



Investors for a new now

DWS Group – Q3 2023 results

October 25, 2023

Q3 2023 key financial highlights

Solid financial results despite challenging market environment



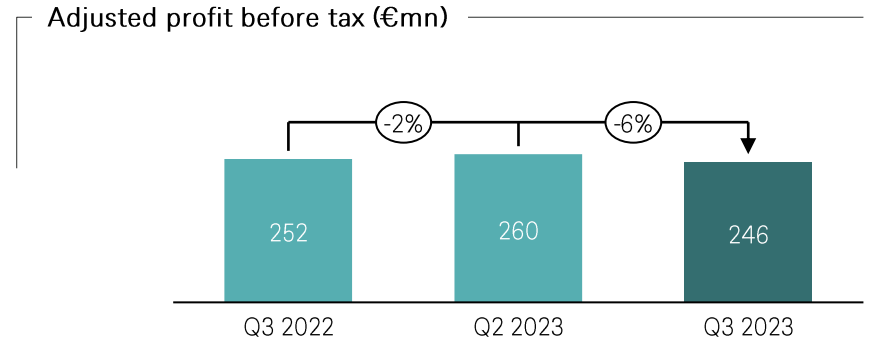
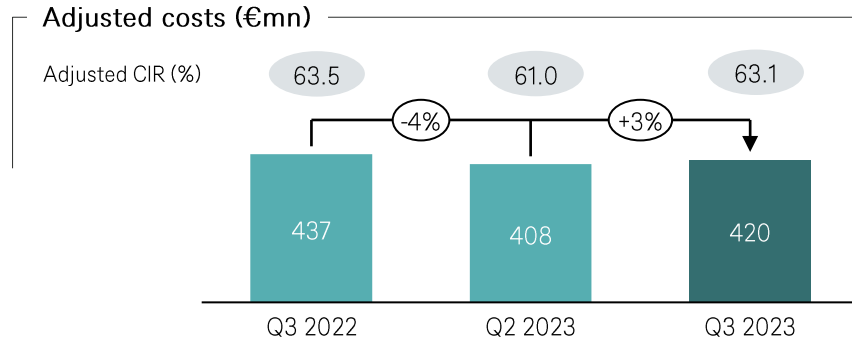
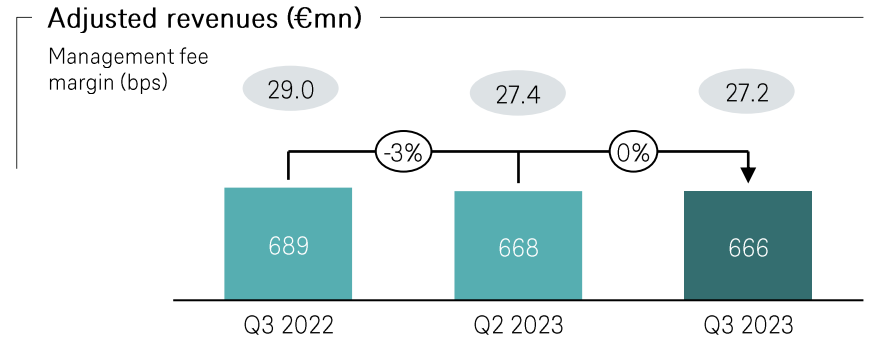
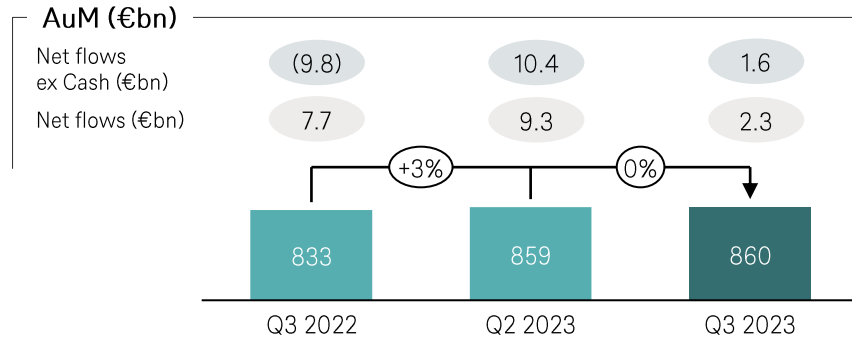
» Net flows of €2.3bn, strongly supported by Xtrackers, which gained market share in Q3

» Adjusted cost income ratio of 63.1%, on track to achieve FY 2023 guidance of <65%

» Adjusted profit before tax of €246m supported by increasing management fees

Financial performance snapshot – Q3 2023

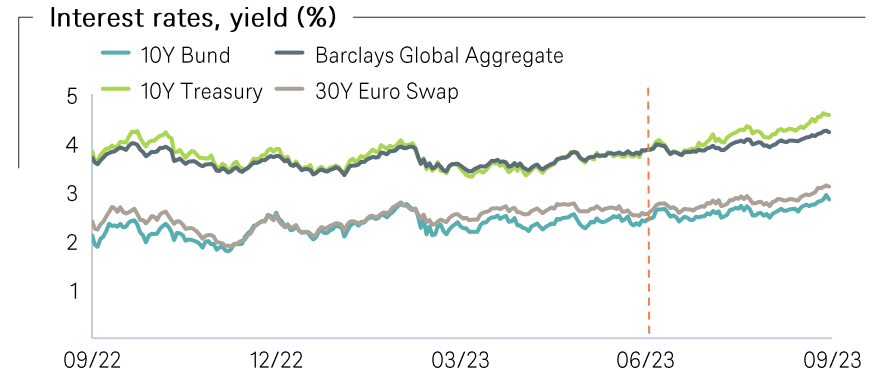
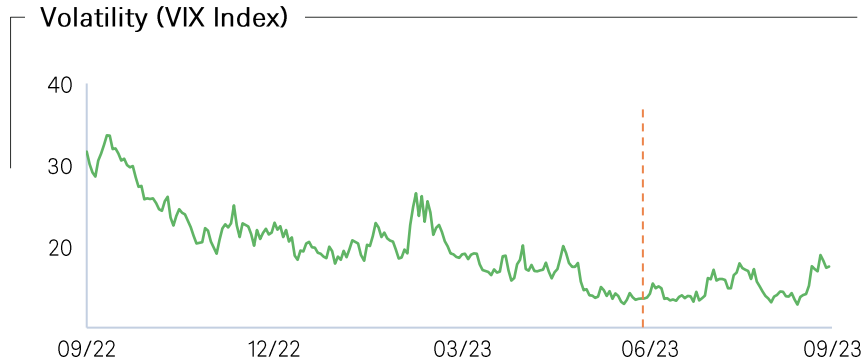
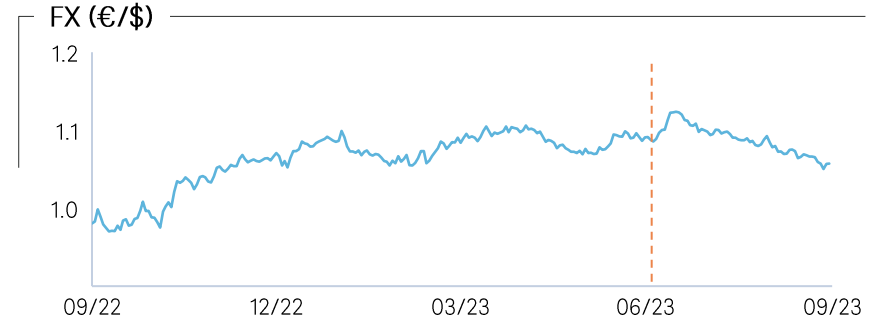
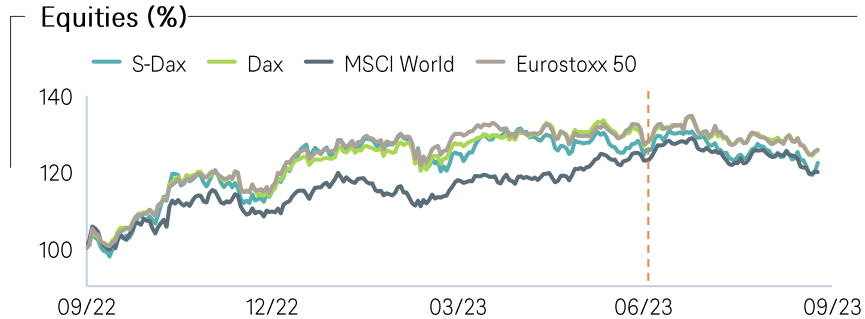
CIR well below 65% despite a slight increase in adjusted costs



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

Market environment

Market trends beneficial in 2023 despite a challenging third quarter



Source: Bloomberg

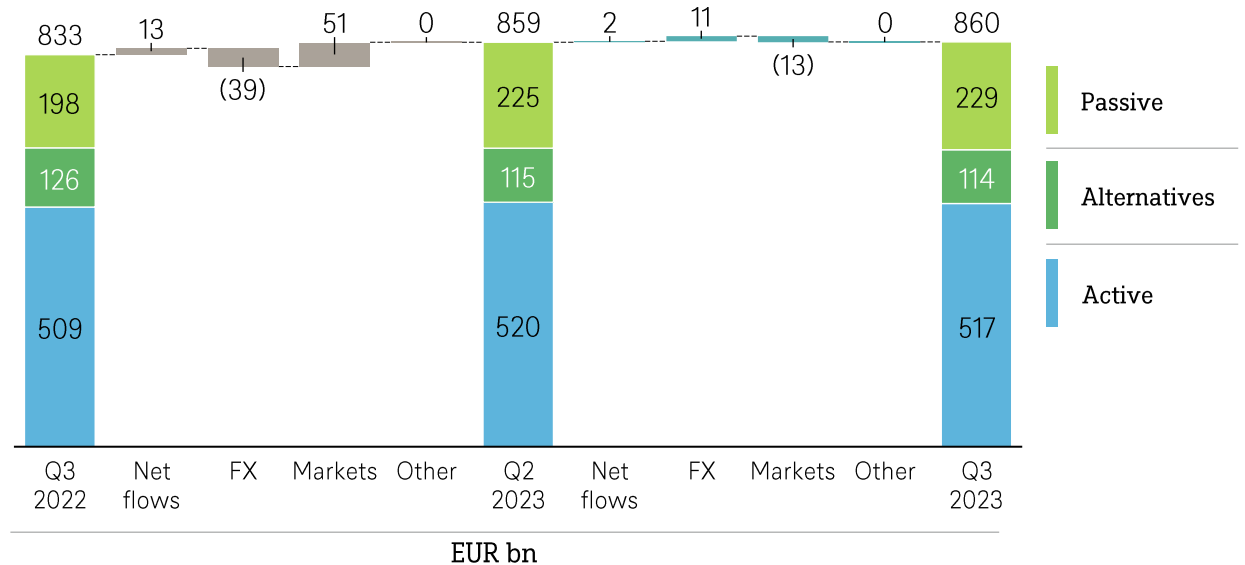
AuM development

Positive net flows and FX effects largely offset by negative market impact

Highlights

- Slight increase in AuM to €860bn in Q3 2023
- Exchange rate movements had a €11bn positive effect on AuM, almost offsetting negative market impact of €13bn
- €2bn of net flows support slightly positive AuM development in Q3 2023

AuM development Q3 2022 – Q3 2023



Net flows and AUM by asset class & region

Strong Xtrackers flows overcompensate low market appetite for active and alternative products

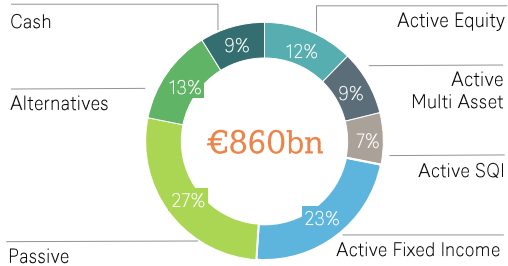
Highlights

- Net inflows of €2.3bn mainly driven by our defined growth area Passive
- ESG net inflows of €1.7bn, supported by Passive including Xtrackers
- Strong flow performance of Xtrackers UCITS ETFs, especially in Fixed Income, leading to increased market share of 10.2%
- Alternatives outflows mainly from LRA and Real Estate, overcompensating inflows in infrastructure
- Continued net inflows in Active Fixed Income, supported by inflows into flagship retail funds
- Active Multi Asset outflows mainly attributable to two specific low margin institutional mandates
- Active Equity flows negatively impacted by clients' low risk appetite

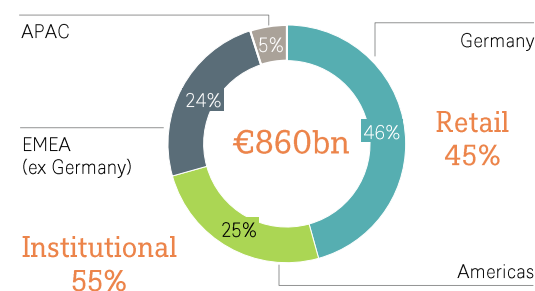
Net flows breakdown, €bn

	Q3 2022	Q2 2023	Q3 2023
Active Equity	(2.1)	(0.6)	(1.6)
Active Multi Asset	(0.5)	0.5	(1.2)
Active SQI ¹	(0.4)	0.4	(0.6)
Active Fixed Income	(4.1)	0.0	0.2
Passive	(3.8)	6.2	6.2
Alternatives	1.0	3.9	(1.3)
Total ex Cash	(9.8)	10.4	1.6
Cash	17.6	(1.1)	0.6
Total	7.7	9.3	2.3

AuM by asset class



AuM by region & client type

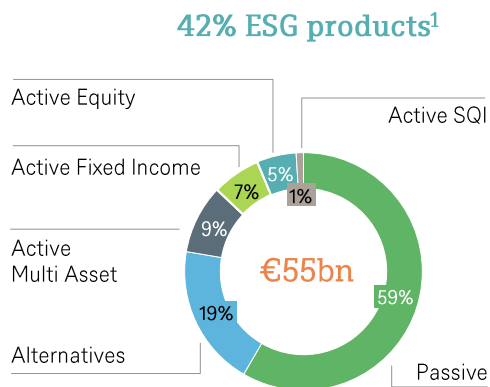


¹Systematic and Quantitative Investments

New fund launches and product pipeline

Decent level of inflows in 2023 from new funds launches across all asset classes

Cumulative flows since IPO as of Q3 2023



Management fee margin of new funds (bps)

~35

Product strategy highlights Q3 2023

- Launch of European Real Estate Transformation Fund
- Entering Strategic Alliance with BOCHK AM to develop innovative investment strategies
- Launch of first thematic ETFs in the U.S. – US Green Infrastructure, Semiconductors & Cybersecurity
- Continue set-up of cryptocurrency ETC platform in Switzerland

Fund launches pipeline Q4 2023²

- Xtrackers II Target Maturity EUR Corporate Bond UCITS ETF *range* Xtrackers
- European Infrastructure strategy Alternatives
- DWS Invest Conservative Sustainable Bonds Active

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. 17. ² Examples, subject to demand assessments, approvals and successful transaction execution.

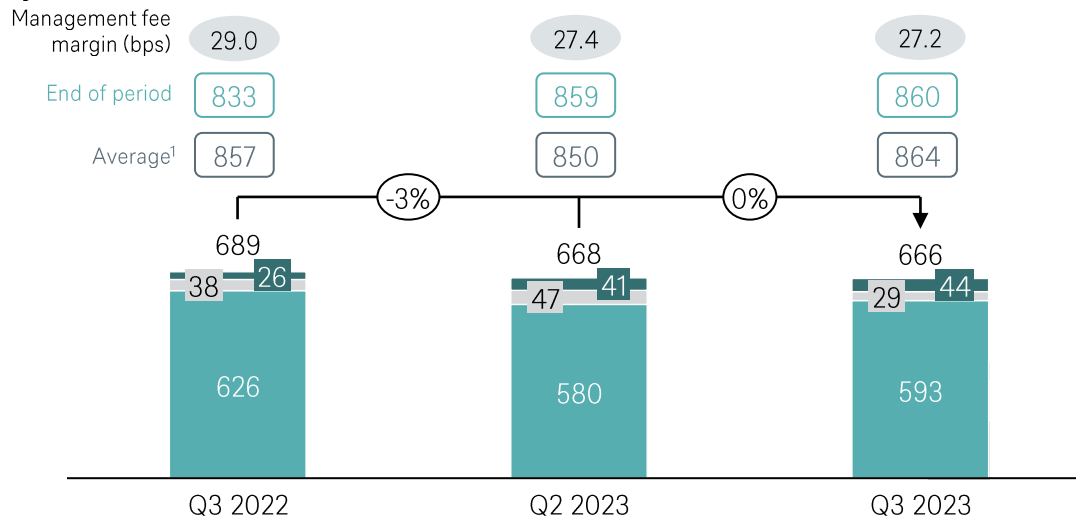
Revenue development

Increase in management fees driven by higher average AuM

Highlights

- Total adjusted revenues broadly unchanged and supported by higher management fees
- Management fee increase as a result of higher average AuM in Q3
- Performance and transaction fees well within our target range of 3-6% of total adjusted revenues
- Other revenues almost unchanged including Harvest contribution of €13mn

Adjusted revenues



EUR mn

xx AuM (€bn)
 Management fees and other recurring revenues
 Performance & transaction fees
 Other revenues

¹Monthly Average

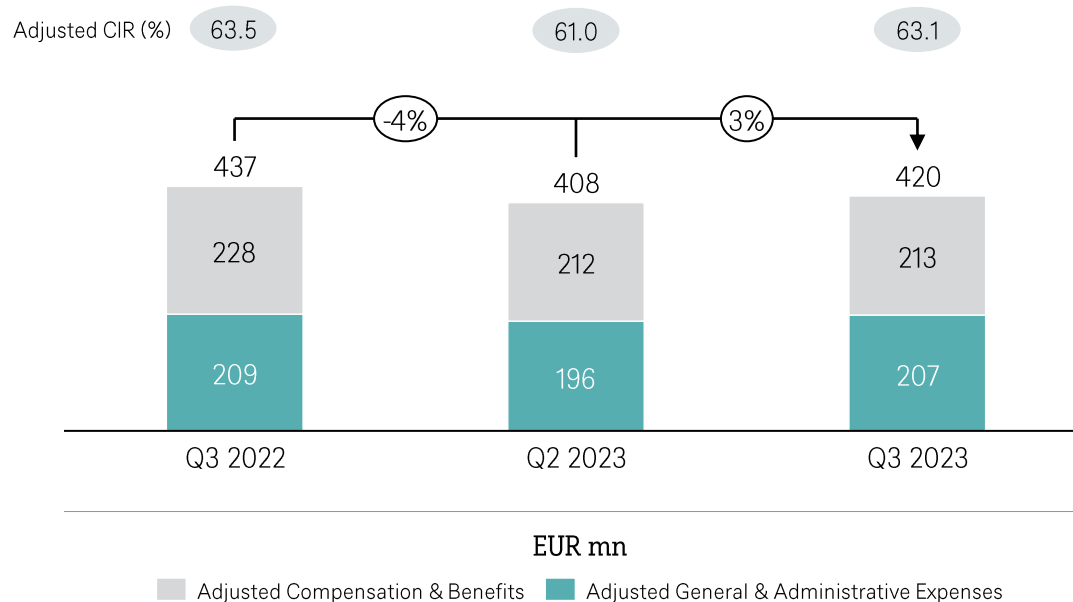
Cost development

On track to achieve adj. CIR target in 2023 supported by ongoing cost efficiency actions

Highlights

- Total adjusted costs increased by 3% but adjusted CIR ratio remains in line with our target of below 65% in 2023
- Stable adjusted compensation & benefits despite further investments into growth and insourcing
- Adjusted General & Admin expenses increased versus Q2 due to seasonal effects including increased marketing spend and higher service charges
- The adjusted cost base also excluded €26mn of investments into our infrastructure platform transformation

Adjusted costs¹



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

Strategic Outlook

Continuing our steady climb up the mountain



Our strategy to punch our weight: Disciplined portfolio optimization

Reduce

Re-allocating resources to priority growth areas

- Implementing newly identified cost reduction measures to offset inflationary pressures

Value

Maintaining leadership in mature markets

- Strengthening Fixed Income capabilities through initiatives such as the Global Insurance Council
- Modularizing Multi Asset platform to increase potential for scaling these strategies further

Growth

Expanding true areas of strength

- Building on strong Xtrackers momentum through product innovation and international expansion
- Appointing a Head of Alternative Credit in Europe and strengthening Real Estate Debt capabilities in Americas

Build

Seed-funding areas with high potential

- Upskilling employees on digital assets ahead of planned cryptocurrency ETC launches
- Moving into next phase of our digital assets strategy to support the creation of a Euro Stablecoin

The background features a series of thin, parallel diagonal lines sloping upwards from left to right. A large, light gray triangle is positioned in the upper right corner, pointing towards the top right.

Appendix

Our Financial Targets 2025

	Guidance 2023	Target 2025
Earnings per share		EUR 4.50
Adjusted CIR	<65%	<59%
Passive AuM Growth ¹		>12% (CAGR 2022-2025)
Alternatives AuM Growth		>10% (CAGR 2022-2025)

Note: Targets assuming stable market conditions ¹ Including Xtrackers brand

Profit & Loss and other key performance measures, €mn, unless stated otherwise

	Q3 2023	Q2 2023	Q3 2022	9M 2023	9M 2022	Q3 2023 vs Q2 2023	Q3 2023 vs Q3 2022	9M 2023 vs 9M 2022	Q3 2023 vs Q2 2023	Q3 2023 vs Q3 2022	9M 2023 vs 9M 2022	
Profit & Loss	Management fees and other recurring revenues	593	580	626	1,743	1,863	2%	(5)%	(6)%	13	(33)	(120)
	Performance and transaction fees	29	47	38	87	95	(37)%	(22)%	(9)%	(17)	(8)	(8)
	Other revenues	44	41	26	127	90	5%	70%	41%	2	18	37
	Net revenues	666	668	689	1,958	2,049	(0)%	(3)%	(4)%	(2)	(23)	(91)
	Revenue adjustments	0	0	0	14	-	N/M	N/M		-	-	14
	Adjusted revenues	666	668	689	1,943	2,049	(0)%	(3)%	(5)%	(2)	(23)	(106)
	Adjusted Compensation & Benefits	213	212	228	632	653	1%	(7)%	(3)%	1	(15)	(22)
	Adjusted General & administrative expenses	207	196	209	601	592	6%	(1)%	1%	11	(2)	9
	Adjusted cost base	420	408	437	1,232	1,245	3%	(4)%	-1%	13	(17)	(13)
	Severance & Restructuring	5	10	5	21	14	(44)%	12%	57%	(4)	1	8
	Litigation	2	21	2	22	14	N/M	32%	59%	(18)	1	8
	Transformational charges	26	25	19	68	41	3%	39%	67%	1	7	27
	Other material non-recurring expenses	1	4	12	5	26	N/M	(94)%	(80)%	(4)	(11)	(20)
	Total noninterest expenses	454	467	474	1,348	1,339	(3)%	(4)%	1%	(13)	(20)	10
	Profit before tax	211	201	215	609	711	5%	(2)%	(14)%	11	(3)	(101)
Adjusted profit before tax	246	260	252	711	804	(6)%	(2)%	(12)%	(15)	(6)	(93)	
Net income	147	145	147	430	488	2%	0%	(12)%	3	1	(58)	
Other Key Performance Measures	Reported CIR	68.2%	69.9%	68.8%	68.9%	65.3%	(1.7) ppt	(0.6) ppt	3.5 ppt			
	Adjusted CIR	63.1%	61.0%	63.5%	63.4%	60.8%	2.1 ppt	(0.3) ppt	2.6 ppt			
	FTE (#)	4,329	4,296	3,721	4,329	3,721	1%	16%	16%			
	AuM (in €bn)	860	859	833	860	833	0%	3%	3%		26.5	26.5
	Net flows (in €bn)	2.3	9.3	7.7	17.3	(18.3)				(7.0)	(5.5)	35.6
	Net flows ex Cash (in €bn)	1.6	10.4	(9.8)	20.8	(4.3)				(8.8)	11.5	25.2
	Management fee margin (bps - annualized)	27.2	27.4	29.0	27.4	28.2				(0.1)	(1.7)	(0.8)

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
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)
Active Multi Asset	3.8	6.8	0.6	(0.5)	(1.0)	5.9	5.6	0.5	(1.2)
Active SQI ²	2.3	(0.1)	0.4	(0.4)	(0.3)	(0.3)	(0.8)	0.4	(0.6)
Active Fixed Income	4.6	(2.7)	(0.1)	(4.1)	(5.2)	(12.2)	0.5	0.0	0.2
Passive	25.9	0.5	(3.3)	(3.8)	(0.5)	(7.1)	4.4	6.2	6.2
Alternatives	6.0	1.0	1.6	1.0	(2.9)	0.6	(1.4)	3.9	(1.3)
Total ex Cash	41.7	5.7	(0.3)	(9.8)	(9.6)	(13.9)	8.8	10.4	1.6
Active Cash	5.9	(6.8)	(24.8)	17.6	8.0	(6.0)	(3.1)	(1.1)	0.6
DWS Group	47.7	(1.0)	(25.0)	7.7	(1.6)	(19.9)	5.7	9.3	2.3

Net flows by region

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

Net flows by client channel

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

Change in AuM

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

	FY 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022 / FY 2022	Q1 2023	Q2 2023	Q3 2023
AuM by asset class								
Active Equity	116	112	102	97	99	103	106	104
Active Multi Asset	70	74	69	67	68	75	76	75
Active SQI ²	77	72	66	64	64	64	66	63
Active Fixed Income	227	215	208	205	194	196	196	197
Passive	238	230	207	198	199	213	225	229
Alternatives	115	120	123	126	118	113	115	114
Total ex Cash	843	824	777	756	741	764	783	781
Active Cash	84	79	56	77	80	77	76	78
DWS Group	928	902	833	833	821	841	859	860

AuM by region

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

AuM by client channel

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

¹ Systematic and Quantitative Investments

Q3 2023 detailed investment outperformance

Investment performance, in %¹

		1Y	3Y	5Y
Active Retail	Equity	73%	52%	60%
	Multi Asset ²	23%	23%	23%
	SQI ²	79%	56%	58%
	Fixed Income	86%	95%	79%
	Cash ²	100%	100%	100%
	Total		77%	64%
Active Institutional	Equity ²	55%	48%	68%
	Multi Asset	43%	44%	37%
	SQI	67%	77%	74%
	Fixed Income	78%	77%	82%
	Cash ²	85%	58%	75%
	Total		74%	73%
Active Total	Equity	71%	51%	61%
	Multi Asset	41%	43%	35%
	SQI	70%	72%	70%
	Fixed Income	79%	80%	81%
	Cash	90%	77%	87%
	Total		75%	70%
Alternatives	Direct Real Estate	13%	79%	89%
	Liquid Real Assets	30%	64%	90%
	Other Alternatives ²	56%	56%	56%
	Total		24%	71%
Total DWS		66%	70%	75%

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 June 30, 2023, Direct Real Estate and Other Alternatives as of June 2023)

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

Investor relations

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Cautionary statement (1/2)



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 release.

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.