DWS has been a signatory to BBP since 2013. It has committed to deliver net zero carbon real estate portfolios by 2050. Further, DWS employees continued to participate in working groups focusing on net zero, embodied carbon of development, refurbishment, and fit-out works, as well as resilience.
Carbon Risk Real Estate Monitor (CRREM)	Member	DWS continued to participate in the Scientific & Investor Committee focused on accelerating the decarbonization and climate change resilience of the EU commercial real estate sector. Further, another DWS key activity comprised integrating the CRREM tool into transaction ESG screenings (due diligence), annual fund business planning and risk assessment, and SFDR targets. Moreover, DWS participated in the Embodied Carbon study and the CRREM/ULI America project.
European Association for Investors in Non-Listed Real Estate Vehicles (INREV)	Member	A DWS employee co-chairs the INREV ESG Committee and participated in development of INREV ESG SDDS and a number of white paper guidance documents, in particular in relation to SFDR regulation.
Global Infrastructure Investors Association (GIIA)	Founding member	As a founding member of the GIIA, DWS Infrastructure is working jointly with governments and other stakeholders to boost the role of private investment in providing infrastructure that improves national, regional and local economies. DWS employees participated in various working groups, for example, regarding UK water and ESG.
Global Real Estate Sustainability Benchmark (GRESB)	Member	A DWS employee chairs the GRESB Real Estate Standards Committee. DWS experts continued to participate in the Real Estate Benchmarking Committees, contributing to develop a GRESB roadmap for the future. Besides, 20 portfolios reported to the GRESB in 2023.
Urban Land Institute (ULI)	Founding member	DWS is a member of the Urban Land Institute (ULI) Greenprint Center for Building Performance and participated on a regular basis in industry meetings on net zero to share best practice and maintain awareness.

Name	Type of engagement	Events/developments 2023
US Department of Energy Better Buildings Challenge	Member	DWS had committed to a 20% reduction in energy and water use by 2030 for its portfolio of US office properties, and had previously met a 2020 target three years early. The progress was published on the website of the US Department of the Energy Better Building Challenge. DWS continues to report the performance for relevant assets.
Transparency and Reporting		
Operating Principles for Impact Management (OPIM)	Signatory	DWS became a signatory of the Operating Principles for Impact Management in 2019 and participated in signatory knowledge share webinars. DWS has 4 funds adopting the impact principles.
Schmalenbach Gesellschaft für Betriebswirtschaft	Member	Since 2015, a DWS employee has been an active member of the working group “Integrated Reporting and Sustainable Management” and since 2021, a DWS employee has been an active member of the working group “Sustainable Finance”.

Human Capital

GRI 2-7; 2-8

Our Workforce – Numbers

Employees by region (Full-time Equivalent – FTE)

	31 Dec 2023	31 Dec 2022	Change in %
Germany	1,748	1,719	2
Europe (excluding Germany), Middle East and Africa	653	638	2
Americas	837	843	(1)
Asia/Pacific	1,140	459	149
Total	**4,378**	**3,657**	**20**

Note: We calculate our employee figures on a full-time equivalent (FTE) basis, meaning we include proportionate numbers of part-time employees. Region reflects legal entity location not physical location of staff.

Contingent workers by region (FTE)

	31 Dec 2023	31 Dec 2022	Change in %
Germany	698	558	25
Europe (excluding Germany), Middle East and Africa	352	316	11
Americas	106	102	4
Asia/Pacific	46	7	557
Total	**1,202**	**983**	**22**

Note: All workers having a temporary contract with Deutsche Bank vendor companies and who are not paid via Deutsche Bank payroll system.

Full-time employees by region

	31 Dec 2023	31 Dec 2022	Change in %
Germany	1,580	1,552	2
Europe (excluding Germany), Middle East and Africa	626	613	2
Americas	831	839	(1)
Asia/Pacific	1,139	457	149
Total	**4,176**	**3,461**	**21**

Part-time employees by region

	31 Dec 2023	31 Dec 2022	Change in %
Germany	231	231	–
Europe (excluding Germany), Middle East and Africa	37	32	16
Americas	7	5	40
Asia/Pacific	2	2	–
Total	**277**	**270**	**3**

Extended Workforce

The employee numbers stated above are based on the scope of DWS Group. There are also employees within the Deutsche Bank AG group of companies who are not within the scope of the Group but provide services for the Group and are aligned to DWS on a segment reporting basis ("Extended Workforce"). As at 31 December 2023 the Extended Workforce included 7 FTE, making the total combined FTE of the Group and the Extended Workforce: 4,385.

Human Capital Metrics

Diversity

Employees by gender

	31 Dec 2023	
FTE	Total	in %
Female	1,761	40%
Male	2,617	60%
Total	**4,378**	**100%**

Percentage of employees by age group

FTE	31 Dec 2023 Total
Under 30	16%
30-50	60%
50+ years	25%
Total	**100%**

Note: DWS confirms it does not employ anyone between the ages of 0-14 years (children).

Our employees have a wide variety of life experiences and come from many backgrounds. The Group recognizes the importance of a diverse and inclusive work environment and understands that transparency is valuable in creating accountability. In an effort to continue to drive progress, DWS is publishing our consolidated EEO-1 reports for its US workforce. The EEO-1 report is an annual data collection for the US workforce only that requires all private sector employers with 100 or more employees to submit demographic workforce data including data by ethnicity, sex and job categories to the US Equal Employment Opportunity Commission on an annual basis. This data is being voluntarily disclosed in our Annual Report to reflect our commitment to transparency and our focus on further progress.

US diversity statistics according to US Equal Employment Opportunities Commission

EEO-1 Level	White	Asian	Latinx	Black	Native Hawaiian or Pacific Islander	Native American or Alaska Native	Two or more ethnicities
Executive/Senior Level Officials and Managers	72.2%	11.1%	11.1%	5.6%	0.0%	0.0%	0.0%
First/Mid Level Officials and Managers	73.8%	18.0%	4.3%	3.3%	0.3%	0.0%	0.3%
Professionals	54.4%	29.8%	8.5%	4.6%	0.0%	0.0%	2.6%
Sales Workers	81.9%	5.5%	7.1%	3.9%	0.0%	0.0%	1.6%
Administrative Support Workers	66.7%	12.5%	3.1%	16.7%	0.0%	0.0%	1.0%
Total	**67.2%**	**19.6%**	**6.2%**	**5.4%**	**0.1%**	**0.0%**	**1.4%**

Note: Data as at 1 December 2023.

Percentage of employees reporting a disability

Headcount	31 Dec 2023	31 Dec 2022
Germany	2.8%	2.8%
Japan	1.3%	1.3%
United Kingdom	1.4%	1.4%
United States	1.9%	2.1%
Total	**2.3%**	**2.4%**

Note: Disability data is not commonly obtained in other DWS locations due to legal and other reasons. However, given Germany, Japan, United Kingdom and the US represent more than 70% of the global employee headcount we do not anticipate it would materially change the % if we obtained disability data from the other locations.

Note that all of the remaining data below is inclusive of the extended workforce.

Productivity, Costs, Sourcing Performance and Turnover

Productivity

	2023	2022
EBIT per employee (in € t.)	177	202
Human capital return on investment (ROI)	93%	101%

Note: EBIT per employee is calculated as profit before tax/FTE.

Workforce costs

	2023	2022
Total workforce costs (in € m.)	981.3	979.3

Note: Total workforce costs are calculated as total compensation and benefits plus external workforce costs, business consultancy and other outsourced operations.

Talent sourcing performance

	2023	2022
Time to fill vacant positions (job creation to start date) in days	124	130
Time to fill vacant critical business positions in days	111	75
Positions filled internally (internally from within Deutsche Bank Group)	34%	37%
Critical positions filled internally (roles filled internally from within Deutsche Bank Group)	50%	70%

Turnover

	2023	2022
Turnover	10%	11%

Leadership and Training

Leadership

Our 2023 People Survey has been updated to include a section for our “Leadership Kompass” index to measure the effectiveness of our leaders in demonstrating our desired leadership behaviours.

Leadership Kompass

	2023
Good to Excellent	78%
Potential Risk Areas	15%
Clear Area of Risk	7%

Total training and development costs

	2023	2022
Total expenses for training and development (in € m.)	1.9	2.2

Note: This includes all costs relating to the design and delivery of training, including Compliance Training. It does not include costs relating to the governance of training and development which are allocated to DWS.

Training on Compliance and Ethics

The Group maintains an annual mandatory Regulatory Training curriculum, which is a risk-based training program designed to mitigate Compliance, Anti-Financial Crime (AFC) and other applicable non-financial risks. In 2023, 80.1% of employees completed training on compliance and ethics across a selection of training modules.

Training on compliance and ethics

	31 Dec 2023	31 Dec 2022
Percentage of employees who have completed training on compliance and ethics	80.1%	99.0%

Employee Incident Management

Grievances

The Group strives for high standards of workplace conduct and management of employment processes in relation to the hiring, management and organization of our employees.

The Group maintains clear and consistent processes in relation to handling employee complaints, including regular review of grievance cases at senior management levels to ensure we uphold our values and provide a diverse, inclusive and productive working environment. We actively encourage a speak-up culture, and to that extent we accept that the number of grievance cases may fluctuate over time, although we use our best endeavours to create an optimal working environment for all employees.

The numbers below reflect formal complaints filed and not necessarily whether the complaint was upheld, partially or otherwise.

Grievance cases – formally recorded employee complaints

	2023	2022
Workplace conduct	4	3
Employment Processes	2	3
Total	**6**	**6**

Note: Grievance case data for Germany is not included due to local arrangements and data protection requirements.

Disciplinary Actions

The Group maintains clear and consistent processes to manage situations where employee conduct may not meet the high standards expected of the organization. There are a range of internally governed disciplinary actions the Group may take depending on the circumstances and local country regulations. The type of actions may include formal verbal warnings, written or final written warnings or more serious outcomes that may include compensation impacts and/or termination.

The numbers below reflect those cases considered internally by the Group to warrant a formal disciplinary action in accordance with internally validated governance standards. As can be seen by calculating the percentage of cases to total employee numbers, the overall number of cases is very low, well less than 1%, highlighting our strong culture of integrity and ethical standards.

Internal disciplinary actions

	2023	2022
Number	15	6
As a % of total employees	0.3%	0.1%

Note: Two additional cases are pending outcome and may result in a disciplinary action.

Safety incidents: Disclaimer

Please note: International standards for Human resource management recommend disclosing metrics reflecting lost time injuries, number of occupational accidents and number of people killed during work. These types of serious incidents rarely occur in our operating environment and are more relevant to the safety related reporting of other industries.

Climate Report

About the Climate Report

For our 2023 Climate Report, we took our integrated reporting ambition one step further and combined the Climate Report into our Annual Report for the first time.

The structure of the Climate Report is in accordance with the four TCFD recommendations: Governance, Strategy, Risk Management, and Metrics and Targets. All information in this report is where feasible aligned to the agnostic and asset management specific TCFD recommendations. The data and information for the reporting period from 1 January 2023 to 31 December 2023 is sourced from our experts using representative methods. Relevant information is included up to the editorial deadline of 7 March 2024.

In accordance with IFRS 10 "Consolidated Financial Statements", the Group's consolidated financial statements include the financial statements of DWS KGaA and its subsidiaries including certain structured entities unless stated otherwise.

Our Corporate Governance Center is organised by regional focus areas to account for varying market practice standards and proxy voting operational procedures. It defines the proprietary standards and expectations for good corporate governance for our portfolios and mandates according to the pooled voting rights agreements between DWS Investment GmbH, DWS Investment S.A. and for specific portfolio management mandates of DWS International GmbH. The Corporate Governance Center provides guidance and support on relevant stewardship topics to other DWS legal entities that have their own processes and policies in place. DWS Investment Management Americas, Inc., DBX Advisors LLC and RREEF Americas L.L.C. as well as DWS registered investment advisers based outside of the US who provide services to US accounts based on delegation from the above mentioned three legal entities have different processes in place and follow different guidelines.

In 2021, the UK Financial Conduct Authority published its policy statement in relation to climate-related financial disclosures to extend mandatory TCFD reporting to asset managers. Our legal entities DWS Investment UK Limited and DWS Alternatives Global Limited are in scope of this reporting obligation and will publish separate TCFD entity reports by June 2024.

Climate Reporting: The Road Ahead

GRI 2-22

Markus, you have been with DWS since November 2023, what is your view on DWS's climate reporting and what do you consider particularly important going forward?

Markus:
European companies are facing increasing sustainability-related regulatory requirements and in particular new reporting standards. These new standards reflect the greater information needs on sustainability from different stakeholder groups, currently with special focus on climate change. As such we consider climate reporting a key component in gaining a comprehensive understanding of our impact on climate change (and vice versa).

Over the last few years, we have further developed climate-related activities, enhanced governance and processes, and developed both qualitative and quantitative climate-related scenario analysis. This provides our stakeholders with a better understanding of how climate change may impact our investments. In addition our legal entities based in the EU continue to prioritise climate-related issues in their engagements with investee companies, where appropriate.

Since starting our climate reporting in 2020, we have evolved our approach to follow the Financial Stability Board's Taskforce on Climate-related Financial Disclosure recommendations.

Our climate reporting also lays the ground for our annual CDP score, which is an important sustainability KPI (key performance indicator). It sets the bar for climate leadership and helps us to identify room for further improvement of our climate-related activities.

Going forward, the emerging reporting standards from the International Sustainability Standards Board and the Corporate Sustainability Reporting Directive will raise challenges in overall reporting particularly in the area of climate issues for the downstream value chain. At the same time we welcome further regulation as it provides more clarity and security for investors and companies alike.

Dr Markus Kobler
Chief Financial Officer

Roelfien Kuijpers
Global ESG Client Officer

Sustainability regulation is becoming increasingly complex – how should we deal with these topics in a meaningful way for clients?

Roelfien:
A very important task and prerequisite for communicating with our clients on sustainability regulation is regular dialogue with regulators. This dialogue involves different regional approaches and reflects on what is, or is not, working within frameworks, such as the EU's Sustainable Finance Disclosure Regulation.

It is not only the complexity of regulation that poses challenges for all market participants, including our clients, but also the existing scope for interpretation that needs explanation and clarification. This is where our experts can provide added value for our clients.

What are the needs and expectations of clients and how do we support them in their climate transition?

Roelfien:
As a fiduciary of our clients' investments, we seek to translate climate information into comprehensible language for our stakeholders, take the data into account in our investment decisions, and support our clients in considering and acting upon climate-related opportunities and risks.

Many of our clients have either made their own Net Zero commitment or are contemplating doing so. Once these commitments are made they expect to work with their asset manager in setting realistic goals and expectations as to how a net zero commitment may impact the risk and return analysis for the portfolios and investment strategies we manage for them. This complexity requires an agreement on data sources and methodology. It is encouraging that more and more companies now set science based targets and file TCFD reports, improving both climate transition and physical risk data.

In DWS's updated sustainability strategy, the importance of engagement was emphasized – could you elaborate a bit further?

Markus:
Our ambition is to enable our clients to navigate the sustainable transformation of the real economy by providing them with investment expertise and solutions. Transformation will be key to succeed in climate risk mitigation. Therefore, we expect investee companies to gain a robust understanding of their specific climate-related risks, develop ambitious transformation strategies and provide the necessary transparency about KPIs and respective progress.

However, we need to be honest that engagement has its limits. To achieve a real transformation of the economy it is crucial that we see joint efforts of political decision-makers, regulators and society to ensure a material and functioning framework.

There are different options, though, in case engagement does not show the targeted results. One example is voting against board recommendations at Annual General Meetings. Divestment may be considered if these measures fail, however this removes our ability to positively influence the development of a company.

Why is carbon reduction particularly important for investments?

Roelfien:
Carbon emissions are by far the largest contributor to climate change as evidenced by climate science. To keep the earth's temperature to 1.5°C above pre-industrial levels by 2050 – as per the Paris Agreement – carbon emissions will have to come down significantly, and energy from renewable sources will have to grow significantly.

Decarbonization will impact all sectors of the economy. There will be winners and losers. Some companies will be impacted positively or negatively in the near term, and others may have more long-term risks, like stranded assets. It is in the best interest of our clients that we assess these climate-related opportunities and risks and manage our investments accordingly.

What are the future opportunities and challenges with regards to climate change – what is your outlook?

Markus:
In a period of heightened geopolitical tension, climate change has become increasingly politicised across the globe. For the asset management industry this is both, an opportunity and a challenge.

We need to carefully navigate the political discussion about climate change to ensure our focus remains on being a trusted fiduciary to our clients. One of the challenges is therefore to be mindful of the boundaries for our engagement and influence.

On the other hand, as an asset manager and fiduciary of our client's investments, we need to base our investment decisions on well-researched facts. Our goal is to help our clients in managing sustainable change in the real economy. To this end, we stand by them with our investment expertise and appropriate solutions.

Governance

In 2023, we further strengthened our Sustainability Governance.

We established a new Platform Sustainability function.

We allocated roles and responsibilities in relation to our key sustainability activities.

TCFD Recommendations

a) Describe the board's oversight of climate-related risks and opportunities.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

Governance

GRI 2-12; 2-13; 2-14; 2-17; 2-18

Introduction

We aim to incorporate the management of climate-related opportunities and risks throughout our organisation. While we aim for a global approach, local regulations and standards as well as stakeholder expectations shape how we implement climate-related opportunities and risks in different regions. The Executive Board aims to work with relevant stakeholders to ensure that climate and sustainability issues are incorporated throughout our value chain in accordance with local regulations. Material climate-related issues are presented to the Executive Board as necessary and appropriate. Furthermore, the Executive Board is provided with regular updates on discussions held by the Group Sustainability Committee.

Central Roles and Responsibilities

Executive Board

The Executive Board has overall responsibility for managing our business activities with the objective of creating long-term value. This includes the management of sustainability-related opportunities and risks. It is responsible for approving our sustainability strategy, targets and KPIs. It also signs off on group-wide external sustainability disclosures and is responsible for embedding ESG criteria in the remuneration framework.

In 2023, the Executive Board reviewed various climate-related topics, including the approval of our updated sustainability strategy and the discussion of our net zero approach.

Our Supervisory Board advises and maintains oversight of the Executive Board's activities, including those relating to climate matters.

Group Sustainability Committee

The Executive Board has delegated its authority for the implementation of the sustainability strategy to the Group Sustainability Committee. The Committee is mandated with implementing the sustainability strategy as approved by the Executive Board on both fiduciary and corporate levels across all divisions and legal entities.

This includes facilitating sustainability-related discussions, overseeing climate-related opportunities and risks, and allocating further responsibilities with regards to sustainability activities across the organisation.

In 2023, decisions made by the Group Sustainability Committee included the approval of an execution program for our updated sustainability strategy and adjustments to our ESG product filters. Furthermore, the Group Sustainability Committee designated roles and responsibilities for key sustainability activities across the organisation.

The Group Sustainability Committee is chaired by the Head of the Product Division, who is a member of the Executive Board, and has representation from all divisions and relevant infrastructure functions. Relevant legal entities are regularly informed about discussions and decisions of the Group Sustainability Committee. This includes DWS Investments UK Limited to support their climate governance under the Financial Conduct Authority UK TCFD rules.

Risk and Control Committee

The responsibility for approving key risk management principles, risk appetite metrics, and thresholds related to sustainability risks and adverse impacts has been assigned to the Risk and Control Committee.

Further information on governance of climate-related risks, including relevant policies and details on how climate change is managed within our risk function, can be found in the sections 'Strategy' and 'Risk Management' of the Climate Report, as well as the 'Risk Report' in the 'Summarised Management Report' of the Annual Report 2023.

Reputational Risk Committee

The Reputational Risk Committee is responsible for evaluating and monitoring matters which might trigger potential reputational risk.

Sustainability Oversight Office

The Sustainability Oversight Office supports the Group Sustainability Committee with its activities and aims to ensure effective sustainability governance. This includes maintaining oversight of our key sustainability activities and managing the sustainability strategy execution program. In addition, the Sustainability Oversight Office is responsible for our central sustainability training framework.

Platform Sustainability

To further strengthen our sustainability governance structure and adequately respond to a continuously evolving regulatory environment, we established a new Platform Sustainability function in October 2023 within the Product Division. This function coordinates and steers the implementation of our sustainability strategy as well as sustainability-related regulatory requirements within the Investment and Product Divisions with a focus on the liquid product range.

Sustainability Strategy

The Sustainability Strategy team supports the Chief Executive Officer in developing the sustainability strategy and ensures that it is embedded in our wider corporate strategy.

Sustainability Risk

The Sustainability Risk team, which is part of the Chief Risk Office, is responsible for integrating sustainability risks and adverse impacts on the environment and society into our risk management framework. Sustainability risk formulates our ESG-related risk strategy and develops qualitative risk appetite statements and corresponding quantitative indicators relating to identified ESG themes.

ESG Advisory Board

The ESG Advisory Board advises the Executive Board on a range of long-term sustainability trends, challenges, and opportunities. It consists of internationally recognized sustainability experts from diverse disciplines. During 2023 the ESG Advisory Board met three times and amongst others covered the following topics:

- our sustainability strategy,
- ESG engagement,
- biodiversity,
- clean energy financing.

No changes were made to the composition of the ESG Advisory Board in 2023.

Divisional Sustainability Governance

Investment Division

The Investment Division has responsibility for the integration, where required by policy, of sustainability factors and sustainability risks, including climate-related opportunities and risk, in the investment process. The CIO Office for Responsible Investments supports such integration for the investment platforms for Active, Passive including Xtrackers, and Alternatives.

The Chief Investment Office is responsible for monitoring developments and delivering market and economic views, including those relating to sustainability, to internal and external stakeholders via our CIO view publications and the internal CIO daily newsletter.

Product Division

The Product Division is responsible for processes along the lifecycle of products, ranging from product-specific strategic planning processes over the development and launch of products to the administration and steering of the product suite. The Head of the Product Division oversees climate-related topics in the launch of new products and manages the product suite in a way that both aligns with our sustainability strategy and reflects client demand.

Dedicated ESG product teams support our investment teams and external clients in providing ESG and climate-related information, analysis, and investment solutions.

Client Coverage Division

The Client Coverage Division markets investment products and provides advice to our clients on suitable investment solutions. These include delivering sustainable and climate-related investment strategies, as many of our clients seek sustainability-oriented and climate-related investments. Across the Client Coverage Division, 25 so-called “ESG Ambassadors”, across all regions and client segments, continuously discuss sustainability trends and developments, and how these may impact our clients. The information is then shared with the wider Client Coverage Division organization. These ambassadors are guided by the Global ESG Client Officer and they work closely with the investment professionals and product experts to communicate sustainability-related information.

Executive Division

In addition to the Sustainability Strategy team within the Corporate Strategy and M&A function, our Communications, Brand and CSR team is responsible for the management of our sustainability-related communication, corporate marketing, and CSR activities.

Chief Financial Office Division

Within the Chief Financial Office Division, four functions are responsible for sustainability-related matters: the Sustainability Oversight Office, the Sustainability Risk team (both described above), the Finance Sustainability team, and Procurement.

The Finance Sustainability team is responsible for managing all regulatory-driven group sustainability disclosures, including the Climate Report. It is also responsible for sustainability ratings, including the CDP questionnaire, and the tracking of sustainability KPIs.

In line with requirements for the management of human rights- and environment-related risks in our supply chain, Procurement is responsible for implementing the criteria for evaluation of new vendors, standards in contract terms and the assessment of vendor risk ratings. For more information, please see the section 'Summarised Management Report – Our Responsibility – Human Rights' in the Annual Report 2023.

Chief Operating Office Division

The Chief Operating Office Division leads our objective to achieve operational net zero. For further details please refer to the section 'Becoming and Maintaining Operational Net Zero'.

Chief Administrative Office Division

The Chief Administrative Office Division has set up an ESG Change Programme that supervises and coordinates the implementation of selected sustainability-related regulatory requirements in relevant DWS divisions. In addition, Legal and Compliance advise on legal and regulatory issues in the context of sustainability, and Human Resources is responsible for the incorporation of sustainability-related KPIs in our compensation framework.

Climate Competence

In line with Suitability Guidelines, our Supervisory and Executive Boards periodically self-assess their ongoing suitability individually and collectively including their knowledge of ESG risks and knowledge of regulation, principles, and frameworks for Environmental, Social and Corporate Governance.

Our Executive Board members' individual expertise on sustainability-related matters reflects experience gained in roles involving climate-related topics and membership in governance bodies responsible for managing climate-related issues.

Compensation

We consider sustainability an integral part of the compensation system for both the Executive Board and all employees. A portion of the annual variable compensation is determined based on the degree of achievement of specific sustainability targets, including climate-related indicators. Further details on our compensation systems are disclosed in the 'Compensation Report' in the Annual Report 2023.

Strategy

We published our Net Zero Annual Disclosure via CDP.

We reported a cumulative reduction of 5.2% in the inflation-adjusted WACI.

We updated our scenario analysis using MSCI Climate VaR to analyse impacts of climate change on our portfolios.

TCFD Recommendations

a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Strategy

GRI 201-2

Introduction

In 2023, we updated our sustainability strategy and refined our sustainability priorities. Climate change remains the core theme of our updated sustainability strategy. Climate change poses one of the most significant risks to the planet, humanity and the global economy. According to the World Economic Forum's Global Risks Report 2024, climate change is identified as one of the four "structural forces" that are making the world less stable.

Furthermore, our annual materiality assessment in accordance with the Non-Financial Reporting Directive identified climate change as a material topic.

To mitigate climate change, transformational change is required across all parts of the real economy. Both, as a corporate and trusted advisor to our clients, we have a critical role to play in supporting the transformation to a more sustainable future. This transformation will require decisive action by numerous stakeholders and enormous investment.

Our ambition is to enable our clients to navigate the sustainable transformation of the real economy by providing them with investment expertise and solutions.

Our sustainability strategy is built around three priorities:

1. Focus on climate-related investing
2. Strengthen engagement with investees and other relevant stakeholders
3. Advance our own corporate transformation.

Across all our activities, we acknowledge differences in client preferences and regulatory frameworks, and we seek to take those into account in our product offering and stewardship activities.

For further information please refer to the Annual Report section 'Summarised Management Report – Our Strategy and Our Market – Our Strategy'.

Our Approach to Address Climate Change

For the world to reach net zero by 2050 the necessary transformation will have implications across the global economy, including changes to business models, and may create significant new investment opportunities. The road ahead is challenging, and all stakeholders – governments, regulators, financial institutions, businesses, investors, and broader civil society – need to be involved (including global asset managers such as ourselves), to facilitate and finance this transformation.

Our ambition is to become climate neutral by 2050 in line with the Paris Agreement. Following on from this, as a founding signatory to the NZAM, in 2021, for certain in-scope assets under management we have set concrete net zero interim targets for 2030. Details on the measures taken can be found in the sections 'Our Progress towards Portfolio Net Zero' and 'Becoming and Maintaining Operational Net Zero'.

We recognise the challenges associated with the implementation of a strategy where the benefits are long-term (2050), but where most of the action needs to be taken in the near future. We also acknowledge that there is not yet a perfect framework to enable the conversion of long-term climate-related risks into medium-term financial risks. Furthermore, there are challenges and limitations of data, regulation, reporting and resources. We do know there are long-term effects associated with climate change and that the world is best served by an agreed decarbonisation strategy. We are aware that there are several paths to a decarbonised economy and that we require the development and commercialisation of technologies and/or much higher carbon prices.

How We Identify Climate Risks

The definition of sustainability risk, contained in the Annual Report section 'Summarised Management Report – Risk Report', includes climate-related risks. Like other sustainability factors, climate factors – including physical and transitional climate risk factors – can impact all three main areas of our overall risk management and control framework: non-financial risks (operational and reputational risks), financial risks and fiduciary investment risks. More information on climate-related risk factors can be found in the section 'Risk Management'.

As described in the Annual Report section 'Summarised Management Report – Risk Report', we have reviewed existing risk types for both fiduciary and corporate risks and determined whether sustainability factors may potentially be relevant risk factors. A summary of selected climate-related risks which may have a substantive financial or strategic impact on our business, is provided in the table labelled 'Selected climate-related risks'.

Financial and strategic impact on our business is measured using a risk assessment grid. This grid has two dimensions, impact and likelihood. Impact on our business is measured according to three elements: regulatory compliance, reputation, and profit or loss. The risk level is then determined as a combination of likelihood and impact.

We have also defined the following time horizons:

– Short-term: 1 year
– Medium-term: 1-5 years
– Long-term: >5 years.

We recognise that sustainability risks, including climate risks are inherent to overall business activity and are considered integral to our strategy.

Selected climate-related risks

Risk	Description	Time horizon
Strategic risk: Decreased revenues due to reduced demand for products and services from changing customer behaviour	It is expected that the changes in the regulatory environment, client perceptions, expectations for ESG and climate-related products will continue to evolve. As such, the most significant strategic risks are that our strategic ambition falls short of such developments or that whilst we set a strategy which includes such changes we fail to deliver on our strategic ambitions.	Short-term
Reputational risk: Negative press or NGO coverage related to support of projects or activities with negative impacts on the climate (e. g., GHG emissions, deforestation, water stress)	Given the strategic relevance of ESG within our corporate strategy, any ESG and climate-related incident may have significant implications for our reputation and may mean that our sales partners stop selling our products.	Short-term
Policy and legal risk: Weak governance may lead to a failure to meet ESG and climate-related regulatory requirements	We may fail to identify or adequately implement ESG and climate-related regulatory requirements within the investment, control, or disclosure processes. Regulatory risk may result from non-compliance with ESG and climate-related regulatory requirements.	Short-term
Policy and legal risk: Regulatory risk if we consider ESG and climate criteria in investment decisions	There may be jurisdictions in which we could face sanctions or fines if ESG and climate criteria are being considered in investment decisions or investments in fossil fuel companies are being discontinued, based on the assumption of a potential negative impact on returns. Conversely, failure to reach stated non-financial (including climate-related) objectives of individual products, could also lead to litigation risk	Short-term
Non-financial risk: Risk of inaccurate, misleading, or non-disclosure of ESG or climate-related information	We publish ESG and climate-related information in regulatory and non-regulatory external reporting at product and corporate level, in marketing materials and in other types of communication with clients or the public. In case of inaccurate, misleading, or non-disclosure of such information, we face substantial reputational and regulatory risk. This also includes the risk stemming from processing incorrect ESG-related data, giving its increasing relevance in regulatory and client reporting.	Short-term
Market risk: Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets	Liquid product range – climate-related portfolio transition risks are events or conditions related to climate transition factors, the occurrence of which can have a real or potentially significant negative impact on the assets and liabilities, reputation or revenues of any investment or investee contained in a portfolio we manage.	Medium-term
	Illiquid product range – assets in our portfolios can be exposed to physical risks that arise both from extreme weather events (e. g., floods, storms, forest fires) and to long-term changes in climatic conditions (e. g., frequency of precipitation, weather instability, rise in sea level). Assets can significantly reduce in value, become damaged, or even destroyed. In addition, transition risks can arise in connection with the switch to a low-carbon economy. Political measures can lead to higher energy prices or high investment costs due to the required refurbishment of real estate, e. g., due to city, national or regional legislation to increase the energy efficiency of buildings. Transitional risks can also lead to a fall in demand for emission-intensive assets.	Long-term

Our Approach to Measuring Climate-Related Risks

We employ climate scenario analysis to evaluate the potential risks and opportunities related to climate change in our portfolios.

Our chosen scenarios encompass a global temperature increase ranging from +1.5°C to +5°C. The evaluation, utilizing data from the MSCI Climate Value-at-Risk (CVaR) model, serves as the foundation for assessing the potential impact on our current investments. These scenarios include various temperature rises and integrate assumptions regarding government regulations, macroeconomics, energy systems, land use, business operations, technology advancements, and physical properties.

The identified risks and opportunities are categorized into two primary types: transition risks and physical risks. Transition risks and opportunities focus on the repercussions of policy shifts aimed at fostering a more sustainable economy. This includes potential cost increases for companies and also emerging business opportunities associated with the adoption or development of low-carbon technologies and climate solutions. In this context, we refer to the former as “policy risks” and the latter as “technology opportunities”. Climate change will also alter the intensity and the frequency of chronic (slow to manifest risks) and acute (natural catastrophes) physical hazards, resulting most likely in financial impact for companies and their investors. These effects are classified as “physical risks”.

The potential financial impacts on our investments from policy risks, technological opportunities, and physical risks are evaluated in our scenario analysis. Subsequent sections will elaborate on the nature of these risks and opportunities and the potential impact on our investment portfolios. Scope of the analysis is based on our listed equities and corporate bonds investment holdings.

Key Drivers of Transition Risks and Opportunities

Transition risks and opportunities indicate the potential financial consequences for companies due to policy shifts and specific climate trajectory assumptions. For the basis of our analysis, we have selected different climate pathways to 2050 resulting in global warming outcomes ranging from +1.5°C to +3°C. Within these scenarios, the trajectories of greenhouse gas (GHG) emissions and the associated carbon pricing assumptions are crucial input factors.

Policy risks are assessed based on an investee's GHG emissions across the entire value chain. The required carbon price trajectories are modelled considering the intensity and timing of fiscal and regulatory measures. Companies involved in the development of low-carbon technologies may benefit from more stringent climate policies and the potential emergence of growth opportunities. The primary metrics for assessing technology opportunities at the company level are investees' clean-tech revenues and patents, providing insights into research and development investments. However, the models do not consider any company reduction targets. Furthermore, the models and their input parameters make various assumptions, including the assumption that current innovators will also be tomorrow's innovators, but they overlook the unpredictable nature of how companies might evolve in response to upcoming climate-related risks and subsequent opportunities.

Key Drivers of Physical Risk

The anticipated global temperature rise is expected to amplify the frequency of severe weather events, such as intense heatwaves, major storms and floods. In our assessment, we primarily focus on two types of economic impacts on our investees: business interruption and physical damage. For this we are leveraging scenarios with a horizon until 2100.

The degree to which our investees are exposed to physical risks depends on the sensitivity of their business to such factors. One crucial aspect is the geographical location of company properties and business operations.

Evaluation and Analysis

The MSCI CVaR model incorporates relevant regional, sectoral, and company-specific factors, as well as climate pathway assumptions tailored to assumed temperature increases. The inherent complexity of climate systems and their impact on micro- and macroeconomics introduce a substantial degree of uncertainty in determining the implications for our investees’ financial valuations. Additionally, the response of investees to policy shifts and physical climate change is not entirely predictable and not part of the modelling. In 2023, MSCI released a major enhancement for the climate transition risk model resulting in an overall increase of transition scenario risks across their universe of constituents; the model change had a pronounced impact on the estimated technological opportunities (i. e. the potential upside), while the impact on expected policy risks was limited.

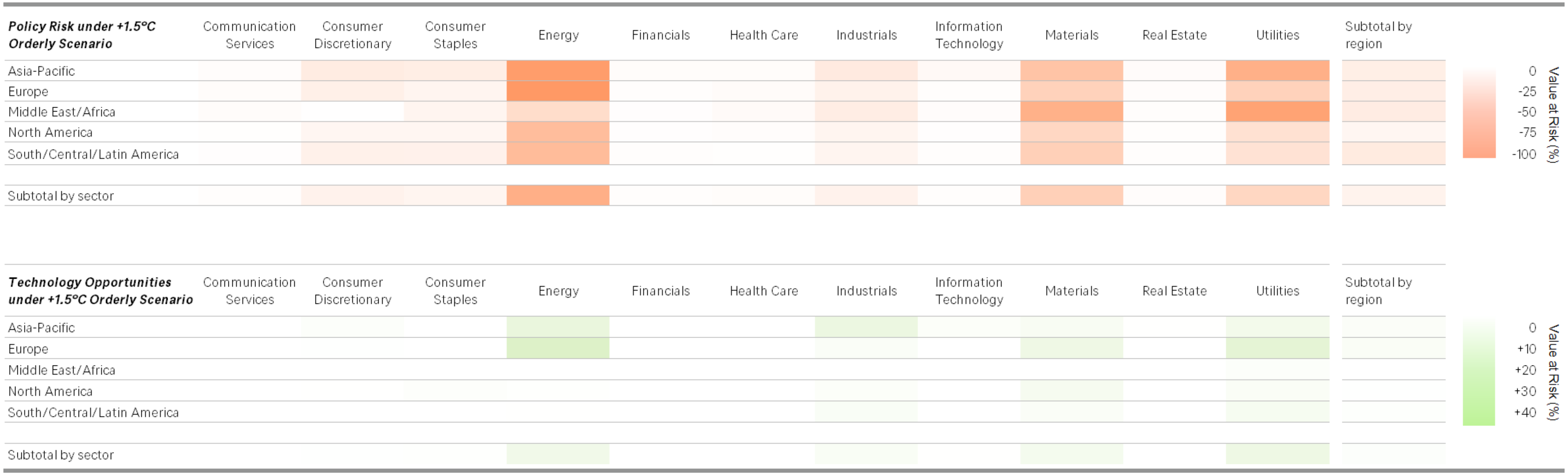
The analysis should be regarded as guidance and a tool for relative value analysis on how climate change might impact sectors, regions, or asset classes under certain assumptions, rather than as an exact prediction of valuations of individual investments or portfolios. We recognise that there are critiques on the limitations and assumptions of climate scenario modelling practices in financial services. For instance, climate scenarios may not reflect many of the most severe impacts we can expect such as tipping points. We will continue to monitor the development of climate scenario methodologies.

Transition Risks and Opportunities – by Sectors and Regions

The two heatmaps below illustrate policy risks and technology opportunities under an orderly climate transition pathway for a 1.5°C temperature rise. In orderly transition scenarios, it is assumed that climate change policies are implemented early in a globally coordinated manner and gradually intensify over time. Disorderly scenarios assume late and divergent policies across regions and sectors.

Policy risks are expected to be more material for carbon-intense industries, such as energy, utilities, and materials. However, sectors showing high policy risks also demonstrate higher potential in technology opportunities that may be leveraged by early adopters of policy changes. Asia-Pacific and Europe are estimated to benefit slightly more from adoption of low-carbon technology in most sectors compared to other regions of the world.

Aggregated Climate Value-at-Risk under the +1.5°C orderly scenario (Net Zero 2050) coming from policy risk (top heatmap, darker colour equals increased downside risk) and technology opportunity (bottom heatmap, darker colour equals increased upside potential)



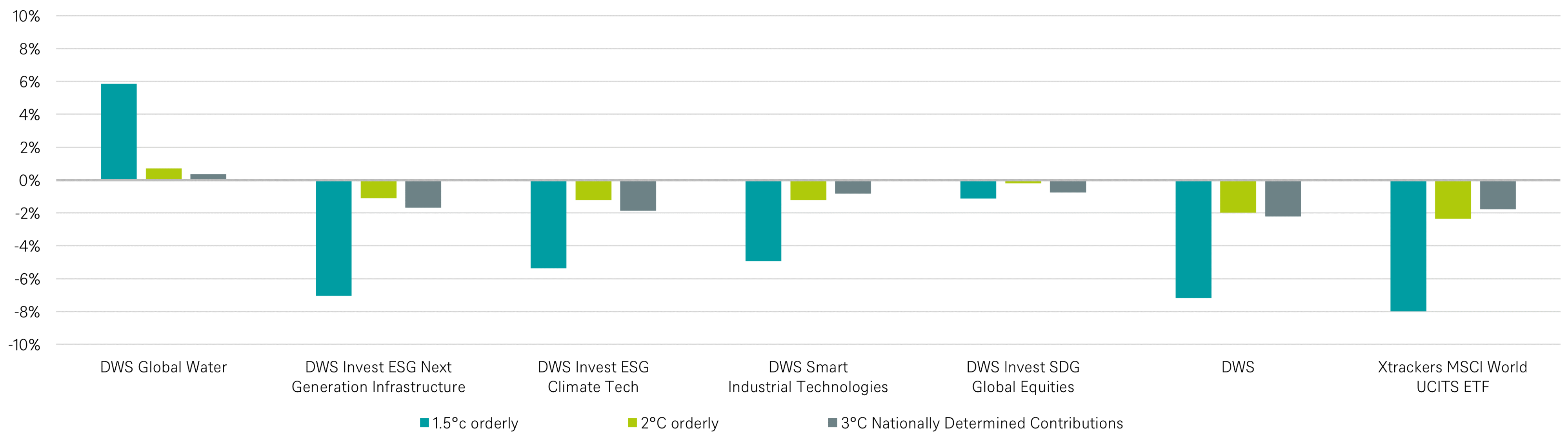
Source: DWS analytics on BRS Aladdin and MSCI Climate VaR data; as of 31 December 2023.

Transition Risks and Opportunities – Selected Strategies

The following chart compares selected thematic funds managed by DWS, the aggregated view on our holdings and a representative global equity market index (MSCI World Index).

The scenario results indicate that certain of our thematic fund strategies might benefit under specific transition scenarios from increased exposure to potential early adopters of policy changes and technological opportunities, in comparison with the broader equity market and also our aggregated weighted average holdings.

Aggregated Climate Value-at-Risk under 1.5°C orderly, 2°C orderly, 3°C Nationally Determined Contribution scenarios until 2050 resulting from climate transition risks for selected DWS funds, aggregated DWS Group assets and Xtrackers MSCI World ETF

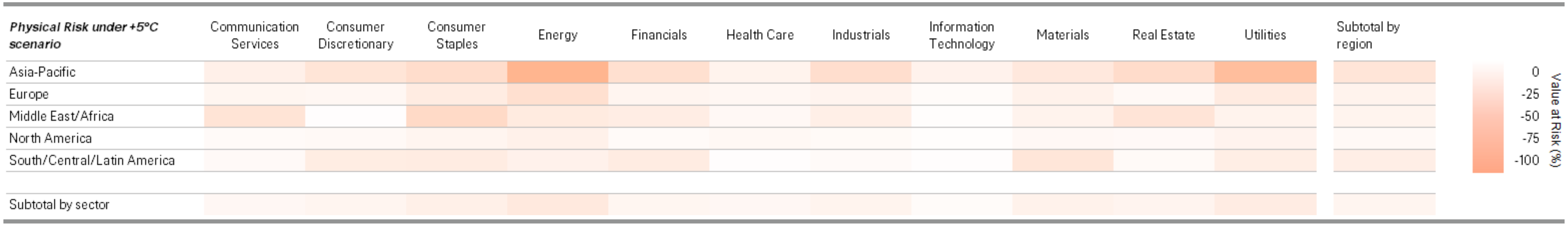


Source: DWS analytics on BRS Aladdin and MSCI Climate VaR data; as of 31 December 2023.

Physical Risks by Sector and Region

For scenarios with a substantial temperature increase, physical climate risks are expected to have the most significant impact. The heatmap below shows the potential physical risks under an extreme but unlikely 5°C transition pathway until 2100. It indicates that regions such as Asia-Pacific and Latin America could face more severe consequences from extreme climate events than other regions. The impacts include reduced labour availability and productivity, as well as asset damages. Capital-intensive industries, such as utilities and energy – especially those with production facilities in coastal areas – are likely at greater risks of suffering from acute climate events like flooding and tropical cyclones.

Aggregated Climate Value-at-Risk under the +5°C scenario until 2100 resulting from physical risks (by sector and region)



Source: DWS analytics on BRS Aladdin and MSCI Climate VaR data; as of 31 December 2023.

How the Results from Our 2023 Climate Scenario Analysis Influenced Our Strategy

The 2023 Climate Scenario Analysis has been presented to internal stakeholders and the GSC for consideration in the update of the product strategy.

Furthermore, the Climate Value-at-Risk results from a 1.5° Policy Risk scenario constitutes one component of our proprietary Climate Transition Risk Assessment. This assessment serves as one of the references for active portfolio managers and is factored into the product filters as a basis for exclusion criteria for those products which apply such criteria.

How We Incorporate Climate Change Considerations in Our Investment Process

GRI 203-1

Active

Our global ESG Integration Policy for Active Investment Management and related policies include special emphasis on climate-related risks, measured by our proprietary Climate and Transition Risk (CTR) assessment. The CTR assessment highlights potential risks and opportunities associated with carbon emissions and water usage. The CTR assessment and other climate-relevant information are made available to our Active investment professionals via the DWS ESG Engine, which covers most listed asset classes and uses data from five leading commercial ESG data providers. Furthermore, our CTR assessment is a building block for managing climate-related risks and opportunities for our investments, provides climate information to our engagement leads and assists the Corporate Governance Center in its proxy voting process.

Our investment professionals are expected to be aware of material exposure to climate change risks and opportunities, and to act in line with internal processes as well as legal and contractual obligations. The sustainability risk team regularly assesses funds' exposures to ESG laggards related to climate transition risk and reports the results to the asset class and product management heads. On a quarterly basis Risk Management reviews the results of the monitoring activities, risk appetite changes and, if necessary, escalates to senior representatives of investment and product management. More details on the sustainability risk governance framework can be found in the 'Risk Management' section of our Annual Report.

Passive (including Xtrackers)

Xtrackers products do not implement additional climate-related criteria other than those present in their underlying indices, if applicable. This is because taking substantial tracking error would violate our fiduciary duty with regards to adequate risk management. However, the Xtrackers team worked actively with index providers in the development of climate-related indices tracked by, amongst others, exchange traded funds. For further details please refer to the section titled 'How We Incorporate Climate Change Considerations within Our Products'.

Alternatives

For most of the alternative asset classes, climate change risk is managed in accordance with an environmental and social management system. It aims to assess and manage ESG risks, including climate change risks across the investment life cycle for the underlying portfolio assets.

Details for our Real Estate and Infrastructure business can be found below. For information on our Sustainable Investment platform, please refer to the Annual Report section 'Summarised Management Report – Our Responsibility – Our Investment Approach'.

Real Estate

Resilience, encompassing efficiency and adaptation, is one of the four strategic sustainability themes within the real estate business. From a fiduciary standpoint, we identify and manage transitional and physical risks from climate change.

Transitional risks and opportunities can arise from the switch to a low-carbon economy and are related to energy and carbon efficiency of buildings. Exposure is assessed primarily using Carbon Risk Real Estate Monitor pathways including energy efficiency and carbon emissions compliance to relevant regulations. Real estate can be exposed to physical risks that arise from individual extreme weather events and in relation to long-term changes in climatic conditions. The climate-related risks are estimated utilising the Standard&Poor's Global Trucost tool and supplemented with asset-level assessment of a building's resilience.

Sustainability-related factors, including the above climate risks, are considered at each stage of the investment process, directly informing acquisition, asset management and disposal decisions. Identified actions are assessed against accretive returns, investment objectives and integrated in sustainable asset management plans.

Sustainability due diligence is completed prior to acquisition, and delivered through two screening phases: initial and advanced screening, assessing, among other factors, asset's resilience to both transitional and physical risks. The findings are presented to the investment committee, and include found issues, necessary actions and underwriting.

Following acquisition, asset and portfolio managers monitor sustainability performance not only to ensure proper risk mitigation but also to actively seek opportunities to add value as part of ongoing business planning. Annual asset sustainability action plan is based on achieved performance and consequent asset and portfolio risk profile review, portfolio investment plan including asset holding period, and portfolio sustainability strategy objectives.

Infrastructure

Infrastructure Equity

We seek to incorporate environmental considerations into the infrastructure business investment framework at all stages of the investment lifecycle for equity investments – from the initial screening and due diligence to the asset management and exit stages. During the holding period, we monitor environmental attributes such as carbon footprint and water usage of the investments through the regular reporting of KPIs by portfolio companies, and through completion of the annual Global Real Estate Sustainability Benchmark (GRESB)-Infrastructure benchmarking assessment at both fund and asset level. Due diligence includes climate-related considerations and is incorporated into the Investment Committee paper and presented to the Investment Committee for consideration.

The infrastructure business also produces an annual Sustainable and Responsible Investment report for investors in each of its funds. This report addresses ESG issues for the fund's underlying investments and in 2023 the report included information aligned with TCFD for each investment. For 2024, this information aims to be further developed to include scenario analysis.

During 2023 we have updated the environmental and social management system under which the business operates to reflect changes in the ESG environment and to strengthen our procedures. The environmental and social management system has also been updated to reflect our obligations under the SFDR and investor requirements. It applies to all potential and existing portfolio investments in infrastructure equity. It also creates a process for regular engagement with portfolio companies on ESG matters and creates a framework for their regular reporting to us.

Infrastructure Debt

The Infrastructure Debt business uses a bespoke proprietary ESG scoring methodology, which has been rolled out to new and existing investments since 2021. The methodology supports the overall investment process and ongoing monitoring of environmental risks of the infrastructure debt portfolios among other ESG risks.

How We Incorporate Climate Change Considerations within Our Products

Active

In 2023 we continued to manage our suite of EU- domiciled actively managed mutual funds that promote environmental or social characteristics and report under Article 8 SFDR. For example, the DWS European Net Zero Transition fund, which previously reported under Article 6 SFDR, changed its investment strategy to focus on companies with decarbonization targets and now reports under Article 8 SFDR. In addition, we have launched DWS Invest Conservative Sustainable Bonds that focuses on projects with environmental, climate benefits and/or other sustainability or ESG themed projects (i. e. Green Bonds, Social Bonds, Sustainability Bonds), that have the goal of contributing to one or several UN SDGs, and reports pursuant to Article 9 SFDR.

A large proportion of our actively managed mutual funds in the EU apply one of two ESG filters: the "DWS Basic Exclusions" filter or the "DWS ESG Investment Standard" filter, which are described in detail in the Annual Report section 'Summarised Management Report – Our Responsibility – Our Product Suite'. By applying these ESG filters to our European domiciled actively managed mutual funds, climate and transition risks are considered as part of the investment process.

Both filters exclude issuers with excessive climate risk profiles by screening issuers for the Climate and Transition Risk Assessment. By applying this screening as part of the filter methodology, Principal Adverse Impact Indicator #4 (PAII 4) – the exposure to companies active in the fossil fuel sector – is considered. Funds applying the "DWS ESG Investment Standard" filter also consider the following indicators: the GHG emissions of a company (PAII 1), its carbon footprint (PAII 2) as well as its GHG intensity (PAII 3).

Passive (including Xtrackers)

Over the course of 2023, the Xtrackers business continued to increase the number of European-domiciled ETFs which promote environmental or social characteristics with the launch of 26 new ETF sub-funds reporting under Article 8 SFDR. This expansion of the product range included additions to ranges of Climate Transition and Paris-Aligned ETFs, in line with the relevant EU Climate Benchmark Delegated Regulation as part of the EU Sustainable Finance Action Plan to promote investment in companies with lower CO_2 emissions. The Climate Transition ETF range tracks indices which, amongst other criteria, target a 30% reduction in carbon intensity versus the corresponding broad market index, while the Paris-Aligned ETF range's indices target a 50% reduction. Both ranges' indices also incorporate a seven per cent year-on-year reduction in carbon intensity.

Alternatives

In Alternatives, we have funds addressing climate mitigation and other climate change-related topics. We are also developing climate-related strategies focusing on dedicated as well as transitional assets within our real estate and infrastructure business, following our track record in investing in green buildings and green infrastructure assets.

In April 2023, we launched a new European infrastructure investment strategy offering German retail investors the opportunity to invest in infrastructure projects in Europe. The strategy focuses on renewable energy projects. The fund made its first investment in August 2023 through the acquisition of one of the largest solar parks in Germany.

In addition, we developed a complementary strategy to our flagship European mid-market infrastructure equity fund series focusing on investments in decarbonization, digitalization and social infrastructure.

Active Ownership

Active Ownership as Part of Our NZAM Commitment

In 2023, we identified a number of investee companies for net zero thematic engagement based on several climate-related criteria including their contribution to the overall weighted average carbon intensity (WACI) of our net zero in-scope portfolios, involvement in thermal coal activities, and the lack of a commitment to the Science-based Targets initiative (SBTi). The entities whose investee companies are in scope for net zero engagement are DWS Investment GmbH, DWS International GmbH, DWS Investment S.A. and DWS CH AG.

Active Ownership in US and EMEA

We have two regional corporate governance and proxy voting policies and processes in place. One for the three pooled legal entities in EMEA (DWS Investment GmbH, DWS International GmbH, DWS Investment S.A.) and one for DWS in the US (DWS Investment Management Americas, Inc., DBX Advisors L.L.C., RREEF Americas L.L.C. and DWS registered advisors), due to different market and regulatory practices. The entities whose investees companies are in scope for engagement are DWS Investment GmbH, DWS International GmbH, DWS Investment S.A. and DWS CH AG.

Proxy Voting in the US

In the US, DWS has adopted policies and guidelines to ensure that proxies are voted in the best economic interest of their clients, as determined by DWS in the US, in good faith after appropriate review. DWS believes that profitability and responsible management of ESG factors complement each other in many ways, leading our business in the US to apply ESG criteria when evaluating shareholder proposals. Moreover, the Proxy Voting Policy and Guidelines considers the Coalition for Environmentally Responsible Economies (CERES) recommendation on environmental matters contained in the CERES Roadmap for Sustainability, as well as the recommendations of Institutional Shareholder Services Socially Responsible Investment Policy on sustainability issues.

The Proxy Voting Policy and Guidelines takes climate accountability into consideration when evaluating the election of certain directors of companies that are significant greenhouse gas (GHG) emitters:

Climate Accountability – For companies that are significant greenhouse gas (GHG) emitters (i. e. companies on the current Climate Action 100+ Focus Group list), through their operations or value chain DWS's policy is to generally vote case-by-case on the election of the incumbent chair of the responsible committee (or other directors) in cases where it is determined that the company is not taking the minimum steps needed to understand, assess and mitigate the risks related to climate change to the company and the larger economy which may lead to regulatory risks.

Active Ownership for the Pooled Legal Entities in EMEA

For holdings in scope of our EMEA Corporate Governance and Proxy Voting Policy and engagement framework, research analysts set engagement targets for investee companies which are selected for engagement in order to meet sustainability goals.

We evaluate each company individually when voting at shareholder meetings and we try to generate sustainability outcomes via direct dialogue with investee companies, which are selected for engagement.

Measures to Address Climate Issues in Our Investments

Boards of investee companies are responsible for proper oversight of material climate matters and should be held accountable if they fail to do so. In 2023, we continued to raise important issues in connection with sustainability with questions at mainly virtual shareholder meetings. We raised questions at a total of 70 shareholder meetings, where we focused in part on decarbonisation plans, with particular scrutiny on target setting for the material scopes of emissions.

Considering Climate Risk within Proxy Voting and Engagement Activity

Although the degree of exposure to climate-related risks may vary across sectors and assets, we expect the board of an investee company to develop a robust understanding of company-specific risks and how to mitigate them. Companies that face substantial climate-related risks, should accelerate their efforts in setting ambitious targets and provide enhanced transparency on their long-term climate strategy.

We expect companies to follow broadly established standards for disclosure and transparency such as the TCFD recommendations and to comply with and report on frameworks such as the UN Global Compact Principles, CDP, PRI, and the SDGs.

Our voting on climate issues includes:

- Voting on shareholder proposals that are explicitly climate-focused, such as GHG reduction targets or reporting.
- Holding boards accountable when we believe they do not adequately manage climate risks.
- Voting on executive remuneration policies and reports, which do not incentivise addressing climate risks and opportunities.

We continue to operate within our engagement framework which aims to define and track sustainability outcomes for our investees for DWS Investment GmbH, DWS International GmbH, DWS Investment S.A. and DWS CH AG (engagement for DWS CH AG only covers fixed income investments).

Our net zero thematic engagement programme was launched in 2021 as part of our commitment to the NZAM. In 2023, we updated the criteria to identify investee companies for net zero engagement. The updated list considers the investee companies' SBTi target verification status, involvement in thermal coal activities, as well as their contribution to the carbon intensity of our portfolios (covering approximately 70% of the overall WACI of the assets under management in-scope for our interim net zero target). We sent a net zero letter to 80 companies which were either not previously part of our thematic net zero engagement programme or had not responded to our previous net zero letter. The engagement letter is available on our website (https://www.dws.com/en-gb/solutions/sustainability/corporate-governance/).

In 2023, as part of our net zero thematic engagement programme, we conducted 214 engagements.

In 2023, we voted against the re-election of directors at 27 companies which did not respond to our net zero engagement request.

Following the publication of the DWS Coal Policy in 2023, we sent a letter to 27 companies and invited them to engage with us and requested that they accelerate their phase out of thermal coal and publish transition plans by the end of 2025 at the latest.

Engagement Case Study

We initiated a thematic engagement with a German chemical company by sending our net zero letter articulating our expectations in 2022. During this call we discussed the CO_2 emission reduction targets that the company had already set, our wish that the company achieves science-based verification of the targets, as well as options for setting interim targets to signal significant milestones and increase transparency of how the company will achieve its targets. In 2023, we held a follow-up engagement to discuss progress towards the previously established engagement objectives, as well as to discuss further engagement objectives.

Key takeaways from the discussion:
In 2023, the company demonstrated positive progress in the reduction of its scope 1 and 2 GHG emissions and is ahead of schedule to reach its targets in respect of a linear reduction. In addition, the company submitted its 2030 reduction targets to SBTi and achieved validation of alignment with a climate warming scenario of well-below 2°C.

Although the company is on track to reduce its scope 3 emissions, we believe that the target could be more ambitious. We discussed the possibility to revisit the target setting. In addition, DWS requested that the company provides more granularity on its carbon reduction initiatives with clear timelines and interim milestones. Furthermore, we discussed the company's approach towards a worldwide coal phase-out plan.

Overall, the company showed good responsiveness, a clear understanding of our expectations and a willingness to engage further.

Example of Engagement KPIs: Disclose a timeline for a worldwide phase out of coal.

Next steps: The objective is to continue our constructive dialogue in 2024 and monitor progress on DWS engagement targets.

Source: DWS Investment GmbH, 31 December2023

Management Say on Climate proposals offer shareholders a non-binding vote on carbon transition strategies. In 2023, we voted on a total of 24 Say on Climate proposals, paying particular attention to setting carbon emission reduction targets for relevant and material scopes of emissions. In 2023, we held board directors accountable by not supporting their election at two Climate Action 100+ companies for which we also did not support their 2022 Say on Climate proposal due to lack of progress:

Company A: At the 2022 annual general meeting of a diversified mining company, we voted against the management's climate transition plan for failing to set mid-term decarbonisation reduction targets for relevant and material emissions, as well as failing to factor all emissions into its 2050 net zero ambition. At the 2023 annual general meeting we voted against the chair of the sustainability committee due to a lack of progress.

Company B: We did not support their management carbon transition plan in 2022 due to a lack of short-term emission reduction targets. This was particularly concerning to us as the company was proposing new oil and gas development. Since then we have engaged with the company, however, at the 2023 annual general meeting we did not support the election of a sustainability committee member due to insufficient emission reduction targets.

We support reasonable climate-related shareholder proposals that seek to, for example, enhance disclosure or encourage the setting of meaningful emission reduction targets. In assessing such cases, we aim to follow internationally-recognised standards and guidance.

2023 examples of votes on climate-related shareholder proposals:

- Company C: At the annual general meeting of a large online retailer, shareholders voted on a proposal to report on the impact of the company's climate change strategy on a just transition concerning employees, workers along the supply chain and communities in which it operates. DWS supported this proposal.
- Company D: We supported a proposal at the annual general meeting of an oil and gas exploration and production company asking to disclose the reliability of the company's methodology for calculating methane emissions. We believe that addressing the methane emissions calculation is an important consideration for investors when reviewing the company's decarbonisation plan.
- Company E: We supported a proposal at the annual general meeting of an industrials company requesting it to regularly report on how capital expenditures will align with its net zero ambition within the transition plan. We believe such information would allow investors to more effectively assess financial risks in the context of a decarbonising economy.

Collaboration with Stakeholders

Where appropriate in accordance with our stated strategy, we continue to collaborate with many relevant stakeholders and to participate in a number of investor initiatives with the goal of minimising the impact of climate change.

The 'Stakeholder Engagement' table in the 'Supplementary Information' section in the Annual Report highlights, amongst others, our 2023 climate-related activities.

Our Progress towards Portfolio Net Zero

As a signatory to the NZAM, in 2021 DWS set itself an interim 2030 target of reducing the WACI of our in-scope assets under management by 50% relative to the baseline year of 2019, on an inflation-adjusted basis. Cumulatively in the first two years since the interim target was set, we reported a 5.2% reduction in this WACI measure.

Details of Progress towards WACI Reduction Target

The cumulative reduction of 5.2% in the WACI adj. of our in-scope assets portfolios is detailed in the table below. This reduction is the result of three main underlying effects:

1. Changes made by portfolio companies to their own carbon intensity (Step 2), which fell sharply by 7.7% in Year 2. However, as this was on account of higher overall inflation in the year, the inflation adjustment in Step 8 neutralises this effect from the final WACI reduction figure.
2. Changes to our product mix, i. e., closure of existing products or launch of new products (Steps 3 + 5)
3. Changes to portfolio holdings either due to fund flows, market movements, or other portfolio considerations (Step 4). The 6.1% increase in Year 2 from this step was due to the outperformance of high carbon intensity sectors during 2022, that raised the relative portfolio weight of these high emitters.

To put the 5.2% WACI reduction for our in-scope assets into context, the MSCI All-Country World Index over the same two-year period saw a cumulative inflation-adjusted WACI increase of 10.8%. Further details on the methodology, metrics and reconciliation of figures including an extract of our latest CDP disclosure are available in our Net Zero Annual Disclosure that can be accessed on our website.

Portfolio emission data and assets in scope of net zero

	Year 1		Year 2		Cumulative change
	CO_2 intensity	Reduction	CO_2 intensity	Reduction	
Baseline (2019 emissions on December 20 holdings)	**170.5**		**162.0**		
Step 1 – Revisions to historical carbon data	170.2		158.2	(2.3)%	
Step 2 – Self-decarbonization of portfolio companies	166.8	(2.0) %	146.1	(7.7)%	
Step 3 – Changes to DWS product mix, i. e. existing products being closed	165.8	(0.6) %	145.8	(0.2)%	
Step 4 – Changes to portfolio holdings (flows, market moves, portfolio changes)	157.0	(5.3) %	154.7	6.1 %	
Step 5 – Changes to DWS product mix, i. e. new products being launched	157.6	0.4 %	154.5	(0.1)%	
Step 6 – In-scope adjustment (post calculation)	**162.0**		**154.5**		
Step 7 – Gross change in WACI		(7.4) %		(4.6)%	(11.7) %
Step 8 – Inflation adjustment		1.2 %		6.1 %	7.4 %
Step 9 – Net WACI change (inflation-adjusted)		**(6.3)%**		**+1.2%**	**(5.2)%**

Due to a lag in reporting and availability of emissions data, the Year 2 calculations are based on DWS portfolio holdings as of year-end 2022 using the emission data from the previous year of those respective holding companies, which is 2021. Similarly, the baseline figure was based on year-end 2020 portfolio holdings and 2019 emissions.

Assets in Scope for Our Interim Net Zero Target

Our interim net zero target applies to certain in-scope assets under management, primarily comprising equity, corporate bond and direct real estate holdings in mutual funds (ex-US) and mandates of net zero committed clients.

As of 31 December 2022, the assets under management in scope for our interim net zero target were € 302.9 billion (36.9% of our total AuM), which includes € 30.1 billion of illiquid real estate assets that are not part of the WACI calculation detailed above.

Net Zero related Actions

DWS Coal Policy: In 2023, we announced a policy outlining our approach towards investment in thermal coal companies. For our products in scope of the policy, immediate restrictions are placed on investments in companies developing new thermal coal capacity, as well as those with a coal share of revenues greater than 25%. In addition, our coal policy calls for a complete phase-out of thermal coal in EU/OECD economies by 2030 and the rest of the world by 2040, in line with the net zero pathway laid out by the International Energy Agency (IEA). The policy is being implemented in a phased manner across in-scope products after obtaining required approvals from regulators and other relevant third-parties.

Engagement: As engagement with our portfolio holding companies is a key part of our net zero strategy, in 2023 we continued our net zero thematic engagement following similar activities in the previous two years. This applies to DWS legal entities which are subject to the DWS Engagement Policy (currently DWS Investment GmbH, DWS Investment S.A., DWS International GmbH and DWS CH AG). For 2023, we identified a number of investee companies for net zero thematic engagement based on several climate related criteria including their contribution to the overall WACI of our net zero in-scope portfolios, involvement in thermal coal activities, and the lack of a SBTi commitment on their part.

Further details of our engagement process, how we consider climate risk in engagement and proxy voting activities, as well as specific engagement case studies can be found in an earlier section of this document on 'Strategy – Active Ownership'.

Outlook

In addition to the actions already taken, we will continue taking measures towards our net zero targets. However, external factors outside our influence or our investee companies' influence also affect the WACI of our portfolios and the pace of portfolio decarbonisation. For instance, the 2022 energy price spike and its impact on the performance of high-carbon intensity companies created strong headwinds for the WACI reduction effort. While these external factors may introduce short-term volatility in the decarbonization path of our portfolios, we remain committed to achieving our portfolio net zero targets.

Becoming and Maintaining Operational Net Zero

We have continued to demonstrate our commitment to reducing corporate operational emissions in 2023. Our approach remains anchored in science-based methodology, specifically the SBTi Paris Agreement aligned 1.5°C pathway, and targets the implementation of emission-reduction strategies that prioritise the reduction and avoidance of our operational emissions.

We have sustained momentum towards realising our 2050 net zero goal and 2030 interim emission targets and remain on track to deliver against both our near-term and medium-term operational sustainability KPIs (please refer to the 'Metrics and Targets' section).

The operational emission boundary against which we are reporting quantified emission reductions includes all of our scope 1 and scope 2 emissions as defined by the GHG protocol, namely emissions from our corporate real estate and fleet scheme, as well as our scope 3 emissions from business travel. We also target meaningful impact across our supply chain but do this on a non-quantified basis due to limited data availability. Our boundary and approach remain subject to formal SBTi validation and have been developed in accordance with the latest methodology.

For sources of emissions within our proposed boundary, we have developed our implementation plan to deliver quantified emission reductions. This plan applies the decarbonisation hierarchy to prioritise strategies that help to avoid or reduce emissions where optionality exists. Implementation is already well underway and directly contributing progress year-on-year.

At a high-level the core emission reduction strategies are as follows:

- Corporate real estate – to rightsize offices against the needs of our people and invest in occupying energy efficient spaces. While we are typically one of several tenants in a building and do not have full operational control, we are working with both Deutsche Bank and landlords to ensure that all parties are investing in reducing the energy intensity of our office spaces. We have also made significant progress towards our target of sourcing 100% renewable electricity, and are on track to meet our commitment to 100% renewable energy across all locations in which we operate by 2025
- Corporate fleet scheme – to transition to a zero-carbon fleet latest by 2030. Changes to the fleet scheme that we participate in alongside Deutsche Bank and vehicles offered to employees have already seen a marked shift towards adoption of electric vehicles

compared with our baseline year, and we remain committed to ensuring a full transition by 2030
- Business travel – both to reduce the volume of travel undertaken and also to promote the adoption of greener modes of travel where possible. We also work to ensure that only essential travel is undertaken and have embedded emissions budgeting across all divisions.

Outside of our core emissions boundary we have also made meaningful progress in the following areas:

- Purchased goods and services – our vendors are subjected to ESG screening through a sustainability rating agency ahead of being engaged. Further due diligence assessment is to be performed for vendors with a sustainability risk that is high, or medium when we have a significant spend concentration. If results indicate environmental or human rights risks, we either will not work with them, or will require them to demonstrate greater action or commitment ahead of work commencing. This is one of several processes that support integration of the German Supply Chain Due Diligence Act in our third-party selection processes.
- Employee commuting – our employees are better equipped to adopt greener modes of transport, facilitated through initiatives such as the availability of “Deutschlandticket” for public transport in Germany, and a “bike2work” scheme that is offered in many of our locations.

A further key achievement in 2023 has been the successful completion of initial audits to obtain ISO 14001 Environmental Management Standard certification across three of our core office locations. This supports not only the emission reductions delivered, but also the robustness of processes we have implemented to ensure effective management of the impact of us doing business on our environment and stakeholders. We remain committed to increasing the quality of our processes going forward.

Finally, creating a climate-conscious culture continues to be a priority, and we are utilising both our “Sustainability Think Tank”, an employee-led sustainability forum, and “Sustainability Hub” as resources to share information, tools and offer voluntary staff training to enable educated decision-making across our people on how they can reduce their climate impact, both inside and outside of the office.

Risk Management

We made progress on the integration of adverse impacts in our risk management framework, sustainability risk management policy, and risk appetite statement.

TCFD Recommendations

a) Describe the organisation's processes for identifying and assessing climate-related risks.

b) Describe the organisation's processes for managing climate-related risks.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Risk Management

GRI 201-2

The integration of climate and other sustainability risks in the risk management framework is described in the Annual Report section 'Summarised Management Report – Risk Report – Risk Framework – Risk Management – Sustainability Risk and Adverse Impacts to the Environment and Society'. Sustainability risks, including climate-related risks, are considered in the main building blocks of the framework.

The following table contains physical and transitional climate risk factors considered within our climate-related risk assessments, where relevant:

Physical and transitional climate risk factors

Current and emerging regulation	Transitional climate risks due to existing and emerging regulation are considered in the assessment of risks at the corporate and portfolio level. This comprises regulations and industry-specific regulations, which can be relevant for the investment market risks of our portfolios.
Technology	Transitional climate risks from technological change and breakthroughs during the transition to a carbon-neutral economy. This is especially relevant when assessing the transitional climate risk of investee assets and companies at the portfolio level.
Legal	Legal risks at the corporate level are considered especially in the context of compliance with regulatory requirements for sustainable finance. Furthermore, legal risks may arise in the case of greenwashing. At the portfolio level, legal aspects related to climate change, such as litigation for contribution to climate change or for violating climate laws or regulation, may be relevant for investee companies and thus contribute to investment market risk.
Market	Transitional climate risks due to market changes are considered in the assessment of risks at the corporate and portfolio level. At the corporate level, changing client preferences in the consideration of climate risk and other sustainability aspects in investment products can lead to strategic risks. At the portfolio level, market expectations are particularly relevant as factors of investment market risks.
Reputation	The reputational aspects of climate risks are an important driver of reputational risks of our company. These risks can arise from investments in companies that are involved in activities perceived to be unsustainable, and potentially unsustainable practices by ourselves.
Acute and chronic physical climate events	At the corporate level, acute physical climate events are covered in contingency planning. At the portfolio level, acute physical climate events such as storms or floods can potentially damage or destroy assets and thus impact their value. Long-term physical climate change effects are especially relevant as a driver of investment market risk at the portfolio level.

The inclusion of selected quantitative indicators in our risk appetite statement aims to enable the management of climate related risks. An overview is provided below:

Overview of selected quantitative indicators in the risk appetite statement

ESG risk theme group	Qualitative Risk Appetite Statements	Example quantitative metrics
Adverse impacts	Strive to establish policies to limit and reduce the adverse impacts of our corporate activities, the activities of investee companies, real assets, clients or suppliers to the environment or the society. Where appropriate, engage with major investee companies, clients, suppliers, and other stakeholders, transform the product offering including underlying real assets.	Portfolio carbon emissions Selected sector exposures
Sustainability impacts on non-financial risks	We have no appetite for ESG-related regulatory and legal violations. While further ESG-related non-financial risks are inherent to our business strategy, we strive to avoid material impacts from sustainability factors on non-financial risk types – and aim to maintain an effective control environment to keep the risks "as low as reasonably possible".	Number of operational errors in processing ESG-related data Number of validated fraud incidents related to ESG matters
Sustainability impacts on financial and strategic risks	Establish effective processes to identify and assess ESG impacts on financial and strategic risks; consider such ESG impacts in the decision-making processes in line with our ESG strategy.	Achievement rate for sustainability KPIs
Sustainability impacts on investment risks	Strive to establish product level risk governance and risk appetite frameworks to ensure that sustainability risk taking is in line with the respective risk profile of the product or portfolio.	Number of funds with mismatch between sustainability risk profile and agreed risk appetite, where an escalation was required

The 'Risk Report' describes how sustainability risks, including climate-related risks are considered in the risk management processes for the different risk types.

Risk management processes on corporate level for financial and non-financial risk management processes consider climate-related risks, where relevant. For more information, please refer to the Annual Report sections 'Summarised Management Report – Risk Report –

Financial Risk' and 'Summarised Management Report – Risk Report – Non-Financial Risk' for more details.

In the fiduciary sustainability risk process for liquid asset classes, as described in Annual Report section in the 'Summarised Management Report – Risk Report – Fiduciary Investment Risk – Fiduciary Investment Risk (Traditional Asset Classes)', the climate risk profile of a portfolio is identified and assessed considering the DWS Climate Transition Risk Assessment as well as the DWS Norm Controversy Assessment (including climate-related controversies). In addition, selected climate-related signals were considered within counterparty risk and issuer concentration risk processes.

The approach for fiduciary sustainability risk management in alternative asset classes described in the Annual Report section 'Summarised Management Report – Risk Report – Fiduciary Investment Risk –Fiduciary Investment Risk (Alternative Asset Classes)' includes the identification and assessment of climate factors, where relevant for the asset class.

Metrics and Targets

We received a CDP score of B, in line with our ambition.

We significantly increased our corporate engagements and proxy voting activities in EMEA and APAC.

We are reporting absolute scope 3 portfolio emissions for the first time.

TCFD Recommendations

a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

b) Disclose scope 1, scope 2, and, if appropriate, scope 3 GHG emissions, and the related risks.

c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Metrics and Targets

GRI 305-5

We have separated our group level metrics into three categories:

- **Business metrics:** these metrics help measure our sustainability performance and achievement of our sustainability strategy.
- **Corporate emissions metrics:** these metrics are used to oversee our operational net zero strategy.
- **Portfolio emissions metrics:** these metrics provide transparency of the emissions from our portfolio companies in the context of our NZAM commitment. They are used to oversee our portfolio net zero strategy.

Our most important metrics are defined as Sustainability KPIs, as reported in the Annual Report section 'Summarised Management Report – Our Responsibility – Sustainable Action'.

In addition, in this section we disclose details of metrics used at investment level and metrics covering SBTi/TPI portfolio alignment.

Business metrics

Metric	Definition	How this relates to our climate strategy, risks and opportunities	Full year 2021	Full year 2022	Full Year 2023	Medium-term ambition
ESG AuM[1]	Products that meet our definition of ESG AuM	Growing our ESG AuM represents a business opportunity for us to deliver sustainable solutions to meet client demand.	€ 115.2 bn.	€ 117.0 bn.	€ 133.5 bn.	Continue to grow our ESG AuM through a combination of flows into existing products, flows into new products and supporting the transfer by existing clients of their assets from non-ESG products into ESG products
Corporate engagements	Number of corporate engagements addressing ESG and additional topics	Through engagements and voting we can exert influence in our investee companies. We seek to assess their climate-related risks and opportunities, reduce their emissions, and strengthen their climate disclosures.	581	532	624	Conduct 475 or more corporate engagements per annum by 2024
Proxy voting: number of companies voted (EMEA and APAC)	Number of companies whose meetings we submitted votes at.		2,426	2,897	4,068	N/A
Proxy voting: number of companies voted (US)			6,879	6,777	6,791	
Sustainability rating	CDP score measures our disclosures, awareness and management of environmental risks and best practices associated with environmental leadership.	The CDP score acts as a mechanism to drive improvements in our disclosures and environmental performance in relation to climate-related risks and opportunities.	B	A-	B	Maintain or improve our CDP (Climate change) B score by 2024

[1] As of period end. For details on ESG product classification, please refer to the Annual Report section 'Summarised Management Report – Our Responsibility – Our Product Suite'.

Corporate emissions metrics

Metric	Definition	How this relates to our climate strategy, risks and opportunities	Full year 2021	Full year 2022	Full Year 2023	Medium-term ambition
Energy consumption[1]	% reduction in total energy consumption measured in GWh compared to 2019 baseline	For more details, please refer to 'Our Progress towards Portfolio Net Zero' and 'Becoming and Maintaining Operational Net Zero'	(21)%	(28)%	(33)%	N/A
Electricity from renewable energy sources[1]	Electricity consumption from renewable energy sources in GWh/total electricity consumption in GWh.		95%	96%	97%	
Scope 1 and 2 operational emissions[1]	% reduction in scope 1 and 2 emissions compared to 2019 baseline. KPI is tracked as part of our net zero commitment to reduce our operational emissions by 2030.		N/A	(63)%	(64)%	Achieve a minimum 46% reduction of in-scope operational emissions by 2030 compared to base year 2019 (aligned to our 2030 interim net zero target)
Scope 3 operational emissions (travel – air and rail)[1, 2]	% reduction in air and rail travel emissions compared to a 2019 t/CO_2 baseline. KPI is tracked as part of our net zero commitment to reduce our operational emissions by 2030.		N/A	(52)%[3]	(42)%	
Absolute scope 1 emissions[4]	Scope 1 emissions are direct emissions from owned or controlled sources.		1,243	976	889	N/A
Absolute scope 2 emissions (market-based)[4]	Scope 2 emissions are indirect emissions from the generation of purchased energy. For us this primarily relates to our corporate real estate.		1,451	1,218	1,237	
Absolute scope 2 emissions (location-based)[4]			5,614	5,265	6,208	
Absolute scope 3 operational emissions (travel – air and rail)[4]	Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in our value chain. For us we currently report scope 3 emissions for business travel (air and rail).		767	3,356	4,020	

[1] DWS Group scope 1 and 2 operational emissions and scope 3 rail emissions are determined on a pro-rata average number of effective staff employed (full-time equivalent) basis from Deutsche Bank Group data.
[2] DWS Group flight data is sourced from Deutsche Bank Group and the associated air emissions are calculated using Deutsche Bank Group methodology.
[3] Prior year data updated due to revised methodology (previously (50%)).
[4] Measured in tCO_2e.

Portfolio emissions metrics

Metric	Definition	How this relates to our climate strategy, risks and opportunities	Full year 2021	Full year 2022	Full Year 2023	Medium-term ambition
Scope 3 portfolio emissions (net zero) – inflation adj. WACI	Cumulative inflation-adjusted change in the WACI of the assets in scope of the NZAM commitment compared to our baseline year 2019	For more details, please refer to 'Our Progress towards Portfolio Net Zero' and 'Becoming and Maintaining Operational Net Zero'	N/A	(6.3)%[1]	(5.2)%[2]	Achieve a 50% reduction in the inflation-adjusted WACI related to scope 1 and 2 portfolio emissions by 2030 compared to base year 2019 (aligned to our 2030 interim net zero target)
Assets in scope of net zero (in %)	The % of total AuM covered by the NZAM commitment		35.4%	38.6%	36.9%	
Assets in scope of net zero (in € bn.)	The € value of AuM covered by the NZAM commitment		€ 281.2 bn.	€ 358.0 bn.	€ 302.9 bn.	
Absolute scope 3 portfolio emissions (in tCO_2e)	Scope 3 portfolio emissions refers to the scope 1 and 2 emissions of the companies and assets within our investment portfolios. For us the scope of data includes listed equities, corporate bonds and direct real estate		N/A	33,463,924[3]	30,232,159[4]	N/A
SBTi portfolio coverage	Proportion of liquid equity and bond assets that have committed to develop or have an approved Science Based Target (SBT)		41.3%	51.0%	48.8%	

[1] Refers to our AuM at the end of 2021 and emissions for 2020 compared to baseline year 2019. Further details available in the Net Zero Annual Disclosure Base Year 2020 report (https://www.dws.com/AssetDownload/Index?assetGuid=96bf52fa-b9cf-42fc-84c9-141abbacb531&consumer=E-Library).
[2] Refers to our AuM at the end of 2022 and emissions for 2021 compared to baseline year 2019. Further details are available in the Net Zero Annual Disclosure Base Year 2021 report (https://www.dws.com/AssetDownload/Index?assetGuid=242d5412-cf67-4ca6-a363-7b70d585bfef&consumer=E-Library).
[3] Refers to our emissions for 2020 based on an Enterprise Value including Cash approach. Overall the emissions data for 58% (portfolio coverage) of total DWS AuM as of year-end 2021 has been considered for the calculation of this metric.
[4] Refers to our emissions for 2021 based on an Enterprise Value including Cash approach. Overall the emissions data for 57% (portfolio coverage) of total DWS AuM as of year-end 2022 has been considered for the calculation of this metric.

Note: The Adjusted WACI is currently only calculated for liquid in-scope AuM where carbon data is available from our current vendors.

Fiduciary Sustainability Risk related Metrics for Liquid Asset Classes

We have established a fiduciary portfolio sustainability risk governance process to identify, measure, manage and report climate-related risks for our funds, as described in the 'Risk Management' section. The portfolio-level metrics are being checked regularly against fund specific sustainability risk appetites. Given that the results of these metrics are being monitored on product level, they cannot be represented meaningfully in an aggregated manner at Group level.

Fund level metrics: definitions and usage

Metric	Definition	How this relates to our climate strategy, risks and opportunities
Market-weight Exposure to ESG laggards (%)	A fund's allocation to ESG laggard companies related to Climate Transition Risk and Norm Controversies. Measured on absolute or relative base depending on benchmark definition.	Having an independent governance framework in place to ensure fund-specific control of exposure and risk taking versus defined sustainability risk appetites is helping to strengthen our funds' climate risk and opportunities profile while not violating our fiduciary duties to our clients.
Risk contribution to ESG laggards (%)	A fund's risk contribution to ESG laggard companies related to Climate Transition Risk and Norm Controversy. Measured on absolute or relative base depending on benchmark definition.	

Asset Management Supplemental Metrics

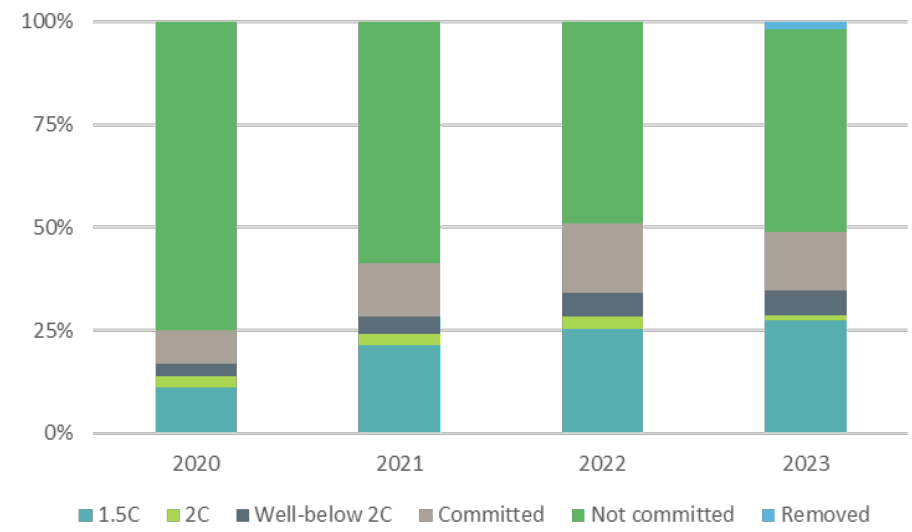
In line with the supplemental guidance by TCFD to provide metrics considered in investment decisions and monitoring, we have been tracking our portfolio's SBTi and Transition Pathway Initiative (TPI) coverage since 2020.

We note that there is no market agreement on the "right" forward looking climate benchmarks.

Portfolio Coverage of Companies with Science-Based Targets (SBTs)

Our liquid asset portfolio coverage of companies with Science Based Targets (SBT) was assessed across equities and corporate bonds in Active, Passive and Liquid Real Assets, which together are 61% of our total AuM as of end of 2023. Data on status of companies' SBT is part of the DWS ESG Engine. A rapidly growing number of publicly listed and private companies are committing to the SBTi. In 2023, SBTi removed some companies from their database that had not submitted their net zero target to the SBTi for validation within 24 months of their commitment to develop a science based target. As of 2023, 49% of liquid equity and bond assets had committed to develop or had an approved SBT. In 2020 only 25% of our portfolio had committed to set or had a validated SBT.

Our SBTi portfolio coverage over time



Source: DWS, SBTi; 2023.

The SBTi portfolio coverage analysis is different from our interim net zero target framework, which includes equities, corporate bonds, and Liquid Real Assets. Also note that our net zero target framework includes many direct real estate and infrastructure investments, primarily in mutual funds, but also in selected individually managed institutional accounts.

The net zero target framework excludes assets of legal entities in geographic locations that have known regulatory requirements regarding any change to investment processes, including the requirement to obtain approval from independent fund boards regarding the inclusion of assets within the framework. While the net zero framework has these exclusions, the SBTi portfolio coverage analysis in the Annual Report includes assets held in all equities, corporate bonds, and Liquid Real Assets across all mutual funds and mandates globally.

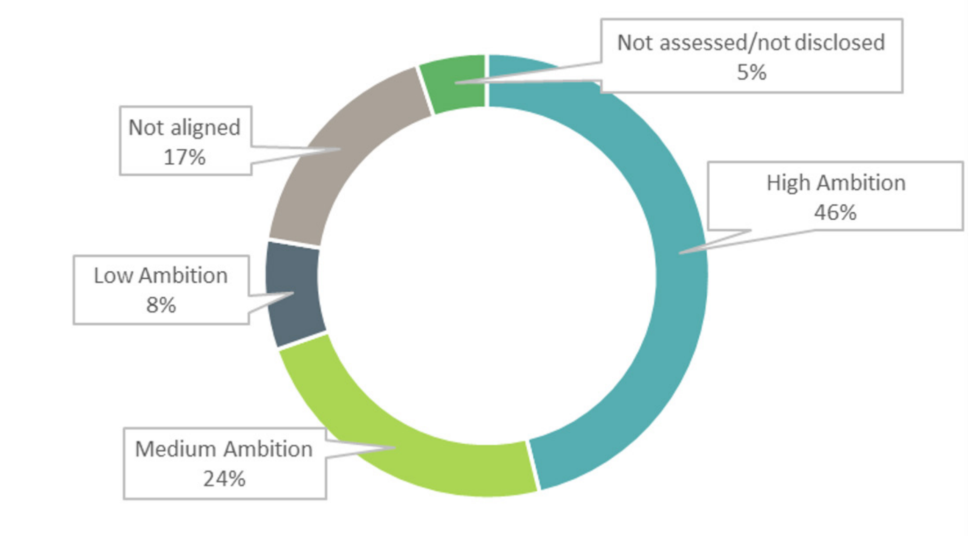
Forward-Looking Benchmark: Transition Pathway Initiative's Sectoral Decarbonisation Benchmarks

To follow TCFD's recommendation to disclose performance against a forward-looking benchmark, we use the asset owner led Transition Pathway Initiative (TPI) Carbon Performance in 2050. We are a supporter of the Transition Pathway Initiative, and the initiative's data is included in the data used by the DWS ESG Engine. While commitment to a SBT is an important step for a company, evaluation is also needed on whether a company is making progress towards their target. Transition Pathway Initiative's carbon performance metrics focus on how company plans compare to the targets of the Paris agreement. The evaluation uses International Energy Agency (IEA) modelling to translate emissions targets into benchmarks by sectors, against which the performance of individual companies can be compared. This methodology is known as the Sectoral Decarbonisation Approach. We acknowledge that there are some differences between the Transition Pathway Initiative's and SBTi's benchmarks, but the Transition Pathway Initiative states that both models have their merits. We expect that forward looking carbon metrics will continue to evolve.

The Transition Pathway Initiative analysis currently focuses on the largest companies in the most carbon intensive sectors. The Transition Pathway Initiative continued to update their Carbon Performance methodologies in 2023, making the Transition Pathway Initiative disclosure in our prior Climate Reports not directly comparable.

The Transition Pathway Initiative assessed companies in our equities and corporate bonds in Active, Passive and Liquid Real Assets representing USD 50 billion AuM, representing some of the most carbon intensive companies in our portfolio. As the Transition Pathway Initiative's analysis of companies and sectors expands, this will cover more of our portfolio over time. Within these holdings, 46% of the investments are in companies with an emissions trajectory that has a strong climate ambition, 24% medium ambition, 8% low ambition with 17% not aligned.

Transition Pathway Initiative (TPI) carbon performance assessment 2050 of our most carbon intensive liquid AuM



Source: DWS, TPI 2023.

Additional Disclosures Investment Firm Regulation (EU) 2019/2033

IFR Articles 49(1)(a,c), 52(a-d)

Disclosure of Regulatory Own Funds by Investment Firms

Composition of regulatory own funds (Template EU IF CC1.01)[1]

		(a)	(b)
		Amounts in € m.	Source based on reference numbers/letters of the balance sheet in the audited financial statements
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	OWN FUNDS	3,062	
2	TIER 1 CAPITAL	3,062	
3	COMMON EQUITY TIER 1 CAPITAL	3,062	
4	Fully paid up capital instruments	200	Consolidated Balance Sheet, Shareholders' Equity, Item 1
5	Share premium	3,440	Consolidated Balance Sheet, Shareholders' Equity, Item 2
6	Retained earnings	3,348	Consolidated Balance Sheet, Shareholders' Equity, Item 3
7	Accumulated other comprehensive income	293	Consolidated Balance Sheet, Shareholders' Equity, Item 4
8	Other reserves	0	
9	Minority interest given recognition in CET1 capital	0	
10	Adjustments to CET1 due to prudential filters	(44)	
11	Other funds	0	
12	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(4,175)	
13	(-) Own CET1 instruments	(29)	
14	(-) Direct holdings of CET1 instruments	0	
15	(-) Indirect holdings of CET1 instruments	0	
16	(-) Synthetic holdings of CET1 instruments	(29)	
17	(-) Losses for the current financial year	0	
18	(-) Goodwill	(2,885)	Consolidated Balance Sheet, Assets, Item 8
19	(-) Other intangible assets	(585)	Consolidated Balance Sheet, Assets, Item 8 and Liabilities, Item 8
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	(129)	
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	0	
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0	
23	(-) CET1 instruments of financial sector entites where the institution does not have a significant investment	(113)	
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment	(422)	Consolidated Balance Sheet, Assets, Item 4
25	(-)Defined benefit pension fund assets	(10)	
26	(-) Other deductions	(3)	
27	CET1: Other capital elements, deductions and adjustments	0	

[1] This table should be read together with the disclosure note on regulatory own funds (refer to section ‘Our Performance Indicators – Our Financial Position – Regulatory Own Funds’).

Own funds: reconciliation of regulatory own funds to our balance sheet (Template EU IF CC2)

		a	b	c
		Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross reference to EU IF CC1
		As at period end in € m.	As at period end in € m.	
	Assets – Breakdown by asset classes according to the balance sheet in the published/audited financial statements			
1	Cash and bank balances	1,414	1,363	
2	Financial assets at fair value through profit or loss	4,868	2,933	
3	Financial assets at fair value through other comprehensive income	82	82	
4	Equity method investments	420	420	
5	Loans at amortized cost	4	9	
6	Property and equipment	24	24	
7	Right-of-use assets	135	135	
8	Goodwill and other intangible assets	3,694	3,694	Items 18, 19
9	Assets held for Sale	0	0	
10	Other assets	839	828	
11	Assets for current tax	108	107	
12	Deferred tax assets	95	95	
13	**Total Assets**	**11,683**	**9,689**	

		a	b	c
		Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross reference to EU IF CC1
		As at period end in € m.	As at period end in € m.	
	Liabilities – Breakdown by liability classes according to the balance sheet in the published/audited financial statements			
1	Financial liabilities at fair value through profit or loss	633	148	
3	Other short-term borrowings	8	5	
4	Lease liabilities	152	152	
5	Liabilities held for sale	0	0	
6	Other liabilities	2,800	1,300	
7	Provisions	50	50	
8	Liabilities for current tax	21	22	
9	Deferred tax liabilities	202	202	Item 19
10	Long-term debt	0	35	
11	**Total Liabilities**	**3,866**	**1,914**	
	Shareholders' Equity			
1	Common shares, no par value, nominal value of EUR 1	200	200	Item 4
2	Additional paid-in capital	3,440	3,440	Item 5
3	Retained earnings	3,857	3,829	Item 6
4	Accumulated other comprehensive income (loss), net of tax	293	293	Item 7
5	**Total Shareholders' equity**	**7,791**	**7,763**	
6	Non-controlling interests	26	12	
7	**Total equity**	**7,817**	**7,775**	

Disclosure of Investment Policy by Investment Firms

Proportion of Voting Rights

Template on proportion of voting rights (Template IF IP1)

Country	Economic sector	Company name	Company Identifier (LEI)	Proportion of voting rights attached to shares held directly or indirectly as set out in Article 52 (2) IFR
a	b	c	d	e
Germany	17 – Finance, insurance and real estate	BROCKHAUS TECHNOLOGIES AG (FORMERLY KNOWN AS BROCKHAUS CAPITAL MGMT AG)	5299007DQ4OLATJQIX97	7.56
Germany	24 – Personal service-, administrative support service- and security and investigation activities	AMADEUS FIRE AG	391200TJJ820ZDHNFJ33	9.99
Germany	19 – Manufacturing of electrical equipment, computer, electronic and optical products	JENOPTIK AG	529900P34GDHGXK6VB37	5.03
Germany	23 – Media	Scout24 SE	5493007EIKM2ENQS7U66	5.10
Germany	11 – Wholesale and retail trade, renting and leasing	SIXT SE	5299004ZME6CSBR7WP07	5.01
Germany	22 – Manufacturing of Transport Equipment	FUCHS SE	529900SNF9E1P5ZO4P98	5.00
Germany	16 – Energy and water supply, sewerage and waste management	SFC Energy AG	3912003HZPSTWYICYA50	5.82

Voting Behaviour

Table on the description of voting behaviour (Template IF IP2.01)

Row	Item	Value
1	Number of relevant companies in the scope of disclosure	7
2	Number of general meetings in the scope of disclosure during the past year	7
3	Number of general meetings in the scope of disclosure in which the firm has voted during the past year	7
4	Does the investment firm inform the company of negative votes prior to the general meeting?	If we hold a significant position and decide to vote against a management proposal, we may in principle inform the company in advance. We are with some of the companies in an ongoing active dialogue.
5	Proportion of in-person vote used by the firm	0%
6	Proportion of vote by mail or electronic vote used by the firm	100%
7	On a consolidated basis, does the investment firm group possess a policy regarding conflicts of interests between relevant entities of the group?	Yes
8	If yes, summary of this policy	The policy sets out the DWS's arrangements in connection with the identification, documentation, escalation and management of conflicts of interest. DWS seeks to ensure that a conflict of interest does not adversely affect the interests of Clients, DWS, its shareholders or other stakeholders through the identification, prevention or management of the conflict of interest. Conflicts of interest can arise in many contexts, some of which may arise from belonging to the DWS Group and Deutsche Bank Group. A Conflict of Interest under this policy includes both an actual Conflict of Interest (i.e. a Conflict of Interest that has arisen) and a potential Conflict of Interest (i.e. a Conflict of Interest that may arise given particular facts and circumstances). It also includes a perceived Conflict of Interest (i.e. a situation which may give rise to the perception of a Conflict of Interest), even where a Conflict of Interest may not in fact exist.

Template on voting behaviour (Template IF IP2.02)

Row	Item	Value	Percentage
1	**General meetings resolutions:**		
2	the firm has approved	40	45
3	the firm has opposed	42	48
4	in which the firm has abstained	6	7
5	General meetings in which the firm has opposed at least one resolution	7	55

Table on explanation of the votes (Template IF IP2.03)

Row	Item	Value
1	Departments or roles in the investment firm that take part in deciding a voting position	Investment Platform and CIO for Responsible Investment
2	Description of the validation process for negative votes	We utilize the services of two Proxy Voting Advisors: Institutional Shareholder Services Europe Limited ("ISS") and IVOX Glass Lewis GmbH. Both service providers analyse general meetings and their agendas based on our dedicated proprietary "Corporate Governance and Proxy Voting Policy"and provide us with voting recommendations and their rationals. IVOX Glass Lewis provides us with recommendations for the general meetings of German-listed companies only, while ISS covers international general meetings and provides us with a online platform to support our proxy voting process. All relevant items on the agenda of shareholder meetings of Investee Companies are examined individually and, where necessary, the above-mentioned departments decide on issues on a case-by-case basis in the best interest of our clients. In case the voting analyst wishes to diverge from the Corporate Governance and Proxy Voting Policy, there is a Proxy Voting Group, a committee which advises on the proposal to diverge. The chair of the Proxy Voting Group is the ultimate decision making body.
3	Number of full time equivalents used to analyse resolutions and examine voting records, excluding external resources such as proxy advisor firms	More than 50 FTEs are currently in the internal voting process involved.
4	Explanation of any material change in the rate of approval	N/A
5	List of publicly available investment policy documents describing the investment firm's objectives	https://www.dws.com/AssetDownload/Index?assetGuid=501ac2a6-2703-468a-a3b6-99d754b34749&consumer=E-Library For further information please refer to section 'Our Investment Approach'
6	If relevant, certification of the firm's investment policy	Not available

Template on voting behaviour in resolutions by theme (Template IF IP2.04)

Row	Item	Voted for	Voted against	Abstained	Total
1	**Voted resolutions by theme during the past year:**	**40**	**42**	**6**	**88**
2	Board structure	16	26	0	42
3	Executive remuneration	4	6	1	11
4	Auditors	5	1	1	7
5	Environment, social, ethics	0	0	0	0
6	Capital transactions	5	1	0	6
7	External resolutions	0	0	0	0
8	Other	10	8	4	22

Template on the ratio of approved proposals (Template IF IP2.05)

Row	Item	Value
1	Percentage of resolutions put forward by the administrative or management body that are approved by the firm	40
2	Percentage of resolutions put forward by shareholders that are approved by the firm	N/A

Proxy Advisor Firms

Table on the list of proxy advisor firms (Template IF IP3.01)

Name of proxy advisor firm	Identifier of proxy advisor firm	Contract type	Investments associated with the proxy advisor firm	Themes of resolutions in which the proxy firm gave voting recommendations in the past year
a	b	c	d	e
Institutional Shareholder Services Europe Limited (ISS)	Not available	Voting recommendations	DWS holds investments in Deutsche Börse Group, the parent company of ISS	Board structure, Executive compensation, auditors, shareholder rights
IVOX Glass Lewis GmbH	Not available	Voting recommendations		Board structure, Executive compensation, auditors, shareholder rights

Table on the links with proxy advisor firms (Template IF IP3.02)

Name of proxy advisor firm	Identifier of proxy advisor firm	Relevant undertakings with which the proxy advisor firm has links	Type of link	If relevant, policy regarding conflicts of interests with the proxy advisor firm
a	b	c	d	e
		N/A		

Voting Guidelines

Table on voting guidelines (Template IF IP4)

Voting guidelines regarding the companies the shares of which are held in accordance with Art. 52 (2): short general summary and, if needed, links to non-confidential documents
We have two separate corporate governance and proxy voting policies and processes in place. One for the three pooled legal entities in EMEA (DWS Investment GmbH, DWS International GmbH, DWS Investment S.A.) and one for DWS Americas, due to different market and regulatory practices. All information provided above for the 7 companies is concerning the holdings of DWS Investment GmbH and the Corporate Governance and Proxy Voting Policy. The policy for EMEA legal entities can be found here: https://www.dws.com/en-gb/solutions/sustainability/corporate-governance/) Download “Corporate Governance and Proxy Voting Policy (2023)”; the policy for DWS in the US can be found here: https://www.dws.com/en-us/resources/proxy-voting/ – download “Proxy Voting Policy and Guidelines”.

Full Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation (EU) 2021/2178

The following section is part of the independent, limited assurance engagement performed by KPMG. The Independent Practitioner's Reports can be found in the 'Consolidated Financial Statements – Independent Auditor's Report'.

Annex IV Delegated Regulation (EU) 2021/2178

Our KPI

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:[1]		The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below:[1]	
Turnover-based in %	0.8	Turnover-based in € m.	6,201
CapEx-based in %	1.6	CapEx-based in € m.	12,057

The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities:[1,2]		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.[1]	
Coverage ratio in %	85.0	Coverage in € m.	734,382

[1] Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure. Excluding investments in central governments, central banks and supranational issuers.
[2] Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure.

Qualitative Disclosures

Additional, Complementary Disclosures: Breakdown of Denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI:[1,2]		The value in monetary amounts of derivatives:[1,2]	
Derivatives in %	0.3	Derivatives in € m.	1,870

The proportion of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:[1]		Value of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:[1]	
For non-financial undertakings in %	6.4	For non-financial undertakings in € m.	46,872
For financial undertakings in %	1.9	For financial undertakings in € m.	13,634

The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:[1]		Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:[1]	
For non-financial undertakings in %	39.7	For non-financial undertakings in € m.	291,671
For financial undertakings in %	9.8	For financial undertakings in € m.	71,661

The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:[1]		Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:[1]	
For non-financial undertakings in %	11.6	For non-financial undertakings in € m.	85,009
For financial undertakings in %	5.1	For financial undertakings in € m.	37,492

The proportion of exposures to other counterparties and assets over total assets covered by the KPI:[1]		Value of exposures to other counterparties:[1]	
Other counterparties in %	12.5	Other counterparties in € m.	91,554

The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI:[1]		Value of all the investments that are funding economic activities that are not taxonomy-eligible:[1]	
Taxonomy non-eligible turnover in %	76.1	Taxonomy non-eligible turnover in € m.	558,859

The value of all the investments that are funding taxonomy-eligible economic activities, but not taxonomy-aligned relative to the value of total assets covered by the KPI:[1]		Value of all the investments that are funding Taxonomy-eligible economic activities, but not taxonomy-aligned:[1]	
Taxonomy-eligible turnover in %	9.9	Taxonomy-eligible turnover in € m.	72,835

[1] Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure. Excluding investments in central governments, central banks and supranational issuers.
[2] Derivatives evaluation is based on market value.

Additional, Complementary Disclosures: Breakdown of Numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:[1]		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:[1]	
For non-financial undertakings: Turnover-based in %	0.8	For non-financial undertakings: Turnover-based in € m.	6,191
For non-financial undertakings: CapEx-based in %	1.6	For non-financial undertakings: CapEx based in € m.	11,993
For financial undertakings: Turnover-based in %	0.0	For financial undertakings: Turnover-based in € m.	10
For financial undertakings: CapEx based in %	0.0	For financial undertakings: CapEx based in € m.	63

The proportion of taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:[1]		Value of taxonomy-aligned exposures to other counterparties:[1]	
Turnover-based in %	0.0	Turnover-based in € m.	0
CapEx-based in %	0.0	CapEx-based in € m.	0

[1] Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure. Excluding investments in central governments, central banks and supranational issuers.

Breakdown of the Numerator of the KPI per Environmental Objective – Taxonomy-aligned Activities

(1) Climate change mitigation[1]			
Turnover – Total in %	0.6	Turnover – Transitional in %	0.0
		Turnover – Enabling in %	0.3
CapEx – Total in %	1.1	CapEx – Transitional in %	0.1
		CapEx – Enabling in %	0.5
(2) Climate change adaption[1]			
Turnover – Total in %	0.0	Turnover – Enabling in %	0.0
CapEx – Total in %	0.0	CapEx – Enabling in %	0.0
(3) The sustainable use and protection of water and marine resources[2]			
Turnover – Total in %	N/A	Turnover – Enabling in %	N/A
CapEx – Total in %	N/A	CapEx – Enabling in %	N/A
(4) The transition to a circular economy[2]			
Turnover – Total in %	N/A	Turnover – Enabling in %	N/A
CapEx – Total in %	N/A	CapEx – Enabling in %	N/A
(5) Pollution prevention and control[2]			
Turnover – Total in %	N/A	Turnover – Enabling in %	N/A
CapEx – Total in %	N/A	CapEx – Enabling in %	N/A
(6) The protection and restoration of biodiversity and ecosystems[2]			
Turnover – Total in %	N/A	Turnover – Enabling in %	N/A
CapEx – Total in %	N/A	CapEx – Enabling in %	N/A

[1] Based on actuals and the Group's AuM as defined for the purpose of Article 8 Taxonomy Regulation disclosure. Excluding investments in central governments, central banks and supranational issuers.
[2] Not included in Taxonomy-alignment disclosure according to Article 10 (7) Delegated Regulation.

Annex XI Delegated Regulation (EU) 2021/2178 – Qualitative Disclosures

The KPI reporting for financial undertakings is to be accompanied by the qualitative disclosure provisions contained in Annex XI of the Delegated Regulation to support the financial undertakings' explanations and markets' understanding of the reported KPI.

Contextual Information in Support of the Quantitative Indicators, on the Scope of Assets, Data Sources and Limitations

To support comprehensibility of the quantitative information disclosed above and facilitate comparability with KPI disclosed by other asset managers, we provide the following explanatory information in addition to the qualitative information provided in the Taxonomy section of the 'Summarised Management Report – Complementary Information – Disclosures in Accordance with Article 8 Taxonomy Regulation and Delegated Regulation (EU) 2021/2178'.

Data Sources

We used data from external data service providers for our Article 8 Taxonomy Regulation reporting.

For our Illiquid businesses, data sources used include external counterparties such as investee companies and fund managers. To determine Taxonomy-alignment of the directly managed Real Estate assets we use mainly external data.

Investments in Non-NFRD Undertakings

Investments in Non-NFRD Undertakings are excluded from the numerator of the KPI in accordance with Article 7 (3) Delegated Regulation for assessment of Taxonomy-alignment.

Investments in Other Counterparties

We disclose investments in structured products and funds, where look-through data was not available as investments in other counterparties.

Treatment of Derivatives

In accordance with Article 7 (2) Delegated Regulation, we excluded derivatives from the numerator of our KPI. Further, we use the market value of the derivatives instead of the notional value for the calculation of the AuM as defined for the purpose of Article 8 Taxonomy Regulation reporting.

Annex XII Delegated Regulation (EU) 2021/2178

Template 1 Nuclear and Fossil Gas Related Activities

Nuclear energy related activities[1]		
1	The undertaking carries out, funds or has exposures to research, development,demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	Yes
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Fossil gas related activities[1]		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

[1] Based on a NACE industry classification code review, such exposure cannot be ruled out with certainty.

Annex XI Delegated Regulation – Qualitative Disclosures

The KPI reporting for financial undertakings is to be accompanied by the qualitative disclosure provisions contained in Annex XI of the Delegated Regulation to support the financial undertakings' explanations and markets' understanding of the reported KPI.

Contextual Information in Support of the Quantitative Indicators, on the Scope of Assets, Data Sources and Limitations

We aim to comply with the additional reporting requirements of Annex XII Delegated Regulation referring to nuclear and fossil gas related economic activities covered by the Taxonomy Regulation. However, the calculation of meaningful KPI is subject to the availability of sufficient reported data for our investments. Due to the limited availability of relevant data at the date of publication of this Annual Report, we report each nuclear and fossil gas activity listed in template 1 of Annex XII Delegated Regulation (Nuclear and fossil gas related activities) with "yes", as we cannot rule out exposure to such activities. However, we have not included the information on Taxonomy-alignment, Taxonomy-eligibility, and Taxonomy-non-eligibility of our investments in the nuclear and fossil gas activities covered by the Taxonomy Regulation as per Annex XII Delegated Regulation in this Annual Report.

Declaration of Backing

DWS Group GmbH & Co. KGaA with its business address at Mainzer Landstrasse 11-17, 60329 Frankfurt am Main ensures, except in the case of political risk, that the following subsidiaries are able to meet their contractual liabilities:

DWS Investment GmbH, Frankfurt
DWS Investment S.A., Luxembourg

Glossary

Term	Meaning
AFC	Anti-Financial Crime
AI	Artificial intelligence
AIF	Alternative Investment Fund
AIFMD	Alternative Investment Fund Managers Directive
AktG	German Stock Corporation Act (Aktiengesetz)
APAC	Asia-Pacific
API	Application Programming Interface
AuM	Assets under Management
BaFin	German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht)
BGB	German Civil Code (Bürgerliches Gesetzbuch)
BVV	BVV Insurance Association of the Banking Industry (BVV Versicherungsverein des Bankgewerbes a.G.)
CAGR	Compound Annual Growth Rate
CAO	Chief Administration Officer
CapEx	Capital expenditure
CDP	Former Carbon Disclosure Project: Sustainability rating with focus on climate change
CEO	Chief Executive Officer
CET 1	Common Equity Tier 1
CFO	Chief Financial Officer
CIO	Chief Investment Officer
CIR	Cost-income ratio
Climate Action 100+	Investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change
Climate neutral	The concept of climate neutrality refers to a state where human activities result in no net effect on the climate system. To achieve such a state, relevant bio-geophysical changes due to human activities (e. g., changes to earth's surface reflectivity or a regional water system) would need to be avoided and net zero emissions would need to be achieved. For reference see https://sciencebasedtargets.org/resources/files/foundations-for-net zero-full-paper.pdf
CO_2	Carbon dioxide
Company	DWS Group GmbH & Co. KGaA, a German partnership limited by shares (Kommanditgesellschaft auf Aktien)
COO	Chief Operating Officer
COVID-19	Corona Virus Disease 2019
CRO	Chief Risk Officer
CRR/CRD IV	Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation – CRR) and Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirement Directive IV – CRD IV)
CSR	Corporate social responsibility
CSRD	Corporate Sustainability Reporting Directive

Term	Meaning
CTR	Climate and Transition Risk Assessment – Our ESG Engine enables a tailored ESG advisory offering to our institutional clients. A key component is the in-house Climate and Transition Risk Assessment.
CVaR	Climate Value at Risk
DBO	Defined Benefit Obligation
DCF	Discounted cash-flow method
DE&I	Diversity, Equity and Inclusion
Delegated Regulation	Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation
Deutsche Bank Group	Deutsche Bank AG and its subsidiaries
DWS Group	DWS Group GmbH & Co. KGaA and its subsidiaries
DWS KGaA	DWS Group GmbH & Co. KGaA
ECB	European Central Bank
ECL	Expected credit losses
EEA	European Economic Area
EEO-1	Employment Information Report that some companies are required to submit to the United States Equal Employment Opportunity Commission
EMEA	Europe, Middle East and Africa
EntgTranspG	German Remuneration Transparency Act (Entgelttransparenzgesetz)
ESEF	European Single Electronic Format
ESG	Environmental, Social and Governance
ESG Engine	The DWS ESG Engine is a proprietary software system that combines the different perspectives and approaches of five leading external data providers
ESG Framework	Framework for ESG product classification or disclosure
ETF	Exchange traded fund
EU	European Union
Fed	Federal Reserve Bank
FTE	Employee figure calculated on a full-time equivalent basis, meaning we include proportionate numbers of part-time employees.
FüPoG	German Gender Quota Law/German Executives Positions Act (Führungspositionengesetz)
FX	Foreign exchange
GCGC	German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK)
GDP	Gross Domestic Product
GHG	Greenhouse gas
GRESB	Global Real Estate Sustainability Benchmark
GRI	Global Reporting Initiative
Group	DWS Group GmbH & Co. KGaA and its subsidiaries

Term	Meaning
GWh	Gigawatt hour
HGB	German Commercial Code (Handelsgesetzbuch)
HR	Human Resources
HRB	Number in section B of the German Commercial Register; incorporated companies are covered in section B of the register
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IDW	Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer)
IFD	Directive (EU) 2019/2034 on the prudential supervision of investment firms (Investment Firm Directive)
IFR	Regulation (EU) 2019/2033 on the prudential requirements of investment firms (Investment Firm Regulation)
IFRS	International Financial Reporting Standards
InstVV	Institutional Compensation Ordinance (Institutsvergütungsverordnung)
IPO	Initial Public Offering
ISS	Institutional Shareholder Services
IT	Information Technology
K-factor	K-factors means own funds requirements for risks that an investment firm poses to clients, markets and to itself
K-ASA	K-factor related to assets safeguarded and administered
K-AuM	K-factor related to assets under management
K-COH	K-factor related to client orders handled
K-NPR	K-factor related to net position risk
KPI	Key performance indicator
KPMG AG	KPMG AG Wirtschaftsprüfungsgesellschaft (Berlin)
KWG	German Banking Act (Kreditwesengesetz)
LGBTQI+	Lesbian, gay, bisexual, transgender/transsexual, queer, intersexual, +
LoD	Line(s) of defence in context of the risk management model "the three lines of defence" (LoD)
LRA	Liquid real assets
M&A	Mergers and acquisitions
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
MRT	Material Risk Taker
MSCI	Morgan Stanley Capital International
N/A	Not applicable
N/M	Not meaningful (in the management report)
NFRD	Non-Financial Reporting Directive – Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups
NZAM	Net Zero Asset Managers initiative
OECD	Organisation for Economic Co-operation and Development
PAI	Principal Adverse Impact
PDF	Portable Document Format
PPT	Percentage points

Term	Meaning
PRI	Principles for Responsible Investment
PRIIPS	Packaged Retail Investment and Insurance-based Products
PVCC	Principal Valuation Control Council
S&P	Standard & Poor's
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goal(s) of the United Nations (overview of SDGs: https://sustainabledevelopment.un.org/sdgs)
SFDR	Sustainable Finance Disclosure Regulation
SI	Sustainable investments
t/CO_2e	Tonnes per carbon dioxide (equivalent)
Taxonomy Regulation	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088
TCFD	Task Force on Climate-related Financial Disclosures
UCITS	Undertakings for Collective Investment in Transferable Securities
UK	United Kingdom
UN	United Nations
US SEC	US Securities and Exchange Commission
US/USA	United States (of America)
WACI	Weighted average carbon Intensity
WACI (adj.)	(inflation-adjusted) weighted average carbon intensity
WpIG	German Investment Firm Act/Securities Institutions Act (Wertpapierinstitutsgesetz)
Xtrackers	Exchange Traded Funds offered within the Passive business of DWS Group

Imprint

GRI 2-1; 2-3

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Cautionary statement regarding forward-looking statements

This report 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 any of them publicly 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.