Counterproposal by the *Dachverband der Kritischen Aktionärinnen und Aktionäre* to the Annual General Meeting of DWS Group GmbH & Co. KGaA on 6 June 2024

Ad Agenda Item 3: Ratification of the acts of management of the General Partner for fiscal year 2023

The *Dachverband der Kritischen Aktionärinnen und Aktionäre* requests to refuse the ratification of the acts of management of the General Partner.

Reason:

The management board of DWS Group continues to be insufficiently responsible to implement effective measures for climate protection and against greenwashing.

Greenwashing scandal: It is not clear whether sufficient conclusions have been drawn

DWS does not have sufficient responsibility to investigate its greenwashing scandal to potential prospectus fraud in the form of misstatements on environmental protection and sustainability investments. At the beginning of 2024 alone, the German Public Prosecutor's Office again searched the premises of the DWS in the course of two raids. This raises doubts that the DWS indeed, as promised in the previous year, actually "fully cooperates" with the authorities. According to internal sources, DWS only cooperated better after further searches also in relation to a possible fine. The investigations carried out in Germany and the USA were taken up following hints from former DWS's sustainability head Desiree Fixler.

The US Securities and Exchange Commission (SEC) has already concluded that DWS has made "significantly misleading statements" on how sustainability factors in such products are actually considered which allegedly explicitly focus on criteria relating to environment, social affairs and corporate governance (ESG). The customer have simply been misled. Therefore, DWS had to pay a fine of 19 million of US dollars, plus six million dollars fines for too weak money laundering controls.[1] It is still not transparent to see which concrete content related consequences have been concluded from the greenwashing scandal.

No oil and gas directive: DWS remains firmly invested in fossil companies

DWS has still not established an overarching investment directive for oil and gas. Even short-term expansion plans, expenses for exploring new oil and gas fields or unconventional mining methods and the construction of other fossil infrastructure do not lead to an exclusion. But the Intergovernmental Panel on Climate Change (IPCC) has clearly stated: no further oil and gas fields shall be developed and emissions must be halved by 2030 to meet international climate change targets.

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[1] https://www.sec.gov/news/press-release/2023-194

The absence of such a directive has consequences: DWS remains very highly invested in oil and gas companies that are particularly damaging the climate. According to the Faire Funds Database, mutual funds available in Germany are invested with more than EUR 16 billion in the oil and gas companies of the Global Oil and Gas Exit List (GOGEL) of urgewald.[2] More than EUR 4 billion thereof is invested in the four largest oil and gas companies TotalEnergies, ExxonMobil, Chevron and Shell.

The new "Big Oil Reality Check" report of Oil Change International shows that the climate commitments and plans of these oil companies are not in line with international agreements on phasing out fossil fuels and limiting global temperature rise at 1.5°C in accordance with the Paris climate agreement.[3]

For example, TotalEnergies plans to exploit with additional companies in Uganda oil fields located, inter alia, in the area of the Murchison Falls National Park, which is a UNESCO biosphere reserve. To this end, TotalEnergies is pushing for the construction of the 1,445 km East African Crude Oil Pipeline (EACOP), which will lead to the Indian Ocean via Tanzania.

Shell plans with the Philippine company San Miguel and other companies to build eight LNG import terminals and eight gas power plants in the Philippines Verde Island Passage (VIP). Due to its rich biodiversity, the VIP are also called the Amazon of the oceans. Seven million people live on fishing and tourism.

Ineffective engagement and inconsistent coordination

At the Annual General Meetings in 2023, DWS only refused to ratify the responsible management board members at Chevron and most Executive Board members at ExxonMobile, but not at TotalEnergies and Shell.

Moreover, it is not transparent whether and to what extent these oil companies address the concerns and claims from DWS regarding climate protection. It is further unclear which measures DWS would reserve in which cases and which consequences the continuing inadequate climate protection and transition plans of the fossil corporations have for the investment decisions of DWS.

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

[2] https://datenbank.faire-fonds.info/funds?kag=DWS
[3] https://www.oilchange.org/borc/