

# KARL - WALTER FREITAG

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DWS Group GmbH & Co. KGaA

Represented by: DWS Management GmbH as General Partner

Management Board

Mainzer Landstr. 11-17

60329 Frankfurt am Main

06 June 2022

**Annual General Meeting of the DWS Group GmbH & Co. KGaA on 9 June 2022**

**Ref: Statement of the shareholder Karl-Walter Freitag**

**Voting card no. 675 as informed by custodial bank in a telephone call**

Dear sir or madam,

In view of the events of the past few days and the resultant loss to shareholders of close to 800 million euros in the noted value of shares in DWS, it seems urgently necessary to submit to the General Meeting the following statement with reference to the agenda. You are requested to ensure that this statement is published at once, naming the author, in the manner envisaged in accordance with the invitation to the General Meeting in the section headed *Possibility to submit statements for publication prior to the General Meeting*.

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**Statement of the shareholder Karl-Walter Freitag  
for publication prior to the General Meeting in preparation for a motion to  
postpone the General Meeting:**

Dear fellow-shareholders,

The events of the past few days, during which a considerable number of new facts has come to light that the shareholders who have already cast their votes were unable to take into consideration, have prompted the following statement;

Official searches on the premises of DWS and Deutsche Bank prevented Mr Sewing and Mr von Rohr from carrying out their plan to announce the dismissal of Mr Wöhrmann from his position – a step that is long overdue and has been a topic for discussion for quite a while – so shortly before the DWS General Meeting that no shareholders could submit motions on this point.

Nevertheless, the issues for the shareholder are completely different from the time at which the invitation to the General Meeting was sent out and from the time when some shareholders voted. At issue are not only

incorrect statements in the Annual Report and General Meeting (cf. Section 331 German Commercial Code (HGB) and Section 400 Stock German Corporation Act (AktG)) but also the accusation of investment fraud perpetrated against investors in DWS funds, suspicion of which has also reached the Department of Justice in the USA (see report in: [https://www.washingtonpost.com/business/deutsche-bank-subsiary-raided-over-greenwashing-claims/2022/05/31/a658e7fa-e0d6-11ec-ae64-6b23e5155b62\\_story.html](https://www.washingtonpost.com/business/deutsche-bank-subsiary-raided-over-greenwashing-claims/2022/05/31/a658e7fa-e0d6-11ec-ae64-6b23e5155b62_story.html)).

Thus, DWS is now in a position similar to that of Allianz: in the US Allianz was recently obliged to pay several billion euros in penalties and damages due to “investment fraud”, and their US investment management licence was suspended for 10 years. The issues now to be considered are the investment fraud suspicions entertained by the Federal Office of Criminal Investigation, the chief public prosecutor and a German court. Above all, these issues are to be seen in the light of public statements by Mr Sewing (silence in reply to questions about facts - just “noise”) and, despite the ongoing investigations, by Mr von Rohr, who said shortly before the invitation to the General Meeting, *“Incidentally, the allegations have not been proved to be true”*; and in response to the question of whether Asoka Wöhrmann will retain his position, *“We are very satisfied with his performance. Of course we shall investigate if and in so far as there is any suggestion of misconduct”*; and by Mr Wöhrmann himself, who stated at the 2022 Annual Press Conference, *“Since April last year DWS and I myself have been the target of many attacks. These attacks were aimed at the reputation of DWS and at my personal reputation and well-being. I emphatically reject all these allegations and insinuations. I will not be intimidated or deterred from doing by job.”*

For DWS and their shareholders, the various investigations and regulators’ special audits together with the action planned by Mr Sewing and Mr von Rohr plus the public statements by these gentlemen and Mr Wöhrmann, which all indicated that Mr Wöhrmann would stay in his position, constitute a real risk that ad hoc reporting obligations have been violated and that this may have led to market manipulation which could result in very considerable costs to DWS in the form of further penalties and damage claims. Press reports published in the Handelsblatt, by Bloomberg and the Financial Times agreed that it had been decided weeks earlier to relieve Mr Wöhrmann of his duties, BaFin had already conducted the fit and proper assessment of Mr Hoops and Mr Wöhrmann had been (indirectly) informed of the decision to dismiss him, so that at this point due secrecy was no longer given.

Now that Mr Wöhrmann has “*resigned*” what has happened is the exact opposite of what he communicated to capital markets at the Annual Press Conference, namely that he would stay in his position and not resign. Pursuant to Section 5 no. 2 of the ESMA/2016/1478 guidelines, no delay in an ad hoc report is admissible if the inside information, the disclosure of which is to be postponed, is materially different from an earlier public announcement of the issuer in relation to the object of inside information. Neither may the disclosure of inside information be delayed if such information is contrary to market expectations, should these be based on issuer’s previous signals to the market. The matter has a bearing on the share price. The share price plummeted by some 6% immediately after the resignation was announced.

Despite this recklessly cavalier communication with the capital market the shareholders are no longer in a position to submit counterproposals or extensions to the agenda or to request special investigation of the actions and statements of Mr Wöhrmann and Mr von Rohr which have caused the damage, so that the Company may make them legally liable for the damage that has already occurred. This is no basis for reaching an informed decision regarding ratification of the acts of management. The same holds true for the election of KPMG as auditor, which, according to its working papers, claims to have audited the ESG figures in the 2020 Annual Report but has not, to date, withdrawn its opinion.

Moreover, in the person of Mr Hoops the majority shareholder is presenting us with a new chairman of the Management Board who has never been greatly involved with asset management and has no previous relevant experience but, obviously thanks to his proven propensity to hush things up, is eminently suited to deflect further attention from any responsibility of Mr Sewing and Mr von Rohr. Barely 24 hours after his appointment, having told the international press that he was a “lifetimer” with Deutsche Bank, he was obliged to admit that he had missed bits out of his CV and that in 2006 and 2007 (and still in 2008?) he worked for Lehman Brothers, whose insolvency triggered the financial crisis. After the press had exposed this, Mr Hoops surreptitiously altered his LinkedIn CV, saying it had only been an “oversight”, a “mistake” that had now been rectified. It is not known whether he obtained his fit and proper assessment from the BaFin on the strength of this inaccurate CV. Nor is it known whether BaFin is aware of his past in subprime trading to the detriment of German and Austrian banks.

Moreover, Mr Hoops was involved, together with Mr Wöhrmann, in the self-same Auto1FT transaction in the course of which the infamous “Porsche payments” between Mr Wöhrmann and Mr Wruck and gross violations of anti-money laundering regulations arose; Mr Hoops shared responsibility for the incorrect press statement on the matter and played a role in having the shareholding in Auto1FT expunged or neutralized in a London trading book. It was also these infamous “Porsche payments” that led to the money-laundering suspicious activity report and thus to the investigations and searches by the Federal Office of Criminal Investigation and the State Prosecutor at DWS offices. These authorities assumed responsibility due to reported money-laundering suspicions; the Federal Office of Criminal Investigation is not generally involved in capital market fraud. And the press statement of the majority shareholder creating the impression that the investigations are not harmless (sic), simply because they are only directed against “persons unknown” is to be emphatically refuted. This is a normal tactic in investigations in order to be in a position to cast the net wider.

It is therefore imperative that the General Meeting be postponed to a later date, so that the shareholders are informed of the new facts when the invitation arrives and can decide whether – assuming that he is still in office and his dismissal has not already been decided – they wish to continue working with Mr von Rohr and Mr Hoops, whether KPMG is the right auditor and, possibly, whether a special audit and/or a special representative should be appointed in order to press damage claims against the majority shareholder and managing bodies. In that General Meeting light should then also be shed on events connected with Mr Hoops’ role in the Wirecard affair, his warnings about the firm and the hasty sale of the margin facility collateralized with Wirecard shares to Mr Braun, while at the same time

DWS fund investments in Wirecard were uninhibitedly ramped up, as well as the sudden appearance of DWS money market funds in the midst of a low-interest phase.

In view of the above, I give notice that at the start of the General Meeting I shall propose a motion regarding the Rules of Procedure; the motion will be to postpone the Meeting at once without passing any resolutions and to issue a new invitation to a General Meeting due to repeated deception practised on the minority shareholders by the managing bodies of the majority shareholder Deutsche Bank and the General Partner in the run-up to the General Meeting, and the (consequent) considerable deficits regarding information on key points of the agenda at the time of convocation.

Yours sincerely

Karl-Walter Freitag

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I would be much obliged if you would order the immediate publishing of this statement.

Yours faithfully,

(Karl-Walter Freitag)