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Annual General Meeting

June 6, 2024

Report of the General Partner on
TOP 10

Ad Item 10

Report of the General Partner to the General Meeting pursuant to Section 221 (4) in conjunction with Section 186 (4) and Section 278 (3) Stock Corporation Act

A strong capital base and the availability of appropriate equity capital and/or regulatory own funds capital are the basis for the company's business development. Other capital components recognized as own funds have a very central role to play here. Beside the direct creation of new share capital, the issue of participatory notes and other Hybrid Debt Securities can be useful. The capital requirements pursuant to the Regulation (EU) No. 2019/2033 of the European Parliament and of the Council of November 27, 2019, on prudential requirements for investment firms and to amend regulation (EU) No. 1093/2010, (EU) No. 575/2013, (EU) No. 600/2014 and (EU) No. 806/2014 (Investment Firms Regulation – "IFR") as well as the Investment Firms Act ("WpIG") require investment firms to have adequate own funds. Alongside Common Equity Tier 1 capital (share capital and reserves), Additional Tier 1 Capital instruments form an indispensable element of the company's own funds capital position. The company must have the necessary scope for actions to be able to issue new Additional Tier 1 Capital instruments to meet regulatory capital requirements at favorable conditions depending on the market situation.

The authorization under Item 10 is intended to give the company a new broad basis exclusively for the issue of participatory notes and Hybrid Debt Securities, enabling the flexible use of these instruments at any time. The company should be able to access – depending on the market situation – the German or international capital markets to issue Hybrid Debt Securities in euros as well as in the official currency of an OECD country. The possibility of the General Partner to exclude pre-emptive rights of shareholders with the consent of the Supervisory Board is in the predominant interests of the company for the reasons presented in more detail in the following.

1. Improvement of the own funds capital structure in accordance with regulatory requirements and utilization of favorable refinancing possibilities

As mentioned initially above, a strong capital base and the availability of appropriate equity capital and/or regulatory own funds capital are the basis for the company's business development. Through the exclusion of pre-emptive rights, the company receives the required flexibility to quickly contact interested groups of investors in a focused manner and to take advantage of favorable market conditions. In addition, the placement risk for the company is clearly minimized, as there is a risk for issues with a granting of pre-emptive rights that conditions, once they are specified, no longer turn out to be market conditions by the actual time of the placement on the market, as market outlooks often undergo significant changes within the statutory subscription period. In contrast, in the case of an issue with the exclusion of pre-emptive rights, the company is in the position to take advantage of a favorable time for a placement relatively quickly and flexibly. Experience has shown in practice that better conditions can usually be obtained for issues of bonds with warrants and/or convertible bonds, participatory notes or comparable financial instruments with the exclusion of pre-emptive rights, as pricing risks to the detriment of the company are avoided through the immediate placement made possible in this way. This is due to the structure of pre-emptive rights issues, for which at least a two-weeks subscription period must be observed according to the applicable statutory provisions, while it is possible to specify the issue price directly before the placement of an issue without pre-emptive rights. In this way, an increased price risk can be avoided and the proceeds of the issue are maximized in the interests of all shareholders without discount margins.

With an exclusion of pre-emptive rights, upon the correct assessment of the market circumstances, a higher amount of funds can be generated for the company with a lower charge to the company through interest rate mark-ups. As a result, the company is able to specify attractive issue conditions at an optimal point in time, from its perspective, and thus to optimize its financing conditions in accordance with the regulatory requirements and in the interests of all shareholders.

Overall, issues with the exclusion of pre-emptive rights make it possible for the company to procure capital or refinance at clearly more favorable conditions than issues with pre-emptive rights. This applies irrespective of whether or not the issue is intended to raise Additional Tier 1 Capital.

2. Possibility to react to regulatory authorities' additional requirements for own funds capital

Furthermore, regulatory authorities have the authority in individual cases to instruct at short notice capital requirements for own funds that go beyond the requirements of the IFR or the WpIG, for example, within the framework of stress tests. Participatory notes or other Hybrid Debt Securities can, in such case, depending on the specific regulatory requirement, be suitable as own funds instruments. Against this background, the company must also be able to issue such instruments, if necessary, quickly and flexibly. In such case, depending on the circumstances, for an issue with pre-emptive rights, it would be possible for the company to take up Additional Tier 1 Capital only at extremely unfavorable conditions.

3. No substantial impairment of shareholder interests through the issue of participatory notes and Hybrid Debt Securities without option and/or conversion rights

Participatory notes and Hybrid Debt Securities without option rights or convertible rights do not have voting rights or other membership rights. The issue of these instruments therefore does not lead to any change under stock corporation law in the shareholder structure or voting rights. For buyers of participatory notes or Hybrid Debt Securities, the primary focus is not on ownership in the company, which is why participatory notes do not certify a participation in a gain in the company's value. However, participatory notes do provide for a participation in losses. This risk is addressed through the payment of a higher coupon, which can lead to a reduction in the company's dividend capacity. This is in contrast to the significant financial disadvantages that the company could incur if pre-emptive rights upon raising Additional Tier 1 Capital cannot be excluded. These disadvantages can be more severe than the potential impairment of the company's dividend capacity, which the General Partner and Supervisory Board are required to review when deciding on the exclusion of pre-emptive rights. Furthermore, Section 186 (3) sentence 4 Stock Corporation Act provides that, inter alia, pre-emptive rights can be excluded "if the capital increase against cash payments does not exceed 10% of the initial share capital and the issue price is not significantly below the stock exchange price." Even if the provision under Section 186 (3) sentence 4 Stock Corporation Act does not directly cover issues of participatory notes or Hybrid Debt Securities, it can be derived from it that the market requirements can support an exclusion of pre-emptive rights if the shareholders would not incur any disadvantage or only an insubstantial one due to the structuring of the pricing process in such a way that it ensures the financial value of a pre-emptive right would be close to "0". Therefore, the proposed authorization also ensures that the issue price is not substantially lower than the theoretical market value established using recognized actuarial methods. This entails an

additional protection mechanism to ensure that shareholder interests are impaired as little as possible.

4. Summary of the consideration of interests

The authorization of the General Partner, with the consent of the Supervisory Board, to exclude shareholders' pre-emptive rights is materially justified. It is in the interests of the company for the company to have the possibility to procure capital promptly, flexibly and at ideally favorable market conditions and to react to regulatory own funds requirements. The authorization to exclude pre-emptive rights is appropriate and necessary because it is in each case not possible without the exclusion of pre-emptive rights to quickly raise capital at favorable market conditions to maintain a strong capital base – in accordance with regulatory requirements – over the long term. The General Partner's freedom to act, with the consent of the Supervisory Board, to exclude pre-emptive rights therefore serves to achieve the company's objectives to the benefit of the company, while, on the other hand, the potential impairment of shareholders appears minor in comparison to the significant transaction risks for the company without the possibility to exclude pre-emptive rights. In addition, the authorization ensures, in corresponding application of or in accordance with the requirement of Section 186 (3) sentence 4 Stock Corporation Act, that the issue takes place at prices that are not substantially below the theoretical market value, whereby the shareholders do not incur any disadvantage or only an insubstantial one. In summary, upon consideration of all the specified circumstances, it is stated that the authorization to exclude pre-emptive rights within the described limits appears required, suitable and appropriate and, in the predominant interests of the company, materially justified and necessary. The General Partner will review the circumstances and only make use of the authorization to exclude pre-emptive rights if, in the specific case of an issue of bonds with warrants, convertible bonds, participatory notes or Hybrid Debt Securities, the exclusion of pre-emptive rights is justified in the well-considered interests of the company and its shareholders and is covered by the respective authorization. The Supervisory Board will also check, before granting its consent, if these preconditions are fulfilled.

5. Exclusion of pre-emptive rights for broken amounts

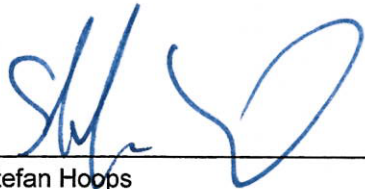
Finally, the proposed resolution under Agenda Item 10 provides for the exclusion of pre-emptive rights for broken amounts. The proposed exclusion of pre-emptive rights for broken amounts for rights issues permits the utilization of the requested authorization in round amounts while retaining a simple subscription ratio and facilitates the clearing and settlement of the capital action.

Frankfurt am Main, im April 2024

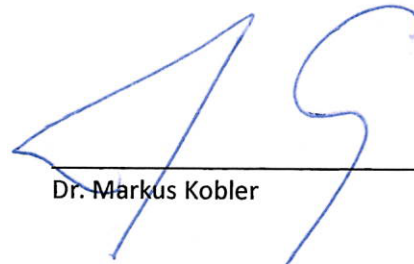
DWS Group GmbH & Co. KGaA,
vertreten durch:

DWS Management GmbH, die persönlich haftende Gesellschafterin

Die Geschäftsführung



Dr. Stefan Hoops



Dr. Markus Kobler

Dirk Görgen



Manfred Bauer



Dr. Karen Kuder

Frankfurt am Main, im April 2024

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