



Investors for a new now

DWS Group – Q4 & FY 2023 preliminary results

February 01, 2024

FY 2023 Key Achievements

DWS amongst the fastest organically growing Asset Managers



Adjusted revenues of €2.6bn, slightly down versus 2022



Adjusted cost-income-ratio of **64.0%**, well within guidance of <65%



Total net flows of 28.3bn, driven by Passive including Xtrackers



Strong 3- and 5-year outperformance ratio of **71% and 78%**



DWS Executive Board will propose an **ordinary dividend of €2.10 per share¹⁾**

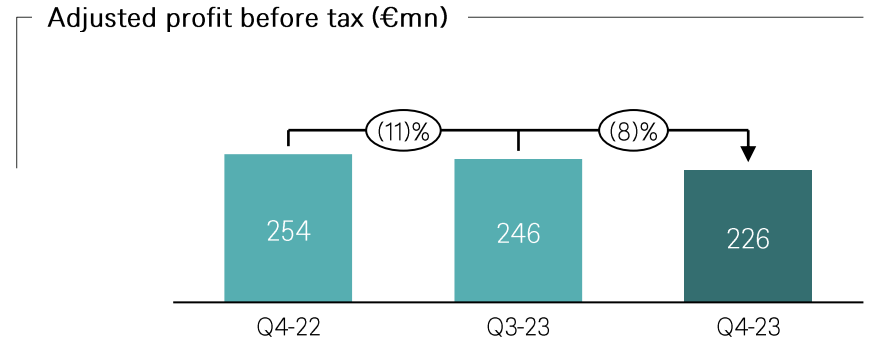
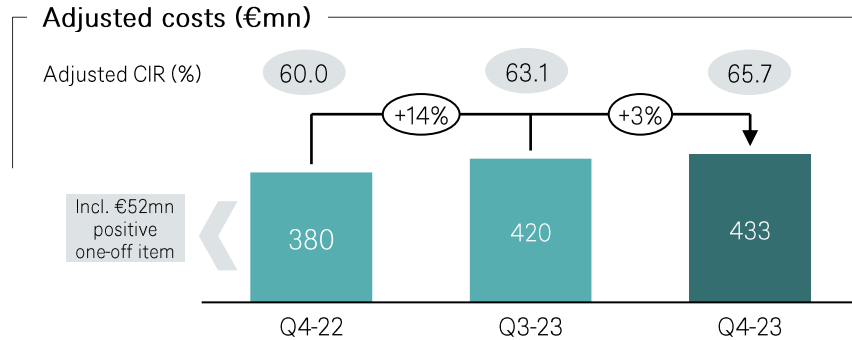
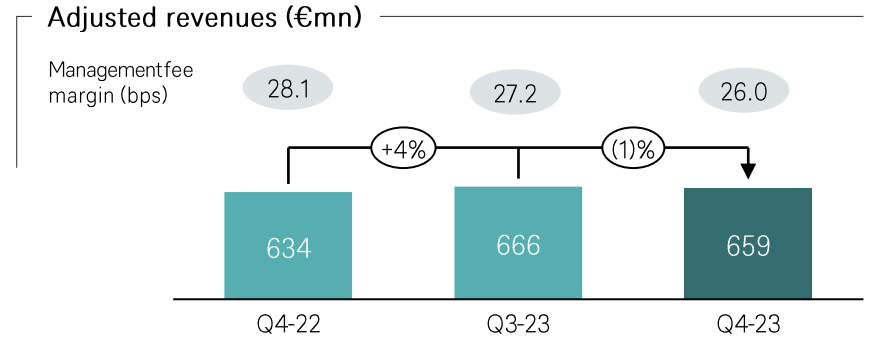
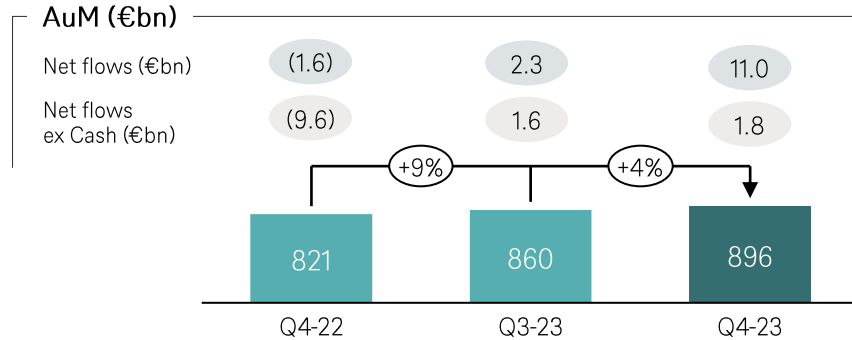


Extraordinary dividend proposal of €4.00 per share¹⁾ in 2024

¹⁾ Subject to Annual General Meeting approval on June 06, 2024

Financial performance snapshot – Q4 2023

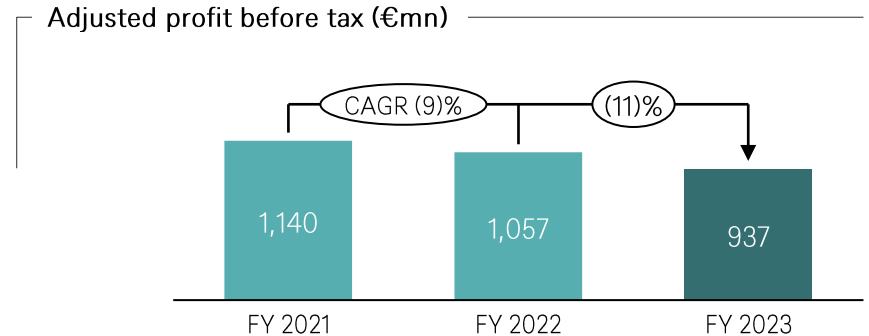
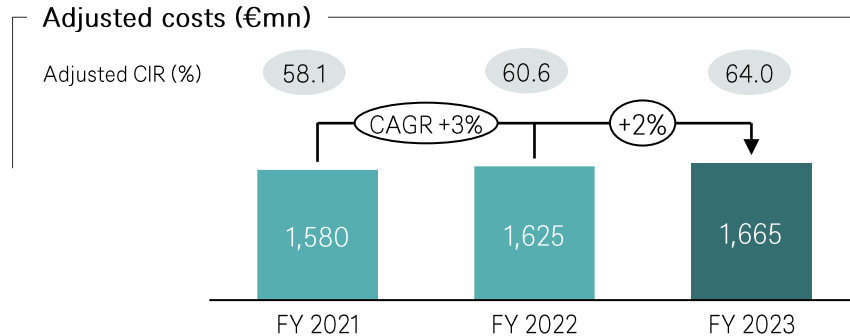
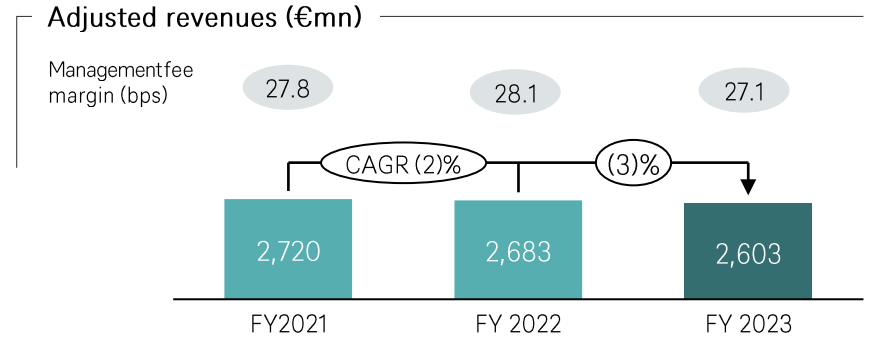
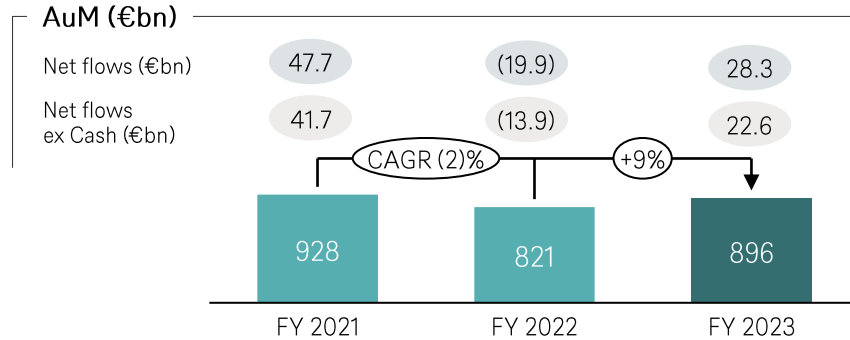
Strong AuM development, mainly driven by positive markets and net flows



Note: Throughout this presentation totals may not sum due to rounding differences.

Financial performance snapshot – FY 2023

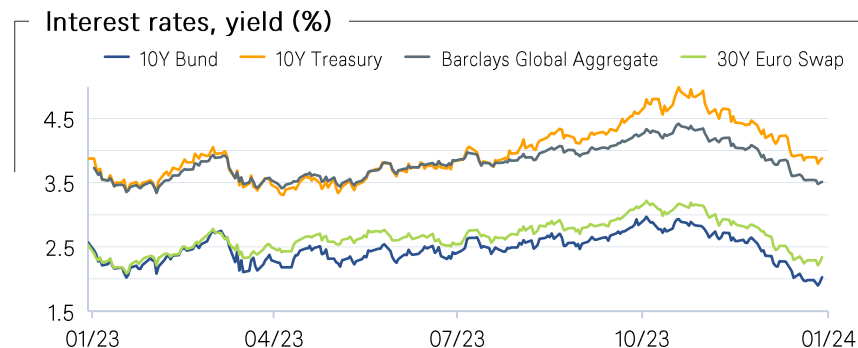
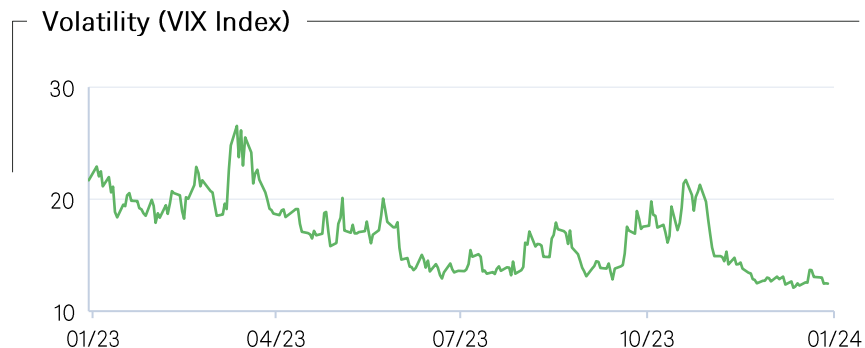
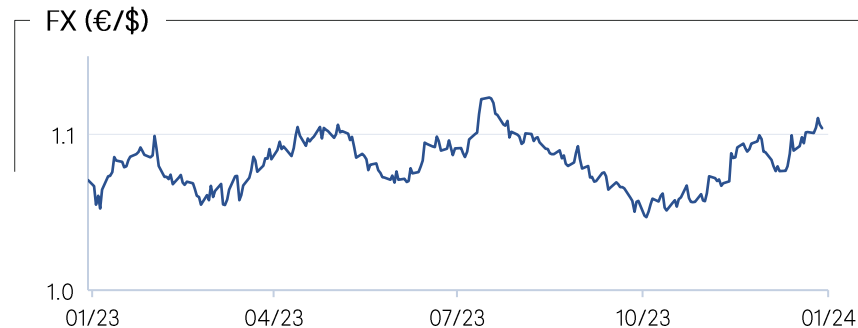
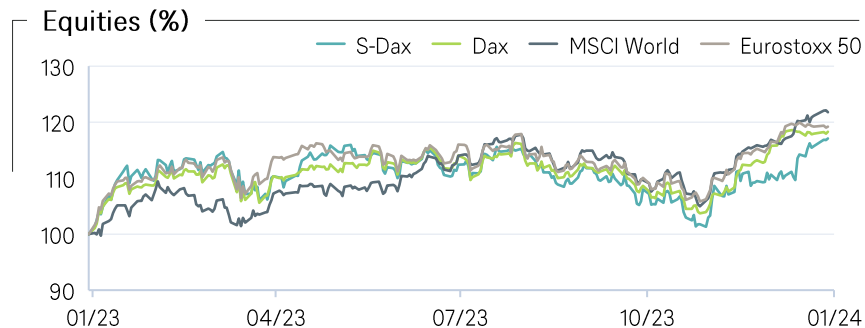
Positive net flows ex cash throughout all four quarters of the year



Note: CAGR, compound annual growth rate over the period FY 2021 to FY 2023

Market environment

A year dominated by rising interest rates ended with a bond and equity rally



Source: Bloomberg

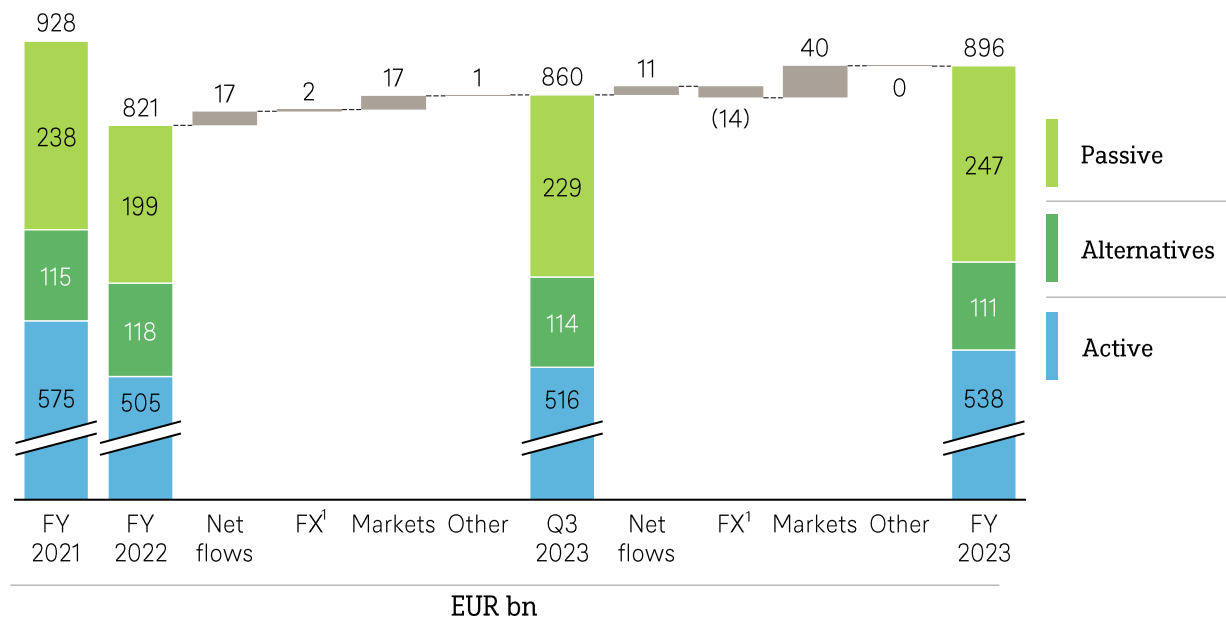
AuM development

Almost back to record year 2021, supported by inflows and positive market impact

Q4 / FY Highlights

- AuM increased to €896bn in Q4
- Positive market impact of €40bn in Q4, partly offset by negative €/€ exchange rate movements in Q4
- €11bn of net flows in Q4, predominantly driven by Passive and Cash products
- In FY 2024 AuM increased by €75bn supported by positive markets and strong inflows

AuM development 2021 - 2023



¹ Represents FX impact from non-Euro denominated products; excludes performance impact from FX

AUM and net flows by asset class & region

Return to inflows in 2023, driven by significant flow recovery for Passive, incl. Xtrackers

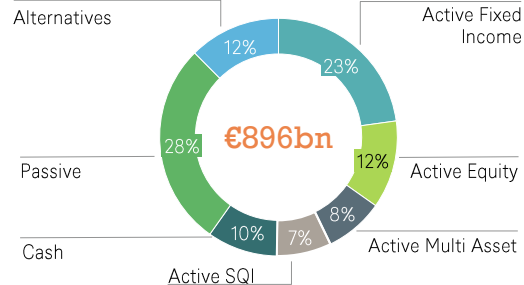
FY / Q4 Highlights

- Net flows of €11.0bn in Q4 were particularly driven by Passive including Xtrackers as well as Cash
- Continued strong inflows in Passive totaling €4.4bn including €5.9bn inflows into Xtrackers ETFs, partly offset by institutional mandate outflows
- Strong UCITS ETF performance led to an increase in our EMEA ETF market share to 10.2%
- Net outflows of €0.9bn in Alternatives, resulting from Real Estate and LRA, partly offset by continued client demand for Infrastructure products
- Positive net flows across Active, Passive and Alternatives in all four regions

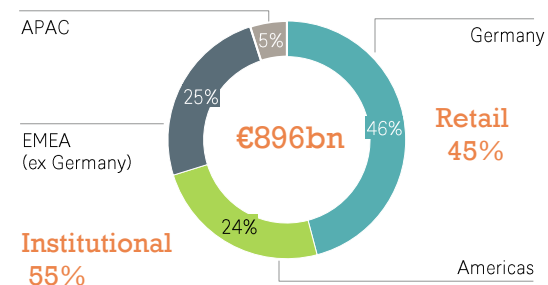
Net flows breakdown, €bn

	Q4-22	Q3-23	Q4-23	FY-22	FY-23
Active Equity	0.3	(1.6)	(0.4)	(0.8)	(2.1)
Active Multi Asset	(1.0)	(1.2)	(0.4)	5.9	4.4
Active SQI ¹	(0.3)	(0.6)	(0.5)	(0.3)	(1.5)
Active Fixed Income	(5.2)	0.2	(0.4)	(12.2)	0.3
Passive	(0.5)	6.2	4.4	(7.1)	21.2
Alternatives	(2.9)	(1.3)	(0.9)	0.6	0.3
Total ex Cash	(9.6)	1.6	1.8	(13.9)	22.6
Cash	8.0	0.6	9.3	(6.0)	5.7
Total	(1.6)	2.3	11.0	(19.9)	28.3

AuM by asset class



AuM by region & client type

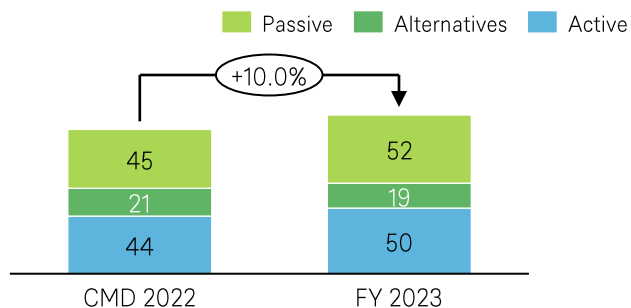


¹Systematic and Quantitative Investments

Double digit increase in funds greater than €1bn

New funds attract strong net inflows into Passive, Alternatives and Fixed Income

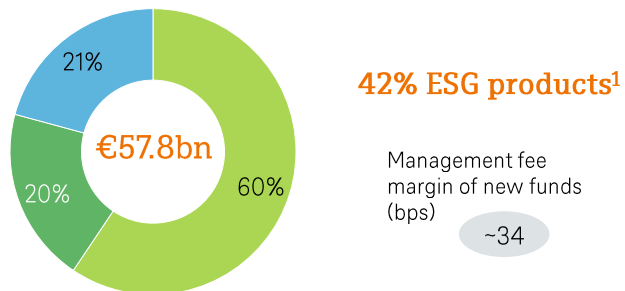
Number of funds above €1bn AuM



Q4 2023 Product Strategy Highlights

- Passive**
 - Launch of Xtrackers Biodiversity Focus SRI ETFs, Xtrackers II Target Maturity series and US National Critical Technologies ETF
- Alternatives**
 - Launch of 2nd series in both direct lending strategy and private infrastructure debt strategy; successful completion of liquidity transaction in our private European infrastructure strategy
- Active**
 - Launch of DWS Invest Conservative Sustainable Bonds fund
- Digital**
 - Successful formation of joint venture "AllUnity" with strategic ally Galaxy and global market maker Flow Traders

Cumulative flows of new funds since IPO as of Q4 2023



Q1 2024 fund launches pipeline²

- Passive**
 - Xtrackers MSCI Global SDGs Social Fairness Contributors UCITS
- Alternatives**
 - European Infrastructure strategy fourth series
- Active**
 - DWS Invest Net Zero Transition

Note: Not all DWS products and services are offered in all jurisdictions and availability is subject to local regulatory restrictions and requirements

¹ See Cautionary Statement for ESG product classification framework explanation on p. 21. ² Examples, subject to demand assessments, approvals and successful transaction execution.

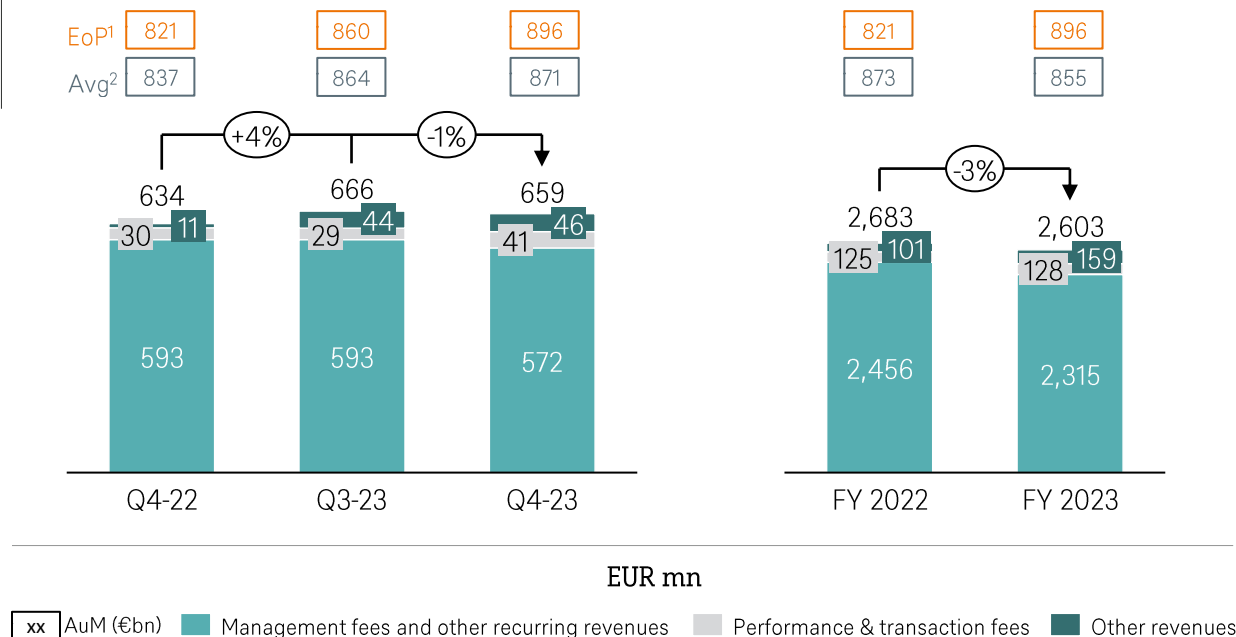
Revenue development

Revenues broadly stable despite lower management fees in Q4

Q4 Highlights

- Total adjusted revenues of €659mn, supported by a €12mn increase in performance and transaction fees, particularly from Concept Kaldemorgen
- Management fees negatively impacted by one-off items and Q3 market effects
- Average AuM almost stable, higher AuM at the end of 2023 with a full impact on fees in 2024
- Other revenues continued to benefit from the interest rate environment

Adjusted revenues



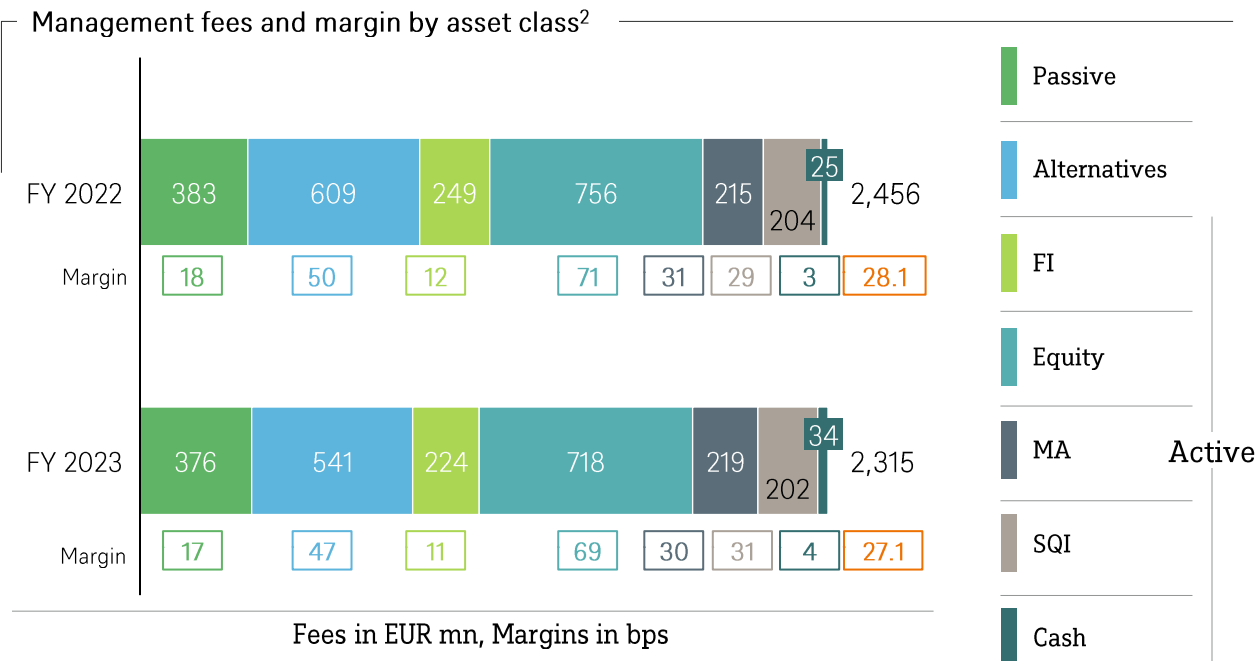
Note: ¹End of period. ²Monthly average

Management fee and margin development

Challenging markets and shift in product mix resulted in reduced fee income

FY Highlights

- Overall management fee margin decreased by ~1bps to 27.1bps y-o-y in line with guidance
- Management fees were impacted by negative market performance in 2022 combined with a demanding environment for Alternatives throughout 2023 as well as FX
- Reduced fees due to divestment of sub-scale businesses and fund platform
- We continue to expect ~1bps annual margin compression going forward



¹ Calculated by dividing the annualized management fees (considering the number of days in a specific quarter) for a period by average AuM for the same period

² Management fees and other recurring revenues, non-product related management fees of €2m in 2023 and €15m in 2022 excluded in asset class breakdown

Harvest Fund Management

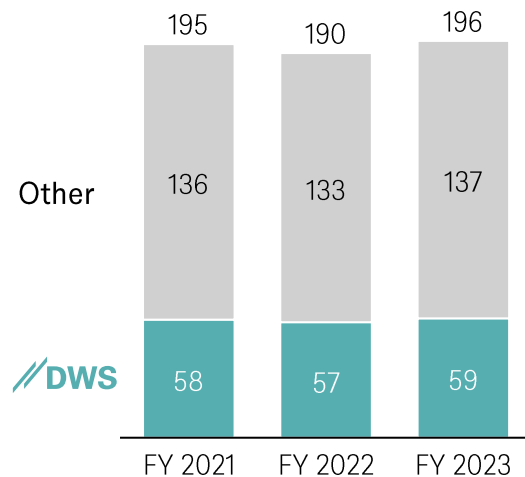
Strong performance and AuM positioning Harvest as sixth largest AM in China



FY / Q4 Highlights

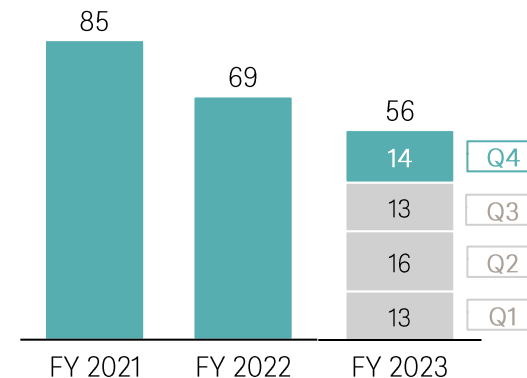
- Revenue contribution of €14mn in Q4 and €56m in FY 2023 almost stable despite fee cap in H2 2023
- AuM of €196bn increased by 1% in Q4 as a result of positive flows, offset by combined impact of CNY depreciation against EUR and negative market movements
- Harvest elevated its positioning amongst largest Asset Mangers in China from #9 to #6¹

AuM development



EUR bn

Revenue contribution to DWS



EUR mn

Note: Preliminary and unaudited numbers provided by Harvest Fund Management Co., Ltd; DWS holding 30% of HFM, Other shareholders: Lixin Investment 30%, China Credit Trust 40%
¹ In terms of mutual fund size excluding money market fund (Q3 2023 ranking published by the Asset Management Association of China)

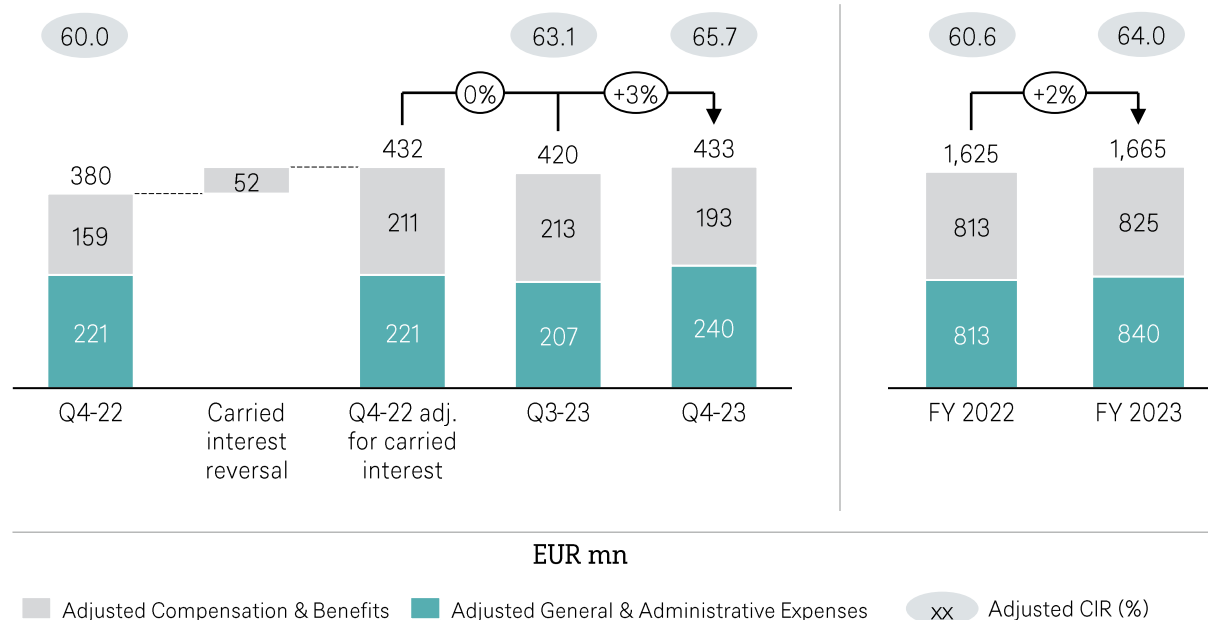
Cost development

Adjusted CIR increased to 64.0%, well within guidance of below 65% in 2023

FY / Q4 Highlights

- Total adjusted costs of €433mn increased q-o-q, driven by higher AuM related service charges and regulatory costs, partly offset by lower adjusted compensation and benefits
- Strict cost discipline in high inflationary environment continued
- The total adjusted cost base excludes €99mn of investments into our infrastructure platform transformation in FY 2023

Adjusted costs¹



¹ Non-interest expenses adj. for severance payments, restructuring activities, impairments of goodwill & other intangible assets, material non-recurring expenses, transformational charges and litigation

Financial Outlook 2024

Preparing the ground towards our strategic targets



Keeping the pace in 2024 to outperform the industry

Adjusted Revenues

– Expected to stay essentially flat vs. 2023

Adjusted Costs

– Expected to stay broadly in line with 2023

Adjusted Profit before Tax

– Expected to stay flat in 2024

Net Flows

– Expected to be higher in 2024, particularly supported by Xtrackers

Note: Subject to geopolitical uncertainty and if economic conditions normalize

Writing the next chapter of DWS in the 2020s



Focus on continued delivery of our strategy, underlined by various priorities for 2024 and beyond

Overarching priorities 2024

SOLVE SELF-INFLICTED ISSUES

Overcome challenges of transformation project, enhance processes and controls, and leave behind legacy of ESG investigations

TOP 3 ORGANIC GROWTH

Retain position amongst fastest growing asset managers (excluding Cash), driven by targeted growth areas of Xtrackers and Alternatives

ALPHA CREATION FOR CLIENTS

Maintain high levels of investment outperformance achieved in 2023 by strengthening focus on Active asset management to outpace markets

Overarching priorities for the next 3 years

GATEWAY TO EUROPE

Leverage global franchise and roots in Europe to become the first point of contact for global investors wanting to invest in Europe

TOP 5 IN THE TOP 5

Rank amongst the leading asset managers in the 5 largest economies by defending #1 position in Germany and expanding in the US and APAC

FUTURE OF FINANCE

Play a role in building the future of finance by managing and leading the disruption caused by digital distribution channels, blockchain and artificial intelligence

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Appendix

Our Financial Targets 2025

	2022	Guidance 2023	Refined Targets 2025
Earnings per share			EUR 4.50
Adjusted CIR	~60%	<65%	<59%
Xtrackers AuM Growth			>12% (CAGR 2022-2025)
Alternatives AuM Growth			>10% (CAGR 2022-2025)

Note: Targets 2025 assuming stable market conditions
Source: DWS Capital Markets Day 2022 on December 9, 2022

Profit & Loss and other key performance measures

In €mn, unless stated otherwise

	Q4 2023	Q3 2023	Q4 2022	FY 2023	FY 2022	Q4 2023 vs Q3 2023	Q4 2023 vs Q4 2022	FY 2023 vs FY 2022	
Profit & Loss	Management fees and other recurring revenues	572	593	593	2,315	2,456	(4)%	(4)%	(6)%
	Performance and transaction fees	41	29	30	128	125	40%	36%	2%
	Other revenues	44	44	40	171	131	1%	8%	31%
	Net revenues	657	666	663	2,614	2,712	(1)%	(1)%	(4)%
	Revenue adjustments	(2)	0	30	12	30	N/M	N/M	N/M
	Adjusted revenues	659	666	634	2,603	2,683	(1)%	4%	(3)%
	Adjusted Compensation & Benefits	193	213	159	825	813	(9)%	22%	2%
	Adjusted General & administrative expenses	240	207	221	840	813	15%	8%	3%
	Adjusted cost base	433	420	380	1,665	1,625	3%	14%	2%
	Severance & Restructuring	13	5	23	34	37	141%	(43)%	(6)%
	Litigation	(0)	2	13	22	26	N/M	(100)%	(18)%
	Impairment of goodwill and other intangible assets	(0)	(0)	68	(0)	68	N/M	N/M	N/M
	Transformational charges	31	26	17	99	58	21%	79%	71%
	Other material non-recurring expenses	(3)	1	6	2	32	N/M	(144)%	(92)%
	Total noninterest expenses	475	454	508	1,823	1,847	4%	(7)%	(1)%
	Profit before tax	182	211	155	791	866	(14)%	17%	(9)%
Adjusted profit before tax	226	246	254	937	1,057	(8)%	(11)%	(11)%	
Net income	137	147	107	567	595	(7)%	28%	(5)%	
Other Key Performance Measures	Reported CIR	72.3%	68.2%	76.6%	69.7%	68.1%	4.0 ppt	(4.3) ppt	1.6 ppt
	Adjusted CIR	65.7%	63.1%	60.0%	64.0%	60.6%	2.6 ppt	5.7 ppt	3.4 ppt
	FTE (#)	4,378	4,329	3,657	4,378	3,657	1%	20%	20%
	AuM (in €bn)	896	860	821	896	821	4%	9%	9%
	Net flows (in €bn)	11.0	2.3	(1.6)	28.3	(19.9)			
	Net flows ex Cash (in €bn)	1.8	1.6	(9.6)	22.6	(13.9)			
	Management fee margin (bps - annualized)	26.0	27.2	28.1	27.1	28.1			
	Earnings per share (in €)	0.68	0.73	0.53	2.83	2.97	(7)%	29%	(5)%

Historical net flows and AuM development



Net flow and AUM detail, €bn

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Net flows by asset class											
Active Equity	(0.7)	0.3	0.7	(2.1)	0.3	(0.8)	0.4	(0.6)	(1.6)	(0.4)	(2.1)
Active Multi Asset	3.8	6.8	0.6	(0.5)	(1.0)	5.9	5.6	0.5	(1.2)	(0.4)	4.4
Active SQI ¹	2.3	(0.1)	0.4	(0.4)	(0.3)	(0.3)	(0.8)	0.4	(0.6)	(0.5)	(1.5)
Active Fixed Income	4.6	(2.7)	(0.1)	(4.1)	(5.2)	(12.2)	0.5	0.0	0.2	(0.4)	0.3
Passive incl. Xtrackers	25.9	0.5	(3.3)	(3.8)	(0.5)	(7.1)	4.4	6.2	6.2	4.4	21.2
Alternatives	6.0	1.0	1.6	1.0	(2.9)	0.6	(1.4)	3.9	(1.3)	(0.9)	0.3
Total ex Cash	41.7	5.7	(0.3)	(9.8)	(9.6)	(13.9)	8.8	10.4	1.6	1.8	22.6
Active Cash	5.9	(6.8)	(24.8)	17.6	8.0	(6.0)	(3.1)	(1.1)	0.6	9.3	5.7
DWS Group	47.7	(1.0)	(25.0)	7.7	(1.6)	(19.9)	5.7	9.3	2.3	11.0	28.3

Net flows by region

Americas	7.5	(3.7)	(20.8)	17.4	(5.9)	(13.1)	(3.8)	6.6	2.7	5.5	11.0
EMEA excl. Germany	15.7	(4.4)	(2.7)	(7.6)	5.2	(9.6)	1.1	(3.9)	(1.0)	4.5	0.7
Germany	24.3	8.5	(0.3)	(1.5)	(0.6)	6.1	8.9	5.0	(0.4)	0.8	14.3
Asia Pacific	0.1	(1.4)	(1.2)	(0.5)	(0.2)	(3.4)	(0.5)	1.7	1.0	0.1	2.3
DWS Group	47.7	(1.0)	(25.0)	7.7	(1.6)	(19.9)	5.7	9.3	2.3	11.0	28.3

Net flows by client channel

Retail	31.7	4.6	3.5	(5.9)	(2.2)	0.0	3.1	1.1	4.6	2.5	11.3
Institutional	16.0	(5.7)	(28.5)	13.6	0.6	(19.9)	2.6	8.2	(2.3)	8.6	17.0
DWS Group	47.7	(1.0)	(25.0)	7.7	(1.6)	(19.9)	5.7	9.3	2.3	11.0	28.3

Change in AuM

Total net flows	47.7	(1.0)	(25.0)	7.7	(1.6)	(19.9)	5.7	9.3	2.3	11.0	28.3
FX	25.8	8.7	20.7	22.8	(30.4)	21.9	(6.6)	(1.9)	10.6	(14.4)	(12.2)
Markets	60.1	(33.3)	(65.1)	(31.1)	21.4	(108.2)	18.8	11.2	(12.6)	40.1	57.5
Other	1.5	0.4	0.2	0.6	(1.1)	0.1	1.2	0.1	(0.0)	(0.2)	1.1
Total change in AuM	135.0	(25.2)	(69.3)	0.0	(11.6)	(106.1)	19.1	18.7	0.3	36.5	74.6

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
AuM by asset class											
Active Equity	116	112	102	97	99	99	103	106	104	107	107
Active Multi Asset	70	74	69	67	68	68	75	76	75	76	76
Active SQI ¹	77	72	66	64	64	64	64	66	63	66	66
Active Fixed Income	227	215	208	205	194	194	196	196	197	203	203
Passive incl. Xtrackers	238	230	207	198	199	199	213	225	229	247	247
Alternatives	115	120	123	126	118	118	113	115	114	111	111
Total ex Cash	843	824	777	756	741	741	764	783	781	811	811
Active Cash	84	79	56	77	80	80	77	76	78	85	85
DWS Group	928	902	833	833	821	821	841	859	860	896	896

AuM by region

Americas	230	226	206	229	209	209	204	209	214	218	218
EMEA excl. Germany	245	235	219	209	204	204	210	210	209	222	222
Germany	405	396	365	354	368	368	385	398	393	411	411
Asia Pacific	48	46	43	41	41	41	41	42	43	45	45
DWS Group	928	902	833	833	821	821	841	859	860	896	896

AuM by client channel

Retail	421	414	387	371	367	367	381	388	390	407	407
Institutional	507	489	446	463	454	454	460	471	470	489	489
DWS Group	928	902	833	833	821	821	841	859	860	896	896

¹ Systematic and Quantitative Investments

Q4 2023 detailed investment outperformance

Investment performance, in %¹

		1Y	3Y	5Y
Active Retail	Equity	53%	60%	74%
	Multi Asset ²	29%	22%	22%
	SQI ²	28%	83%	59%
	Fixed Income	69%	90%	96%
	Cash ²	100%	100%	100%
	Total		58%	70%
Active Institutional	Equity ²	44%	46%	58%
	Multi Asset	45%	42%	47%
	SQI	57%	77%	76%
	Fixed Income	74%	73%	77%
	Cash ²	87%	53%	95%
	Total		70%	69%
Active Total	Equity	52%	58%	73%
	Multi Asset	44%	40%	45%
	SQI	50%	78%	71%
	Fixed Income	74%	76%	79%
	Cash	92%	77%	97%
	Total		66%	70%
Alternatives	Direct Real Estate	27%	91%	91%
	Liquid Real Assets	39%	74%	98%
	Other Alternatives ²	52%	52%	52%
	Total		34%	81%
Total DWS		61%	71%	78%

¹ Aggregate asset-weighted gross outperformance of Active and Alternatives products that have benchmark spreads (gross and net) available over respective periods (Active and Liquid Real Assets as of Dec 31, 2023, Direct Real Estate and Other Alternatives as of Sep 30, 2023)

² <10bn AuM with BM and hence ratios not representative

Investor relations

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Cautionary statement (1/2)



The figures in this presentation are preliminary and unaudited. Our Annual Report 2023 is scheduled to be published on March 14, 2024.

This presentation 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.

The DWS ESG Framework (formerly DWS ESG Product Classification Framework) (“ESG Framework”) was introduced in 2021, taking into account relevant legislation (including SFDR), market standards and internal developments and was further described in our Annual Report 2021. Based on the further evolution of the regulatory environment, we incorporated some refinements into the ESG Framework in the fourth quarter of 2022. Besides liquid passively managed funds (ETFs) which apply a screen comparable to the “DWS ESG Investment Standard” filter or have a “sustainable investment objective”, as well as other liquid passively managed funds which have been labelled as ESG and/or seek to adhere to an ESG investment strategy, now also liquid passively managed funds (ETFs) which track indices that comply with the EU Benchmark Regulation on EU Climate Transition Benchmark and EU Paris-Aligned Benchmark are considered as ESG. Further details can be found in our Annual Report 2022.

We will continue to develop and refine our ESG Framework in accordance with evolving regulation and market practice. The aforementioned definitions apply to the entire presentation.

This presentation contains alternative performance measures (APMs). For a description of these APMs, please refer to the Interim Report, which is available at <https://group.dws.com/ir/reports-and-events/financial-results/>

Cautionary statement (2/2)



To measure outperformance, each fund or mandate of DWS which has a benchmark and where both gross and net outperformance is available has its performance (gross of fees) measured against that benchmark. In certain cases, for illiquid portfolios where no benchmark is available but a target return is defined, we use this target return instead of a benchmark for outperformance calculation. Where a fund or mandate outperforms its benchmark, the AuM held by such fund or mandate is included in the total proportion of our AuM included in outperformance figures. Fund of Funds are counted as products, e.g. when showing the absolute or relative number of products but are accounted with zero AuM for the purpose of AuM-based outperformance figures. Performance data is based on our internal performance review database and measured gross of fees.

The outperformance ratio is defined as the AuM of all funds and mandates of DWS that outperformed their benchmark over the respective period divided by the AuM of all funds and mandates that have a benchmark assigned and performance data available.

Outperformance is only one factor among many that influences the levels of our AuM, and the levels of our AuM are only one factor that contributes to our results of operations and financial position. Historical outperformance statistics should not be considered a substitute for financial information and trends in outperformance do not correlate with changes in net income.