Counterproposals by the Dachverband der Kritischen Aktionärinnen und Aktionäre to the Annual General Meeting of DWS Group GmbH & Co. KGaA on 13 June 2025

On agenda item 3: Discharge of the partner liable to unlimited extent for the 2024 financial year

The *Dachverband der Kritischen Aktionärinnen und Aktionäre* has requested that the partner liable to unlimited extent be refused discharge.

Justification:

The partner liable to unlimited extent has failed to meet the long-standing and appropriate handling of scandals surrounding greenwashing and ensuring the integrity of sustainable financial products. DWS had to pay fines of 25 million euros for greenwashing and investigations by the Frankfurt public prosecutor's office. The reputational damage for the DWS is considerably higher. The background was misleading information on supposedly sustainable investment practices. The public prosecutor's office found violations of the capital investment law. This was the highest sentence ever imposed in Germany for greenwashing offenses. This concerns the core activity of DWS: the management of client assets based on credible information and responsible strategies. As early as 2023, DWS had to pay a fine of 23.5 million euros in the USA because of excessive ESG promises. Further trials are still pending: In May 2025, the first civil lawsuit against DWS for greenwashing began.

Despite repeated public criticism, the company’s management has for years made ESG statements that simply did not correspond to the facts. This should have been terminated early and without external investigations by DWS itself. This structural weakness in governance is not only a failure of individual executives, but an expression of systemic deficits for which DWS bears joint responsibility within the group.

The statement of DWS that it was only a "partially exuberant marketing" seems unduly trivializing, given the level of the penalty and the clear assessment of law enforcement. So far, there has been no sign of a genuine desire for transformation – especially with regard to the sustainability strategy and transparency. There is a lack of concrete reform steps to effectively prevent greenwashing in the future, in particular with regard to the exclusion of investments in fossil fuels and independent and effective verification processes for sustainability claims.

New "sustainable" misleading packages from DWS

The European Securities and Markets Authority (ESMA) has published guidelines. They define requirements for how a fund must justify its sustainability claims in its name. A recent analysis by Facing Finance, Finanzwende e.V. and urgewald shows that many financial groups, including DWS, have simply renamed many of their funds in order to continue to participate in fossil-fuel investments by the supposedly "sustainable" funds, instead of redesigning their own portfolio more sustainably: 45 funds of DWS and thus 29 percent of the entire stock received a new, still sustainable-sounding name.
This shows how extensively DWS has so far whitewashed the description of its own funds and how this is continued in other terms.

Greenwashing accusations about WWF cooperation

The former cooperation between DWS and WWF Germany on the "DWS ESG Blue Economy" fund raises serious questions regarding transparency, credibility and corporate responsibility. The fund has been promoted as a sustainable investment product, using the prestigious panda logo of the WWF, despite the fact that the portfolio includes numerous companies that neither meet strict ecological criteria nor are compatible with the protection of marine ecosystems. For example, the fund included Royal Caribbean, a high-emission cruise operator, and Coca-Cola Europe Pacific Partners, a corporation accused of playing a central role in marine plastic pollution.

Internal documents from the WWF show that even employees of the environmental association expressed considerable doubts about the sustainability of many of the fund's components. Nevertheless, DWS maintained the marketing of the product as sustainable. The use of the panda logo in official fund documents contributes to misleading investors who attribute environmental integrity and credibility to the symbol.

On agenda item 4: Discharge of the Supervisory Board for the 2024 financial year

Application:

The management’s proposal to grant discharge to the members of the Supervisory Board for the 2024 financial year is rejected.

Justification:

The Supervisory Board has a central responsibility for the strategic orientation of the company and for the control of the company’s management, in particular with regard to risks, sustainability and long-term corporate goals. In this role, he failed to adequately fulfill his supervisory duties in the 2024 financial year, especially regarding DWS’s inadequate climate strategy and continued adherence to fossil fuel business models.

Fossil investments despite climate crisis

According to the analysis of the environmental organization urgewald, the DWS climate strategy is not sufficiently ambitious in key areas and falls far short of what would be necessary to be compatible with the 1.5°C target of the Paris Agreement:

The exclusion criteria for coal mining and coal-fired electricity generation apply only from a share of turnover of 25 % (or 15 % in ESG products, 5 % in Article 8/9 ETFs). These thresholds are set too high and continue to allow investment in key players in the fossil fuel industry.

While DWS excludes companies with expansion plans in coal mining and power plant construction – this is to be welcomed – key sectors of the fossil supply chain (upstream, midstream, downstream) remain untouched, including in the oil and gas sector.

There are no exclusions for particularly climate-damaging and high-risk extraction methods such as fracking, tar sands, Arctic drilling, deep-sea drilling and heavy oil. There are also no explicit exclusion criteria in the gas sector, although gas is increasingly seen as a climate risk and not as a "bridging technology", especially due to methane emissions.

These continued investments in climate-damaging technologies contradict the claim of a sustainable asset manager and pose significant reputational, market and transition risks.

Lack of ESG control and strategy monitoring by the Supervisory Board

Despite these obvious strategic shortcomings, no publicly comprehensible steps by the Supervisory Board to fundamentally change the course of DWS in this area have become known. Although it was announced during the year that companies would have to submit transformation plans to phase out coal from the end of 2025, even here there is a lack of clear enforcement mechanisms (e.g. automatic divestment) in the event of non-compliance.

In addition, it is unclear to what extent the Supervisory Board regularly and critically monitors the company's ESG and climate strategy. The results so far – including the fine of millions for misleading sustainability claims – cast doubt on effective control.

Responsibility for failed transformation

In view of the ongoing climate crisis and the increasing regulatory requirements imposed by the EU, the Supervisory Board should have demanded far more ambitious and transparent measures in its supervisory role. The reluctance and adherence to fossil-fuel business models is at odds with credible ESG governance.

In the 2024 financial year, the Supervisory Board failed to press ahead with the strategically necessary alignment towards a future-proof, Paris-compatible business model. This does not justify discharge. Discharge under these circumstances would amount to confirmation of inadequate control and deficient ESG oversight.

In addition, despite the massive criticism from civil society and politics (e.g. from the EU Parliament), the reaction of the company's management remained strikingly defensive and not very self-critical. Neither the 2024 annual reports nor public statements gave a reliable sign of a reorientation.

It is the responsibility of the Supervisory Board to monitor such developments and to provide strategic support. The events surrounding the greenwashing affair, and the slow pace of reappraisal raise the question of whether the Supervisory Board has sufficiently fulfilled this role. The lack of consistency in personnel policy, the lack of structural reform impetus and the support given to the ESG communication strategy so far cast doubt on an effective supervisory function.

On agenda item 11: Resolution on an amendment to § 21 of the Articles of Association to further facilitate virtual general meetings

Application:

The Dachverband der Kritschen Aktionärinnen und Aktionäre has requested that the proposal for a resolution be rejected and that the partner liable to unlimited extent be re-authorized to decide on the holding of a virtual general meeting.

Justification:

Our rationale for rejecting this authorization of the Board of Directors remains unchanged even after several years of experience with virtual general meetings: The format and manner in which a general meeting is held concern elementary shareholder rights. Therefore, the Annual General Meeting – and not the partner liable to unlimited extent – should decide on the conditions and format for future Annual General Meetings.

The Annual General Meeting should be able to decide whether a hybrid format should be implemented as a further option, which combines the advantages of a presence Annual General Meeting with those of a purely virtual event.

In general, the diminishing interest of shareholders in general meetings when they are held only virtually is highly problematic. Many people don't even turn on their computers, so it's a vote with their feet on this format.

That is why we are once again criticizing this year's decision to hold this year's Annual General Meeting purely virtually.

Cologne, 29.05.2025

Note: This document is an English convenience translation of the German original. For purpose of interpretation, the German text shall be authoritative and final.