2021

Annual Report

DWS

Content

Who we are

With € 928bn in assets under management and approximately 3,600 employees worldwide, we are a truly global asset manager. Our size and reach are fundamental to our capabilities and strength across the Active, Passive and Alternatives investment spaces.

€ 928bn Assets under Management

€ 575bn Assets under Management in Active

€ 238bn Assets under Management in Passive

€ 115bn Assets under Management in Alternatives

As of 31 December 2021

Longstanding heritage

Our roots lie in the launch of the German investment fund firm DWS in 1956. Since then we have developed our expertise across all asset classes to become one of the most recognised names in asset management.

- Active DWS founded 1956 in Germany
- 40+ years in Alternatives
- 20+ years in Passive
- Roots in the US dating back almost a century*
- Asian footprint since 1987

Integrated wordwide platform

We offer a fully integrated global platform that has been carefully positioned for future growth. Having all of our capabilities under one roof enables us to be ambitious, innovative and unconstrained in our forward thinking for our clients.

Diverse investment capabilities: Full spectrum of traditional and alternative capabilities to serve clients worldwide – from large institutions to governments, corporations, foundations and millions of individual investors.

Responsible Investing

We are a fiduciary partner to our clients and conscious of our societal impact. Responsible Investing has long been a key part of our heritage, because it serves the best interests of those who entrust us to manage their assets.

- Proud pioneer in responsible investing
- Early PRI Signatory since 2008
- Dedicated ESG research
- Committed to shaping the ESG investment landscape

Top 3 SDGs

DWS identified the Top 3 Sustainable Development Goals on which we have an impact on:

*Through the Scudder business, established in 1919 and acquired by Deutsche Bank / Deutsche Asset Management in 2002

Facts and Figures

Net flows
(€ bn)

2020 30

2021 48

Adjusted profit before tax
(€ m)

2020 795

2021 1,140

CDP Rating

2020 C

2021 B

Assets under Management (€ bn)

2020 793

2021 928

Adjusted Cost-Income Ratio (%)

2020 64.5

2021 58.1

Dividend per share (€)

2020 1.81

As per AGM decision on 9 June 2021 with payment as of 14 June 2021.

2021 2.00

The Executive Board and Supervisory Board will recommend a dividend payment of € 2.00 per share for the financial year 2021 at the Annual General Meeting on 9 June 2022.

Interview with the Chairman of the Executive Board

Asoka, how would you summarize 2021 at DWS?

For our firm, 2021 will clearly be remembered as a year for the record books. Not only did it mark our third consecutive year of positive growth, but also our strongest ever year of financial performance. Our success was underpinned by our united team spirit worldwide as we embarked upon phase two of our corporate journey to "Transform, Grow and Lead". Now, as a globally integrated firm, we will invest into transformation for further efficiency and achieve differentiated leadership through targeted growth opportunities.

On the financial performance in 2021, what were DWS's key achievements?

Despite the ongoing pandemic, we remained focused on delivering profitable growth without compromising our efficiency. In 2021, we reported records across all major financial metrics including net inflows, AuM, adjusted revenues and adjusted profit before tax, as well as our lowest adjusted cost-income ratio to date. Significantly, this has allowed us to propose a higher dividend of EUR 2.00 per share for 2021, enabling our shareholders to participate in our record results while maintaining flexibility for further growth opportunities.

What do you attribute as the key driver of DWS's success in 2021?

There are many drivers I can point to. For a start, our people. DWS has a tremendously focused team around the world, fully committed to serving the ever-changing investment needs and expectations of our clients. In addition, our diversified product mix sets us apart. We have built upon our investment platform, focusing on Passive and high margin strategies such as Alternatives, and further supported by our strong investment performance and product innovation. We have also intensified our efforts to embed ESG (Environmental, Social and Governance) across the entire value chain in response to growing client demand.

On the topic of ESG, this is clearly a huge talking point in the industry – as well as in society at large – how important is this to DWS?

Without a doubt, ESG is fundamental to DWS. And our clients have clearly spoken on the topic, too: last year, ESG products accounted for ~40% of our EUR 47.7 billion of record annual inflows. In 2022, we are focused on developing and evolving the best possible ESG products for our clients while engaging with a variety of stakeholders to help shape better ESG practices for our society and economy. And with our newly established 2030 net zero interim target and improved CDP "B" rating, we are better positioned than ever to take positive climate action.

In addition to sustainability, what are DWS's other top priorities?

As I mentioned, our corporate journey is to "Transform, Grow and Lead". Starting with the first theme, we understand that we need to transform – both operationally and culturally – for DWS to reflect the evolving needs of our clients. This is why we are modernizing our infrastructure platform to create further efficiencies that will ultimately enable us to better serve our partners. On the cultural front, we recently united our employee inclusion and engagement networks globally to empower our people and to help us transform our culture. Our ethos is to foster a diverse and inclusive working environment that enables change, provides a sense of belonging, and which values and develops colleagues of all backgrounds and experiences. Everyone's voice is valued – and we want to represent our broad client mix.

And how does DWS intend to lead?

At DWS, our collective ambition is to solidify our standing as a leading European asset manager with global reach. As part of this, we will continue our quest for further organic growth in the markets and businesses where we believe we can lead – especially in high-margin strategies, including Alternatives – and by scaling our business in Passive, particularly in Europe where we already enjoy a dominant market position. At the same time, we will continue our diligent and active approach in looking for partnerships and inorganic growth opportunities, including in our targeted growth region of Asia.

How else will you boost DWS's global reach?

We understand the power of partnerships to amplify our brand internationally. For this reason, we took a bold decision in 2021 to become the first Official Global Investment Sponsor of the iconic NBA basketball team, the Los Angeles Lakers. The Lakers – like DWS – stand for excellence, top performance, heritage, teamwork, as well as the promotion of diversity and inclusion in our local communities. With the largest social media following among all North American professional sports teams, the Lakers also have an extraordinarily enthusiastic following in Asia Pacific – one of our core growth markets – with an estimated 199 million fans in the region. The team is also among the most popular NBA sports teams across our key European markets of Germany, Spain, Italy, France and the United Kingdom. It is clear that this sponsorship is already giving us prominent visibility in these fundamental markets, helping us to position ourselves as a leading global asset manager.

With this increased visibility, how are you positioning DWS to the worldwide market?

We have identified three key corporate values that represent us as a firm: client commitment; entrepreneurial spirit and sustainable action. Each of these themes is interlinked, helping to foster a common purpose among our people, while demonstrating to the broader market what we stand for as a firm. By this, I mean all of our valued partners: our shareholders, clients, strategic partners, vendors and the charities we support through our many Corporate Social Responsibility activities. Together, we know that we can create investment products and solutions to help our economy for the better, but more generally, we can work together to provide a more sustainable society and support those most in need.

Finally, what can DWS's clients and shareholders expect from DWS in the coming year?

In 2022, our focus is firmly where it needs to be: to keep DWS on its growth trajectory and to achieve our ambitions during phase two of our corporate journey. We want to do this by forming ever strong bonds with our clients, expanding our business and ensuring we become even more efficient and agile. While we aim to maintain our strong momentum from 2021 into 2022 and beyond, we expect some industry headwinds along the way, mainly due to inflation and enormous geopolitical tensions. What we have seen these days in Ukraine, marks a sad turning point in Europe's history. This armed conflict has not only undermined trust between Russia and the Western world, but will also permanently change Europe's security architecture. The sanctions taken by the US and Europe will have significant economic consequences for many regions. The sharp rise in energy and commodity prices increases the likelihood of a recession, and markets are likely to be volatile for quite a while. I am confident, however, that we are well positioned to withstand challenges as they arise. We are also on track to deliver our annual net flow growth target of more than 4% on average in the medium-term, and a sustainable adjusted cost-income ratio of 60% in 2024. I know that we have the right people, the right business mix, and the right vision to deliver for our esteemed stakeholders.

Managing Directors of the General Partner (collectively referred to as the Executive Board)

Dr Asoka Woehrmann, * 1965
Chief Executive Officer and Head of Executive Division (since 25 October 2018)

Manfred Bauer, * 1969
Head of Product Division (since 1 July 2020)

Mark Cullen, * 1955
Chief Operating Officer and Head of COO Division (since 1 December 2018)

Dirk Goergen, * 1981
Head of Client Coverage Division (since 1 December 2018)

Stefan Kreuzkamp, * 1966
Chief Investment Officer and Head of Investment Division (since 1 March 2018)

Claire Peel, * 1974
Chief Financial Officer and Head of CFO Division (since 1 March 2018)

Executive Board in the reporting year:

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Chief Executive Officer and Head of Executive Division (since 25 October 2018)

Manfred Bauer, * 1969
Head of Product Division (since 1 July 2020)

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Chief Financial Officer and Head of CFO Division (since 1 March 2018)

Report of the Supervisory Board

Dear shareholders,

2021 was another remarkable year for DWS with financial record results. In the second year of the pandemic, the Group has consistently pursued its strategic goals and expanded its core strengths. At the same time, DWS has demonstrated sustainable operational stability and resilience. Thanks to a clear focus on its strengths, DWS has raised more net flows than ever before.

With DWS moving into phase two of its corporate journey to "Transform, Grow and Lead", the advice to and the monitoring of the Executive Board in its implementation of the Group's key strategic programs has made up a sizeable share of our work. We again took the time at all meetings and during our two-day strategy workshop to discuss strategic priorities with the Executive Board.

Over the last year, DWS made significant progress on its growth path. The initiatives taken by the Executive Board, which are centred on targeting high margin investment strategies and further platform scaling, have further strengthened DWS's position in a highly competitive environment. Record-level revenues and profit before tax reflect this focus.

At the same time the multi-year transformation project to replace the existing complex IT infrastructure has entered its execution phase and DWS is on track to build a standalone, state-of-the-art, scalable and efficient operating platform that meets the requirements of its fiduciary business.

In parallel, DWS has used the past year to explore new business opportunities arising from strategic partnerships, mergers and acquisitions and the creation of new digital solutions along its entire value chain.

New technologies have also helped DWS to successfully navigate the ongoing challenges posed by the COVID-19 pandemic. Driven by a new understanding of corporate responsibility shaped by the pandemic, the Group has quickly adopted a modern work model for its employees. In addition, thanks to sophisticated formats such as digital conferences, virtual roundtables, live streaming and video on demand, DWS now interacts more flexibly than ever before with its clients and employees.

These new digital capabilities were also used to make our second virtual Annual General Meeting as interactive and shareholder friendly as possible. We would have liked to host a physical meeting in 2021. But while dialogue with our shareholders is of high importance to us as the Supervisory Board and to DWS as an asset manager, protecting the health of our shareholders, our employees and the personnel of our service providers, remains our top priority.

With respect to its corporate culture as a standalone asset manager, DWS has set the course over the past year to further sharpen its profile. The roll-out of the functional role framework represents a significant milestone in the Group's transformation into an organization with flat hierarchies, which releases performance potential and builds the foundation for sustainable people management. As a next step, DWS has introduced a single compensation framework, which is tailored to the needs of an asset manager and further underpins the commitment to pay for performance. The new compensation system also integrates sustainability metrics as key performance indicators for all employees, reflecting the strategic relevance of "Environmental, Social and Governance" (ESG) aspects.

Since our first strategy meeting in 2019 we have continuously addressed ESG as one of the megatrends shaping the asset management industry. We have since supported and encouraged the Executive Board in pursuing its ambition to "make ESG the core of what we do" ("ESG Strategy" as disclosed in the 2019 Annual Report). Throughout this year, DWS has firmly maintained its focus on a more sustainable future of asset management in a continuously evolving landscape of regulatory frameworks and client demands. The ESG Product Classification Framework is the Group's response to such developments including the European Union's Sustainable Financial Disclosure Regulation (SFDR) that came into effect in March 2021. In November 2021, DWS detailed its roadmap to net zero emissions by 2050 and published its 2030 net zero interim target as a founding signatory of the Net Zero Asset Manager Initiative. Strong net inflows into ESG products across all quarters in 2021 underline clients' confidence in DWS's ESG capabilities and the Group's success in promoting a wide range of ESG investment strategies to retail and institutional investors in a clear and transparent manner.

Over the last year, DWS also had to deal with allegations regarding the Group's ESG disclosures made by the former Group Sustainability Officer. When the Supervisory Board first became aware of this matter in March 2021, we immediately initiated, as a first step, an external, independent analysis and plausibility check of the allegations by a third-party company to prepare an adequate basis for our further evaluation. This analysis did not identify any misconduct on the part of the Executive Board or the employees of the company. Based on our assessment of the final report in our plenary session in July, we could find no substance for further review by the Supervisory Board. To ensure a continued close and efficient monitoring of the Executive Board's handling of the ESG matter, in particular with regards to information requests by US and German authorities, we established a dedicated and temporary subcommittee in the third quarter, which keeps the Supervisory Board continually updated on its work. Richard I. Morris, Jr, Ute Wolf and Said Zanjani were appointed as members of the subcommittee, Karl von Rohr as the Chairman. In February 2022, the mandate of the subcommittee was expanded to include the assessment of the use of electronic communication systems by the Executive Board and in this context, Bernd Leukert was appointed as an additional subcommittee member. The Executive Board and the appointed legal advisors report to the subcommittee on a weekly basis and as required. At this point no specific matters that would require separate inspection by the Supervisory Board or that would give reason for intervention have materialized.

The Supervisory Board performed the tasks assigned to it by law, regulatory requirements, the company's Articles of Association and the Supervisory Board's Terms of Reference. In fulfilling our supervisory tasks, we monitored the General Partner and advised the Executive Board. Besides the monitoring of the ongoing business operations and our strategic consultations, our deliberations primarily centred on business events and transactions with significant relevance for the company and on key personnel-related matters.

In addition, we dealt with important questions relating to corporate management and organization as well as compliance and control matters and the governance standards implemented by DWS. The Executive Board regularly reported to us both in writing and verbally on significant matters relating to the company. Moreover, during 2021 there was a regular exchange of information between the Chairman of the Supervisory Board, the chairpersons of its committees and the Executive Board. Thus, we were continuously, comprehensively and without delay informed on business developments and the company's strategy, its corporate, financial and personnel planning, its profitability, the control framework and its environment, including the company's compliance and its risk, liquidity and capital management activities.

There was a total of 22 meetings of the Supervisory Board and its committees. Due to the COVID-19 pandemic, most of the meetings were held as video conferences. The average meeting participation rate in 2021 was above 99%. Information on meeting participation for each member on the Supervisory Board is laid out in the following section. When necessary, resolutions were passed by circular procedure between the meetings.

Meetings of the Supervisory Board in Plenum

The Supervisory Board held nine meetings in 2021, in which we dealt with all matters of significant relevance to the company.

At our first meeting on 22 January 2021, we reviewed the 2020 full year financial performance and discussed plan deviations, current business developments, existing projections, and agreed targets. Based on the Audit and Risk Committee's deliberations, we examined the dividend capacity of DWS and addressed the future dividend policy against the backdrop of Group's ambition to "Transform, Grow and Lead". Separately, the Executive Board reported on the preparation of the upcoming roll-out of the functional role framework. The Executive Board also detailed its plan for a fund platform joint venture aimed at unlocking the full potential of DWS's digital investment platform in Germany and Luxembourg. Further, we received additional insights into DWS's product strategy, the firm's systematic approach towards a constant optimization of its offering, major product trends as well as the link with DWS's overarching ESG Strategy. We also addressed the enhancement of the compensation system for the members of the Executive Board, which was later in the year submitted for approval ("Billigung") to the Annual General Meeting. Finally, with the support of the Nomination Committee, we dealt with the report on the efficiency assessment of the Supervisory Board's work and determined our priorities and focus topics for engagement in 2021.

At our extraordinary meeting on 8 March 2021, we reviewed the 2020 Annual Financial Statements and Consolidated Financial Statements as well as the integrated non-financial report for 2020 and the Dependency Report presented by the Executive Board. Based on the recommendation of the Audit and Risk Committee and following an in-depth discussion with representatives of the auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin (KPMG), we unanimously approved the Annual Financial Statements and Consolidated Financial Statements. In addition, we concurred with the proposal of the Executive Board for the appropriation of distributable profit and approved the Report of the Supervisory Board.

At our meeting on 19 April 2021, the ESG related allegations were addressed by the plenum for the first time and have since been a subject of our deliberations at every ordinary Supervisory Board meeting. Separately, the Executive Board presented the progress made on its growth initiatives. In addition, the Executive Board reported on the status of the implementation of the Investment Firm Regulation (EU) 2019/2033 (IFR) and the Investment Firm Directive (EU) 2019/2034 (IFD), the European Union's new prudential regime for investment firms, applicable to the Group on a consolidated level. Our discussions centred on the implications on DWS's capital and liquidity requirements as well as on reporting, disclosures and internal governance. With respect to ESG Strategy, we received further insights into the ESG Product Classification Framework.

On 19 April 2021 and at an extraordinary meeting on 23 April 2021, we dealt with the preparation of the Annual General Meeting, which was hosted on 9 June 2021. In the light of the continued COVID-19 pandemic, we decided to call again for a virtual meeting. We further approved the proposals for the agenda, including the submission of the compensation system for the members of the Executive Board to the Annual General Meeting for approval.

At our meeting on 22 July 2021, we dealt with a debrief on the Annual General Meeting, shareholders' main areas of interest and their voting behaviour. The review of the Interim Report 2021 with a heightened focus on the firm's outlook and – in the light of the new SFDR requirements – on ESG disclosures was another focus of our meeting. Further, we addressed the framework for evaluating potential merger and acquisition opportunities to enhance existing capabilities and expand DWS's distribution reach. With respect to the Group's global footprint, the Executive Board outlined its strategy for the Asia Pacific region. Additionally, we received a presentation on the key changes to the compensation framework for the employees, which promotes DWS's strategic targets and the Groups' pay for performance culture.

On 26 August 2021 and at an extraordinary meeting on 27 August 2021, we dealt with recent press reports covering the ESG related allegations. We addressed the development of the DWS share price, analysts' views and measures taken by the Executive Board, including the statement on 26 August 2021 in which the Executive Board rejected the allegations and confirmed the correctness of the company's ESG disclosures.

At our extraordinary meeting on 9 September 2021, we agreed on the temporary establishment of our subcommittee to ensure a continued close and efficient monitoring of the Executive Board's handling of the ESG related allegations. In addition, the Executive Board informed us about the progress made on the repositioning of the company's digital investment platform and the intention to transfer the business to a joint venture with BlackFin Capital Partners, with DWS maintaining a 30% stake in the new partnership. Closing of the transaction is planned for 2022.

On 29 and 30 September 2021, we hosted our annual strategy offsite with participation of the Executive Board, representatives of the extended leadership team and junior talents. We reviewed achieved strategic milestones and examined the priorities for a future program that withstands the challenges of a dynamic regulatory and competitive environment. In this context, we discussed trends, risks and opportunities as well as financial and non-financial targets in detail. Together with the Executive Board we identified focus topics to help DWS expedite its transformation to a growth company and achieve its aspirations. At our intensive two-day workshop, we agreed on a total of 13 follow-up actions, which are since being implemented by the Executive Board. We are kept regularly updated on the status of implementation.

At our meeting on 21 October 2021, the Executive Board elaborated on its ESG-Strategy and we dealt with the further enhancement of engagement processes, the integration of ESG factors in portfolio management and ESG disclosures. Moreover, the Executive Board provided an update on the company's mergers and acquisitions activities, including the execution of strategic partnership projects. Further, we passed resolutions to amend the Terms of Reference of the Supervisory Board, the Terms of Reference of the Audit and Risk Committee and the profile of requirements for the Supervisory Board. This was done to address the provisions set out under the German Financial Market Integrity Strengthening Act (Finanzmarktintegritätsstärkungsgesetz – FISG) with regards to interaction with the statutory auditor, the extended information rights and monitoring functions of the Audit and Risk Committee and the requirement to have a least two financial experts on the Supervisory Board. These requirements are fully considered in DWS's governance framework and its implementation.

At our last meeting of the year on 9 December 2021, we dealt with the status of DWS's key strategic initiatives and the Executive Board further laid out its growth program for the Asia Pacific region. Further, the Executive Board reported on the execution of the Group's ESG Conversion Framework. Moreover, we covered DWS's culture program and the Executive Board outlined the ongoing actions being taken to foster and enhance the Group's culture of compliance, including messaging and training on integrity and encouragement of a Speak Up Culture. In addition, we dealt with matters of regulatory compliance and addressed measures to further strengthen the firm's control environment. Further, the Executive Board informed us about developments in litigation cases of significant importance and contentious regulatory matters. After the deliberations at our strategy meeting, we addressed the Financial Plan for the Group, which had earlier been approved by the Executive Board. Finally, we issued the Declaration of Conformity according to Section 161 of the German Stock Corporation Act.

The Committees of the Supervisory Board

Audit and Risk Committee

The Audit and Risk Committee held eight meetings in 2021. It supported the Supervisory Board in monitoring the financial reporting process and intensively addressed the Annual Financial Statements and Consolidated Financial Statements, as well as the interim report and the audit and review reports issued by the independent auditor.

Within the context of financial reporting and accounting practices, the committee reviewed the valuation of goodwill and other intangible assets and the impairment testing of certain intangible assets. In this regard, the committee again put special focus on the qualitative and quantitative impairment tests performed for the Scudder intangible asset. Further, the committee continued to address service fees charged by Deutsche Bank AG and its subsidiaries and related governance processes.

The Audit and Risk Committee monitored the effectiveness of the Group's risk management system in particular in relation to the internal control system and internal audit, while also taking into account the impacts of the COVID-19 pandemic and DWS's transformation programs. It reviewed the continuous improvement of the internal risk warning systems, including enhancements made to the concentration risk framework and platform exposure analysis. With DWS intensifying its pursuit of mergers and acquisitions opportunities, the Audit and Risk Committee supported the Supervisory Board in evaluating potential associated risks and the Executive Board's mitigating measures.

Further, the committee dealt with the Group's risk appetite statement and the overarching risk strategy, embedded in the Risk Management Framework. This also included the dealing with the integration of model risk and sustainability risk in the framework. The committee regularly received reports on key risk and control metrics for the assessment of investment risk, financial and non-financial risk and compared DWS's risk exposure to the pre-defined thresholds. In addition, the committee continued to monitor the measures taken by the Executive Board to mitigate the interest rate sensitivity of Guaranteed Products.

Separately, the committee dealt with the Annual Internal Audit Report and was regularly informed on the work of internal audit, the audit plan and its findings. It also reviewed the measures taken by the Executive Board to remediate deficiencies identified by the internal control functions and the statutory auditor and it received regular updates on the status and progress made in this regard. Moreover, the committee examined the Annual Compliance Report and compliance matters, including anti financial crime matters, were presented on a regular basis.

The Audit and Risk Committee further monitored the internal procedures to meet the requirements to identify, approve and disclose material related party transactions pursuant to Section 111b of the German Stock Corporation Act. As the committee has been appointed by the Supervisory Board to resolve on reserved matters in relation to material related party transactions, it requested regular progress reports on the activities of the Related Party Transaction Council set up for support. In 2021 there were no material related party transactions for approval and disclosure.

The committee dealt with the Group's implementation of the Investment Firm Regulation and Investment Firm Directive, in particular with regards to the impact on capital and liquidity management and the distribution of financial resources. Separately, the committee discussed the requirements of the German Financial Market Integrity Act (Financial

Finanzmarktintegritätsstärkungsgesetz - FISG), and the regulations affecting the work of the committee, the auditor and the auditor's independence. In addition, the committee addressed the firm's disclosure processes and the relevant controls, especially against the backdrop of the new SFDR regulation.

For 2021 the Audit and Risk Committee recommended a renewal of the audit engagement of KPMG. The deliberations took into account the results of the review of the auditor's independence, which did not identify indications for any risk to independence. Since KPMG has been the company's auditor since 2016, the committee addressed the rotation of the responsible lead audit partner for the fiscal year 2021. Following KPMG's appointment by the Annual General Meeting, the Supervisory Board issued the mandate to the independent auditor and, with the support of the Audit and Risk Committee, set the amount of the auditor's remuneration. KPMG also reviewed the Dependency Report and performed a review to obtain a limited assurance of the integrated non-financial group statement within the Summarized Management Report.

The Audit and Risk Committee dealt with the measures to prepare for the audit of the Annual Financial Statements and Consolidated Financial Statements for 2021, specified its own areas of focus for the audit and approved a list of permissible non-audit services. The committee received regular reports on the engagement of accounting firms, including the auditor, for non-audit-related services. In this context, the committee also monitored the compliance with the non-audit fee cap. In addition, KPMG regularly reported on the audit strategy as well as its review status and the committee determined audit quality indicators to assess the quality of the audit based on suitable criteria.

Representatives of the independent auditor as well as the Chief Executive Officer, the Chief Financial Officer the Chief Operating Officer, the Head of Internal Audit, the Group Controller and the Chief Risk Officer attended all meetings of the Audit and Risk Committee. When the auditor was called in as an expert, the committee decided on the Executive Board's attendance. In two instances, the committee consulted with the auditor without the Executive Board's participation.

Remuneration Committee

The Remuneration Committee held four meetings in 2021.

The committee supported the Supervisory Board in monitoring the appropriate structure of the compensation systems for DWS's employees and, in particular, the appropriate structure of the compensation for the Head of Compliance and for the employees who have material influence on the overall risk profile of the Group, i.e., Material Risk Takers. In this regard, the committee reviewed the DWS Compensation Policy and addressed changes to the compensation system. Throughout the year, the committee dealt with the Group's implementation of its new single compensation framework, specifically tailored for the DWS employees.

Further, the committee monitored the Group's cultural change program and the replacement of the former corporate title-based hierarchical system with the functional role framework. Following its rollout in March 2021, the committee continued to review post implementation activities, with a special focus on talent development and on the establishment of a transparent governance model to ensure the integrity of the new role-based framework.

Moreover, the committee was regularly informed about significant regulatory developments and the anticipated impact on the Group's compensation framework. In this regard, the committee received regular reports on the status of the regulatory-driven implementation and the Group's compliance with supervisory regulations.

Separately, the committee addressed the compensation system for the members of the Executive Board, which was revised in January 2021. Due to the legal form of DWS as a partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA), the shareholders' meeting of the General Partner is responsible for deciding on the compensation of Executive Board members and therefore, the compensation system was determined by the shareholders' meeting of the General Partner. Nevertheless, the Supervisory Board, supported by its Remuneration Committee, was responsible for submitting the compensation system to the Annual General Meeting in 2021.

Finally, the committee monitored the preparation for the 2021 year-end process and the governance around compensation decisions and received reports on how these are carried out in line with Group policies.

Nomination Committee

The Nomination Committee held one meeting in 2021 and supported the Supervisory Board's own efficiency review. Specifically, the committee evaluated the results of the review, identified areas of interest and made recommendations on potential action items.

Participation in Meetings

Participation in meetings of the Supervisory Board and its committees was as follows:

Name	Meetings Supervisory Board (# attendance / total #)	Meetings Audit and Risk Committee (# attendance / total #)	Meetings Remuneration Committee (# attendance / total #)	Meetings Nomination Committee (# attendance / total #)	Meetings overall (# attendance / total #)
Karl von Rohr (Chair)[1]	9/9 (100%)	–	–	1/1 (100%)	10/10 (100%)
Ute Wolf (Deputy Chair)[1, 2]	8/9 (89%)	8/8 (100%)	–	–	16/17 (94%)
Stephan Accorsini	9/9 (100%)	8/8 (100%)	–	–	17/17 (100%)
Annabelle Bexiga[1, 2]	9/9 (100%)	–	4/4 (100%)	–	13/13 (100%)
Aldo Cardoso[1, 2]	9/9 (100%)	8/8 (100%)	4/4 (100%)	–	21/21 (100%)
Minoru Kimura[1, 2]	9/9 (100%)	–	–	–	9/9 (100%)
Bernd Leukert[1]	9/9 (100%)	–	–	–	9/9 (100%)
Angela Meurer	9/9 (100%)	–	–	–	9/9 (100%)
Richard I. Morris, Jr.[1, 2]	9/9 (100%)	8/8 (100%)	–	1/1 (100%)	18/18 (100%)
Erwin Stengele	9/9 (100%)	–	4/4 (100%)	–	13/13 (100%)
Margret Suckale[1, 2]	9/9 (100%)	–	4/4 (100%)	1/1 (100%)	14/14 (100%)
Said Zanjani	9/9 (100%)	–	–	1/1 (100%)	10/10 (100%)

[1] Shareholders' representatives considered independent from the company and the Executive Board.
[2] Shareholders' representatives considered independent from the controlling shareholder.

Corporate Governance

The composition of the Supervisory Board and its standing committees is in accordance with good corporate governance standards and meets regulatory requirements. The work in the bodies was characterized by an open and intensive exchange and a trustful cooperation. The Chairman of the Supervisory Board and the chairpersons of its committees coordinated their work and consulted each other regularly and – as required – also on an ad-hoc basis to ensure the exchange of information required to perform the tasks assigned to the Supervisory Board and its committees by law, administrative regulations, the Articles of Association and the respective Terms of Reference.

At the meetings of the Supervisory Board, the committee chairpersons reported regularly on the work of the committees. From time to time the employees' representatives and the shareholders' representatives conducted separate preliminary discussions before the meetings of the Supervisory Board. At the beginning or end of the meeting of the Supervisory Board or its committees, discussions were regularly held in executive sessions without the participation of the Executive Board. In accordance with the Terms of Reference of the Audit and Risk Committee the Supervisory Board determined that Ms Ute Wolf, the Chairperson, and the committee members Mr Aldo Cardoso and Mr Richard I. Morris, Jr. fulfil the requirements of Section 100 (5) of the German Stock Corporation Act (AktG). The Chairwoman and all other shareholders' representatives on the Audit and Risk Committee have the required expertise in both financial accounting and in auditing.

Furthermore, the Supervisory Board determined that it has what it considers to be an adequate number of independent shareholders' representatives.

The Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act (AktG), was approved by the Supervisory Board on 9 December 2021. The text of the Declaration of Conformity can be found in section 3 of the Annual Report.

Training and Further Education Measures

In 2021, continuous training measures were conducted with the Supervisory Board in plenum and its committees to maintain and expand the required specialized knowledge of DWS as an organization and the impact of its regulatory and competitive environment. Further, the members of the Supervisory Board continued to build and enhance the required expertise to foster good corporate governance. Focus items included the Group's product strategy, sustainability standards in reporting and product classification, digital trends and innovations, valuation standards as well as capital and liquidity management instruments and DWS's approach to communications and brand management.

Education measures took place both in form of introductory presentations prior to the deliberations of the Supervisory Board during its ordinary meetings and in separate dedicated training sessions.

Conflicts of Interest and Their Management

In the reporting year, no conflicts of interest were reported or otherwise apparent which would have to be reported to the General Meeting.

Annual Financial Statements, Consolidated Financial Statements, Integrated Non-Financial Group Statement and Dependency Report

KPMG has audited the Annual Financial Statements, including the Accounting and Management Report, as well as the Consolidated Financial Statements with the related Management Report for the 2021 financial year and the Dependency Report and issued in each case an unqualified audit opinion on 4 March 2022. The Auditor's Reports were signed by the Auditors Mr Fox and Mr Anders. Mr Fox was the Auditor responsible for the engagement.

Furthermore, KPMG performed a review to obtain a limited assurance in the context of the integrated non-financial group statement in the Combined Management Report and issued an unqualified opinion. For the Compensation Report KPMG issued a separate unqualified opinion.

The Audit and Risk Committee examined the documents for the Annual Financial Statements and Consolidated Financial Statements for 2021 as well as the Management Reports including the integrated non-financial group statement and the Dependency Report at its meeting on 4 March 2022. The representatives of KPMG provided the final report on the audit results. The Chairperson of the Audit and Risk Committee reported on this at the meeting of the Supervisory Board on 4 March 2022. Based on the recommendation of the Audit and Risk Committee and after inspecting the Annual and Consolidated Financial Statements and Management Reports including the integrated non-financial group statement, the Supervisory Board agreed to the results of the audits following an extensive discussion at the Supervisory Board and with representatives of KPMG. The Supervisory Board determined that, also based on the final results of its inspections, there are no objections to be raised.

On 4 March 2022, the Supervisory Board approved the Annual Financial Statements and Consolidated Financial Statements presented by the Executive Board. The Supervisory Board concurred with the Executive Board's proposal for the appropriation of distributable profit.

DB Beteiligungs-Holding GmbH, a wholly owned subsidiary of Deutsche Bank AG, holds a 79.49% stake in DWS KGaA. As there is no control and / or profit and loss-pooling agreement

between these two companies, the Executive Board prepared a report on the company's relations with affiliates (Dependency Report) for the period from 1 January 2021 to 31 December 2021, in accordance with Section 312 of the German Stock Corporation Act (AktG). The Dependency Report was audited by KPMG, the independent auditor appointed by the company. The independent auditor did not raise any objections and issued the following statement in accordance with Section 313 of the German Stock Corporation Act (AktG): "According to the results of our audit there are no objections to be made pursuant to Section 313 (4) of the German Stock Corporation Act (AktG) against the report of the Executive Board on relations with affiliated companies. We hereby issue the following unqualified audit certification in accordance with Section 313 (3) of the German Stock Corporation Act (AktG) on the report of the Executive Board on relations of DWS Group GmbH & Co. KGaA, Frankfurt am Main, with affiliated companies for the financial year 2021:
To DWS Group GmbH & Co. KGaA, Frankfurt am Main: Based on our dutiful audit and assessment, we confirm that 1) the statements actually made in the report are correct, 2) that the company's consideration for the legal transactions mentioned in the report was not unduly high, 3) that the measures mentioned in the report do not speak in favour of an assessment that differs from that of the Executive Board."
The dependency report and the audit report of the auditor were made available to the Audit and Risk Committee and the Supervisory Board. The review did not lead to any objections. Likewise, the Supervisory Board did not raise any objections against the declarations of the Executive Board concerning the relations to affiliates.

Personnel Developments

There were no changes in the Supervisory Board composition in 2021.

We would like to thank DWS's employees for their continued strong commitment in an enduringly difficult environment and their contribution to a remarkably successful financial year.

Frankfurt am Main, 4 March 2022

For the Supervisory Board

Karl von Rohr
Chairman

Supervisory Board

Karl von Rohr
- Chairman of the Supervisory Board

since 3 March 2018
Frankfurt am Main

Ute Wolf
- Deputy Chairperson of the Supervisory Board

since 22 March 2018
Düsseldorf

Stephan Accorsini *
since 29 May 2018
Frankfurt am Main

Annabelle Bexiga
since 5 June 2019
Wellesley

Aldo Cardoso
since 22 March 2018
Paris

Minoru Kimura
since 10 August 2020
New York

Bernd Leukert
since 21 July 2020
Karlsruhe

Angela Meurer *
since 29 May 2018
Frankfurt am Main

Richard I. Morris, Jr.
since 18 October 2018
London

Erwin Stengele *
since 29 May 2018
Oberursel

Margret Suckale
since 22 March 2018
Hamburg

Said Zanjani *
since 29 May 2018
Langgöns

* Employee representative

Standing Committees of the Supervisory Board

Audit and Risk Committee

Ute Wolf
- Chairperson

Stephan Accorsini *

Aldo Cardoso

Richard I. Morris, Jr.

Nomination Committee

Karl von Rohr
- Chairperson

Richard I. Morris, Jr.

Margret Suckale

Said Zanjani *

Remuneration Committee

Margret Suckale
- Chairperson

Annabelle Bexiga

Aldo Cardoso

Erwin Stengele *

* Employee representative

Report of the Joint Committee

Pursuant to Section 15 of the Articles of Association of DWS Group GmbH & Co. KGaA, the company has a Joint Committee, which consists of two members delegated by the shareholders' meeting of the General Partner and two members delegated by the shareholders' representatives on the Supervisory Board from their midst.

For the shareholders' meeting of the General Partner, Karl von Rohr and James von Moltke are delegated to the Joint Committee. Mr von Rohr is also appointed as the Chairman of the Joint Committee. For the shareholders' representatives on the Supervisory Board, two independent members, Ute Wolf and Minoru Kimura, are elected to the Joint Committee.

The Joint Committee resolves in particular on the approval of certain transactions and management measures undertaken by the General Partner (e. g. group reorganizations and related contracts; acquisition and disposal of real estate or participations if the transaction value exceeds a certain threshold). In addition, the Joint Committee possesses a right of proposal with respect to the ratification of acts of management and with respect to the determination of the variable compensation of the Managing Directors of the General Partner (hereafter referred to as the members of the Executive Board). Further, the Joint Committee ratifies, with the support of the company's Audit and Risk Committee the Performance Conditions relevant for the vesting and release of deferred DWS compensation awards granted to the members of the Executive Board.

In the past fiscal year, the Joint Committee convened five times and all members of the Joint Committee have participated in the deliberations and the proposal adopted in the meetings. Hereinafter the committee reports, pursuant to Section 19 (2) of the Articles of Association of the company, to the Annual General Meeting on its work:

At its first meeting of the year on 28 January 2021, the Joint Committee prepared the proposal for the variable compensation of the members of the Executive Board for the fiscal year 2020. The determination of the variable compensation is subject to the resolution of the shareholders' meeting. Following a comprehensive evaluation and discussion of the target achievement in 2020 and the deferral structure of the compensation as well as the performance conditions for 2019 and 2020 awards, the Joint Committee unanimously agreed on the proposal for the variable compensation and conveyed its proposal to the shareholders' meeting of the General Partner where it was subsequently approved.

Focus topics of the meeting on 25 February 2021 were the compensation structure and 2021 objectives for the members of the Executive Board. The committee further dealt with the enhancements to the compensation system of the members of the Executive Board, which was later approved ("gebilligt") by the Annual General Meeting 2021. The committee's deliberations addressed all compensation components and the corresponding reference levels, objectives, weighting as well as key measures and assessment criteria. After a detailed review, the Joint Committee unanimously agreed on the proposal for the compensation structure 2021 as well as the individual objectives 2021 and conveyed its proposal to the shareholders' meeting of the General Partner. The latter approved the proposal as presented.

At its meetings on 8 July 2021 and 22 July 2021, the committee dealt with DWS's framework for evaluating potential merger and acquisition opportunities. The Executive Board presented potential measures to further strengthen DWS's position as a leading European Asset Manager with global reach. In this context, the committee was also informed about strategic considerations relating to a potential joint venture in the fund platform segment to unlock the full potential of the Group's digital investment platform in Germany and Luxembourg.

On 8 September 2021, the committee approved the transfer of the digital investment platform into a joint venture with BlackFin Capital Partners in which DWS maintains a 30% stake. Closing of the transaction is planned for 2022.

Frankfurt am Main, 2 March 2022

For the Joint Committee of DWS Group GmbH & Co. KGaA

Karl von Rohr
Chairman

Joint Committee

Karl von Rohr
since 7 May 2018

Minoru Kimura
since 10 August 2020

James von Moltke
since 7 May 2018

Ute Wolf
since 23 April 2018

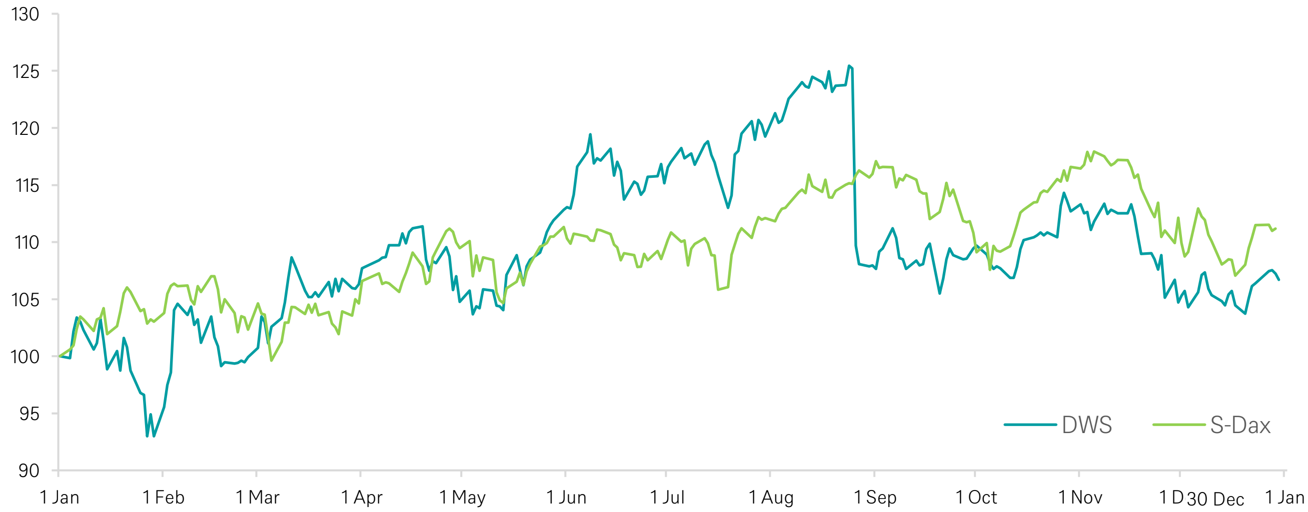
Our Shares

IFR Article 49 (1) (b)

DWS Group GmbH & Co. KGaA's (DWS KGaA) shares are listed in the Prime Standard on the Frankfurt Stock Exchange, which has the most stringent transparency and disclosure requirements in Germany. The shares are also a component of the German SDAX, a market index composing of 70 small and medium-sized companies in Germany in terms of order book volume and market capitalisation. The index thus represents the 91st-160th largest publicly traded companies in Germany with regards to order book volume and market capitalisation. With a weighting of 1.8%, DWS KGaA was ranked 18 in the German SDAX at 31 December 2021.

The highest Xetra closing price for DWS shares in 2021 was € 41.72 reached on 24 August 2021 while the lowest closing price was on 27 January 2021 at € 32.36. During 2021, the share price posted a cumulative shareholder return of 6.7 percent compared to 11.2 percent increase at the SDAX in the same period. Based on the 200 million outstanding bearer shares, the market capitalisation of DWS KGaA totalled approximately € 7.1 billion on 31 December 2021.

Cumulative Shareholder Return in % in 2021



Summarized Management Report
Consolidated Financial Statements
Corporate Governance Statement

Key Data Share

Securities identification Number (WKN)	DWS100
Issuer	DWS Group GmbH & Co KGaA
International Securities Identification Number (ISIN)	DE000DWS1007
Public or private placement	Public
Governing law(s) of the instrument	German law
Ticker symbol	DWS
Trading segment	Regulated market (Prime Standard)
Indices	SDAX
Class of shares	No par-value ordinary bearer shares
Initial listing	23 March 2018
Initial issue price in €	32,5
Perpetual or dated	Perpetual
Original maturity date	No maturity
Issuer call subject to prior supervisory approval	No
Fixed or floating dividend/coupon	Floating
Existence of a dividend stopper	No
Convertible or non-convertible	Non-convertible
Write-down features	No
Number of shares as of 30 December 2021	200,000,000
Market capitalization as of 30 December 2021 (in € bn)	7,1
Share price in € as of 30 December 2021	35,48
Cumulative Shareholder Return (since 30 December 2020) in %	6,68
Period high (January - December 2021) in €[1]	41,72
Period low (January - December 2021) in €[1]	32,36
Amount recognised in regulatory capital (in € million, as of most recent reporting date)	200
Accounting classification	Shareholder Equity
Link to the full term and conditions of the instrument (signposting)	https://group.dws.com/link/19af41867a3549429f3abce93f6b0424.aspx

[1] Xetra Closing Price.

Share Liquidity

The average daily trading volume of DWS shares was approximately 123 thousand daily traded shares in 2021, with the highest level in August at approximately 214 thousand daily traded shares on average.

Average Daily Trading Volume in 2021

January	February	March	April	May	June	July	August	September	October	November	December
132,562	134,502	107,148	115,705	119,504	101,010	65,682	213,857	154,421	149,106	102,834	81,787

Source: Bloomberg, including German stock exchanges Xetra, Frankfurt, Stuttgart, Berlin, Düsseldorf and Munich.

Investor Relations Activity

Even though COVID-19 related restrictions have been partially eased, 2021 has overall been another extraordinary year for Investor Relations as a consequence of the global pandemic. The majority of DWS Investor Relations activities have been significantly impacted by the resulting travel restrictions, social distancing and the closure of international borders.

Thus, Investor Relations continued its virtual communications approach with analysts, institutional and private investors.

Thanks to the adoption of modern technology, we successfully dealt with this challenge and continued a proactive virtual dialogue with financial stakeholders, providing updates on the Group’s business strategy and financial results.

Together with senior management, Investor Relations has participated in a number of virtual industry conferences and roadshows. In addition, Investor Relations maintained regular contact with sell-side analysts, shareholders and investors.

During these meetings, a range of topics were covered such as DWS's mergers and acquisitions (M&A) priorities, our environmental, social and governance (ESG) ambitions, financial targets and the second phase of our corporate journey – Transform, Grow and Lead after the announcement at the beginning of 2021. Product innovation, particularly around ESG products as well as DWS's Information Technology (IT) infrastructure platform project have also been topics of interest.

Each quarter, we host a conference call to present our financial results to analysts and other interested parties with relevant documents provided via our website.

Research Coverage

At the end of 2021, a total of 20 brokers covered DWS shares, publishing regular commentary about the company. As of 31 December 2021, 17 brokers recommend to buy DWS's shares while three brokers recommend to hold the shares. The average target share price is € 45.20 as of 31 December 2021.

Target Price and Rating as of 31 December 2021

Rank	Broker	Target Price (in €)	Rating
1	Santander	57.0	Buy
2	Morningstar	56.0	Buy
3	Kepler Cheuvreux	50.5	Buy
4	Exane BNP Paribas	49.0	Buy
5	AlphaValue	48.6	Buy
6	Oddo BHF	46.3	Buy
7	UBS	46.0	Buy
8	JP Morgan	46.0	Buy
	Average	**45.2**	
9	Barclays	45.0	Buy
10	Citi	44.0	Buy
11	Goldman Sachs	43.0	Buy
12	Societe Generale	43.0	Buy
13	Royal Bank of Canada	43.0	Buy
14	Keefe, Bruyette & Woods	43.0	Buy
15	Metzler	43.0	Buy
16	Morgan Stanley	41.6	Hold
17	ING	41.0	Buy
18	Bank of America ML	41.0	Hold
19	Autonomous	41.0	Hold
20	Jefferies	36.5	Buy

Annual General Meeting

DWS KGaA hosted its second virtual Annual General Meeting on 9 June 2021. The decision to hold the Annual General meeting again in a virtual format enabled us to protect the health of our shareholders, employees and service providers.

The Executive Board and Supervisory Board recommended a dividend payment of € 1.81 per share for the financial year 2020, which was approved on the Annual General Meeting in June 2021.

Financial Calendar 2022

Date	Event
27 January 2022	Preliminary results for the 2021 financial year with Investor & Analyst Conference Call
11 March 2022	Annual Report 2021
27 April 2022	First quarter 2022 results with Investor & Analyst Conference Call
9 June 2022	Annual General Meeting
27 July 2022	Interim Report 2022 with Investor & Analyst Conference Call
26 October 2022	Third quarter 2022 results with Investor & Analyst Conference Call

Shareholder Structure

GRI 102-5

DB Beteiligungs-Holding GmbH, which has its registered seat in Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 87504, is the largest shareholder of DWS KGaA. As per 20 April 2018 DB Beteiligungs-Holding GmbH held 158,981,872 units or a 79.49% share in DWS KGaA. DB Beteiligungs-Holding GmbH is a wholly owned subsidiary of Deutsche Bank AG. The second largest shareholder is Nippon Life Insurance Company with a 5% stake as notified to us in the voting rights announcement dated 22 March 2018. We have not been made aware of any changes in this ownership as per 31 December 2021. DWS KGaA' s free float amounts to 15.51%.

Summarized Management Report

Summarized Management Report

About this Report

GRI 102-49; 102-52

Content and Structure

GRI 102-46

Our Report combines the financial and non-financial information necessary to thoroughly evaluate our performance and as we are a German-listed asset manager, is primarily guided by the legal requirements of the German Commercial Code (Handelsgesetzbuch – HGB).

Since 2020, we have taken into consideration the recommendations of the International Integrated Reporting Framework. This framework promotes a holistic approach to corporate reporting that focuses on both financial and non-financial value creation.

This has resulted in changes to the structure and content of this report with the aim to better integrating non-financial information, enhancing readability and driving more concise disclosure.

Financial Information

The presentation of financial information and performance of the DWS Group GmbH & Co. KGaA and its subsidiaries (Group or DWS Group) complies with the requirements of International Financial Reporting Standards (IFRS), and, where applicable, the German Commercial Code (HGB), German Accounting Standards (GAS) and the guidelines on alternative performance measures from the European Securities and Markets Authority (ESMA). In the declaration on corporate governance we follow the transparency requirements of the German Corporate Governance Code (GCGC).

Effective 26 June 2021 the Group is subject to the prudential rules of the new Investment Firm Regulation (EU) No 2019/2033 (IFR) and Investment Firm Directive (EU) No 2019/2034 (IFD). Information in the text referring to specific IFR/IFD standards is marked in *italics* with a reference to the respective IFR/IFD standard.

[Integrated non-financial Information]

We must comply with the requirements on non-financial reporting.

To position DWS as an independent asset manager with a focus on sustainability we do not make use of the option of exemption by virtue of the non-financial report of Deutsche Bank according to Section 315b (2) German Commercial Code and will report under the Article 8 of Regulation (EU) No 2020/852 as a financial undertaking and asset manager.

With the non-financial information included in this report which together build the integrated non-financial group statement, we hereby satisfy the requirements pursuant to Section 340i (5) in conjunction with Sections 315b, 315c and 289c to 289e of the German Commercial Code.

With regards to the applied reporting frameworks according to Section 289d HGB, the reporting contents are oriented towards the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) and also take into account the United Nation's Sustainable Development Goals (SDGs). Information in the text referring to specific GRI standards is marked *in italics* with a reference to the respective GRI standard and summarized in the 'GRI index'. Aligned with our interim and long-term targets and ambitions and based on our business model, we identified the three top SDGs in respect of which we could have the greatest impact, details can be found in the chapter '[Our Responsibilities] – Materiality Assessment for 2021'.

Based on our 2021 materiality assessment matrix (please refer to '[Our Responsibilities] – Materiality Assessment for 2021') we identified ten material topics for DWS which will form the focus points of the integrated non-financial group statement and also define the limits of this statement.

The mandatory non-financial information according to HGB which together build the integrated non-financial group statement are indicated in the table 'Content of the integrated non-financial group statement according to the HGB within the Summarized Management Report'. The non-financial information and the material topics according to HGB can be found in the relevant chapters of the 'Summarized Management Report'.

In addition to the integrated non-financial group statement, we have published a separate report describing our climate-related and Task Force on Climate-related Financial Disclosures (TCFD) ambitions titled DWS Climate Report 2021.

Information referred to as additional information, as well as references to DWS and external websites, is not part of the integrated non-financial group statement.

Content of the integrated non-financial group statement according to the HGB within the Summarized Management Report

Non-financial content according to HGB	Material topic in materiality matrix	Chapter in our Annual Report
General information	N/A	About this Report [Our Responsibilities] Materiality Assessment for 2021
Business model	N/A	Introduction to DWS Group
DWS related material topics	Company Performance	Operating and Financial Review DWS Performance
	Corporate Governance and Board Governance	Our Strategy [Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Risk Report Risk Framework
	Sustainable Finance and Responsible Investing	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Servicing our Clients
Environmental matters	Climate Change	[Our Responsibilities] Our Impact on Climate Change
	Biodiversity[1]	[Our Responsibilities] Our Impact on Climate Change
Employee matters	Employees and Workplace	[Our Responsibilities] People Strategy and Attractive Employer
	Diversity and Equal Opportunities	[Our Responsibilities] People Strategy and Attractive Employer
Human rights matters	Human Rights	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing
Social matters	Stakeholder Management	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing
Anti-corruption and bribery matters	Compliance and Risk Management	Risk Report Compliance and Control [Compliance and Control in the Group] [Business Ethics] [Anti-Financial Crime – Preventing Fraud, Bribery and Corruption]

[1] Biodiversity is considered as an emerging material topic and included as a sub-topic of climate change. For further information, please refer to '[Our Responsibilities] – Materiality Assessment for 2021'.

Non-financial risks (NFRs) are monitored through dedicated risk frameworks and processes. A more detailed description of our risk management process can be found in the 'Risk Report'. After application of the net method to determine risks subject to disclosure according to HGB, there are no net risks that are highly probable and which result or will result in severe adverse impacts on the reported aspects. Reportable relations to the amounts of the Consolidated Financial Statements have not been determined.

Corporate Governance Statement pursuant to Sections 289f and 315d of the German Commercial Code

The Group's Corporate Governance Statement according to Sections 289f and 315d of the German Commercial Code is available in section 3 'Corporate Governance Statement' of the Annual Report, which is available at https://group.dws.com/corporate-governance/corporate-governance-report/ as PDF.

The compensation report for the last financial year and the auditor's report pursuant to Section 162 of the Stock Corporation Act (Aktiengesetz – AktG), the applicable compensation system pursuant to Section 87a AktG and the resolution pursuant to Section 113 (3) AktG on the compensation of the Supervisory Board, is available in the chapter 'Compensation Report' within the 'Summarized Management Report' of the Annual Report, which is available at https://group.dws.com/ir/reports-and-events/annual-report/ as PDF.

Data and Presentation

GRI 102-45; 102-46, 102-50

All information and bases for calculation in this report are founded on national or international standards for financial and non-financial reporting. Data and information for the reporting period were sourced from our experts using representative methods. The reporting period is the 2021 business year, covering the period from 1 January 2021 to 31 December 2021. Relevant information is included up to the editorial deadline of 4 March 2022.

The report is published each year in English and German and the German version of the report is the binding and prevailing document.

Our scope of consolidation comprises DWS Group GmbH & Co. KGaA (DWS KGaA), with its headquarters in Frankfurt am Main, Germany, and all of its fully consolidated subsidiaries and proportionally included joint operations. Shares in joint ventures and associated companies are accounted for, if material, using the Equity method in our consolidated financial statements and are thus not included in the scope of consolidation.

Our accompanying consolidated financial statements are stated in Euro (EUR) the presentation currency of the Group except when otherwise indicated and are rounded to the nearest million. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. "N/A" means not applicable.

With the exception of the Cash Flow Statement, we apply to all numbers the "positive as normal" convention for all figures, with all numbers being considered positive. The "direction of flow" is determined by the label and inflow numbers will include labels such as fee and interest income. Outflow line items will have labels such as fee expense, compensation and benefits and expenses.

Internal control mechanisms are designed to ensure the reliability of the information presented in this report.

External Audit and Evaluation

GRI 102-56

KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) has audited our consolidated financial statements and summarized management report and has provided an unqualified audit opinion. The audit of our consolidated financial statements, including the notes, is based on the similarly audited financial statements of our companies.

In addition, KPMG has performed an independent limited assurance engagement on the integrated non-financial group statement. The content of sections in [square brackets] is not part of the statutory audit but has undergone a separate audit with limited assurance by KPMG.

The Independent Practitioner's Reports can be found in the chapter 'Independent Auditor's Report'.

Information referred to as additional information, as well as references to DWS and external websites and the italicised references to the respective GRI or IFR/IFD standard, are not part of the information audited by KPMG.

COVID-19

The COVID-19 pandemic remained a dominant issue in 2021 with significant impact on policymaking and the economy as well as our clients and employees.

Although the global economy recovered from the downturn of 2020, economic challenges and constraints on work and on personal life continued. The vaccination of large segments of the population mitigated the health threat. Nevertheless, the emergence of new variants of the virus dampened hopes that the pandemic would soon end.

The Group met the challenges and our holistic approach to crisis management enabled us to manage and coordinate our response to COVID-19 effectively.

Our overall objective continues to be protecting our employees' and clients' health while maintaining business continuity and meeting legal and regulatory requirements.

COVID-19 references within the Summarized Management Report

Topic areas	Section in our Annual Report
Going concern	Operating and Financial Review Economic and Competitive Environment Outlook Economic and Competitive Outlook DWS Group Risk Report Business Continuity and Crisis Management
Financials	Operating and Financial Review DWS Performance Outlook DWS Group
Clients and products	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Servicing our Clients
People and work environment	Risk Report Business Continuity and Crisis Management [Our Responsibilities] People Strategy and Attractive Employer Compensation Report Executive Board Compensation

For additional information please also refer to the 'Interview with the Chairman of the Executive Board', the 'Report of the Supervisory Board' and the chapter 'Our Shares' of the Annual Report.

Forward-looking Statements

This report 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 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.

Introduction to DWS Group

GRI 102-2; 102-4; 102-6; 102-7; 102-9; 102-16

We are a leading asset manager with € 928 billion in assets under management (AuM) as at 31 December 2021. We are headquartered in Germany with approximately 3,600 employees operating globally, providing a range of traditional and alternative investment capabilities to clients worldwide.

We have a fully integrated global investment group, supported by our Chief Investment Office which supplies the overarching framework that guides our investment decisions. Our offerings span all major asset classes including equity, fixed income, cash and multi asset as well as alternative investments. Our alternative investments include real estate, infrastructure, private equity, liquid real assets (LRA) and sustainable investments (SI). We also offer a range of passive investments. In addition, our solution strategies are targeted to client needs that cannot be addressed by traditional asset classes alone. Such services include insurance and pension solutions, asset-liability management, portfolio management solutions and asset allocation advisory.

European origin with a global perspective

Note: Investment professionals are defined as employees whose primary role contributes to the performance of DWS; sales professionals are defined as employees that are aligned to client facing roles within the distribution structure based on new Functional Role Framework (as of 30 December 2021).
[1] EMEA excluding Germany.

Our product offerings are distributed across EMEA (Europe, Middle East and Africa), the Americas and Asia-Pacific (APAC) through a single global distribution network. We also leverage third-party distribution channels, including our largest shareholder Deutsche Bank.

We serve a diverse client base of retail and institutional investors worldwide, with a strong presence in our home market in Germany. These clients include large government institutions, corporations and foundations as well as millions of individual investors. As a regulated asset manager, we act as a fiduciary for our clients, and we are conscious of our societal impact. Responsible investing has been a key part of our heritage for more than twenty years, because it serves the best interests of those who entrust us to manage their assets.

Our Strategy

Introduction

GRI 102-15; 102-16; 102-20

The asset management industry is evolving, with increasing competition, continued margin pressure, and technological disruption amid heightened geopolitical tensions and higher market volatility. However, we believe our diverse range of high-quality products and investment solutions provides us with a strong basis for growing assets and profitability regardless of the market in which we operate. Since our initial public offering (IPO) in March 2018, we have focused on a strategic and organizational refinement, improving net flows and increased efficiency. We prioritised the adjusted cost-income ratio (CIR) target within the first phase of our corporate journey to ensure that we can generate maximum shareholder value regardless of the environment in which we operate.

Entering the second phase of our corporate journey, we intend to focus on our ambitions to transform, grow and lead to become a leading European asset manager with global reach.

First, as part of our transformation ambition, we aim to adapt the way we work to meet the industry challenges for the next decade. We want to achieve this by recalibrating our core platform and policy framework so that these are more specifically tailored to our fiduciary business and our clients. We are also investing in new technology and following the launch of our Functional Role Framework, we are further strengthening the culture of our organization.

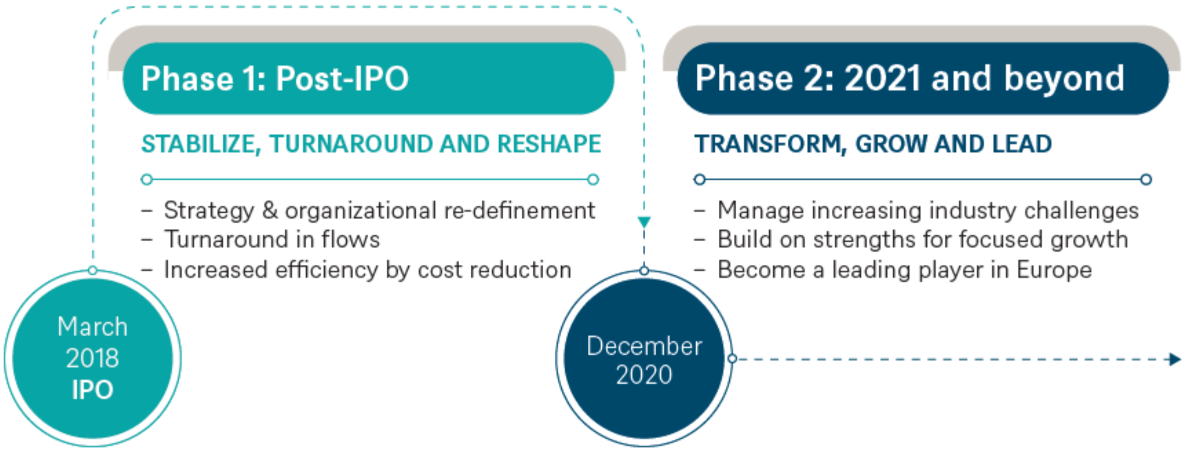
Secondly, our ambition to grow concentrates on delivering focused product strategies in targeted growth markets, expanding our range of sustainable investment solutions[1], and leveraging existing partnerships to capture new client opportunities, especially in Asia Pacific where we see strong growth. In addition, we will seek to play an active role in mergers and acquisitions (M&A). We will monitor the market for selective bolt-on opportunities to grow in priority areas as well as transformational opportunities to participate in the continued consolidation we expect in the asset management industry.

Thirdly, our ambition to lead concentrates on achieving differentiated leadership across ESG, passive and high margin investments and solutions.

By delivering on these ambitions, we can reach our overall goal of becoming a leading European asset manager with global reach.

[1] Sustainable investing is defined as "an investment approach that considers environmental, social and governance (ESG) factors in portfolio selection and management" (GSIA, 2020). The term sustainable investment may be used interchangeably with responsible investing, whilst recognizing there may be distinctions and regional variations in its meaning and use (http://www.gsi-alliance.org/wp-content/uploads/2021/08/GSIR-20201.pdf).

Our corporate journey as a listed company



In 2021, we saw a continued strong acceleration in ESG momentum among investors, policy makers, corporations, and society in general. We expect sustainable investments to be a key transformative theme for the future of the asset management industry.

We have also seen an unprecedented momentum in global climate action. Increasingly, governments and businesses around the globe have set ambitious targets in contributing towards a global net zero economy by 2050. We aim to become climate-neutral in our actions, in line with the Paris Agreement, by 2050 or sooner. Building on this long-term ambition and our position as a signatory to the Net Zero Asset Managers Initiative (NZAM), climate action is a key theme within our global sustainability strategy (see '[Our Responsibilities] – Our Impact on Climate Change').

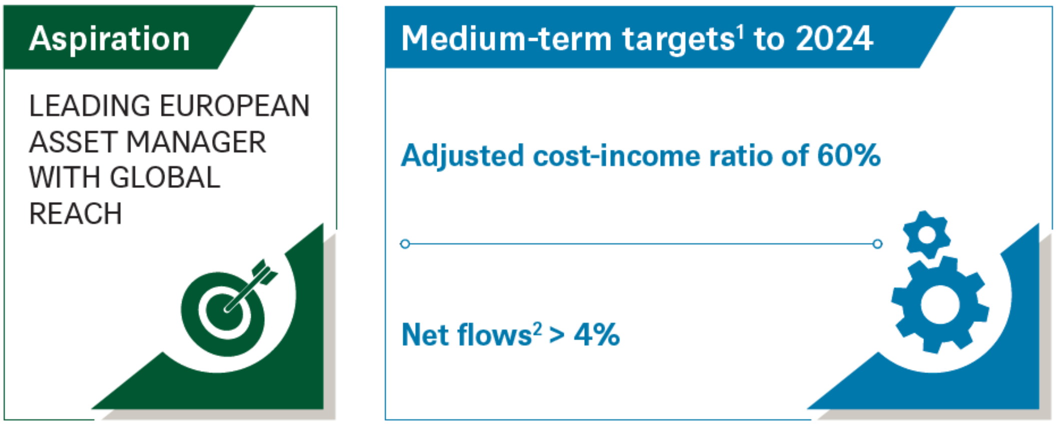
Reflecting on our aim of playing a key role as an asset manager in this global transformation, our core strategic priorities became more ambitious in 2021:

_ Corporate transformation: We seek to increase the level of sustainability associated with our activities throughout our organization
_ ESG in the investment process: Whilst having already built-up strong capabilities, we seek to further embed ESG in our investment process to improve the assessment of the future expected risk / return of a security.
_ Innovative and sustainable investment solutions: We seek to launch new and innovative ESG products and solutions to meet the requirements of our clients and to increase the number of funds classified as Article 8 or Article 9 SFDR[2] by converting existing funds previously classified as Article 6 in Europe.
_ Stakeholder engagement: We seek to take a holistic approach to engagement as we consider issuer and non-issuer engagement as the key driver for positive transformation of the global economy – particularly in context of our net zero ambition.

At the start of 2021, we refined our medium-term financial targets for 2024 as part of a broader review of priorities and initiatives and the second phase of our corporate journey since IPO.

[2] Details on the SFDR and how we implemented it can be found in 'Operating and Financial Review – Economic and Competitive Environment'.

Internal Management System



[1] Depending on market circumstances and Euro/US-Dollar Foreign Exchange (FX) rate.
[2] As % of Beginning of Period (BoP) AuM on average in the medium-term.

The way in which adjusted CIR and net flows are calculated and the respective results for 2021 are presented in 'Operating and Financial Review – DWS Performance'.

[Further, our sustainability ambitions are underlined by the following Key Performance Indicators (KPIs) in 2022:

KPI	Ambition from 2022
ESG AuM[1]	Continue to grow our ESG AuM through a combination of flows into existing products, flows into new products and supporting the transfer by existing clients of their assets from non-ESG products into ESG products
ESG net flows[1]	Grow ESG net flows at the same, or at a faster rate, than our overall flow target of >4% of AuM[2]
Operational emissions:	
Energy[3]	Reduce our total energy consumption by 20% by 2025 compared to 2019
Electricity from renewable sources[3]	Source 100% renewable electricity by 2025, with an interim ambition of 85% by 2022
Travel (Air and Rail)	Reduce our travel emissions by 25% by 2022 compared to 2019
Sustainability rating	Maintain or improve our Carbon Disclosure Project (CDP) B rating by 2024
Proportion of women	Achieve 32% of positions at the first management level below the Executive Board held by female executives and 33% at the second management level below the Executive Board by 2024
Volunteer hours per employee	Perform 1.5 hours of volunteering per employee by 2024
Corporate engagements	Participate in 475 or more corporate engagements per annum by 2024

[1] For details on ESG product classification, please refer to '[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing'.
[2] % of BoP ESG AuM on average in the medium-term.
[3] Energy consumption and electricity from renewable sources KPI ambitions are aligned with Deutsche Bank Group targets.

For an overview of our 2021 sustainability KPI results please refer to 'Operating and Financial Review – DWS Performance'.]

The Executive Board manages the company and oversees its strategy and strategic initiatives. For further details on our corporate governance, please refer to 'Corporate Governance Statement'.

We are aware that, among others, external factors such as unfavourable macro-economic and market conditions, geopolitical uncertainty, the ongoing COVID-19 pandemic, regulatory changes, climate change and related climate transition activities may adversely affect our ability to execute on our strategy. For further details, please refer to the chapter 'Outlook – DWS Group'.

Progress Review in 2021

TRANSFORM: Invest into Transformation for Further Efficiency and Growth

Further operational efficiency

Cost control continues to be fundamental to executing on our business strategy and ensuring shareholder value creation. In 2021, we maintained a strict cost discipline and conducted accelerated efficiency initiatives.

For example, we continued to review our global real estate portfolio. This resulted in a significant reduction of our office space including consolidation projects in Boston, London, and Frankfurt. We also continued to adopt technology more broadly to help enable our staff to deliver efficiencies. We plan to continue to invest in digital capabilities to accelerate our readiness to compete in a rapidly evolving industry. Modern technologies, especially Artificial Intelligence (AI) and Blockchain, have multiple use cases across the whole asset management value chain and we expect their impact to increase even more in the future.

A major step towards building our standalone operating model is the recalibration of our core platform and policy framework so that these are better tailored to our fiduciary business and clients. We have a dedicated project to achieve this multi-year programme of transformation which started in 2020. In 2021, we strengthened the programme governance and developed a detailed execution plan, completed the selection of core vendors, and designed the target operating models for all corporate functions, infrastructure, and information security. In 2022, we aim to complete contracting with and onboarding the respective vendors and move into the detailed design and execution phase.

Shift towards a more performance-driven culture

We introduced a new Functional Role Framework in the first quarter of 2021, specifically designed for our employees. This framework changed the way we work together as a company and replaced corporate titles, and hierarchical thinking to foster a clear performance culture. The framework is based on individuals' capabilities and is designed to empower our employees, encourage innovation, unlock our performance culture, and enable the execution of our overall strategy. We view this initiative as important to our employees who are our most valuable asset development. We also announced several changes to the compensation framework, which took effect from September 2021. The implementation of one core compensation structure for all employees underpins our commitment to a non-hierarchical culture throughout the company and is designed to ensure that contributions to our success from each employee are appropriately recognised. For further information, please refer to '[Our Responsibilities] – People Strategy and Attractive Employer'.

GROW: Focus on and Invest into Targeted Growth

Strategic partnerships and relationships

We continued to increase our focus on the targeted asset classes of passive, active multi-asset, and alternatives. As part of our regional strategy, we aim to focus on developing and nurturing strategic partnerships, which have been a driver of our strong market position in Germany and in Europe. In Asia, we continued to deepen the relationships with our partners Nippon Life and Harvest Fund Management, and we are exploring new business opportunities in the region.

As part of our ongoing engagement with private debt pioneer Tikehau Capital, we continued with active discussions across various topics in the alternatives domain, as well as exploring possible ways to involve Tikehau into a new planned fund of funds product. In addition, we enhanced our strategic relationship with Northwestern Mutual Capital with the launch of a middle market direct lending strategy focused on junior private debt. This innovative relationship in private markets combines the strength of our global investment expertise, broad platform, and client base with Northwestern Mutual Capital's investment track record.

We entered a long-term strategic partnership with BlackFin Capital Partners in the second half of 2021 to jointly develop the digital investment platform (DIP) into a platform ecosystem. The aim is to further adapt the digital investment platform to opportunities offered by the platform market, which in future will undergo a rapid pace of change as a result of new technologies. Our aspiration is to deliver a best-in-class client experience and service. Digital capabilities and solutions are key for this – therefore we firmly believe in the strong growth potential of the platform business. The digital investment platform will be transferred into a joint venture with DWS Group maintaining a 30% shareholding. Transaction closing is expected in 2022.

Our growth commitment into technology is further underlined by the acquisition of a minority stake in United Kingdom (UK) -based Smart Pension Limited. The company provides a cloud-native, application programming interface (API) -based technology platform, allowing financial services organizations and governments to administer retirement savings plans. The investment will form an integral part of our growth strategy in UK.

Brand awareness

We also entered a strategic collaboration with the Los Angeles Lakers and became their "Official Global Investment Sponsor". The sponsorship will include various prominent branding options and widespread content partnerships, including engagement on social media channels, helping us to further showcase our brand globally. We will collaborate with the Lakers to support several community initiatives and mentoring and sponsorship programs. This is the first time we have partnered with an iconic global sports brand.

LEAD: Differentiated Leadership across ESG, Passive, and High Margin Strategies

Progress against the four core strategic priorities of our global sustainability strategy is noted below, namely: corporate transformation, ESG in the investment process, innovative and sustainable investment solutions, and stakeholder engagement.

Corporate transformation

We strengthened our organizational sustainability structure, with our CEO assuming the role of Chair of our Group Sustainability Council (GSC) as well as direct oversight of the sustainability initiatives at DWS Group. To enable the transformation of our corporate culture across the organization, we have reflected sustainability performance parameters in the Executive Board remuneration (see 'Compensation Report') and we have included ESG aspects in the Franchise Variable Compensation (FVC) for all employees. In addition, we achieved proportion of women targets for our Supervisory Board, and for the executive management levels below the Executive Board (see '[Our Responsibilities] – People Strategy and Attractive Employer').

Considering the increased attention from stakeholders in external ESG ratings, DWS strives to receive ESG ratings where they are deemed strategically important. In 2021, we were rated by, amongst others, the Carbon Disclosure Project (CDP) (result "B: Management Level") and by Morningstar (result "ESG Commitment Level: Basic"). Based on an above sub-sector average rating, we were included again in the FTSE4Good index.

We continued the integration of sustainability risks in our risk management framework, including risk appetite and risk strategy. Amongst others, we carried out a corporate level ESG scenario analysis aimed at quantifying strategic ESG-related risks and opportunities and at supporting strategic decision making (see 'Risk Report – Sustainability Risk').

Following our participation as a founding signatory to the NZAM we made further progress in a group-wide climate strategy initiative detailing the approach to Net Zero for both our fiduciary and corporate activities. In November, we released our Net Zero interim target framework for 2030 (see '[Our Responsibilities] – Our Impact on Climate Change'). For the first time, in March 2021, we published a stand-alone Climate Report.

ESG in the investment process

Throughout 2021, we further enhanced our ESG investment processes, and we have embedded ESG factors more closely into financial considerations across active, passive and alternatives investments.

As part of contributing further to climate action, we continued our focus on ESG and climate related thematic research and discussing ESG in the DWS CIO View (see '[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing').

Innovative and sustainable investment solutions

We have seen growing demand from clients for ESG solutions across active, passive, and alternative investments. Accordingly, product innovation remained a key focus area for us to meet the requirements of our diverse client base. Amongst others, we launched the DWS Concept ESG Blue Economy Fund, an equity fund focused on ocean protection. We are supported by the World Wide Fund For Nature (WWF) Germany, which provides advice on the investee engagement approach for the fund.

In response to the changing regulatory landscape for ESG strategies, we continued to develop and refine an ESG Product Classification Framework that takes account of applicable regulations and which may change over time as new rules and standards evolve. This framework provides the basis for the reporting of ESG AuM.

We increased the number of funds classified as Article 8 or 9 under SFDR by converting existing funds previously classified as Article 6 in Europe (see '[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing').

Stakeholder engagement

We further strengthened our engagement framework for EMEA based funds. We are also considering a similar framework for US funds subject to relevant and applicable approvals. Our enhanced engagement framework allows us to define and track sustainability commitments and outcomes among our investee companies.

In line with our net zero ambitions, we expanded our engagement to include aspects of climate change including net zero (see '[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing').

Bolster investment capabilities

A key strategic focus is to continue delivering consistent investment outperformance across strategies which align with the needs of our increasingly sophisticated clients. In light of external factors such as the search for yield, acceleration of client demand for sustainable investment solutions, new AI driven investment technologies, rising digitization, ongoing margin compression and the shift to passive investments, we are evolving our product innovation process to match client demand. We aim to further expand our alternatives offering by adding new real estate, infrastructure, private equity, and private credit solutions to our product range.

The real estate business remains central to our growth strategy. Continuous AuM growth and our strong commitment to align mandates to our sustainability action plan have been important objectives. We have also completed the onboarding of a new institutional investor for a customized mandate solution and have launched new institutional funds in the residential sector, impact as well as private debt. We also plan to launch additional institutional funds in those areas. The aforementioned should all lead to flow momentum in 2022.

Our growth-oriented investments into our passive business delivered good results. Flow momentum and market performance increased AuM and flow share in this area. We are broadening our product offering to ensure we continuously adapt to this challenging and highly competitive market. We remain committed to our multi-year strategy to continue growth in the passive business, especially in Europe.

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Economic and Competitive Environment

Global Economy

Although the Eurozone was hit badly by the pandemic in 2020, in 2021 it recovered strongly. Vaccination campaigns started slowly at the beginning of 2021 but gathered momentum over spring and summer and, as a consequence, there was a considerable catch-up in economic demand. However, in many countries vaccination rates are still not high enough and there has been a renewed surge in COVID-19 infections and hospitalizations.

During the summer and autumn of 2021 European manufacturers, especially German carmakers, suffered from shortages of intermediate goods, above all semi-conductors. But these shortages should only prolong the upswing as demand from within the Eurozone and from abroad remains high. Inflation rates have soared for various reasons, but there have also been base effects, such as the impact from the temporary reduction in German value added tax (VAT) and oil price normalization after its fall to exceptionally low levels. These base effects should fade over time. The same applies to cost pushes from supply chain disruption. The European Central Bank (ECB) has maintained its very accommodative stance as it is quite certain that most of the inflation will turn out to be transitory.

The US economy recovered quickly in 2021 to pre-pandemic levels of economic activity as the availability of vaccines and significant fiscal support boosted demand in an unprecedented way. The resulting economic expansion was, however, limited by supply-side constraints abroad and at home that had an upward impact on prices. Global supply chain disruptions, caused by reduced production and transport capacity, increased the prices of durable consumer goods in particular, while at home labour market shortages caused by the pandemic pushed up wages, especially in the lower income brackets.

Most time of the year the Federal Reserve was less concerned about higher prices, as it represented the assumption that monetary policy cannot tackle inflation caused by supply-side issues effectively and that the costs of acting prematurely are too high. However, in late November shortly after his renomination as Fed Chair, Jerome Powell “pivoted” and after months of reassuring that inflation was “transitory” and would go away by itself, he abandoned the idea and warned of tighter policy ahead.

For the Asian economy, 2021 was marked by an asynchronous economic cycle throughout the region due to the timing of the pandemic peak. China recovered quickly, North Asia following, India reached the peak of the crisis mid-year while countries in the Association of Southeast Asian Nations (ASEAN) suffered the peak of the pandemic only later in the year. However, the rapid catch-up in vaccination during the fourth quarter helped. Inflation picked up in autumn for different reasons but in all countries driven by temporary factors. Fiscal policy was supportive, but not excessive and focusing on infrastructure spending and other structural issues rather than demand supporting spending packages.

Asset Management Industry

The asset management industry emerged stronger from the global pandemic in 2021 with assets under management buoyed by robust market growth and resurgent investor demand. While long-term market drivers remain in place - an ageing global population, growing wealth in emerging markets and increasing investor sophistication - the pandemic has served to accelerate a number of established industry trends. They include the mainstreaming of environmental, social and governance (ESG) investing including greater focus on social and diversity and inclusion issues, increased demand for passive strategies and the adoption of digital solutions.

By leveraging new technology such as artificial intelligence and blockchain, managers have been able to increase efficiency, develop new products and offer greater customisation. Meanwhile, the low interest rate environment has continued to focus investor attention on alternative and private market investments in search of higher yields, with such assets expected to benefit as governments look to rebuild and economies regain momentum as the global crisis recedes.

Despite the positive momentum evident in 2021 the industry continues to face ongoing challenges from falling margins, driven in part by the switch to passive investing and higher regulatory and compliance costs. Additionally, the looming threat of inflation could result in investor uncertainty and substantial changes to asset allocations, with potential disruption in the fixed income market with central banks signalling their intention to taper bond purchases as inflationary pressures mount. Nevertheless, having benefited from market recovery following the pandemic, the industry is well placed to face economic and industry headwinds and we believe that the industry will continue to grow and provide vital investment solutions for both individuals and institutional investors. We are well placed in key areas of the market, ESG investing, passive and private markets and are therefore well positioned to maximise opportunities within the industry.

DWS Group

As the Group is a global asset manager with diverse investment capabilities that span traditional active and passive strategies, as well as alternatives and bespoke solutions, we are well positioned to address the aforementioned industry challenges and to capture market opportunities. By anticipating and responding to investor needs, we aspire to be the investment partner of choice and to create sustainable value for our global client base.

_ As markets continue to be challenging, we are able to offer clients a comprehensive range of investment solutions from our globally integrated investment platform spanning 17 countries and covering all major asset classes and investment styles.
_ With a dynamic range of alternative investments including real estate, infrastructure, liquid real assets, private equity and sustainable investments, we are able to meet client demand for higher returns in the current low-yield environment helping investors meet their long-term investment goals.
_ We are well positioned to take advantage of the continuing shift to passive investments, offering passive mutual funds, mandates and Exchange Traded Funds (ETFs). Our passive platform displays a solid European market share as provider of ETFs and other Exchange Traded Products (ETPs) within the Top 3 European ETF provider[3].
_ In line with the whole Asset Management Industry, we recognize growing investor demand for wider integration of ESG as well as Impact investment strategies, particularly as investors increasingly focus on issues such as climate change, and we were among the early signatories of the UN-backed Principles for Responsible Investment (PRI) in 2008. We believe that our expertise and long experience in sustainable investing along with our increased range of products assist us to further protect and grow our clients' assets over the long term.
_ As the asset management market continues to be shaped by advances in technology, we seek to leverage our investments in new digital expertise, which is creating new distribution channels, products and services for our clients.

Sustainable Finance Disclosure Regulation

ESG investing is becoming increasingly regulated, but this is subject to regional variations and market standards, including developments in the European Union (EU) which are very important for us as an EU-headquartered asset manager.

The Sustainable Finance Disclosure Regulation (SFDR) came into effect on 10 March 2021 in the EU. It creates a comprehensive reporting framework for financial products and entities, and it aims to make the sustainability profile of funds more comparable and better understood by end-investors.

The SFDR together with the EU Taxonomy Regulation, the proposed Corporate Sustainability Reporting Directive (CSRD), the amended Markets in Financial Instruments Directive (MiFID II) and Insurance Distribution Directive (IDD), are expected to create a coherent sustainable finance framework that will translate the EU climate and environmental objectives into transparent criteria for specific economic activities for investment purposes.

The main element in the new SFDR regulation is to provide a harmonised, sustainability-related disclosure for financial products prior to and throughout an investment.

Articles 8 and 9 of the SFDR define:

_ An Article 9 financial product as one which has sustainable investment as its objective.
_ An Article 8 financial product as one which promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

Article 6 of the SFDR applies to all financial products and requires information on if and how sustainability risks are integrated into investment decisions.

In 2021, DWS implemented the disclosure requirements of SFDR for those financial products subject to it by updating legal sales documentation and product documentation

[3] ETFGI, December 2021.

(e. g. fund prospectuses, website product information and Key Investor Information Documents) as needed.

In addition, and as set out in our Interim Report 2021, DWS continued to develop and refine an ESG Product Classification Framework considering relevant legislation (including SFDR), market standards and internal developments. This will – like ESG regulation and market practice – further evolve and change in the future.

This framework is described in more detail in the section '[Our Responsibility] – ESG Products, Sustainable Finance and Responsible Investing'.

DWS Performance

GRI 201-1

In 2021 we have reported higher revenues, net flows and profit before tax, despite the continued impact of the COVID-19 pandemic. The improvement in our revenues resulted in an adjusted Cost-Income Ratio of 58%, below our revised targeted medium-term ratio of sustainable 60% by the end of 2024. Due to our diversified business, we were able to achieve positive net flows of € 48 billion in 2021, well above our medium-term target of more than four percent of our beginning of period assets under management.

Alternative Performance Measures

The alternative performance measures (APM) in the following table are used to judge the Group's historical or future performance and financial position but are not recognised under generally accepted accounting principles (GAAP). These include Assets under Management (AuM) and net flows, which are important key performance indicators to evaluate revenue potential and business development. In addition, non-recurring items are excluded from net revenues or total non-interest expenses in order to be able to review the revenue and cost development over longer periods. Our management uses APM as supplemental information to develop a fuller understanding of the development of our business and the ability to generate profit. These APM should only be considered in addition to net income or profit before tax as measures of our profitability. Similar APM are used by our peers within the asset management industry, but these may be calculated differently and may not be comparable to the APM we use, even if the names of such APM and non-GAAP measures suggest that they are similar.

	2021	2020
Assets under management (AuM) (in € bn)	**928**	**793**
Net flows (in € bn)	**48**	**30**
Management fee margin (in basis points (bps))	27.8	28.3
Adjusted revenues (in € m)	2,720	2,237
Adjusted costs (in € m)	1,580	1,442
Cost-income ratio (CIR) (in %)	60.1	65.9
Adjusted cost-income ratio (in %)	**58.1**	**64.5**
Adjusted profit before tax (in € m)	**1,140**	**795**

Assets under Management (AuM) is defined as (a) assets held on behalf of customers for investment purposes and/or (b) client assets that are managed by us on a discretionary or advisory basis. AuM represents both collective investments (including mutual funds and exchange-traded funds) and separate client mandates. AuM is measured at current market value based on the local regulatory rules for asset managers at each reporting date, which might differ from the fair value rules applicable under IFRS. Measurable levels are available daily for most retail products but may only update monthly or even quarterly for some products. While AuM does not include our investment in Harvest (the Group owns a 30% stake in Harvest Fund Management Co., Ltd.), they do include seed capital and any committed capital on which we earn management fees.

Net flows represent assets acquired or withdrawn by clients within a specified period. It is one of the major drivers of changes in AuM.

The **management fee margin** is calculated by taking the management fees and other recurring revenues for a period divided by average AuM for the same period. Annual average AuM are generally calculated using AuM at the beginning of the year and the end of each calendar month (e. g. 13 reference points for a full year).

Adjusted revenues present net interest and non-interest income excluding non-recurring items, such as disposal gains and other material non-recurring income items. We use this metric to show revenues on a continuing operating basis, in order to enhance comparability against other periods. There were no revenue adjustment items within the reporting periods.

Adjusted costs are an expense measure we use to better distinguish between total costs (non-interest expenses) and our ongoing operating costs. It is adjusted for litigation, restructuring and severance costs as well as for material non-recurring expenses, including operational losses or transformational charges that are clearly identifiable one-off items. Adjusted costs are reconcilable to total non-interest expenses as shown below:

in € m.	2021	2020
Non-interest expenses	**1,635**	**1,474**
Litigation	(1)	1
Restructuring activities	(2)	(15)
Severance payments	(21)	(18)
Transformational charges	(30)	0
Adjusted costs	**1,580**	**1,442**

Cost-income ratio (CIR) is the ratio of our non-interest expenses to our net interest and non-interest income.

Adjusted cost-income ratio of our adjusted costs to our adjusted revenues.

Adjusted profit before tax is calculated by adjusting the profit before tax to account for the impact of the revenue and cost adjustment items as explained above.

Results of Operations

			Change from 2020	
in € m. (unless stated otherwise)	2021	2020	in € m.	in %
Management fees income	3,590	3,200	390	12
Management fees expense	1,219	1,067	152	14
Net management fees	**2,371**	**2,134**	**237**	**11**
Performance and transaction fees income	229	109	120	110
Performance and transaction fees expense	17	19	(2)	(11)
Net performance and transaction fees	**212**	**90**	**122**	**136**
Net commissions and fees from asset management	**2,583**	**2,223**	**359**	**16**
Interest and similar income[1]	27	16	11	69
Interest expense	20	21	(1)	(4)
Net interest income	**7**	**(5)**	**12**	**N/M**
Net gains (losses) on financial assets/liabilities at fair value through profit or loss[2]	253	(89)	343	N/M
Net income (loss) from equity method investments	81	63	18	28
Provision for credit losses	5	2	3	135
Other income (loss)[2]	(198)	47	(245)	N/M
Total net interest and non-interest income	**2,720**	**2,237**	**484**	**22**
Compensation and benefits[3]	799	732	67	9
General and administrative expenses	836	742	93	13
Impairment of goodwill and other intangible assets	0	0	(0)	N/M
Total non-interest expenses	**1,635**	**1,474**	**160**	**11**
Profit (loss) before tax (PBT)	**1,086**	**762**	**324**	**42**
Income tax expense	304	204	100	49
Net income (loss)	**782**	**558**	**224**	**40**
Attributable to:				
Non-controlling interests	2	2	(0)	(19)
DWS Group shareholders	780	556	224	40

1 Interest and similar income includes € 7 million for both 2021 and 2020, calculated based on effective interest method.
2 Valuation impacts of trading assets held by guaranteed funds of € 208 million for 2021 (€ (30) million for 2020) are included in net gains (losses) on financial assets/liabilities at fair value through profit or loss (FVTPL) that are offset in other income (loss) as part of valuation impacts of other liabilities held by guaranteed funds. The Group has no stake in these funds.
3 Includes restructuring costs of € 2 million for 2021 (€ 15 million for 2020).

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In 2021, we reported a significantly higher profit before tax (PBT) of € 1,086 million, an increase of € 324 million, or 42% compared to prior year. Our net interest and non-interest income was higher than in 2020, with higher management fees, significantly higher performance and transaction fees as well as significantly higher remaining revenues. Non-interest expenses were higher than in 2020.

Total net interest and non-interest income was € 2,720 million, an increase of € 484 million, or 22% compared to 2020. Revenues from management fees were higher, with a positive market performance throughout the year as well as strong growth in revenues from net inflows. Performance and transaction fees increased significantly by € 122 million, or 136% mainly driven by a higher multi asset performance fee as well as increased real estate performance and transaction fees. Remaining revenues amounted to € 138 million, an increase of € 124 million compared to 2020, primarily driven by an increase in investment income for illiquid products, the favourable change in fair value of guarantees for the guaranteed products and a higher contribution from our investment in Harvest Fund Management Co., Ltd.

Non-interest expenses of € 1,635 million were € 160 million or 11% higher compared to 2020. The increase in compensation and benefits was mainly driven by higher variable compensation. General and administrative expenses increased mainly due to transformational charges in both professional services and IT costs, and higher service costs as a result of increasing assets under management.

AuM development in 2021

	31 Dec 2020				2021	31 Dec 2021
in € bn.	AuM	Net flows	FX impact	Performance	Other	AuM
Product:						
Active Equity	97	(1)	2	18	(0)	116
Active Multi Asset	59	4	0	6	1	70
Active SQI[1]	69	2	0	5	0	77
Active Fixed Income	220	5	8	(4)	(0)	227
Active Cash	75	6	4	(0)	(0)	84
Passive	179	26	8	25	(1)	238
Alternatives	93	6	3	11	1	115
Total	**793**	**48**	**26**	**60**	**1**	**928**

[1] Systematic & quantitative investments.

Assets under management were € 928 billion, an increase of € 135 billion compared to 31 December 2020. The increase was driven by a positive market performance of € 60 billion, the favourable net flow development of € 48 billion and a positive foreign exchange (FX) impact of € 26 billion.

The level of AuM is a key factor affecting the results of operations because a significant percentage of management fees is predominantly charged as a proportion of AuM. Assuming management fee margins remain unchanged, an increase in the level of average AuM will generally lead to an increase in revenues.

Net flows represent assets acquired or withdrawn by clients within a specified period. In 2021 we generated net flows of € 48 billion mainly due to strong inflows into our targeted growth areas of Passive and Alternatives, as well as Active Cash, Active Fixed Income, Active Multi Asset and Active SQI.

FX impact represents the currency movement of products denominated in local currencies against the Euro. It is calculated by applying the change in FX rate to the ending period assets and is calculated on a monthly basis.

Performance primarily represents the underlying performance of the assets, which is driven by market effects (equity indices, interest rates, foreign exchange rates) as well as fund performance. The performance in the period led to an increase in AuM of € 60 billion particularly in our active equity and passive products.

[Sustainability KPIs]

KPI	Ambition up to 31 December 2021	2021 Result	2020 Result
ESG AuM[1]	Continue to grow our ESG AuM through a combination of flows into existing products or new products and supporting the transfer by existing clients of their assets from non-ESG products into ESG products	€ 115.2 bn	N/A
ESG net flows[1]	Grow ESG net flows at the same, or at a faster rate, than our overall flow target of >4% of AuM[2]	€ 18.9 bn	N/A
Operational emissions:[3]			
Energy	Reduce our total energy consumption by 20% by 2025 compared to 2019	-17%	-15%
Electricity from renewable sources	Source 100% renewable electricity by 2025, with an interim target of 85% by 2022	91%	77%
Travel (Air and Rail)	Reduce our travel emissions by 25% by 2022 compared to 2019	-88%	-79%
Sustainability rating	Achieve an improvement in our 2020 CDP rating	B	C
Proportion of women	Achieve our 2021 ambition of 26% of positions at the first management level below the Executive Board held by female executives and 29% at the second management level below the Executive Board	28.1% - 1. level 29.0% - 2. level	27.0% - 1. level 28.2% - 2. level
Volunteer hours per employee[4]	Commence DWS Corporate Volunteering activities with partner organisations and seek widespread involvement of DWS employees	38 minutes	N/A
Corporate engagements	Increase the number of corporate engagements	581	454
Proxy voting	Increase the number of companies whose shareholder meetings we vote at, for portfolios domiciled in Europe and Asia by >5%	2,426	1,859

[1] A comparison of the ESG AuM and ESG net flow figures for 2020 and 2021 is not feasible, as the framework for determining the figures has been refined in light of regulatory developments. For further details please refer to the chapter '[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing'.
[2] % of BoP ESG AuM on average in the medium term. ESG net flows are derived based on the ESG Framework as mentioned above, with ESG net flows being included only at the point from which products are classified as ESG under this framework. Any products that are declassified as ESG under this framework will no longer be included from that point in time.
[3] DWS Group energy consumption, electricity from renewable sources and rail emissions are determined on a pro-rata average number of effective staff employed (full-time equivalent) basis from Deutsche Bank Group data. Prior year emissions and energy consumption results have been restated due to updated methodology and historic data.
[4] Volunteer hours per employee was tracked for the first time in 2021 therefore no prior year comparative is available.

[We have made good progress in 2021 against the sustainability KPIs that we disclosed in our 2020 Annual Report. We have achieved our near-term ambitions and remain on course to deliver against those KPIs with medium term targets. As at 31 December 2021 we had € 115 billion in ESG AuM. We achieved strong ESG net flows of € 19 billion in 2021, representing 40% of our total net flows. COVID-19 has continued to impact our ways of working in 2021, with fewer employees working in our offices and travelling than before the pandemic. This can be seen in the significant reduction in our travel emissions versus 2019 and our lower energy consumption as compared to before the pandemic. We continue to explore ways to increase our use of electricity from renewable sources and to reduce our overall energy consumption.

In 2021 we achieved an improvement in our CDP rating, moving from a C score in 2020 to a B result this year. We exceeded our proportion of women target of 26% of positions at first management level below the Executive Board being held by female executives and met our target of 29% at the second management level. Although the pandemic continued to present challenges to perform physical volunteering in 2021, our employees participated in a variety of volunteering activities this year across all regions, both remotely and in person where permitted by COVID-19 restrictions. We also achieved our near-term ambition to increase the number of corporate engagements we participate in as well as the number of companies whose shareholder meetings we vote at.

Further details of our achievements in 2021 against our non-financial KPI ambitions can be found in the related chapters of this report, and our future KPI ambitions can be found in the chapter 'Our Strategy'.]

Financial Position

Liquidity

We principally fund our business through equity and cash generated by our operations. To ensure that the Group can fulfil its payment obligations at all times and in all currencies, we operate a liquidity risk management framework that includes stress-testing of our current and forecasted liquidity position. As part of the annual strategic planning process, we project the development of the key liquidity and funding metrics based on the underlying business plans to ensure the plan is in compliance with our risk appetite. As of 31 December 2021 we held cash and bank balances, money market funds, government, sub-sovereign and corporate bonds and other debt instruments totalling € 3,535 million (€ 3,057 million as of 31 December 2020). To further diversify our funding capabilities, we have a € 500 million revolving credit facility in place, under which there were no drawings as of 31 December 2021.

Capital Management

IFR Article 50(a)

We maintain a forward-looking capital plan to assess the development of capital supply and demand and the projected capitalization of the Group from an accounting, regulatory and economic perspective. The economic perspective considers all relevant risks quantified by economic capital models using internal definitions and quantification methods. Capital planning is embedded into the Group's overall strategic planning process to ensure an integrated financial and risk planning approach and considers appropriate risk appetite thresholds. Results of the planning process will inform and enable management decisions such as the strategic direction of the Group and taking advantage of profitable business growth or investment opportunities.

Capital Expenditures

During 2021, the Group made no material capital expenditures in intangible assets and property and equipment. Contingent liabilities decreased by € 8 million from € 128 million as of 31 December 2020 to € 120 million as of 31 December 2021 mainly driven by drawdowns of commitments for co-investments.

Net Assets

The table below shows selected items within our financial position:

			Change from 2020	
in € m. (unless stated otherwise)	31 Dec 2021	31 Dec 2020	in € m.	in %
Assets:				
Cash and bank balances	2,191	2,189	2	0
Financial assets at fair value through profit or loss	3,838	2,954	884	30
Goodwill and other intangible assets	3,652	3,550	102	3
Remaining assets[1]	1,929	1,754	175	10
Total assets	**11,611**	**10,448**	**1,164**	**11**
Liabilities and equity:				
Financial liabilities at fair value through profit or loss	750	702	48	7
Remaining liabilities[2]	3,416	2,983	433	15
Total liabilities	**4,166**	**3,685**	**481**	**13**
Equity	**7,445**	**6,762**	**683**	**10**
Total liabilities and equity	**11,611**	**10,448**	**1,164**	**11**

[1] Sum of financial assets at fair value through other comprehensive income (FVOCI), equity method investments, loans, property and equipment, right-of-use assets, assets held for sale, other assets, assets for current tax, and deferred tax assets.
[2] Sum of other short-term borrowings, lease liabilities, liabilities held for sale, other liabilities, provisions, liabilities for current tax and deferred tax and long-term debt.

As of 31 December 2021, total assets increased by € 1,164 million (11%) compared to year-end 2020. The increase in financial assets at fair value through profit or loss of € 884 million mainly driven by increased trading assets held by consolidated funds, co-investments and investment contract assets of € 333 million and net investments in liquidity positions of € 520 million. Further, goodwill and other intangible assets increased by € 102 million mainly driven by a positive foreign exchange effect from an appreciation of the US Dollar (USD) to the Euro (EUR) of € 178 million partly offset by reclassification to assets held for sale of € 71 million that increase the remaining assets correspondingly. Remaining assets were additionally increased by equity method investments of € 45 million and a net increase in other receivables and other items of € 59 million leading to an overall increase of € 175 million.

As of 31 December 2021, total liabilities increased by € 481 million (13%) compared to year-end 2020. The remaining liabilities increase is driven by other liabilities held by consolidated funds of € 341 million and other payables of € 92 million. Further, investment contract liabilities presented under financial liabilities at FVTPL increased by € 36 million.

Equity

The total equity as of 31 December 2021 was € 7,445 million compared to € 6,762 million as of 31 December 2020. The increase of € 683 million is mainly driven by the net income after tax for the year 2021 of € 780 million and positive impact from foreign exchange rate movements on capital denominated in currencies other than the Euro of € 293 million partly offset by a dividend payment of € 362 million.

Regulatory Own Funds

IFR Articles 49(1)(c), 50(c), 50(d)

Effective 26 June 2021 there was a change in regulation for the Group. We are no longer subject to the Capital Requirements Regulation and Directive (CRR/CRD IV), but to the prudential rules of the new Investment Firm Regulation (EU) 2019/2033 (IFR) and Investment Firm Directive (EU) 2019/2034 (IFD).

IFR and IFD create a regulatory framework for EU investment firms aiming to better address specific vulnerabilities and risks inherent to investment firms and investment firm groups and lowering compliance cost through more tailored standards. The rules introduce a new classification scheme based on activities, systemic importance, size, and interconnectedness. The Group qualifies as "Class 2" investment firm group under IFR.

The relative composition of own funds is defined under article 9 of the IFR. As previously noted under Capital Requirements Regulation (CRR), the Group's own funds equal Common Equity Tier 1 (CET1) as there are no additional Tier 1 or Tier 2 instruments issued. Compared to CRR, the major difference to the CET1 calculation is that certain own funds deductions are applied in full, instead of applying threshold deduction rules as is the case under the CRR.

The Group is required to hold minimum own funds to satisfy the higher of:

_ The permanent minimum own funds requirement, which equals the Group's initial capital requirement
_ One quarter of the annual fixed overheads for the previous year, or
_ The sum of the K-factor requirements introduced under IFR.

The K-factor requirement is based on three risk types: Risk-to-Client, Risk-to-Market and Risk-to-Firm. Each risk type has assigned K-factors, that add up to the overall K-factor requirement. There are only certain K-factors relevant to the Group, K-AuM (assets under management), K-ASA (assets safeguarded and administered) and K-COH (client orders handled) in respect of Risk-to-Client and K-NPR (net position risk) in respect of Risk-to-Market. The K-factor calculations for Risk-to-Client are based on the moving average of the respective underlying input factors AuM, ASA and COH, multiplied with a fixed coefficient defined in the IFR. The K-factor calculation for Risk-to-Market (K-NPR) is 8% of our positions with foreign exchange risk.

Our own funds according to IFR as of 31 December 2021 increased in 2021 by pro-forma € 102 million to € 2,605 million. The increase was mainly driven by profit recognition, net of the paid dividend for 2020. Under IFR the CET1 as of 31 December 2021 includes € 603 million own funds deduction for investments in financial sector entities and deferred tax assets (December 2020 pro-forma € 512 million). Under CRR these deductions were subject to threshold deduction rules and as at 31 December 2020 these items were reported as risk weighted assets instead of being deducted from capital.

The own funds requirement based on K-factors according to IFR was € 560 million as of 31 December 2021, increased by € 52 million compared with € 508 million as of 31 December 2020 (pro forma). The increase was due to higher net position risk and higher AuM. The own funds excess over capital requirements was € 2,045 million as of 31 December 2021, compared with € 1,995 million as of 31 December 2020 (pro forma), as shown in the table below. The fixed overheads requirement as of 31 December 2021 was € 358 million compared to € 385 million as of 31 December 2020. With that we comply with the overall regulatory capital requirements according to article 9 of the IFR.

We applied the IFR and related regulatory technical standards where available and aligned our approach closer to the CRR where individual technical standards are still pending. There might be changes to our regulatory own funds and requirements with final publication of such regulatory technical standards.

in € m. (unless stated otherwise)	31 Dec 2021 IFR / IFD[1,2]	31 Dec 2020 Pro-forma IFR / IFD[1,2]	31 Dec 2020 CRR / CRD IV
Regulatory own funds:			
Common Equity Tier 1 capital (CET1)	2,605	2,503	3,014
Tier 1 capital (CET1 + AT1)	2,605	2,503	3,014
Tier 2 capital	0	0	0
Total regulatory own funds	**2,605**	**2,503**	**3,014**
Risk weighted assets:			
Credit risk	N/A	N/A	6,394
Credit value adjustment (CVA)	N/A	N/A	0
Market risk	N/A	N/A	3,915
Operational risk	N/A	N/A	0
Total risk weighted assets	**N/A**	**N/A**	**10,309**
K-factor requirement:			
K-AuM (assets under management)	164	149	N/A
K-ASA (assets safeguarded and administered)	49	45	N/A
K-COH (client orders handled)	0	0	N/A
K-NPR (net position risk)	347	313	N/A
Total own funds requirement based on k-factors	**560**	**508**	**N/A**
Own funds excess (shortfall)	**2,045**	**1,995**	**N/A**
CET1 ratio (in %)	**N/A**	**N/A**	**29.2**

[1] IFR consolidation circle equals CRR consolidation circle.
[2] Non-regulatory consolidated entities are considered at equity equal to CRR.

The table below shows a reconciliation of IFRS equity to regulatory own funds:

in € m.	31 Dec 2021 IFR / IFD	31 Dec 2020 Pro-forma IFR / IFD	31 Dec 2020 CRR / CRD IV
Shareholders' equity, as defined by IFRS, regulatory basis of consolidation[1]	7,398	6,708	6,708
Elimination of net income, net of profit recognition	668	502	502
Deduction of:			
Goodwill and intangible assets (net of related deferred tax liabilities)	3,448	3,157	3,157
Deferred tax assets on unused tax losses	1	0	0
Deferred tax assets	163	162	0
Financial sector entities	440	350	0
Prudent valuation	32	24	24
Defined benefit pension plan assets	4	11	11
Minimum Value Commitments	13	0	0
Other regulatory adjustments[2]	26	0	0
Regulatory own funds	**2,605**	**2,503**	**3,014**

[1] Adjusted by prudentially unrecognized retained earnings of € 23 million
[2] Synthetic holdings of own CET1 instruments linked to equity-based compensation.

IFR Related Disclosures

Part Six of the IFR sets out the provisions for information that investment firms shall disclose to the public on the same day as they publish their annual financial statements. Following the introduction of the IFR in June 2021, this is the first time DWS is required to make such disclosures.

The following table provides a mapping of the respective disclosure requirements set out in part six of the IFR to the respective sections in this report containing such information.

Content of the IFR related disclosures within the DWS Annual Report 2021

Legal background	Content	Chapter in our Annual Report
Art. 47 IFR	Risk Management Objectives and Policies	Risk and Control – Risk Report Introduction Risk Framework Financial Risk
Art. 48 IFR Governance	(a) Number of directorships held by members of management body	Additional Information: Corporate Governance Statement – Corporate Bodies
	(b) Diversity with regard to the management body	Additional Information: Corporate Governance Statement - Targets for the Proportion of Women in Management Positions /Gender Quota
	(c) Risk Committee	Additional Information: Corporate Governance Statement - Standing Committees of the Supervisory Board
Art. 49(1) IFR Own Funds	(a) Reconciliation to Balance Sheet	Additional Information: Annex – Mandatory Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR) Composition of regulatory own funds (Template EU IF CC1.01) Own funds: Reconciliation of regulatory own funds to our balance sheet (Template EU IF CC2)
	(b) Main features	Additional Information: Our Shares
	(c) Restrictions applied to calculation	Additional Information: Annex – Mandatory Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR) Composition of regulatory own funds (Template EU IF CC1.01)
Art. 50 IFR Own Funds Requirements	(a) Summary of ICAAP	Operating and Financial Review DWS Performance
	(c) K-factor requirements	Operating and Financial Review DWS Performance
	(d) Fixed Overheads requirements	Operating and Financial Review DWS Performance
Art. 51 IFR	Remuneration Policy and Practices	Disclosure with regard to the relevant employee categories not possible. Legislative process for the determination of relevant employees on national level still ongoing and applicable remuneration requirements become only effective for Performance Year 2022.
Art. 52 IFR Investment Policy	(a) Proportion of voting rights	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Additional Information: Annex – Mandatory Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR)
	(b) Voting Behaviour	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Additional Information: Annex – Mandatory Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR)
	(c) Proxy Advisor Firms	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Additional Information: Annex – Mandatory Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR)
	(d) Voting guidelines	[Our Responsibilities] ESG Products, Sustainable Finance and Responsible Investing Additional Information: Annex – Mandatory Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR)

Supplementary Information on DWS Group GmbH & Co. KGaA according to German Commercial Code (HGB)

We chose the option of publishing a summarized management report in accordance with Section 315 (5) in conjunction with Section 298 (2) of the German Commercial Code (HGB). Supplementary to our Group reporting, this section provides details on the performance of DWS KGaA.

In contrast to the consolidated financial statements, the single entity financial statements of DWS KGaA are not prepared in accordance with International Financial Reporting Standards (IFRS), but with the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG).

Results of Operations of DWS KGaA

			Change from 2020	
in € m. (unless stated otherwise)	2021	2020	in € m.	in %
Income from profit pooling agreements	753	582	172	29
Income from participating interests	85	33	53	160
Impairment on financial assets and on securities held as current assets	17	21	(3)	(17)
Other income	74	13	61	N/M
Staff expenses	29	20	9	45
Other operating expenses	127	56	71	126
Other interest and similar income	2	(0)	2	N/M
Interest and similar expenses	2	1	1	118
Income taxes	207	142	65	46
Net income	**532**	**388**	**145**	**37**
Profit carried forward from the previous year	88	63	26	41
Distributable profit	**620**	**450**	**170**	**38**

The business purpose of DWS KGaA as parent company of DWS Group is the holding of participations in as well as the management and support of a group of financial services providers. The company itself is not active in the operating asset management business, but rather holds a large number of major shareholdings.

Significant financial income components of the DWS KGaA are from profit pooling agreements and participating interests. Our earnings therefore largely depend on the performance of the subsidiaries.

Income from profit pooling agreements from German subsidiaries increased by € 172 million to € 753 million in 2021, mainly due to increased profit transferred from DWS Beteiligungs GmbH.

Income from participating interests amounted to € 85 million in 2021 and mainly included dividends from DWS USA Corporation, DWS Investments Singapore Limited and DWS Investments UK Limited. In the previous year, income from participating interest was mainly due to dividends from DWS Investments Singapore Limited.

Impairment on financial assets amounted to € 17 million compared to € 21 million in the previous year and mainly related to our investments in DWS Investments Japan Limited, DB Vita S.A. and Arabesque AI Ltd.

Other income was € 74 million compared to € 13 million in 2020. The increase mainly related to higher income from recharging administrative expenses including transformational and rental charges to our subsidiaries and gains from short-term derivatives we entered into to manage the profit and loss volatility associated with our share price-linked, equity-based compensation.

Staff expenses increased by € 9 million to € 29 million mainly due to higher severance and bonus accruals.

Other operating expenses increased by € 71 million to € 127 million in 2021, mainly due to higher transformational charges in both, professional services and IT costs, and higher rental charges due to changes in the contractual setup. The transformational and rental charges were mostly recharged to our subsidiaries (via other income). Losses from the aforementioned derivatives on our share price linked to equity- based compensation also contributed to the increase.

Income tax expense of € 207 million consisted of € 233 million current tax expense less a deferred tax benefit of € 27 million. Income tax expense increased by € 65 million mainly driven by increased income from profit pooling agreements with German subsidiaries in 2021.

Net income increased by € 145 million to € 532 million in 2021.

Proposed Appropriation of Profit

The distributable profit amounted to € 620 million as of 31 December 2021. The Executive Board and Supervisory Board will propose to the Annual General Meeting to appropriate this distributable profit for a dividend payment of € 2.00 per share and to carry forward the remaining distributable profit.

Financial Position of DWS KGaA

The table below shows selected items within our financial position:

in € m. (unless stated otherwise)	31 Dec 2021	31 Dec 2020	Change from 2020 in € m.	Change from 2020 in %
Assets:				
Intangible assets – internally developed software	7	0	7	N/M
Financial assets – investments in affiliated companies	7,343	7,452	(108)	(1)
Financial assets – participating interests	4	14	(9)	(67)
Financial assets – long-term investment securities	11	7	4	62
Total fixed assets	**7,365**	**7,472**	**(106)**	**(1)**
Receivables from affiliated companies	1,106	862	243	28
Other assets	38	1	37	N/M
Securities	120	11	109	N/M
Bank balances	119	200	(82)	(41)
Total current assets	**1,382**	**1,074**	**307**	**29**
Deferred tax assets	**104**	**78**	**27**	**34**
Excess of plan assets over pension liabilities	**4**	**6**	**(2)**	**(38)**
Total assets	**8,856**	**8,630**	**226**	**3**
Liabilities and shareholders' equity:				
Subscribed capital	200	200	0	0
Capital reserve	7,458	7,458	0	0
Revenue reserves	20	20	0	0
Distributable profit	620	450	170	38
Total capital and reserves	**8,298**	**8,128**	**170**	**2**
Provisions for taxes	74	43	31	73
Other provisions	58	41	18	43
Total provisions	**132**	**83**	**49**	**58**
Accounts payable for goods and services	4	0	4	N/M
Liabilities to affiliated companies	403	409	(5)	(1)
Other liabilities	19	10	8	81
Total liabilities	**426**	**419**	**7**	**2**
Total liabilities and shareholders' equity	**8,856**	**8,630**	**226**	**3**

Movements in Assets

As of 31 December 2021, total assets amounted to € 8,856 million, an increase of € 226 million compared to year-end 2020.

Fixed assets decreased by € 106 million mainly due to capital repatriations by DWS Investments UK Limited and Deutsche Alternative Asset Management (UK) Limited totalling € 96 million and to the aforementioned impairments of € 17 million.

Receivables from affiliated companies increased by € 243 million to € 1,106 million mainly due to increased receivables from profit pooling agreements with German entities and increased receivables from services to subsidiaries.

Securities increased by € 109 million due to new investments in a DWS money market fund.

Bank balances decreased by € 82 million. The decrease mainly related to the dividend payment for 2020 of € 362 million, net tax payments of € 224 million and the mentioned new investments in a DWS money market fund, partially offset by the settlement of profit pooling agreements for 2020 and dividends received of € 667 million.

Equity

The capital and reserves of DWS KGaA as of 31 December 2021 were € 8,298 million, split into subscribed capital of € 200 million, reserves of € 7,478 million and a distributable profit of € 620 million. The increase by € 170 million compared to 31 December 2020 related to the net income of the current year partially offset by the dividend paid.

Movements in Provisions and Liabilities

Total provisions increased by € 49 million to € 132 million as of 31 December 2021 due to increased provisions for taxes by € 31 million and increased other provisions by € 18 million. The increase of provisions for taxes is mainly due to higher current tax expense, partially offset by tax payments for current and prior years. Other provisions increased mainly due to higher provisions in connection with services provided by companies of the Deutsche Bank Group including DWS Management GmbH and higher provisions in connection with professional services.

Total liabilities were € 426 million, essentially flat compared to year-end 2020.

Liquidity

The Capital and Liquidity Management function is mandated to manage the overall liquidity and funding position of DWS KGaA. We principally fund our business through equity and cash generated by our operations. To ensure that DWS KGaA can fulfil its payment obligations at all times and in all currencies, we have a prudent liquidity planning and monitoring process in place.

As DWS KGaA is a holding company the upcoming cash in- and outflows can be reliably forecast. Cash inflows are largely generated by income from profit pooling agreements and from participating interests as well as DWS Group internal intermediate financing. Cash outflows mainly consist of the dividend payment to DWS shareholders, acquisitions, operational expenses and tax payments for the German tax group.

As part of the annual strategic planning process, we project the development of the key liquidity and funding metrics based on the underlying business plans to ensure the plan is in compliance with our risk appetite. As of 31 December 2021 we held bank balances of € 119 million (€ 200 million as of 31 December 2020) and liquid money market funds of € 120 million (€ 11 million as of 31 December 2020). To further diversify our funding capabilities, we have a € 500 million revolving credit facility in place, under which there were no drawings as of 31 December 2021.

Risks and Opportunities of DWS KGaA

The business performance of DWS KGaA is largely subject to the same risks and opportunities as the performance of DWS Group presented in the consolidated financial statements.

DWS KGaA generally participates in the risks of its shareholdings and subsidiaries in accordance with its respective percentage interest held. DWS KGaA is integrated in the risk management system and internal control system of the Group. Further information is provided in the 'Risk Report' and in the 'Outlook – DWS Group – Risks and Opportunities' section of this report.

Outlook for DWS KGaA

The outlook for DWS KGaA on the future development of its business is essentially subject to the same influences as the outlook of DWS Group presented in the 'Outlook' section of this report.

Final Statement of the Executive Board on Section 312 German Stock Corporation Act (AktG)

As DWS KGaA and its subsidiaries are part of Deutsche Bank Group, the Executive Board of DWS KGaA is obliged to prepare a dependency report pursuant to Section 312 AktG.

In conjunction with the legal transactions and other measures set out in the report on relationships with affiliates, and on the basis of the circumstances of which we were aware at the time when the legal transactions were carried out or when the measures were taken or not taken, our company has received adequate consideration for every legal transaction and has not suffered any disadvantage as a result of the fact that other measures have been or have not been carried out.

Outlook

Economic and Competitive Outlook

Global Economic Outlook[4]

Overall, besides robust growth, we expect inflation rates to remain elevated or slightly above levels seen at the end of 2021 but expect them to start to recede in the course of 2022. At the same time, however, we expect inflation rates to remain far above the Fed's 2% target through the remainder of 2022. We expect the first interest rate hike in March 2022, just when the Fed will have concluded its tapering. In total, we expect five hikes of the Fed in 2022.

In the Eurozone, we expect growth to be enhanced in 2022 by the same factors which impeded growth in 2021. The Omicron variant turned out to cause less severe illnesses so that – together with the warmer weather - across Europe most restrictions will be lifted. We expect this to help the service sector to normalize over the course of this year. Moreover, supply chain bottlenecks should ease, and manufacturers should be able to catch up and increase production to work off the backlog of orders. Gross domestic product in the Eurozone should grow by about 4.4%, slightly slower than in 2021. Given its high exposure to intermediate industrial goods, we expect the German economy to grow by 4% this year and 3.5% next year. Inflationary pressure should remain elevated throughout the year. However, due to base effects and easing of supply chain bottlenecks headline inflation figures should come down in the course of the year, though not to the very low levels from before the pandemic. We expect a Eurozone inflation rate of 4.3% in 2022. Monetary policy should remain accommodative on average, but we do expect an end of the asset purchases and a first interest rate hike from the ECB by the end of the year. At the time of the writing it is yet too early to assess all the economic implications of Russia's military action against Ukraine. We would assume upside risks for our inflation forecast and downside risks for our growth forecast.

Also in the US, as the Fed assert, most of the factors causing supply-side shortages are most likely temporary and should fade in the course of 2022. On the other hand, is the fiscal support fading. Therefore, we expect the US economy to grow by 3.8% this year and by 2.5% next year. The pandemic, however, might have impacted the structure of labour markets and global supply chains permanently. As many workers have chosen to retire early, this could accelerate demographic trends and shift labour markets towards an equilibrium in which a smaller workforce is available. Higher wage increases are the most likely consequence of this development. This will add to the already very high inflationary pressure we observe in the US. However, as supply chain bottlenecks should ease over the course of this year and due to base effects, we expect inflation rates to recede once they left their peak behind in the spring. However, this will be a very slow process and inflation will stay far above 2% throughout the year. Even core Personal Consumption Expenditures (PCE) inflation will probably be above 3% at the end of the year.

On global trade, the pandemic could potentially lead to production being brought onshore in some cases, increasing the prices for some goods permanently.

Looking at Asia, the current headwinds in the Chinese property market are likely to fade from the second half of the year onwards as a result of support from the monetary and fiscal side. Fiscal policy, in particular, is likely to become more proactive going forward. The impact of the pandemic may continue to weaken and power shortages are likely to end due to higher hydro power production and will no longer drag on production. Additionally, normalization of the global economy post COVID-19 is likely to lead to lower growth in Chinese exports. However, domestic private consumption could increase as a result of lower mobility restrictions. Furthermore, we expect more green investments supported by fiscal and monetary support.

After economic activity could see a temporary setback in the first quarter due to the spreading of the Omicron virus in Asia, the recovery is likely to pick-up from the second quarter. Export growth is expected to calm down from last year's extraordinary strong role as a growth driver. In most countries, investment demand in general and a strong capital expenditures cycle in particular is likely to drive actual growth. Inflation is expected to be under control by the central banks without the necessity of severe tightening. Moderate inflation as well as sound fiscal balance should

[4] Source for macroeconomic figures and forecasts DWS Investment GmbH, Haver Analytics Inc.

allow Asia to bear the risks from rising US interest rates better than other Emerging Markets regions.

Asset Management Industry

Looking at the asset management industry, buoyant stock markets in 2021 boosted assets under management and investor confidence as flows moved out of cash into other asset classes. During the year ESG, passive and private equity recorded record inflows as the global economy showed signs of recovery.

Recognising that markets and investor sentiment may continue to fluctuate, we believe several major trends will continue to challenge the asset management industry:

_ ESG: ESG Investing has entered the mainstream becoming central to the investment process and product development at most firms. Despite higher investor demand significant challenges remain due to the absence of standardised terminology, the rising volume of new and pending regulation and access to comprehensive data. While climate change continues to be the focus for most, the pandemic has put social and welfare issues under the spotlight with diversity and inclusion gaining prominence.
_ Digitalisation: The pandemic has accelerated the adoption of new technology including artificial intelligence, blockchain and big data, driving wholesale change to back-office operations, distribution (robo-advisory) and product choice, which includes the emergence of a new digital asset class.
_ Margin erosion: Pressure on fees and costs will persist, driven by heightened competition, particularly in passive products and as a result of growing regulatory and compliance requirements such as MiFID II.
_ Geographic wealth shift: Emerging countries, primarily in Asia, will continue to be key drivers of future industry growth, offering new opportunities for asset managers as local investors expand their investment horizons globally. China saw an uptick in asset manager activity in 2021 as foreign managers were able to access the domestic fund market for the first time.
_ Market consolidation: Scale and the ability to offer diverse investment capabilities are increasingly central to managers ability to compete successfully in the marketplace. Industry consolidation is accelerating with bolt-on deals largely in alternative investments, ESG and technology.
_ Investor sophistication: Investors are becoming increasingly sophisticated in their investment choices, demanding higher standards in product quality, performance and service. In the retirement space, there is growing demand for more comprehensive pension solutions, driven by the shift from defined benefit to defined contribution.

DWS Group

The recent military action Russia commenced against Ukraine has increased the political and economic uncertainty worldwide which may have an impact on our forward looking assumptions. Sanctions and counter-sanctions are likely to have an impact on our growth forecast. Whilst it is too early to predict how long the conflict will last, our business or financial targets may be adversely affected by a protracted downturn in local, regional and global economic conditions. This chapter should be read in conjunction with the aforementioned chapter on ‘Economic and Competitive Outlook’.

In the face of these challenges as well as the ongoing global pandemic, the Group intends to focus on innovative products and services where we can differentiate and best serve clients, while also maintaining a disciplined cost approach.

Going forward, our Executive Board is fully committed to deliver on all aspirations for phase two of its corporate journey. Thereby, growth and efficiency will drive shareholder value creation, which is why we have refined our medium-term targets at the beginning of 2021.

Subject to the aforementioned geopolitical uncertainty and if economic conditions normalise then,

_ in 2022, we expect net inflows to be in line with our medium-term target, also driven by targeted growth areas of passive and alternative investments, further enhanced by strategic alliances and product innovations, including further ESG offerings. Moreover, we expect further investment into growth, which will be compensated by ongoing cost discipline and we also expect our adjusted CIR to be around 60%. This puts us on track to follow our path to a sustainable adjusted CIR of 60% in 2024.
_ by 2024, we target an adjusted CIR of 60% and a net flow rate of >4% on average in the medium term.

Risks and Opportunities

GRI 102-15

Risks

As an asset manager, DWS's strategic plans and financial targets are to a certain extent dependent on the health of the financial system, a stable economic and political environment, growth opportunities, as well as suitable personnel and infrastructure. The following risks may have a materially negative impact on these plans and targets.

Macroeconomic, Geopolitical and Market Environment

As a leading European asset manager with global operations, our businesses are materially affected by global macroeconomic and financial market conditions. Significant challenges may arise from fluctuations in economic growth prospects, the interest rate environment, inflationary pressure, supply chain disruptions, geopolitical risks and competition in the financial services industry as well as higher market volatility, potential deterioration of international trade relations, and weakness of global, regional and national economic conditions, in particular in light of the COVID-19 pandemic and its ongoing impacts, as well as political and economic instability in key markets. This could negatively affect the results of operations and financial condition of our businesses as well as our strategic plans.

Continued elevated levels of political uncertainty worldwide, an increase of protectionist policies as well as geopolitical risk could have adverse consequences on the economy, market volatility and investors' confidence. Examples are the escalation of US-China relations concerning new sanctions (more tariffs, non-tariffs measures, and export restrictions), political backlashes in French presidential and US mid-term elections, or events in regional hotspots.

Of particular note, on February 24, 2022, Russia commenced military action against Ukraine. In response to the Russian military action against Ukraine, the West has moved to impose broad-based sanctions (including asset-freeze / blocking sanctions) targeting Russia, including but not limited to major Russian banks, certain other companies, Russian parliament members and certain members of the Russian elite and their families but also banning primary / secondary trading of sovereign debt, disconnection of certain Russian banks from SWIFT (Society for Worldwide Interbank Financial Telecommunication) and other select securities. It is possible that additional sanctions may be imposed, including additional or new asset-freeze / blocking sanctions of individuals (Specially Designated Nationals And Blocked Persons List) or companies (including further systemically important corporates and banks). Sanctions are subject to rapid change and it is also possible that new direct or indirect secondary sanctions could be imposed by the United States or other jurisdictions without warning as a result of developments. Russian cyber-attacks on European infrastructure are a potential danger. Furthermore, dependency on Russian gas remains high and Russia's (and Ukraine's) role as a commodities supplier might lead to further spikes in inflation. Such political uncertainty and geopolitical risk developments could affect both overall market risk sentiment and assets exposed to the conflicts, sanctions or sources of uncertainty, leading to negative performance and potentially outflows from our fiduciary business. There could also be negative effects on our business with or in the countries concerned. As a result, DWS's fee income could be impacted.

The risk of a higher inflation and interest rate regime may become a re-pricing event for financial markets, for example impacting equity markets due to higher opportunity costs compared to fixed income securities as well as higher discount rate for future profits. Fixed income markets would suffer through the inverse relationship between prices and interest rates. Economic growth may be slowed down or could be weakened and governments as well as private market participants with high debt levels may face increased funding costs or might have to offload assets. Broad based pressure on market prices may additionally lead to a lack of liquidity as well as outflows from our fiduciary business. These effects would lower DWS's AuM resulting in lower fee income in the respective markets. From a corporate risk point of view, our co-investment portfolio could incur losses in fair value.

Regulation and Supervision

Regulatory reforms, together with increased regulatory scrutiny more generally, have had and continue to have a significant impact on us and may adversely affect our business and ability to execute our strategic plans. Regulators may prohibit us from making dividend payments, suspend certain activities or take other actions if we fail to comply with regulatory requirements. Regulatory actions may also require us to change our business model or result in some business activities becoming unviable. Regulatory reforms adopted in the wake of the financial crisis – for example, extensive new regulations governing our compensation or data protection may materially increase our operating costs and negatively impact our business model.

Those changes may result in increased planning uncertainty, higher cost base or higher capital demands, and hence may significantly affect our business model, financial condition and results of operations as well as the competitive environment generally. This risk may adversely impact our medium-term target for net flows and adjusted cost-income ratio.

Litigation, Regulatory Enforcement matters and Investigations

We operate in a highly and increasingly regulated and litigious environment, potentially exposing us to liability and other costs, the amounts of which may be substantial and difficult to estimate, as well as to legal and regulatory sanctions and reputational harm. Among other matters:

- Our major shareholder, Deutsche Bank, has entered into deferred prosecution agreements (DPAs) with the U.S. Department of Justice (DoJ). If Deutsche Bank or any member of the Deutsche Bank Group (including DWS) violates the DPAs, the terms of the DPAs could be extended, or Deutsche Bank could be subject to criminal prosecution or other actions.
- We have received requests for information from regulatory and law enforcement authorities concerning certain allegations made by a former employee in relation to ESG matters. We are cooperating fully with the authorities. These investigations are ongoing and the outcome is as yet, unpredictable
- Scrutiny by EU regulators and courts on the protection of retail customers has increased in particular with a view on the validity and transparency of terms in standard form contracts and compensation for alleged damages.

Should any of the legal proceedings be resolved against us, or any investigations result in a finding that DWS has failed to comply with applicable law, DWS could be exposed to material damages, fines, limitations on business, remedial undertakings, criminal prosecution or other material adverse effects on our financial condition, as well as risk to our reputation and potential loss of business. Guilty pleas by or convictions of us or our affiliates (including members of the Deutsche Bank Group) in criminal proceedings, or regulatory or enforcement orders, settlements or agreements to which we or our affiliates become subject, may have consequences that have adverse effects on certain of our businesses. Moreover, if these matters are resolved on terms that are more adverse to us than we expect, in terms of their costs or necessary changes to our businesses, or if related negative perceptions concerning our business and prospects and related business impacts increase, we may not be able to achieve our strategic objectives or we may be required to change them. For example, because of certain of Deutsche Bank's past criminal convictions, DWS has been required to seek an individual exemption to avoid disqualification from relying on the Qualified Professional Asset Manager (QPAM) exemption under the U.S. Employee Retirement Income Security Act (ERISA). In April 2021, the U.S. Department of Labor extended our exemption, which is now scheduled to expire on 17 April 2024, but which may terminate earlier if, among other things, we or our affiliates were to be convicted of crimes in other matters. Further on February 28, 2022, following a finding by the DOJ that Deutsche Bank violated a DPA based on untimely reporting by Deutsche Bank of the allegations made by a former employee of DWS in relation to ESG matters, Deutsche Bank agreed with the DOJ to extend an existing monitorship and abide by the terms of a prior DPA until February 2023 to allow the monitor to certify to Deutsche Bank's implementation of the related internal controls.

COVID-19 Pandemic

After more than two years of living with the COVID-19 pandemic, the short-term and long-term consequences still pose relevant risks for us. For example, insufficient vaccination roll-out and efficacy concerning COVID-19-variants as well as medical treatment capabilities may lead to setbacks such as new or further lockdowns, travel limitations, supply chain issues, remote work, and other restrictions. This may lead to a negative impact on global growth and global financial markets. Despite the business continuity and crisis management policies currently in place, potential implications for personnel as well as supply chain disruptions may lead to frictions in our business processes. In addition, another potential COVID-19-related economic slowdown could negatively affect our revenues, assets and liabilities.

While the long-term effects on our business and financial targets are not yet known, the further build-up of debt burden during the pandemic may adversely affect future growth prospects and increase the likelihood of recessions. The vulnerability of global supply chains revealed by the pandemic may lead to a partial reversal of the efficiency gains by globalization. Additionally, the pandemic has led to a reassessment of physical office space and remote working arrangements, posing a challenge to finding efficient ways of collaboration, talent attraction and retention as well as teamwork.

Digitalisation

Digitalisation offers new competitors market entry opportunities, and we expect our businesses to have an increased need for investment in digital product and process resources to mitigate the risk of a potential loss of market share. This risk may adversely impact our medium-term target for net flows.

In addition, with increasing levels of digitalisation, cyber-attacks could lead to technology failures, security breaches, unauthorized access, loss or destruction of data or unavailability of services. Any of these events could involve litigation or cause us to suffer financial loss, disruption of our business activities, liability to our customers, government intervention, or damage to our reputation.

Sustainability

Sustainability Risks are inherent to our business activities and ESG strategy. Sustainability risks impact us because they have strategic implications for our product suite and the corresponding investment processes that are influenced by changes in client demand. The regulatory landscape of ESG is ever evolving as regulators around the globe take steps to protect investors by ensuring transparency, consistency and comparability. As a result, how financial services firms implement ESG in their offerings is the subject of regulatory scrutiny in many regions in which we operate. ESG is a core tenet of our Global business and we welcome these efforts. Having said that, regional regulatory variations and differing market standards create an increased risk of regulatory scrutiny for DWS including increased regulatory risk, increased regulatory compliance costs, and increased legal fees in addressing regulatory inquiries and requirements for enhanced disclosures.

Although we have established comprehensive risk management policies, procedures and methods, including with respect to non-financial, market, credit, and liquidity risk, they may not be fully effective in mitigating our risk exposures in all economic market environments or against all types of risk, including risks that we fail to identify or anticipate.

Other Risks

Our risk management policies, procedures and methods leave us exposed to unidentified or unanticipated risks, which could lead to material losses.

Operational risks, which may arise from errors in the performance of our processes, the conduct of our employees, instability, malfunction or outage of our IT system and infrastructure, or loss of business continuity, or comparable issues with respect to our third-party service providers, may disrupt our businesses and lead to material losses.

We utilize a variety of third parties in support of our business and operations. Services provided by third parties pose risks to us comparable to those we bear when we perform the services ourselves, and we remain ultimately responsible for the services the third parties provide. If such a third party does not conduct business in accordance with applicable standards or our expectations, we could be exposed to material losses or regulatory action, litigation or reputational damage or fail to achieve the benefits we sought from the relationship.

Our operational systems are subject to an increasing risk of cyber-attacks and other internet crime, which could result in material losses of client or customer information, damage our reputation and lead to regulatory penalties and financial losses.

Ongoing global benchmark reform efforts, specifically the transition from interbank offered rates to alternative reference rates including “risk-free rates” that are under development, introduce a number of inherent risks to our business and the financial industry.

We are subject to laws and other requirements relating to financial and trade sanctions and embargoes. If we breach such laws and requirements, we can be subject to material regulatory enforcement actions and penalties.

Opportunities

Changing market conditions and investor needs have created significant opportunities for the Group and the asset management industry. Future asset growth is expected to be driven by the increase in personal wealth, as well as by pension funds, sovereign wealth funds, defined contribution plans, and insurers.

Economic and strategic opportunities

Our strategy has evolved along with the changing asset management industry, contributing, directly and indirectly, to anticipated growth rates and favourably to our medium-term net flow target:

Demand for ESG investments is driving research, enhanced risk management and extensive product development.

Asset managers are developing new digital distribution capabilities as a way of accessing retail / direct-to-consumer channels, such as robo-advisory, particularly among younger customers.

Strong growth in multi asset products is driven by a combination of demographics (the "baby boomer" generation demands increasingly sophisticated retirement solutions) and the shift from "defined benefit" to "defined contribution" pension funding.

Asset managers are playing an increasing role in providing capital to the economy, taking advantage of bank retrenchment due to the latter's regulatory and capital constraints and diminished ability of national governments to fund infrastructure investment, contributing favourably to our medium-term net flows target.

Low interest rates are causing a shift from unmanaged assets, such as cash and deposit accounts, into managed portfolios.

Market and growth opportunities

Our strategy includes the deployment of capital to achieve both organic and inorganic growth. Our medium-term business plan includes an increase in seed and co-investments to grow our business organically while continuing to align with our client demand. We also believe the trend of consolidation in the asset management industry will continue. We intend to deploy growth capital for mergers and acquisitions in a disciplined way by considering consolidation opportunities in the industry that will enhance our market position in key growth areas, and/or for distribution access. Any merger and acquisition activity, in addition to meeting strategic objectives, would envisage prioritization of shareholder value creation and be measured against financial criteria such as attractive return on investment (ROI) earnings accretion and contribution to our medium-term targets for net flows and adjusted cost-income ratio.

Overall Assessment

We believe that the asset management industry will continue to grow over the longer term and managers able to offer a wide range of active, passive, public and private strategies will be able to benefit from opportunities in the market.

We further regard our business as well positioned to capture market opportunities and address asset management industry challenges. As illustrated above, changing market conditions and investor needs have created significant opportunities for us and the asset management industry, yet also require us to continuously monitor risks and run stress test scenarios.

[Our Responsibilities]

Materiality Assessment for 2021

GRI 102-15; 102-29; 102-31; 102-44; 102-46; 102-47, 203-2

As a German-listed asset manager, our materiality assessment is primarily guided by the legal requirements of the German Commercial Code (Handelsgesetzbuch - HGB). As in 2020, we have again taken a comprehensive approach to identifying the key priorities for the non-financial report that are perceived as being most important to our stakeholders.

We assessed external sources, expanding the range of ESG topics discussed by professional associations and non-governmental organisations (NGOs), and we analysed the activities of our competitors. The secondary research was complemented by engagement with divisional subject matter experts across the company to confirm the identified topics which were then grouped in 13 global topics including 41 sub-topics[5]. We conducted a survey asking the participants to assess the business relevance of each global topic for DWS as well as the potential impact DWS could have on the topic, to account for the required double materiality principle[6]. We asked participants to include any additional topics. An online questionnaire was sent out to employees, who were selected to represent a cross-divisional perspective. In addition, the members of the Executive Board and the Group Sustainability Council (GSC) were asked to take part in the survey.

The results of the survey indicated that nine out of the 13 proposed global topics were material for 2021. The three topics with highest scoring in 2020 - sustainable finance and responsible investing, corporate and board governance as well as company performance - were confirmed and gained significance in 2021. Biodiversity scored highly compared to 2020, however it did not pass the thresholds for being considered as a material topic for 2021. Nevertheless, due to the significant rise in importance and relevance as well as proximity to the thresholds, we included Biodiversity as an emerging material topic and as a sub-topic of climate change. Social engagement dropped out of the 2021 list of material topics, most likely the result of fewer events and volunteering activities in which employees were able to participate due to the pandemic. The materiality assessment results were presented in internal meetings and acknowledged by the CFO and the GSC.

We mapped the material topics identified in accordance with HGB requirements and to additional DWS specific matters (compare HGB Section 289c). See the table ‘Content of the integrated non-financial group statement according to the HGB within the Summarized Management Report’ in the chapter ‘About this Report’ for more details. This table also highlights the Annual Report chapters where these material topics are discussed in more detail.

The selected Sustainable Development Goals (SDGs) on which we could have the greatest impact are SDG 8, "Decent Work and Economic Growth"; SDG 10, "Reducing Inequality" and SDG 13, "Climate Action". We have mapped our 2021 material topics to these top three SDGs in the matrix below[7].

At DWS Group, we aim to create sustainable economic value by pursuing a long-term approach. Corporate and board governance that constitutes the basis for our activities regarding financial and non-financial material topics was identified as material. In our corporate engagements and proxy voting, we seek to address corporate governance topics with investee companies. Similarly, we seek to ensure good corporate governance at the Group to ensure accountability, fairness, and transparency for all stakeholders.

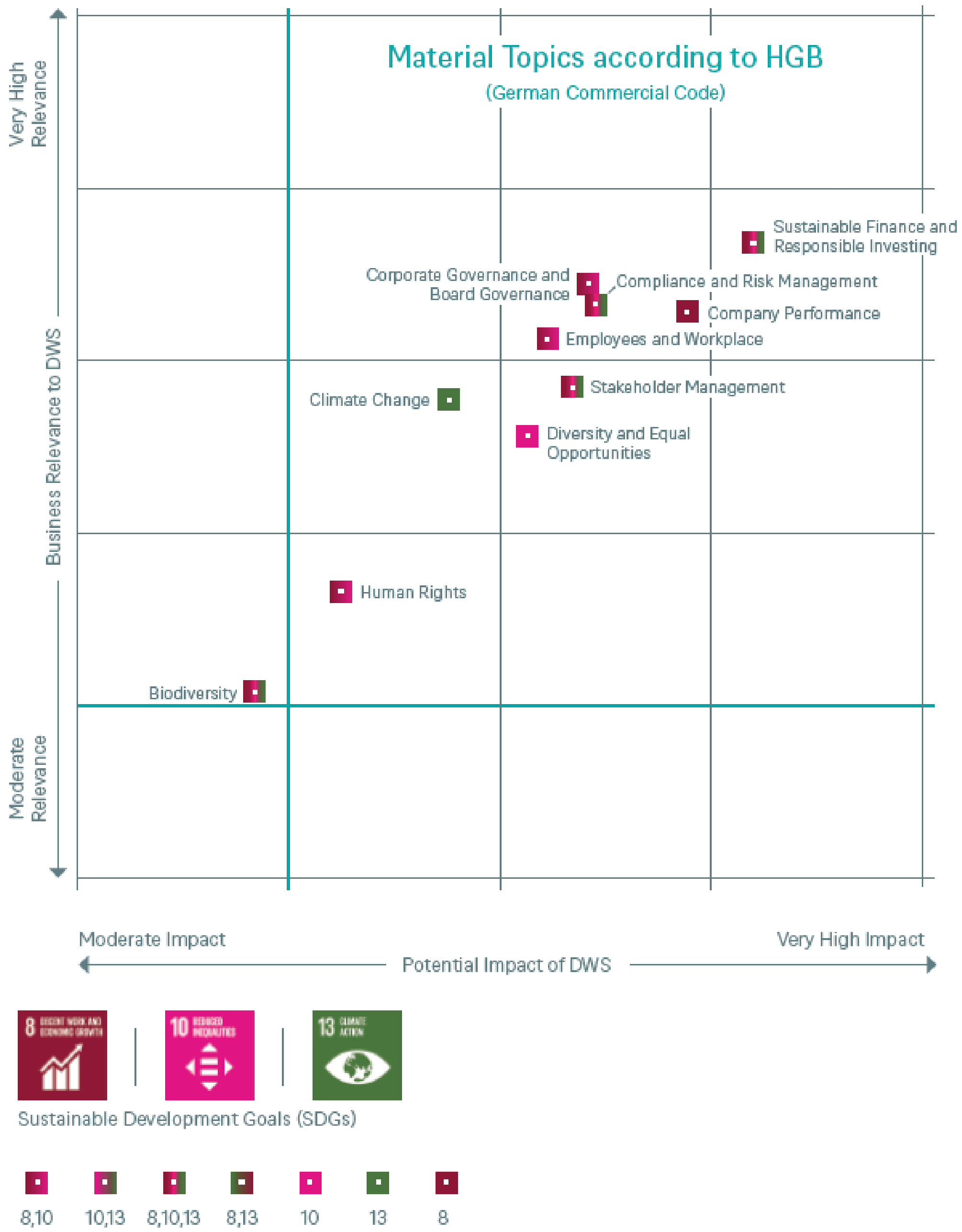
For additional information, the corporate governance processes are described in section 3 ‘Corporate Governance Statement’ of the Annual Report. For information on the compensation system for senior management please refer to chapter ‘Compensation Report’.

[5] For the definition of respective topics in the materiality matrix, please refer to ‘Materiality Assessment – Definition of Material Topics’.

[6] “Double materiality” here relates to the requirement as per German CSR-RUG 2014/95/EU.

[7] Source: Inhouse Analysis in 2019.

Materiality Matrix 2021



Stakeholder Management

GRI 102-12; 102-13; 102-21; 102-40; 102-42; 102-43; 102-44; 102-46

Our value chain consists of different stakeholders, including clients, investors, employees, shareholders and suppliers, as well as regulators, communities, media, civil society as well as public and non-governmental organisations (NGOs).

While the interests of our stakeholders may be conflicting, we have to navigate among these interests. We are open to constructive critique and dialogue, which we believe is crucial to improving our sustainability approach.

We consider a constructive engagement to be integral to understanding the expectations and concerns of our stakeholders. It not only helps us to comprehend the positive as well as negative impacts of our business activities more broadly, but also promotes acceptance of what we do, as we strive to strengthen trust and partnerships, and improve our sustainability performance. We are convinced that engaging with our stakeholders is crucial to creating a common understanding and a collaborative approach to shared global challenges.

All of our identified stakeholders have responsible points of contact within DWS Group. Each commitment or membership is evaluated by the responsible person, who decides whether it is important and worthwhile.

Additional information and an overview of our memberships and similar commitments can be found in the appendix, please refer to the table 'Stakeholder Management'.

ESG Products, Sustainable Finance and Responsible Investing

GRI 102-11; 203-2

IFR Article 52

2021 demonstrated the continuing focus of investors, asset managers, regulators and other key stakeholders on ESG matters.

One key element of such focus was the importance for asset managers of accurate disclosure and transparency on ESG matters, given the lack of a global standard and the evolving nature of regulation.

In this 2021 Annual Report, we introduce a new approach to disclosure that aims to improve clarity on our sustainability strategy, how we govern the implementation of that strategy globally and regionally and how we incorporate ESG considerations into our product offerings, investments processes and engagement strategies.

While our sustainability strategy is global in nature, we recognise that we must take account of regional and local regulatory requirements in incorporating ESG into our operations and products. Therefore, we also describe how the extent of ESG incorporation differs in accordance with such requirements and depending on the nature of the product. At a practical level, portfolio managers have, for example, a variety of tools available to facilitate incorporation of ESG considerations into their investment process. How they use them may differ. In some region more advanced ESG regulations, for example EU regulations such as SFDR and Taxonomy Regulation, mean that portfolio managers are required to follow certain mandatory guidelines and exclusions which are incorporated in the investment guidelines of the products. In the case of other products and other regions, for example Alternatives products and the US region, ESG tools are made available to the portfolio managers, but the incorporation of ESG factors in the investment process depends on the investment strategy, the guidelines of the product and the different regulatory standards.

Our Product Suite – Key Highlights

ESG Product Classification Framework

As set out in our Interim Report 2021, we introduced an ESG Product Classification Framework (ESG Framework) pursuant to which we considered all SFDR Article 8 and 9 products as ESG. For products outside the scope of SFDR (principally those in the US and Asia/Pacific), the ESG Framework provided that those institutional products that comply with certain of the Global Sustainable Investment Alliance (GSIA) "General Industry Standards and Guidelines for Sustainable Investing" were considered as ESG. Retail products outside the scope of SFDR were classified based on DWS ESG filters (described below), taking into account different regional ESG market standards. The ESG Framework has been further refined during the second half of the year as outlined on the next pages.

The ESG Framework is applied globally. However, given the rapidly evolving regulatory regime in the EU with the introduction of the SFDR/Taxonomy Regulation and the extent of our EU business, we have focussed, in particular, on further developing our ESG Framework in this market during 2021. The following paragraphs are therefore applicable to products subject to EU regulation unless otherwise stated.

Active

During 2021, we began to increase the number of our European domiciled actively managed mutual funds which promote environmental or social characteristics within the meaning of Article 8 or which have sustainable investments as its objective within the meaning of Article 9. In 2021, we increased the number of actively managed mutual funds[8] in Europe labelled as complying with Article 8 or 9 by 67 funds. In 2022, we plan to increase that number further.

In accordance with our amended ESG Framework, Article 8 funds[9] will apply one of two different ESG filters. This is needed to balance a broad range of client and regulatory requirements, whilst offering enough flexibility to continue to invest within the defined investment parameters of the products. Our amended ESG Framework is designed to incorporate the main element of SFDR, the establishment of an increased and differentiated disclosure regime for financial products.

The company offers two different types of Article 8 products through applying one of the two following ESG filters:

_ The "DWS Basic Exclusions" filter represents our basic approach to incorporating certain exclusions (regarding issuers with excessive climate risk, norm violation or involvement in controversial sectors) in the investment policy of the relevant fund. Products applying this filter only are excluded from the 2021 ESG AuM number.
_ The "DWS ESG Investment Standard" filter enhances the exclusions in comparison to the "DWS Basic Exclusion" filter and adds an "ESG quality assessment" approach encompassing investments in issuers selected for positive ESG performance relative to industry peers (so-called "Best-In-Class approach"). Products applying this filter are included in the 2021 ESG AuM number.

The "DWS ESG Investment Standard" filter is based on DWS's Minimum ESG Standard (MESGS). The filter has been slightly adapted for some ESG criteria and thus represents a further development[10]. The "DWS Basic Exclusions" filter was added at the end of 2021 to reflect the above-mentioned differentiated disclosure regime for Financial Products in the EU. The applicable filters have been and will be disclosed in the respective funds´ prospectuses.

The "Smart Integration"[11] approach which was applied during most of 2021 will cease to exist during 2022, as a result of the new ESG Framework described above. Going forward, EU Article 6 funds, that applied "Smart Integration" but which will not be converted to Article 8 or 9 funds, will exclude issuers that receive the lowest rating "F" from the ESG Engine[12] for either norm violations and/or climate and transition risks.

Our ambition is to apply these enhancements to the ESG Framework to new product launches outside the EU. However, we acknowledge, that there are regional differences regarding the application of ESG standards. We are therefore continuing to apply filters and approaches different from those described above for products outside the EU. We will continue working on further enhancing the ESG framework for financial products that are not subject to EU regulation.

Passive

In labelling an ETF as Article 8 or Article 9 we have developed a set of Passive-specific, minimum standards using a rule-based approach that apply to the ETF´s index methodology. These minimum standards which apply to the underlying components of the index include screens that consider environmental, and social characteristics of issuers, while also incorporating standards around good governance by combining screens on controversial business activities, ESG ratings and norm violations.

These minimum standards must be based on data from an established third party ESG Research provider (e. g. MSCI) and are explicitly mentioned in the relevant index and fund documentation. The exact ESG methodology applied is dependent on the respective ESG index suite, with DWS offering products tracking indices ranging from Article 8 ETFs based on MSCI´s low exclusion rate "Select ESG Screened" indices to Article 8 ETFs which apply a screen comparable to the "DWS ESG Investment Standard" filter and Article 9 ETFs focussed on sustainable investment objectives such as Green Bonds. Each of these product ranges utilise distinct methodologies considering the investment universe and objective. Note that funds tracking a "Select ESG Screened" index are excluded from the 2021 ESG AuM number.

During the year, we also changed the reference indices of a number of our Passive products to indices consistent with the Passive-specific, minimum standards mentioned above. These funds now track indices that promote environmental and social characteristics, whilst applying ESG safeguards, and moved to Article 8 labelling following the change in

[8] Excluding White Label funds.
[9] Excluding White Label funds.
[10] Compared to the "MESGS", the "DWS ESG Investment Standard" filter includes two additional sector exclusions, namely "Civil firearms" and "Oil Sands" and requires the exclusion of issuers with a "Sovereign Freedom Rating" of "E" and "F" (Freedom House produces annual scores representing the levels of political rights and civil liberties in each state and territory).
[11] Under the so-called Smart Integration approach introduced in 2020, new investments in "F-rated issuers" (Norm Violators and / or Climate and Transition Risk Rating / CTRR) are only eligible for the mutual funds adopting the Smart Integration approach if the Committee for Responsible Investments (CRI) waives the investment restriction. The CRI can decide to uphold that restriction, to waive the restriction or can even (as a last resort) decide that existing positions need to be reduced or sold.
[12] These scores range from "A" to "F" letter coded assessments within different categories as further detailed below. Within each category, the issuer receives one of six possible scores, with "A" being the highest score and "F" being the lowest score.

index. There are regional differences regarding the application of ESG standards. For example, our minimum standards in the EU have been designed to take into account regional specific market standards and regulations, which would not be relevant in the US. As such, we are currently applying filters different from those described above for products outside the EU, and continue to work on building minimum standards for ETFs that are not subject to EU regulation.

Alternatives

For the Alternative funds, SFDR labelling as Article 6, 8, or 9 is determined based on the respective business or fund's ESG and impact program. All Alternative funds labelled as Article 8 in Real Estate Equity and Infrastructure Debt, as well as Article 9 in the Sustainable Investments (SI) platform, have an ESG program referred to as the environmental and social management system (ESMS), which is an ESG framework outlining how to address and manage ESG in the investment cycle for the entire underlying portfolio. Article 9 funds and other impact funds out-of-scope of SFDR additionally set out an impact framework, which aims to align with the Operating Principles for Impact Management (OPIM) to which DWS became signatory in 2019. There are currently four SI funds aligning with OPIM's guided impact principles.

SI within the Alternatives business aim to deliver market risk adjusted returns with measurable economic, social and/or environmental outcomes. All the SI funds in-scope of SFDR, whether managed by an EU entity or being marketed to EU investors are classified as Article 9.

As a highlight for 2021, DWS entered into an agreement with the UN Green Climate Fund during the UN Climate Change Conference UK 2021 (COP26). Both parties will seed the Universal Green Energy Access Programme, an investment fund which aims to supply clean electricity to businesses and households in selected African countries.

During 2021, the SI team continued to build its footprint on its existing strategies each of which targets specific UN SDG goals, and covering both developed markets as well as emerging markets, and across private debt and private equity strategies. DWS through the SI team reports to the UN SDG on their measurable outputs/outcomes. The below table summarizes the current funds as at 31 December 2021:

Fund	Mission / information
European Energy Efficiency Fund (eeef)	Energy efficiency and renewable energy in the public sector in Europe
SDGs	**11, 13**
Africa Agriculture and Trade Investment Fund (AATIF)	Improve food security and end poverty through sustainable investment along the entire agricultural chain in Africa
SDGs	**1, 2, 8, 9, 13, 14, 15**
Global Microfinance Funds III (GMF III)	Senior and subordinated debt financing for microfinance institutions and banks in the developing world, to increase access to high-quality financial services
SDGs	**1, 2, 3, 4, 5, 8**
China Renewable Energy Fund (CREF)	The fund's objective is to generate investment returns as well as offset investors' carbon emissions in their global supply chain
SDGs	**7, 11, 13**
Clean Energy and Environment Fund (CEEF)	The fund intends to fund the growth of private companies that focus on developing clean energy and clean technology sectors in China
SDGs	**7, 13**

ESG AuM

Based on the further evolution of the above-described regulatory environment and as mentioned above, we revised our global ESG Framework resulting in considering the following products as ESG AuM as at the end of 2021:

_ Liquid actively managed products: retail mutual funds which follow the "DWS ESG Investment Standard" filter (for more details on the filter please see the "Active" section above), or have a "sustainable investment objective", and US mutual funds which have been labelled as ESG and seek to adhere to an ESG investment strategy
_ Liquid passively managed funds (ETFs) which apply a screen comparable to the "DWS ESG Investment Standard" filter, or have a "sustainable investment objective", and other liquid passively managed funds which have been labelled as ESG and/or seek to adhere to an ESG investment strategy
_ Liquid mandates or special funds for institutional clients or White Label products in-scope of SFDR and classified as Article 8 which follow the "DWS ESG Investment Standard" filter or a comparable ESG filter aligned with

the client or which are in-scope of SFDR and classified as Article 9
_ Liquid mandates or special funds for institutional clients or White Label products which are out-of-scope of SFDR but comply with certain of the "General Industry Standards and Guidelines for Sustainable Investing"
_ Illiquid products which are in-scope of SFDR and classified as Article 9
_ Illiquid products which are out-of-scope of SFDR but which have a "sustainable investment objective"

in € m.	31 Dec 2021[1]	31 Dec 2020[2]
Dedicated Sustainable AuM (Active and Passive)	N/A	75,567
ESG AuM - Active	84,129	N/A
ESG AuM - Passive	29,499	N/A
ESG AuM - Alternatives	1,608	N/A
Total ESG AuM (according to our ESG Framework)	**115,236**	**N/A**

[1] Prior-year's classification has evolved as result of our active work on enhancing the sustainability characteristics of the relevant investment strategy and the SFDR-classification.
[2] For 31 December 2020, we generally followed industry standards and guidelines in classifying the dedicated sustainable AuM. Details can be found in our 2020 Annual Report.

In addition, as at 31 December 2021, we had more than € 23 billion of assets in certified green labelled buildings and nearly € 1 billion green infrastructure assets in renewable energy, waste to energy, and energy transition. As at 31 December 2020, these assets were disclosed within sustainable AuM in impact, real estate and infrastructure of € 18 billion.

DWS is supportive of the efforts by regulators to standardise ESG product definitions, given the rising importance of ESG and sustainable investing. DWS will no longer disclose "ESG Integrated" AuM, which was based on a proprietary DWS definition of "ESG integration" (see DWS Annual Report 2020).

A comparison of the ESG AuM figures for 2020 and 2021 is not feasible, as the framework for determining the figure has been revised in light of the regulatory developments explained above.

Our Investment Approach

Embedding ESG in the Investment Process

In addition to the ESG Framework for classifying products as ESG, DWS has processes, commitments, policies and responsibilities that are designed to incorporate ESG into the investment process in general. DWS has long recognized the importance of ESG factors for investors and was, as noted above, among the early signatories of the United Nations-backed Principles for Responsible Investment (PRI) in 2008. The six Principles for Responsible Investment are:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making process.
Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.
Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.
Principle 4: We will promote acceptance and the implementation of the Principles within the investment industry.
Principle 5: We will work together to enhance our effectiveness in implementing the Principles.
Principle 6: We will each report on our activities and progress towards implementing the Principles.

The PRI initiative is an important stakeholder for DWS and our ESG Investment process is guided by the six PRI. At an operational level, our Investment approach is specifically guided by:

_ Standards: The DWS investment approach aims to incorporate best practices for investment professionals on how to undertake a comprehensive assessment of investment risks and opportunities by enabling them to incorporate ESG factors into their investment process, analysis and decisions.
_ Engagement: We encourage good governance and sustainable corporate practices at our investee companies with the goal of increasing value of equity and fixed income investments in the long-term. In addition, we plan to increasingly focus on engagement with non-issuers, such as index providers or rating agencies.

Governance for the Investment Division

The Global Chief Investment Officer (CIO), an Executive Board member leads the Investment Division (ID).

The ID is organized by product (Active, Passive and Alternatives) and regions (Americas, EMEA, APAC), each with tailored approaches to incorporating ESG in the investment process.

The CIO for Responsible Investment (RI) works towards enabling and strengthening ESG incorporation for the investment platform for Active and Passive, and oversees parts of the ESG processes within Alternatives. The CIO for RI reports to DWS's Head of Research who in-turn is a direct report of the CIO. The CIO for RI develops structures and processes with the aim of integrating ESG considerations into the investment process. The CIO for RI specifically:

Manages the Responsible Investment Center (RIC)

The primary role of the RIC is to coordinate all activities required for the CIO Office for RI. Apart from tasks picked up by the formalization of internal governance bodies, responsibilities have remained unchanged compared to prior reporting years.

Manages the ESG Integration team

The ESG Integration Team is organized by asset class focusing on investments into corporates and sovereigns. It works in partnership with investment professionals. Apart from tasks that have been assumed as a result of the formalization of internal governance bodies, responsibilities have remained unchanged compared to prior reporting years.

Investigates ESG matters in collaboration with the DWS Research Institute.

The DWS Research Institute is responsible for producing research on key investment themes and the long view, including on ESG matters. The team acts as a key channel for delivering all research produced in the investment teams across DWS. Its research activity has focused on various ESG themes, research publications, and representing DWS in industry workshops and presentations

Manages the ESG Engine and Solutions team

_ The ESG Engine and Solutions team is responsible for the ESG Engine, our proprietary ESG database. This includes seeking to define the ESG factors that should be incorporated in the Engine, including for example double materiality factors
_ identifying the most appropriate vendors for ESG data
_ managing data provided by ESG data vendors
_ maintaining the DWS ESG Engine
_ ensuring that the relevant data is delivered to the relevant parties (most notably Risk Management, Client Reporting or Investment Guideline team within DWS).

Throughout 2021 DWS used five external commercial ESG data providers. The data is made available to research analysts and portfolio managers for liquid assets through the Aladdin platform to ensure support for research, investment decision making and for managing ESG strategies. The ESG Engine is a key tool which Active analysts and portfolio managers are expected to take ESG topics into account when making material investment decisions, where applicable. It is also the foundation of dedicated ESG strategies using for example our ESG investment standards (see section 'Our Product Suite – Key Highlights'), and can be used for some passively managed strategies and for Liquid Real Assets (LRA).

The ESG Engine covers most listed asset classes but is dependent on ESG rating coverage by its contracted third party vendors. There may be limited information on certain asset classes. The integration of the ESG Engine into relevant ID systems provides the means to incorporate ESG into the investment process. The Liquid Real Assets team has a separate and proprietary process for using selected ESG vendor data relevant to their strategy. Dedicated ESG strategies in LRA may be based on the ESG Engine ratings and screens, as disclosed in the pre-contractual documents.

Manages the Corporate Governance Center

The Corporate Governance Center defines the proprietary standards/expectations for good corporate governance for European[13] domiciled funds and provides advice on corporate governance to fund managers outside of Europe. The team regularly reviews the DWS Corporate Governance and Proxy Voting Policy for Europe based on best practices on corporate governance and developing standards. The team exercises proxy voting for European domiciled products and performs engagement activities on ESG topics globally and represents DWS on corporate governance and active ownership at annual general meetings (AGMs), in industry workshops, presentations,

[13] Funds of legal entities in scope: DWS Investment GmbH (with discretion to vote for certain assets under management of DWS International GmbH, DWS Investment S.A. (incl. SICAVs and PLCs) based on delegation agreements). Funds domiciled outside of Europe have their own process based on different local regulatory requirements.

and client meetings. In the US, DWS has adopted Policies and Guidelines to ensure that proxies are voted in accordance with the best economic interest of its clients, as determined by DWS in good faith after appropriate review.

Policies and Commitments

The ID is subject to several policies, statements and commitments. Some of these apply globally, some in the relevant region and some are national in scope or applicable to certain product teams, depending on the nature of the matter concerned and applicable regulation. For example, all of the ID orients itself along "Responsible Investment Statement (RI)", which is regularly updated and will reflect the increasing importance of double materiality and our overarching ambition towards carbon neutrality underpinned by our NZAM commitment.

Other relevant policies and frameworks[14] include but are not limited to:

- "Policy on Controversial Conventional Weapons"
- "ESG Integration Policy for Active Investment Management"
- "Engagement Policy" for EMEA
- "DWS Real Estate ESG Framework"
- "ESG Integration Policy for Passive Investment Management"[15]
- "Corporate Governance and Proxy Voting Policy" for EMEA and "Proxy Voting Policy and Guidelines" for US

Legal entity specific statements pursuant to SFDR can be found on dws.com website under the link below[14]. All investment professionals, globally, for the relevant legal entities within Active fall under the scope of the ESG Integration Policy for Active Investment Management. Jurisdictional differences as well as different regulatory requirements may lead to different implementation levels of this policy. However, all our investment professionals are expected to be aware of any exposure to critical ESG issues and act in line with internal processes and legal, contractual and regulatory obligations. Exposure to ESG laggards is analysed within regular reviews. In 2021, DWS published an ESG Integration framework for the EU Passive business following the introduction of SFDR and also finalised the Index Provider Engagement Process for Passive Products – applicable to Xtrackers ETFs and Institutional Mandates in EMEA.

We publish our most relevant commitments and policies at dws.com. We regularly update our policies and procedures in accordance with our review cycle.

Our investment processes require managers to take into account certain international standards when making investment decisions, for example, the UN Global Compact, the OECD Guidelines for Multinational Enterprises, Oslo-based Cluster Munitions Convention and Coalition for Environmentally Responsible Economies (Ceres).

DWS will continue to work towards its ambition of becoming climate-neutral in its actions – in line with the Paris Agreement. Underpinning this ambition, we joined the Net Zero Asset Manager initiative and have designated assets under management in scope to be managed in line with net zero as part of our interim net zero target for 2030 (subject to client/legal entity/fund board consent). Further details can be found in '[Our Responsibilities] – Our Impact on Climate Change'.

DWS's Real Estate business continued to work towards achieving the respective 2030 carbon and water reduction targets for their portfolio of office buildings in selected regions. Further, DWS is among the few asset managers to have continuously signed the 2021 Global Investor Statement to Governments on the Climate Crisis.

The DWS Sustainable Investments (SI) team has committed to the requirements by OPIM for four of its funds as described in the section 'Our Product Suite – Key Highlights'.

Human Rights and Norm Assessment in the Investment Process

GRI 412-3

DWS is fully committed to its responsibilities in relation to human rights. The overall responsibility for sustainability lies with DWS's Chief Executive Officer but is also shared across the entire DWS Executive Board. In the DWS investment approach, the incorporation of human right is governed by relevant internal policies and frameworks. The United Nations Guiding Principles on Business and Human Rights clearly expect companies to operate to a higher international standard in situations where national laws are not sufficient to respect human rights.

[14] The policies or frameworks can be regional or global in nature. The following policies can be found under: https://www.dws.com/solutions/esg/information-on-sustainability/

[15] To be found under https://etf.dws.com/en-lu/AssetDownload/Index/c90c541f-b3d0-45ee-964f-3fd6e97b5da0/ESG-Integration-Policy-for-Passive-Investment-Management.pdf/

When controversies are assessed in the ESG Engine as part of our investment process, international norms are applied, whereby the guiding principles are codified in the United Nations Global Compact (UNGC). Other important norms include the International Labour Organisation (ILO) or OECD Guidelines for Multinational Enterprises. The assessment of norm compliance (the Norm Rating, as explained in the section 'ESG Engine Developments') is part of the ESG integration policy for Active.

During 2021, the Committee for Responsible Investments (CRI)[16] analysed issuers with poor Norm ratings. These issuers with poor Norm ratings included cases of very severe human rights violations.

In certain cases, the CRI continued to waive certain investment restrictions conditional upon close monitoring of norm violations and engaging with the aim of improving disclosure. We will continue to place a high emphasis on issuers' norm compliance through company engagement and due diligence in our general research processes.

Key ESG Highlights for 2021

Enhancing Incorporation of ESG in the Active Investment Process

ESG information is provided as part of the Active investment process with the aim of improving the assessment of the future expected risk / return of a security. For example, this may include the impact of several ESG issues at the sector level or the analysis of potential impacts of ESG risks and opportunities on business model and competitive position and valuation. Issuers with insufficient governance quality, and for example, those who do not comply with of the UNGC Principles and issuers with a high climate change risk may become a focus of our engagement activities. In 2021, we:

_ reviewed the Credit and Equity Research Handbook, which now addresses all relevant ESG questions.
_ continued to engage investment professionals for ESG integration through global training sessions on new ESG rating (e. g., enhanced "taxonomy" rating, etc.) methodologies, interpretation of ESG signals and integration into fundamental research.
_ In addition, we provided additional training focused on the use of Smart Integration.
_ We also held ESG Gatekeeper meetings and training sessions for analysts and fund managers on usage of the enhanced engagement database as part of DWS's enhanced engagement framework. The training has been offered globally to representatives of the ID. We continued our materiality workshops to further assist investment professionals in their day-to-day ESG integration work on double materiality issues. These activities will continue in 2022 and additional training will be available, with a focus on a further roll-out of the engagement framework and, for products subject to the SFDR, consideration of principal adverse impacts[17].
_ More employees qualified as certified ESG analysts in 2021 (please refer to the chapter '[Our Responsibilities] – Employees and Workplace' for further details).

Engagements

Depending on the legal entities, DWS equity holdings are in the scope of DWS Corporate Governance and Proxy Voting Policy for Europe. There is a separate policy and process for the US. In 2021, DWS employees held a number of investee meetings with board members, management, ESG representatives and specialists.

The Corporate Governance Center for DWS Investment GmbH sent a pre-season letter of engagement to more than 1,300 investee companies, which were part of the 2021 Proxy Voting Core List. The pre-season letter represented an important first step in our engagement activities throughout the year by elaborating on our key focus areas as well as inviting companies from the Core List for constructive dialogue.

There were 581 engagements with 471 companies which represents a 28% increase versus the previous year. Due to ongoing COVID-19 restrictions on public meetings, most of this years' annual general meetings took place virtually. Based on our commitment to fostering good corporate governance and in line with our active ownership approach, we sent written questions to the boards of directors of 40 investee companies, as published on dws.com. This is an increase of approximately 67% compared to 2020. We also sent our individualized post-season letters to more than 660 of our investees, where we had issues with specific agenda items and subsequently voted against management recommendations.

One of our priorities in 2021 was to progress on our net zero commitment made in 2020. In support of our ambition, we sent a letter to more than 220 companies

[16] For holdings / exposures in funds following the smart integration setup. For further details please refer to the section 'Activities of the Committee for Responsible Investments (CRI)'.

[17] In line with definitions and requirements under Art 4 and Art 7 of Sustainable Finance Disclosure Regulation (SFDR).

worldwide. These companies were selected out of the Active and Passive investments, on the basis of:

(i) the absolute level of Scope 1 and 2 emissions,
(ii) climate transition risk ratings, and
(iii) Climate Action 100+ Net Zero Benchmark constituents.

In the letter we set-out our expectations, informed the companies of our voting strategy and requested transparency and detailed information around their concrete net zero strategies. We identified a clear follow-up plan to ensure all questions raised receive appropriate consideration by investees and we prepared a detailed net zero engagement questionnaire to track company responses. We conducted dedicated follow-up engagements.

In 2020, we sent engagement letters to Aerospace/Defense companies to address our concerns regarding their possible involvement in the manufacturing of controversial weapons, most notably nuclear weapons or depleted uranium, that in the worst case do not comply with treaties or legal bans on controversial weapons. The Treaty on the Prohibition of Nuclear Weapons became effective on January 2021 and during the year we conducted follow-up engagements to gain a deeper understanding of the involvement of these companies in nuclear weapons. We remain in constructive dialogue and expect this to continue in 2022.

Following the political events in Belarus and Myanmar, DWS has been engaging with selected issuers operating in both countries. The alleged continuation of Myanmar military junta's severe human rights violations ranging from abuses against ethnic minorities, restrictions on freedom of expression and peaceful assembly and limitations on the flow of information and other violations is of great concern to DWS. The significant deterioration of human rights in Belarus is also very concerning where publicly available information from non-governmental organisations indicate allegations of torture, discrimination against various groups in society, restrictions on freedom of expression and peaceful assembly and limitations on the flow of information. We will continue to monitor the situation very closely and engage in critical but constructive dialogue with issuers operating in Belarus. We also report on other engagements on social issues as part of our annual Active Ownership report.

Changes to the Engagement framework

DWS introduced an enhanced engagement framework for Europa during 2021 and is considering a similar framework for the US subject to applicable approvals. Our enhanced engagement framework is designed to define and track sustainability outcomes at our investees. It establishes three clusters of engagement depending on the degree of interaction with the investee. It also sets targets towards sustainability outcomes which are among others mapped to the Sustainable Development Goals (SDGs).

- Core List: the focus will be on core corporate governance values and broader environmental and social issues
- Focus Engagement List: Different approaches will be defined on an ad-hoc basis. For certain investees, the focus will be on climate and norm violations as well as governance related issues. For others it could be about specific sustainability themes
- Strategic Engagement List: The objective is to work with companies on a number of clear ESG and non-ESG targets. By working with companies that are very important for DWS and its clients, there is a potential to improve the companies' ESG and non-ESG quality

The underlying rationale used in our engagement is that we achieve positive change only when we exert influence and that we exert influence most effectively when we are invested. We aim to evaluate each company individually and try to improve sustainability outcomes via direct dialogue. We will only exclude these companies from relevant product investment universes if these efforts do not generate positive outcomes and we assess that there is little scope for improving the companies risk profile.

Proxy Voting Activity

In 2021, for assets held by a number of funds managed by DWS in Europe[18] and APAC, DWS voted at a total of 3,242 meetings in 63 markets of listing, which represented an increase of 37% compared to last year. The holdings are voted based on DWS Proxy Voting Core List, which includes our most relevant holdings screened on assets and relevant ESG ratings. These meetings represented approximately 89% of our equity assets under management in Europe and APAC. The objective remains to increase the number of meetings voted per year and the results for our proxy voting and engagement are reported annually on our website. For the mutual funds domiciled in the US, we also exercise voting rights for all equity

[18] Funds of legal entities in scope: DWS Investment GmbH (with discretion to vote for certain assets under management of DWS International GmbH, DWS Investment S.A. (including SICAVs and PLCs) based on delegation agreements). Funds domiciled outside of Europe have their own process based on different local regulatory requirements.

holdings and in 2021, DWS voted at a total number of 9,406 meetings.

	2021	2020	% change
Proxy voting	**12,648**	**11,725**	8
For assets domiciled in Europe and Asia (general meetings voted)	3,242	2,370	37
Companies voted	2,426	1,859	31
For assets domiciled in US (general meetings voted)	9,406	9,355	1
Companies voted	6,879	6,720	2
AGM attendance globally / questions sent to company boards for virtual meetings	**40**	**24**	67
Corporate engagements	**581**	**454**	28

Activities of the Committee for Responsible Investments (CRI)

The Committee for Responsible Investments (CRI) covers our smart integration strategies (as defined in the section 'Our Product Suite – Key Highlights') for certain actively managed mutual funds that are domiciled in Germany and Luxembourg. The CRI is responsible for managing certain investment restrictions or triggering binding exclusion decisions.

The CRI's activities in 2021 focussed on newly emerged issuers which are F-rated by either Climate and Transition Risk Rating (CTRR) or Norm violations. The Committee waived certain investment restrictions conditional upon close monitoring of norm violations and engaging for improved disclosure. At the same time, DWS continued to engage with an online retailer on labour rights issues and growing controversies around human rights. North American, South American and Emerging Markets (partly) state-owned oil and gas and mining companies were also analysed, with a focus on occupational health and safety. In some cases this led to certain divestments from the funds within scope of the CRI.

Prior to the applicable conversion date on 31 December 2021, 167 actively managed mutual funds domiciled in Germany and Luxembourg with combined AuM of € 148 billion as per year-end 2021 were subject to the Smart Integration approach. The Smart Integration approach and the CRI will cease to exist in 2022 for funds that have previously applied the smart integration approach as a result of the enhanced ESG Framework (see section 'Our Product Suite – Key Highlights'). Three councils now govern ESG in the ID: the ESG Engine Methodology Panel (EMP), the Sustainability Assessment Validation Council (SAVC) and the Engagement Council. The EMP's roles and responsibilities remain unchanged compared to previous reporting periods focussing among other items on ESG rating methodology. The SAVC is designed to perform a quality assurance function on the ESG ratings and seeks to ensure that the ratings reflect engagement potential and -progress as well as most up to date information from the issuer. The Engagement Council is designed to ensure that important ESG matters are discussed and drive engagement for European domiciled funds[19]. SAVC and EMP are both global.

Contribution to Action on Climate Change

GRI 201-2

Throughout 2021, DWS continued to focus on fundamental ESG thematic research, engaging with third parties and ensuring that ESG is discussed in the DWS CIO View. Various topics which were relevant to climate change were either part of our CIO Day or external publications on dws.com. Additional detail can be found in the DWS Climate Report.

ESG Engine Developments

The most important events that took place in 2021 were the following:

- The SAVC was introduced at the end of 2021 that is of relevance to the ESG Engine and process
- Further enhancement of ESG KPIs (EKPIs) designed to improve investors' understanding of the characteristics of the relevant ESG products.
- Integrated Transition Pathway Initiative (TPI) and Science Based Targets Initiative (SBTi) alignment data
- Recalibrated the DWS ESG Sovereign Assessment in order to accommodate among others regulatory guidelines
- Refinement of the overall ESG quality rating designed to improve the best-in-class measure for ESG leaders and laggards within a peer group

[19] Funds of legal entities in scope: DWS Investment GmbH (with discretion to vote for certain assets under management of DWS International GmbH, DWS Investment S.A. (including SICAVs and PLCs) based on delegation agreements). Funds domiciled outside of Europe have their own process based on different local regulatory requirements.

- Progress in the development of proprietary ratings of Principal Adverse Impacts (PAI) and Taxonomy in the ESG Engine

We are working on the third pillar of CTRR[20], physical climate risk, which is still planned to be added to the ESG Engine subject to data availability. All of the above changes were made in order to ensure that we further refine ESG incorporation and provide the relevant ESG factors for the investment process. The ESG Engine produces key ratings, which are the basis for DWS ESG investment strategies (defined in the chapter 'Our Product Suite – Key Highlights').

ESG in Alternatives

Within illiquid Alternatives, the incorporation of ESG into the investment process takes place during investment due diligence and portfolio management. The inherent differences between the liquid and illiquid asset classes require that the approach to incorporating ESG for Alternatives be tailored specifically to the relevant Alternatives asset classes as outlined in the sections below. The scope of illiquid investments in the sections below comprise direct investments into unlisted real estate, infrastructure (both via debt or equity) and private equity.

ESG in Real Estate Investments

DWS recognises the importance of identifying, assessing and managing material ESG issues as an integral part of conducting its direct real estate business. ESG issues can present risks and opportunities for the financial performance, and investments may have positive, negative, environmental and social effects.

Accordingly, DWS Real Estate takes a fiduciary-driven approach to incorporating ESG in the investment process inspired by Spectrum of Capital by G8 Impact Measurement Working Group[21]. DWS Real Estate operates a management system approach, known as the ESG Program. This follows a Plan-Do-Check-Act (PDCA) methodology to ensure implementation and improvement.

The ESG Program encompasses the following five separate stages:

I. Data Collection
II. Risk Review, including climate change transition, natural and physical climate and social norms risks
III. Goal Setting
IV. Implementation
V. Measurement and Reporting (using industry standards and benchmarks such as green building certification systems and portfolio sustainability benchmarking).

Real Estate Platform ESG targets

DWS recognizes that real estate can have significant impact on ESG factors[22].

With respect to reduction targets and measurement across our real estate portfolio, we have committed to the following:

- 2030 carbon reduction goal (Europe offices): In October 2019, we announced a commitment to achieve a 50% reduction in carbon emissions intensity by 2030 across our entire portfolio of Europe office properties against a baseline year of 2017.
- 2050 Net Zero carbon goal (European-managed portfolio): In October 2019, we became one of the founding signatories of the Better Buildings Partnership (BBP) Climate Change Commitment, and recently published our first net zero carbon pathway on their website[23]
- 2030 energy reduction goal (US offices): We have renewed our commitment to the challenge to achieve another 20% energy intensity reduction by 2030 across our entire US office portfolio. In this context we report targets and our progress publicly.[24]
- 2030 water reduction goal (US offices): As part of our renewed commitment to the Better Buildings Challenge, in 2017, we added a water reduction goal of 20% by 2030 for our US office portfolio and have already reduced water intensity by 21%.[25]

Sustainability benchmarking and certification in relation to Real Estate

In order to provide transparency to our investors, we report into the Global Real Estate Sustainability Benchmark (GRESB), which provides an independent assessment of portfolios and funds using a peer-based approach and scoring

[20] As described in DWS Group Annual Report 2020, CTRR's first and second pillar are climate transition risks from carbon and water risks and opportunities, respectively.
[21] "Spectrum of capital, Maduro, M., Pasi, G. and Misuraca, G., Social Impact Investment in the EU. Financing strategies and outcome-oriented approaches for social policy innovation: narratives, experiences, and recommendations; G8 Impact Measurement Working Group, 2014. JRC Publications Repository - Social Impact Investment in the EU. Financing strategies and outcome oriented approaches for social policy innovation: narratives, experiences, and recommendations (europa.eu).
[22] Global Alliance for Buildings and Construction, 2018 Global Status Report: buildings and construction sector emissions represent the largest share of total global energy-related CO_2 emissions (nearly 40% in 2017) available here: https://www.worldgbc.org/sites/default/files/2018%20GlobalABC%20Global%20Status%20Report.pdf
[23] Available under: https://www.betterbuildingspartnership.co.uk/sites/default/files/DWS%20Net%20Zero%20Carbon%20Pathway%20FV1.pdf
[24] https://betterbuildingssolutioncenter.energy.gov/partners/dws
[25] https://betterbuildingssolutioncenter.energy.gov/partners/dws

based on several ESG metrics. In 2021, we reported 15 individual portfolios to GRESB, covering 19.59 million square meter area and USD 44.5 billion AUM of assets across US and Europe.

Aggregated across all portfolios, using the GRESB analysis feature, we achieved a 29/30 Management score, compared to the GRESB average of 28. Management covers governance categories such as leadership, policies, reporting and stakeholder engagement. Furthermore, the aggregated portfolio achieved a performance score of 53/70, as compared with the GRESB average of 52. Performance measures issues such as certifications and ratings, carbon, energy, water and waste performance. Five portfolios achieved 4-star or above GRESB rating (5 Stars is the highest rating and recognition for being an industry leader). In addition, 14 portfolios achieved Green Star recognition.

As at the end of 2021 we managed over 6 million square meters of real estate assets with green building certifications, such as Leadership in Energy and Environmental Design (LEED) and Building Research Establishment Environmental Assessment Method (BREEAM).

ESG in Infrastructure Investments

GRI 203-1

We seek to incorporate ESG considerations into the investment framework of the Infrastructure business at all stages of the investment lifecycle for equity investments, from the initial screening and due diligence to the asset management and exit stages. During the holding period, we monitor the ESG attributes of the investments through the regular reporting of KPIs through GRESB – this takes place at least annually, and sometimes more frequently. From Q1 2022 we plan to ask our portfolio companies directly to report these metrics to us on a quarterly basis where possible in order to formalize the existing process. The KPIs cover environmental, social and governance issues such as carbon footprint, water usage, health and safety indicators and diversity and inclusion metrics at both staff and board levels. Our due diligence also considers governance topics such as fraud, bribery, sanctions and compliance, as required. Findings from the due diligence phase are incorporated into the Investment Committee paper and presented to the Investment Committee (IC) for consideration.

The Infrastructure business also places emphasis on reporting, producing an annual Sustainable and Responsible Investment (SRI) report for investors. This report address issues such as Health and Safety and Security; Community Service; Labour and Diversity Issues; Transparency, Communication and Governance; and Environmental Issues at the fund’s underlying investments.

To understand the ongoing ESG performance of our funds and assets against peers, we take part in the GRESB infrastructure assessment fund and asset level. We are a member of GRESB and sit on the Infrastructure Benchmarking Committee to help drive the development of industry standards with respect to ESG.

During 2021 we continued to operate in line with the Environmental and Social Management System (ESMS). The ESMS applies to all potential and existing portfolio investments in infrastructure equity. The ESMS also creates obligations on portfolio companies to ensure regular reporting to DWS and compliance with all of the applicable regulations regarding ESG issues.

As a result of this regular reporting and engagement, DWS aims to help drive improvements in ESG metrics and performance at its portfolio companies with a view to improving the businesses' sustainability credentials and to create value.

_ Policies: The Infrastructure business is governed by ESMS, which provides the overarching framework, processes and governance for our ESG integration approach in Infrastructure.
_ ESG Assessment process: We have an ESG checklist which should be completed during the acquisitions process for all prospective equity investments. The findings should then be incorporated in the IC memo.
_ Monitoring: As part of the asset management process, we seek to collect data on key ESG metrics within each of the operating companies. This information is then used to better refine our asset management strategies and is also reported to our investors in the form of a Sustainable and Responsible Investment (SRI) Report. Certain KPIs, such as those around occupational health and safety, are also embedded into the performance review process for the operating companies.

The team Infrastructure Debt, in collaboration with DWS Research, developed a bespoke proprietary ESG scoring methodology applicable to private infrastructure debt investments, which was rolled out to new investments in 2021 to support the overall investment process and ongoing monitoring of ESG risks for private infrastructure debt investments. This methodology should guide the ESG due diligence performed on each asset by the investment team and assign an ESG rating to each potential investment, based on a pre-defined set of ESG KPIs to be sourced by the team from the borrower/sponsors. We aim to incorporate a summary of the ESG rating into all IC memos, to form part of the investment decision making process. We further aim to update these ESG scores every year based on periodic ESG KPIs reported by borrowers.

ESG in Sustainable Investments (SI) Funds

The SI business's ESG Assessment aims to integrate ESG considerations in the investment process and is guided by general accepted frameworks including, for example, the Sustainability Accounting Standards Board (SASB) standards. During the due diligence process, the manager engages professional third-party advisors to examine the financial, technical and legal aspects of the projects, especially those that would translate into ESG risks. Potential risks and mitigation measures are presented to the Investment Committee and rectification work is carried out to reduce such risks. The SI team monitors the operation of the portfolio companies and seeks to ensure that they operate in compliance with the environmental standards and regulations. Some of SI's funds engage a third-party consultancy to conduct the quarterly ESG reporting for the Fund and the quarterly reports include risk analyses and records the waste generation and air pollutant emissions in detail. For some funds we use a proprietary tool to measure and monitor impact.

ESG in Private Equity

The business operates along the standard process to review potential investments from an ESG perspective.

ESG metrics relevant to investment opportunities are defined ahead of the due diligence process. The types of risks screened for include governance issues, such as potential fraud or reputational risks; social issues with the workforce or the surrounding communities; environmental risks; occupational health and safety issues and accident track record.

During due diligence the investment team will review the potential transaction counterparty's ESG Policy and framework and assess the extent to which the investment and the manager in the potential transaction adhere to the key concepts defined by the Principles for Responsible Investment (PRI). The business also reviews the risks and KPIs most relevant to the industries in which it invests, and opportunities are often benchmarked against the ESG leaders in both the company's asset class and among comparable alternatives within the industry.

The investment team typically monitors the funds and assets we invest in and periodically meets with the management of these funds / fund vehicles with an agenda including ESG topics.

Servicing our Clients

Client Experience

We conduct business every day in accordance with our fiduciary duties: in the best interest of our clients. We aim to build long-term relationships with our clients, based on trust, delivering the best investment solutions and the highest quality client service.

The Client Coverage Division (CCD) aims to serve the investment needs of our clients across all client segments and regions. Our Relationship Managers work collaboratively with Product Specialists, Portfolio Managers, and Client Service Specialists to bring suitable investment products and solutions to our clients. We provide ongoing training to our CCD staff on various topics, including investment research, macro-economics, ESG and new product solutions with the aim of better serving our clients. As we did in previous years, we continue to provide seminars, conferences and webinars to our clients.

For the first time in March 2021, our flagship client event in Germany, the "DWS Investmentkonferenz", took place virtually on our new proprietary streaming platform DWS+. Around 12,000 invites have been accepted for this event. Client experience has been improved with the new DWS+ platform.

The "Investorendialog", our annual event for our German institutional clients, was streamed live with over 100 institutional client representatives participating both virtual and in person in September 2021.

Additional client events both virtual and hybrid took place in other countries. Our client service teams offered clients a wide range of webinars on various topics for example Research House papers or our CIO View.

We value feedback from our clients on their experience with DWS, to bring further improvements to our client service. This was especially important in 2021, as we continued to operate within the global pandemic, with many clients and our personnel still working full time or part time from home.

To assess the client experience we also review on an ongoing basis, customer complaints, and engage in both internal and third-party client satisfaction surveys.

Complaint Management

We are committed to handling complaints fairly, effectively and promptly. The complaint register provides valuable insights into how we are performing from our clients' perspective. A robust and consistent client complaint handling and transparent reporting process helps facilitate improvement in client satisfaction by identifying, and remediating poor client outcomes, learning from these and training client-facing staff. This process also assists with the reduction of mistakes and attributable costs and enhances risk transparency as well as management information. The Code of Conduct to which DWS is subject, includes a complaint handling policy framework to facilitate a consistent approach to complaint management, as well as oversight according to regulatory requirements.

More than 95 percent of the complaints raised against DWS were captured and reported by the digital investment platform (DIP) Germany and Luxembourg. In 2021, DWS and BlackFin Capital Partners (BlackFin) have agreed on a long-term strategic partnership to jointly evolve the DIP into a platform eco system that provides comprehensive digital investment solutions and services for distribution partners, institutional investors and retail clients. In addition, BlackFin and DWS have agreed to transfer the DIP into a joint venture in which DWS maintains a stake of 30 percent. Closing of the transaction is expected for the second half of 2022.

About 4 percent of complaints were raised by retail investors in the Americas. Complaints raised by institutional investors located in EMEA, APAC and the Americas accounted for less than one percent.

In DIP, the volume of recorded complaints in 2021 was slightly above the previous year (+4%). There were no material complaints. The majority of complaints was related to the processing of client orders, annual statements and disclosures. The COVID-19 pandemic appears to have had no significant effect on customer complaints. In the Americas, the volume of recorded complaints in 2021 trended down versus the previous year. There were no material complaints. Most customer complaints in the Americas in 2021 were recorded against the DWS Service Center (call centre) and focused on servicing issues.

Client Satisfaction Surveys

In Germany annual client satisfaction surveys were conducted for our clients (B2C) and distribution partners (B2B). The surveys include both the service centre for the DIP and our regional service centre. Two options are offered to clients, a "Voice Survey" over the phone and an Email Survey. The latter uses a third-party independent provider to improve our service quality and client experience.

Clients and advisors can rate their satisfaction on friendliness of staff, professional competence, comprehensibility and solution orientation as well as sales-specific questions. The results are communicated internally by our service centre quality management to relevant internal stakeholders, including senior management, service centre staff, and the workers' council. Based on the respective feedback, steps for improvement are formulated and incorporated in employee training.

Compared to 2020, the overall participation rate increased from 6.8% to 9.2% in 2021. We have maintained very good client satisfaction ratings within this survey in 2021. Based on the feedback in the B2C-survey, we will implement measures to improve the quality of E-Mail services as in this area the overall client satisfaction rating declined year over year.

In the US, we conduct an annual client satisfaction survey for our Insurance clients. It focuses on investment performance, client service, innovation and overall satisfaction levels. This survey continues to show a consistently positive overall satisfaction rating of above 90% over the last five years.

Third Party Assessments

Third Party client satisfaction assessments enable DWS to gain a 360- degree view of our client services. In all regions globally, client satisfaction assessments are conducted by third parties.

For example, DWS was ranked first in the category "investment funds" in a survey by "AssCompact", a professional journal for financial intermediaries in Germany. The survey reflects the intermediaries' satisfaction with the services DWS provides.

Furthermore, the service quality of DWS was ranked in the top three by "FONDS professionell", one of the largest magazines for financial advisors in Germany and Austria. Every year, "FONDS professionell" readers are asked to choose asset managers, broker pools and real estate investment providers with the best service quality and award them with the "German Fund Award". The survey reported that the quick and effective way DWS reacted to the pandemic by developing digital communication tools and platforms resulted in a comprehensive service to its sales partners.

Our Impact on Climate Change

GRI 201-2; 305-5

As a fiduciary asset manager, we seek to consider material issues that may impact our clients' investments and aim to make our clients aware of these issues to enable them to make sustainable and responsible investment decisions. This is particularly true for issues arising as a result of climate change. At the same time, as a corporation, we seek to manage the impact of our business activities on the environment and the society in which we operate.

At our AGM in November 2020, we expressed the ambition to become climate-neutral in all of our actions, in line with the Paris Agreement, and well ahead of 2050. In December 2020, we became a founding member of the Net Zero Asset Managers initiative (NZAM) and subsequently, in November 2021, set our 2030 interim carbon reduction target.

Achieving "Net Zero Emissions" is likely to render many old business models obsolete, while also providing significant new investment opportunities. This will likely be accompanied by a shift in the global economy away from the linear growth model of "Take-Make-Waste" to a more circular economic model which harnesses the technologies of the Green industrial revolution. The road ahead may be challenging, but all stakeholders - governments, regulators, financial institutions, businesses and broader civil society - need to play their part. As a global asset manager, we have a pivotal role to play in facilitating this transformation.

The NZAM initiative sees asset managers commit to support the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5°C. In concordance with this commitment, we disclosed our interim net zero target framework for 2030 ahead of the UN Climate Change Conference UK 2021 (COP26) on 1 November 2021. As such, we put 35.4% (or € 281.3 billion) of our total global Assets under Management (as of 31 December 2020) in scope to be managed towards net zero[26] by 2030. This means in practice that, with respect to these in-scope assets, we seek to achieve a 50% reduction in Weighted Average inflation-adjusted financial Carbon Intensity (WACI adj.) related to Scope 1 + 2 emissions[27] by 2030, compared to base year 2019.

The Science Based Targets Initiative (SBTi) provides the reference framework for us on the path to net zero. We utilise this framework, which is considered a credible and robust foundation, providing clear guidance on expected assets in scope and target ambition levels. The initial asset scope to be managed towards net zero was defined based on SBTi guidance – including the required activities / asset classes as well as many of those which are still "optional" under SBTi guidance. Overall, this includes certain financial instruments (equities, corporate bonds, liquid real assets (LRA) and many direct real estate and infrastructure investments) primarily in mutual funds, but also in selected individually managed institutional accounts. As new methodologies and emission data become available, additional financial instruments can be included and we aim to further increase the initial asset scope of 35.4% over time[28].

Throughout 2021, we continued to guide our climate-related activities and disclosures as required by the Taskforce on Climate-related Financial Disclosures (TCFD). To consider the recommendation made by the Financial Stability Board (FSB) to make TCFD disclosures in our mainstream financial filings, we reference respective information that address the disclosure area in this Annual Report in the table below but in parallel, we also released the second DWS Climate Report 2021[29] on our webpage with additional information regarding our impact on climate change, net zero actions and TCFD information.

[26] Subject to the consent of clients, legal entities and fund boards.
[27] Standard for measuring greenhouse gas emissions: Scope 1 includes all direct emissions from the company's own operations; Scope 2 includes all indirect emissions associated with purchased energy.
[28] Subject to the consent of clients, legal entities and fund boards.
[29] For additional information: Responsibility (dws.com).

TCFD Disclosures

Disclosure Focus Area	Recommended Disclosure	Section in this document
Governance	1a) Describe the board's oversight of climate-related risks and opportunities.	Summarized Management Report - Compliance and Control - Internal Control System for the Financial and Non-Financial Reporting Process Corporate Governance Statement - Corporate Bodies Corporate Governance Statement - ESG Advisory Board
	b) Describe management's role in assessing and managing climate-related risks and opportunities	Summarized Management Report - Compliance and Control - Internal Control System for the Financial and Non-Financial Reporting Process Corporate Governance Statement - Corporate Bodies Corporate Governance Statement - ESG Advisory Board Summarized Management Report - Risk Report - Sustainability Risk
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	Summarized Management Report - Our Responsibilities - Our Investment Approach Summarized Management Report - Risk Report - Sustainability Risk Summarized Management Report - Risks - Sustainability Summarized Management Report - Risks and Opportunities - Opportunities
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	Summarized Management Report - Our Responsibilities - Contribution to Action on Climate Change Summarized Management Report - Our Responsibilities - Our Impact on Climate Change Summarized Management Report - Risk Report - Sustainability Risk
	c) Describe the potential impact of different scenarios, including a 2°C scenario, on the organization's businesses, strategy and financial planning.	Summarized Management Report - Risk Report - Sustainability Risk
Risk management	a) Describe the organization's process for identifying and assessing climate-related risks.	Summarized Management Report - Risk Report - Sustainability Risk
	b) Describe the organization's processes for managing climate-related risks.	Summarized Management Report - Risk Report - Sustainability Risk
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Summarized Management Report - Risk Report - Sustainability Risk
Metrics and targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk-management process.	Summarized Management Report - Operating and Financial Review - Results of Operations
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Summarized Management Report - Operating and Financial Review - Results of Operations
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Summarized Management Report - Operating and Financial Review - Results of Operations

Biodiversity and the Climate-Water-Nature nexus

In 2020, the DWS Research Institute broadened its research coverage to investigate the topic of nature. This step was taken to acknowledge the financial materiality of water risk and biodiversity loss for investors globally alongside the recognition that any credible Net Zero strategy must have nature at its heart.

In its first whitepaper examining natural capital, the DWS Research Institute published "A Transformational Framework for Water Risk" in which it proposed a solution for how investors can deliver transformational water investments across all asset classes[30]. The research paper later won the UK's Pensions for Purpose "Best Environmental Impact Thought Leadership Content" award[31].

Our work in this area coincided with being invited to join a World Economic Forum (WEF) working group on "Transformational Investment" which targeted new approaches to convert global systemic risks into a sustainable return. We also provided input to the World Economic Forum "Imagine If...water" research papers[32] on circular cities. This was followed by an invitation by WWF to co-author an article[33] linked to the WEF's Global Risks Report in January 2021. We also provided feedback to the IFRS and Climate

[30] DWS Research institute (November 2020). A transformational framework for water risk A transformational framework for Water Risk (dws.com)
[31] Pensions for Purpose (18 November 2021). Pensions for Purpose Content Awards 2021 | Pensions For Purpose.
[32] WEF (July 2021). Circular Cities: A circular water economy for cleaner, greener, healthier, more prosperous cities | World Economic Forum (weforum.org)
[33] WWF, DWS Investment GmbH (January 2021). Water risk: what COVID-19 has taught us about ignoring systemic risks and what to do about it DWS and WWF research highlights why we can no longer afford to neglect water risk.

Disclosure Standards Board consultations relating to climate and nature-related financial disclosures[34].

In March 2021, the DWS Research Institute and the cash return on capital invested (CROCI) team began collaborating on water materiality with Ceres and their Valuing Water Initiative investor group. The DWS CROCI team is a proprietary investment process based on a valuation technique. Our collaborative work led to the publication of two research reports at the end of 2021 examining the financial materiality of water in the clothing and packaged meats' industries, two sectors where there is insufficient focus on water pollution and the excessive use of water[35].

In recognition of their water risk work, a member of the DWS Research Institute was invited by the COP26 Water Champion to join CDP's Water Advisory Council in July 2021 and to become part of CDP's technical expert group on water disclosures for financial institutions.

To amplify our research on water risk, we have presented at several webinars in association with the PRI, Stockholm International Water Institute (SIWI), Environmental Finance and the Dutch Association of Investors for Sustainable Development (VBDO)[36].

To reflect on the important role nature plays in carbon removal and reduction, the DWS Research Institute published their "Oceans and Climate – Exploring the Nexus" whitepaper[37] in October 2021. The paper examined how oceans are being damaged by acidification due to rising temperatures, plastic and chemical pollution, overfishing, whaling, seabed mining, resource exploitation and coastal habitat destruction and how these factors are affecting the role of oceans as carbon sinks. To address these risks, the research team proposed recommendations for an investor agenda to protect and restore these valuable ecosystems.

The findings and recommendations relating to nature-based solutions were presented at the Sustainable Innovation Forum conference in Glasgow[38] where our team also hosted an oceans webinar with a guest speaker from WWF Germany[39].

People Strategy and Attractive Employer

Employees and Workplace

People Strategy and Employee Effectiveness

In line with the second phase of our corporate journey, our People Strategy has seen us take a number of steps to prioritize sustainable people management across the firm and to accelerate our position as a stand-alone asset manager.

This will continue throughout 2022 as a result of our core-platform transformation, embedding a DWS-specific policy framework, and by establishing our own employee value proposition.

At the heart of our People Strategy has been the need to safeguard the wellbeing and mental health of our employees throughout the COVID-19 pandemic. We have partnered with external vendors with expertise in developing healthy, performing organizations, which has resulted in our staff commitment and enablement levels remaining in line and in some areas above high performing external benchmarks.

Our key areas of focus this year included:

- Embedding our Functional Role Framework across the Group with the introduction of bi-annual career progression cycles.
- Evolving our Compensation Framework to ensure all employees are compensated under a single framework specifically tailored to our needs as an asset manager.
- Accelerating Responsible Leadership training for managers and wellbeing and mental health support to all employees.
- Establishing overarching global principles for a new hybrid working model and providing support for managers as we shift to new ways of working.
- Underlining our commitment to the diversity, equity and inclusion (DEI) agenda through the establishment of Employee Inclusion and Engagement Networks.

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[34] DWS Investment GmbH (12 January 2021). DWS pushes IFRS to introduce a coherent ESG reporting standard based on double materiality.
[35] Ceres, DWS Research institute (December 2021). Water-related financial materiality sector focus.
[36] DWS-PRI sponsored webinar: A transformation framework for water risk (18 October 2021).
World Water Week (19 August 2021). Towards sustainable and air water footprints; Environmental Finance (6 July 2021). Briefing Afternoon: water risk and investment opportunities panel discussion "Materiality and disclosure of water risks"; VBDO-DWS (10 June 2021). Water risk across asset classes.
[37] DWS Research Institute (October 2021). Oceans & Climate – Exploring the Nexus (dws.com).
[38] Sustainable Innovation Forum 2021 (8 November 2021). Panel discussion: Natural capital: how do we make nature bankable.
[39] DWS Investment GmbH (25 November 2021). DWS ESG Talks- Exploring the oceans and climate nexus DWS - BrightTALK.

- Maintaining focus on a feedback culture that contributes to a more productive and motivating environment by prioritising the giving and receiving of feedback, speaking up and sharing appreciation. This will be captured and prioritized as part of our quarterly feedback culture surveys.
- Continued certification with Human Capital Reporting Standards - a fundamental part of our commitment to the Social and Governance ESG pillars and strategy to support the UN's Sustainable Development Goals.

Functional Role Framework and Career Progression

The introduction of the Functional Role Framework is a new foundation in how we work together and heralds a new era for us as we transform, grow and lead as a standalone, publicly listed asset manager. It equips us with a clear organizational blueprint and the workforce management capabilities we need to drive long-term sustainable business success.

The mechanisms of the framework best match roles to the needs of our organization and, most importantly, to our clients.

It also better differentiates between experts who deliver content, services, thought leadership and products and solutions to our clients and those who are responsible for leading teams.

As a result, all employees have been given greater transparency on the different career progression opportunities open to them – not only in their immediate team, but across our wider Group. And career progression is now taking place throughout the year with employees being publicly recognized regularly for doing so.

This is a material change for our Group and allows us to foster a clear performance culture where skills, capabilities and experience count more than hierarchy.

Human Capital Reporting Standards

We were delighted to become re-certified for our commitment to Human Capital Reporting Standards (ISO30414) for 2020, following our 2019 certification.

The standards provide guidance on the human capital metrics companies should report internally and disclose publicly – including areas such as "Compliance and Ethics", "Diversity", "Leadership", "Organisational Culture" and "Health and Wellbeing".

Continued (re-)certification with these standards is a fundamental part of our commitment to the Social and Governance ESG pillars and strategy to support the global community in achieving the UN's Sustainable Development Goals.

Employer Attractiveness

Culture Strategy

Our culture strategy is anchored in the core values of Integrity, Excellence, Entrepreneurship and Sustainability and is measured through our Annual People Survey.

2021 People Survey Results

With a response rate of 70% (2020: 69%), and almost 6,000 free text comments, participation levels exceeded the prior year. They also maintain the significant improvement we have made in our Commitment and Enablement scores.

What our people told us:

- Increased pride and advocacy of DWS as an employer has led to Commitment (74%) (2020: 74%) and Enablement (76%) (2020: 77%).
- Similarly, scores on Employee Effectiveness (57%) (2020: 57%), suggest that sustained motivation and productivity has enabled us to continue to thrive.
- Our Quarterly Feedback Culture Results – focused on giving and receiving feedback, speaking up, showing appreciation and facilitating effective team meetings – has improved year-on-year from 68% to 71%.
- More employees year-on-year told us that they can see action being taken as a result of their feedback and that this has improved trust and confidence across the Group.
- 91% of employees are familiar with our values and 82% believe they have a positive impact on performing responsibly.

Our focus remains on supporting each other during this transformation and maintaining the significant progress made in the last five years with eight key cultural dimensions producing scores in the Good to Excellent category: Speak Up; Ethics, Conduct & Speak Up, Enablement, Empowering and Effective Managers, Positive Impact of Values, Active and Visible Leadership, Commitment, and Feedback Culture.

Future of Work

62% of employees responded to our 2021 DWS Future of Work survey, sharing their preferences and experiences across productivity, leadership, wellbeing and technology. With more than 9,000 comments this topic is considered important for our staff.

Employees advised that flexible working schedules had led to productivity increasing while also providing a better work/life balance. They also felt supported by their manager, are using the offered technology to communicate more frequently with each other, experience higher levels of trust and were positive about their wellbeing.

In-person interaction will also remain fundamental to the way we work, and we have now established global principles for a voluntary hybrid working model. These are on average three days working in the office, and up to two days working from home per week. Fully embedding these principles will take place on a phased basis and will vary country to country in line with regional guidance.

Employee Training

We approach training on the basis that learning can happen in many ways: on-the-job, connecting with others, reading an article, listening to a podcast or attending a virtual or in-person classroom training.

Employees have access to over 40+ personal development and leadership topics via resources found on our Learning Management System, Connect2Learn. These include podcast series, inspiring talks with external experts, playlists focusing on specific topics, and virtual classroom or video learning opportunities. In addition, our online libraries provide a rich selection of resources.

ESG-related training has been a core area of focus, offering a wide range of solutions, from online training to certification. 100 DWS employees passed the Certified ESG Analyst (CESGA) exam in 2021, while 130 DWS employees attended PRI “Getting Started in Responsible Investment” training.

As part of our Total Performance programme, greater emphasis has been placed on managers and employees holding “Meaningful Career Development Planning Conversations” throughout the year. These sessions were attended by 211 employees and managers in 2021.

Our employees also attended several informal learning opportunities offered by Deutsche Bank Group. This included Reverse Mentoring events (73 DWS mentors/mentees) as well as Mystery Coffee events (330 DWS participants).

Graduates

Graduates represent our future talent, bringing fresh perspective and innovative ideas. They contribute to our agenda of change, sustainability, reflect our future clients, and the diversity of our organisation. In 2021, we hired 33 graduates.

Vocational training and dual studies are also an important component of our junior employee strategy and offer an additional opportunity, particularly in Germany, to attract junior talent to our company. In 2021, we hired two new vocational trainees. This brings the total number of Vocational Training/Dual Students up to 12 overall (2018 through 2021).

Leadership development

Our DWS Responsible Leadership programme, piloted at the end of 2020, was fully rolled out this year. This covered topics such as Wellbeing and Leading Virtual Teams with specific emphasis on staying connected, productive and healthy, decoding signs of stress, building resilience and taking care of our wellbeing.

We also facilitated regional pilots in the US and UK focused on leading hybrid teams through new ways of working: to understand common themes, challenges and quick wins; to provide employees with an opportunity to connect with each other and to gain diverse perspectives; to identify concrete actions required to support.

First time leaders are also provided with a “Welcome to Leadership” guide which provides them with the tools that they need to succeed. This includes specific guidance on how to lead their teams - both globally and remotely. It highlights the grey areas and risks that we need to be extremely mindful of, and it explains how to navigate your way through the right processes, sign-posting helpful links and resources to help them along the way.

In terms of regulatory awareness, 215 managers attended “Doing what is right, not just what is allowed” training sessions which focused on ethical decision making and highlighted possible pitfalls and grey areas to be mindful of if they do not exercise good judgement and appropriate behaviour.

Leadership

The “Empowering and Effective Managers” index is part of our annual people survey and measures the effectiveness of direct managers in areas such as performance recognition, development, ethics, integrity and consistent action. Although the result is slightly lower than 2020, it is still favourable and an increase of 5% from 2019 despite heavy transformation activity.

Talent progression

People Reviews were conducted across our Group with a specific focus on potential successors for critical roles and senior leadership positions.

Divisional Leadership teams identified skill gaps and training needs for individuals and groups and invested in these - including a female sponsorship initiative (comprising 35 employees). This comprised coaching, attending workshops and thinking about career progression opportunities.

Our Global Leadership Team also identified talent beyond career progression by identifying thought leaders as part of our DWS 2030 programme - designed to empower our people and leverage our collective intelligence to identify and prepare for key trends that we expect to impact the asset management industry over the coming decade.

63 employees were selected to participate in DWS 2030 from over 150 applicants.

Professional Recruitment

In 2021 we have overseen the hiring of 607 permanent hires. The greatest concentration of hiring was in Germany (31%) and APAC (32%), with the majority of APAC hiring focusing on our India Technology and Operations centres. When recruiting from the external market, we have been focused on hiring junior talent with only 8% of hiring at the senior levels. Looking through the same lens at the external market, when hiring externally our focus on gender diversity has seen a female hiring ratio of 41%.

Looking ahead, we intend to establish an in-house recruitment function that will allow for a more aligned strategic focus on the quality and efficiency of hiring, with less use of external vendors to manage recruitment. The in-house recruitment model will maintain sharp focus on building diverse talent pools and managing a healthy pipeline of talent as they work alongside the business to establish their requirements throughout the year.

Remuneration strategy

GRI 102-35

This year we were delighted to share the following changes to our DWS Compensation Framework:

_ All our employees are now compensated under a new single framework specifically tailored for them. This replaces the previous corporate title-driven structure.
_ All employees are now eligible for discretionary Individual Variable Compensation (IVC).[40]
_ The Group Variable Compensation (GVC) structure has been replaced with DWS Franchise Variable Compensation (FVC).
_ DWS FVC for all employees will be 100% based on DWS's performance metrics and include ESG-specific targets.[41]

These changes are a key differentiator for us as a standalone asset manager and represent another significant milestone in our corporate journey to transform, grow and lead.

The implementation of one core compensation structure for all our employees underpins our commitment to a non-hierarchical culture throughout our Group, it embodies our "pay for performance" principle, and it ensures that all contributions to our success are appropriately recognised and rewarded. Additionally, ESG measures have been integrated as a key performance indicator within the new framework and employee compensation will be linked to it, to reflect its strategic importance.

Social Engagement

GRI 413-1

With our CSR (Corporate Social Responsibility) engagement, we are committed to tackling climate change and addressing social inequalities – to help overcome two of the greatest challenges facing our society today.

The Start of Volunteering Activities for Our Staff

In 2021 our employees performed 2,186 hours of volunteering which equated to 38 minutes of volunteering per employee.

The ongoing impact of COVID-19 has had a significant impact on the ability of our employees to participate in physical volunteering activities in the first half of 2021. However, our

[40] Tariff Employees in Germany will remain on the Recognition Program for Performance Year (PY) 2021. Audit Employees will only be eligible for Franchise Variable Compensation (FVC), but those previously eligible for Recognition will remain eligible for PY 2021. DWS aligned staff employed by Deutsche Bank Group entities across India and Philippines will remain on existing Deutsche Bank compensation structure for PY 2021. Compensation Structure for these employee groups will be reviewed for future performance years. Any employee group who was not on the compensation framework (e. g. commission employees, Luxembourg Tariff, Taiwan) will remain on their existing frameworks.

[41] Hybrid approach for FVC payout (50% DWS metrics and 50% Deutsche Bank metrics) will be retained for Deutsche Bank Group German Remuneration Regulation for Institutions (Institutsvergütungsverordnung – InstVV) Material Risk Taker (MRT) only. Position to be reviewed for subsequent years following implementation of the Investment Firm Directive (IFD).

employees have taken opportunities to perform virtual volunteering including online home-schooling support for children from socially disadvantaged backgrounds at the German children's charity "Die Arche" and remote volunteering for our partner "Healthy Seas".

With the easing of COVID-19 restrictions, a considerable number of volunteering events took place in EMEA, the UK as well as in the US from September: Some of our employees in the Netherlands and in the UK volunteered to support the marine conservation organization "Healthy Seas" on site with education events and recovery missions. Further in person volunteering days were performed to support our strategic CSR goals – the protection of our environment respectively the mitigation of social inequalities. These include park/beach clean-ups and tree planting events in Germany as well as in the UK and in the US in cities where we have a presence. Teams in Frankfurt and Berlin volunteered at an outdoor children's adventure playground and a nature education centre respectively refurbished a shelter for homeless people. Some of our employees in Germany offered a helping hand to local communities impacted by flooding in Ahrtal.

Also, our Impact Funds product specialists and portfolio managers hosted a session for the kids at "Die Arche" to talk about sustainability and also initiated a clean-up activity in Frankfurt.

Our Corporate Engagement: Providing disaster relief

In addition to our volunteering efforts, we have made donations to several organisations, including:

_ A corporate donation of € 250,000 to the humanitarian aid organization "Give India". With this donation, we funded 271 Oxygen Concentrators in Mumbai Maharashtra and Tamil Nadu and installed 30 Intensive Care Unit-beds in Karnataka. We have also encouraged our employees to make donations to the Indian Akshaya Patra Foundation.
_ A corporate donation of € 250,000 to the Ahr Valley in Germany – this went towards the restoration of infrastructure following the severe floods in July 2021. Our donation will enable the construction of an interim kindergarten in the Dernau municipality. Our employees have also contributed to providing disaster relief for people in need through donations to Malteser Hilfsdienst.

When making donations, we follow our internal guidelines. The Head of CSR and the Head of Communications and Marketing are responsible for approving expenditure in coordination with the Executive Board.

Protection of the Oceans

In addition to disaster relief, we support organizations which follow our CSR goals: As part of our focus on ecological issues – and in particular on oceans – we are already in our second year of supporting the marine conservation organization, "Healthy Seas", which is tackling the ghost fishing phenomenon, responsible for the needless death of marine animals. In 2021, we made a further donation so they could purchase their first official recovery boat. The boat named "MAKO" does not only allow "Healthy Seas" to become more flexible and increase the number of recovery missions, but also helps raise more awareness about lost or abandoned fishing nets and expand the operations.

In 2021, we have initiated a partnership with the World Wide Fund For Nature (WWF) in Belize along the Mesoamerican Reef as a further contribution to marine conservation. The goal of this initiative is to restore and protect the two ecosystems of coral reef and mangroves so that they continue to provide sustainable livelihoods for local coastal communities. In doing so, we are contributing to the protection of marine biodiversity as well as to the mitigation of climate change. It also reinforces our commitment to the Blue Economy.

Diversity & Equal Opportunities

GRI 405-1

We are committed to an inclusive culture that respects and embraces the diversity of our employees, clients, and communities. Our continuous focus is to:

_ Build talented and diverse teams to drive business results.
_ Create a respectful and inclusive environment where people can thrive.
_ Strengthen our relationship with clients/partners, regulators, communities, and potential employees.

We aim to attract, develop, and retain the best people from all cultures, countries, races, ethnicities, genders, sexual orientations, abilities, beliefs, backgrounds, and experiences. To this end, and to prepare for opportunities and challenges arising from changing demographics, digitalization, and the future of work, we follow an integrated and multi-dimensional approach to diversity and inclusion. We also aim at giving equal opportunities to employees who work both full-time and part time. This year the percentage of employees globally who work part time stood at 8.7% (2020: 8.8%).

Throughout 2021, we continued our journey to embed diversity and inclusion in our business and people practices. Key focus areas in 2021 were:

- Setting voluntary goals at the Supervisory Board and Executive Board-1 and Executive Board-2 levels per the German Gender Quota Law (FüPoG I) for year-end 2021. Proportion of women is one of the KPIs that we are tracking internally with continued success in meeting our voluntary goals. We will continue to set voluntary goals for 2022 and beyond. Our efforts will also continue to align us to the new German Executives Positions Act II (FüPoG II) which was introduced in August 2021.
- We used "International Pronouns Day" as an opportunity to ask our global employees to voluntarily update and include the pronoun in their email signatures.
- Our Black Leadership Alliance facilitated twelve race equity sessions in the UK, our development programme for Black talent was expanded to the UK region, and we played an active role in supporting the 10,000 Black Interns initiative.
- Launch of DWS 2030, where diverse talent joined working groups focusing on six trend topics that DWS intends to drive forward through thought leadership.

Continuing our focus on gender diversity

We have aspiration for greater female representation in our Group and continue to monitor and report on our progress to the Executive Board. We have a variety of measures in place including talent development programmes, manager training, sponsorship programmes, best practices on people-related decisions, internal monitoring, and significant support for grassroots, employee-driven initiatives.

Specific actions linked to increasing diversity in decision making bodies which include voting committees, legal entity boards and wider governance bodies has supported our continued success.

For the first time in 2021, we participated in the "Women in the Workplace Study" developed by LeanIn.Org and McKinsey & Company. The study will provide us with further benchmarking, insights and context to ensure we further understand challenges women face and find solutions to continue our progress. Key findings will be presented by McKinsey to the Americas Leadership Council in March.

In the UK, Deutsche Bank Group published its annual Gender and Ethnicity Pay Gap report and DWS was included in this data. For the first time this report also included Ethnicity data.

In Germany, the German Remuneration Transparency Act (EntgTranspG), which came into force in January 2018, offers employees the right to request specific aggregated information about the remuneration of employees of the opposite gender in comparable jobs. As a global company, we continue to look forward to monitoring and reporting on our progress.

Implementing German Gender Quota Legislation at DWS Group

The percentage of women on the Supervisory Board was 33.3% at the end of the year (2020: 33.3%), which met the statutory requirement of 30% for listed and co-determined German companies under gender quota legislation. Similarly, we have one female on the Executive Board which also meets the new enhanced requirements.

As of year-end 2021, 28.1% of the executive positions at the first management level below the Executive Board were held by women (2020: 27%). At the second level below the Executive Board, this percentage stood at 29.0% (2020: 28.2%). In accordance with the legal requirement in Germany, we set targets for 31 December 2021, of 26% and 29%, respectively. As a result, we have achieved those targets. Looking forward, we have now set further targets for 31 December 2024. With the implementation of the Functional Role Framework and the removal of Corporate Titles, the methodology will be adjusted and executive positions will include all positions except administrative roles. On that basis, as at 31 December 2021, there were 29.9% women at the first management level below the Executive Board and 30.0% women at the second management level below the Executive Board. Targets for 31 December 2024 were set at 32% and 33% respectively.

Creating an inclusive work environment

Employee Inclusion Networks

Employee Inclusion Networks (EINs) were founded in the US in 2020 and are central to our commitment to diversity, equity and inclusion. The networks have this year evolved from regional to global networks across our US, EMEA and APAC regions.

EINs unite employees from different backgrounds, experiences, and business areas to inspire inclusiveness in our daily interactions. They are voluntary, employee-led groups, driven by a common purpose: making a better workplace – for everyone. By sharing information, educating, and engaging with our communities, EINs contribute to business development as well as recruitment, retention, and professional development. They are open to all employees; allies who do not self-identify with a particular group are welcome. Our EINs support the advancement of the following communities: differently-abled, generations, LGBTQI[42], Asian, Latin, Black, veterans, and women. Each EIN has regional executive sponsors to further support efforts and advocacy through senior leadership.

Adoption and surrogacy

We also enhanced various family building benefits to include increased adoption and surrogacy reimbursement where legal, egg and sperm cryopreservation for social preservation and back-up care to include child/adult/elder care. We recognize that family building can be unique and we are committed to providing employees with benefits and support suited to each stage of their life and opportunities at every stage of their career. Benefits also include a wide range of flexible work options and learning opportunities suited to different career stages.

EEO-1 reports

We have also published our consolidated EEO-1 reports for the US workforce in 2021. The EEO-1 report is a mandatory annual data collection that requires all private sector employers with 100 or more employees to submit demographic workforce data including data by race/ethnicity, sex and job categories to the US Equal Employment Opportunity Commission on an annual basis.

External partnerships

In nurturing an inclusive work environment we have developed a number of key external partnerships across the globe. These partnerships not only help us to drive our internal agenda, but they also enable us to share good practice and to positively impact the societies we are operating in. These include:

- Partnership and Sponsorship with Diversity Project, whose vision is to create a truly diverse and inclusive UK investment and savings industry.
- Membership with New Financial, a think tank and forum launched in 2014 with the view to rethinking how Diversity and Inclusion can be improved in capital markets in Europe, and to look at rebuilding trust and improving industry culture.
- Sponsorship of the Fondsfrauen initiative in Germany, a business network for women in asset management and finance.
- Member of the Diversity & Inclusion Working Group of the "U.S. Institute", a think tank for leading investment management firms.
- Financial Supporter of Level20, a not-for-profit organization dedicated to improving gender diversity in the European private equity industry.
- DWS joined the Human Rights Campaign's Business Coalition for the Equality Act to advocate for passage of federal protections for LGBTQ Americans.
- Founding member of Morgan Stanley's diversity and inclusion initiative "The Equity Collective". The group is comprised of 23 leading asset managers.

Employee Wellbeing

GRI 403-6

Continuing to support managers and employees through COVID-19

We partnered with a leadership development consultancy with expertise in developing healthy, performing organisations to deliver intensive global learning events on employee wellbeing and managing virtual teams. Various training programmes were offered to dedicated target groups to address different needs and challenges during the pandemic.

The training programme "Responsible Leadership: Wellbeing and Leading Virtual Teams" was first piloted in December 2020 whilst the main programme ran until May 2021. The programme aimed to provide managers with knowledge, tools and tips on managing a remote team and support wellbeing within the organisation. 314 managers participated in this programme consisting of three modules on the key themes "Stay Connected, Productive & Healthy", "Decoding Signs of Stress" and "Resilience and Wellbeing".

Each module consisted of an Interactive Learning Event providing new research, tools and practical tips. Follow up sessions offered group coaching through reflecting on personal experiences as well as sharing, supporting and learning from others. It was also an opportunity to build a support network that spans the organisation and extends beyond the sessions themselves. 245 sessions have been delivered during this very intensive programme with 1,818 individual training participations being achieved across all sessions.

The training "Resilience and Wellbeing - how to grow beyond the crisis" was offered in April and May to all global employees, with 673 employees participating in five sessions. Furthermore, there were dedicated training sessions offered to all managers and employees based in India due to the very challenging pandemic situation in the country. Two training

[42] Lesbian, Gay, Bi, Trans, Queer and Intersex.

sessions were delivered in July and August with 219 participants joining.

Additionally, managers and employees were further supported through the following:

_ A series of articles and videos across all levels of seniority explaining how they have adapted to virtual working during the pandemic – whether they are working at home in isolation, separated from their family, home-schooling their children or taking care of elderly family and relatives.
_ A DWS Wellbeing microsite, containing a repository of information including webinars and podcasts, across all regions signposts the wellbeing, mental health and flexible working support available. It also includes 24/7 access to the Employee Assistance Programme which offers independent, confidential work-life coaching and counselling services.

Americas

_ US Benefits were enhanced to provide supplemental COVID-19 paid sick leave retro to January 1 to ensure employees and their families affected by COVID-19 received additional leave, additional back-up care coverage was enhanced with benefits extended to adult/eldercare including in-home support and virtual tutoring was added through Bright Horizons.
_ Several interactive discussions were hosted by our People Engagement Group and the Account Director of our Employee Assistance Program. The session provided insights on the benefits offered through the Resources for Living program related to financial needs, pandemic-related concerns, competing priorities and balancing work and home.
_ A series of financial wellbeing sessions through Fidelity Investments and incentive-based ConsumerMedical wellbeing webinars were offered to employees. Multi-channel mental wellbeing benefits reminders were sent regularly to employees and webinars for Mental Health Awareness Month in May and World Mental Health Day in October were offered.

UK

_ In the UK, 15 Mental Health First Aiders (MHFAs) supported individuals in need and were available to signpost employees to the appropriate support services.
_ A "Meet our MHFAs" series was published on a monthly basis to identify the Mental Health First Aiders in the absence of face-to-face opportunities throughout the pandemic.
_ Monthly wellbeing emails distributed to all employees in the UK serve as a reminder of the wellbeing offerings that are available.
_ UK benefits remained enhanced to cover virtual general practitioner services including wellness and resilience appointments, travel insurance and childcare.
_ The DWS UK Office hosted a flagship event around World Mental Health Day and Suicide Awareness Day to discuss topics and raise awareness of mental wellbeing and health in the workplace as well as suicide in the UK.

APAC

_ In APAC, there are seven DWS Mental Health First Aiders in India and one in Philippines with two DWS staff currently being trained in Hong Kong.
_ Embedding Mental Health First Aiders into APAC Wellbeing and Mental Health programmes has helped employees to talk more freely about mental health, promoting early intervention which enables recovery, reducing stigma and creating a positive culture.
_ The region developed a COVID-19 toolkit to assist staff in all impacted countries to provide information on topics such as managing stress and anxiety, social isolation, tips for working remotely and other related topics.
_ A separate toolkit was developed for India on WHO updates, tracking of COVID-19 cases, with supporting webinars (in Hindi and English).
_ An APAC-wide Zoom session was delivered on "Living with Authenticity" and how this enabled her to overcome mental health issues. The focus was on "Why Mental Health Matters" and the stigma around mental health issues.
_ APAC continues to run employee wellbeing trainings and webinars covering a variety of topics such as mental health, resilience, mindfulness, domestic violence, suicide awareness, parenting and social isolation.

Germany & the rest of EMEA

_ In Germany, help and support was offered for German employees in case of mental health including the recommendation to contact ICAS (the professional mental health experts). By doing so, Human Resources (HR) guided employees through the situation and help which might be needed.
_ Germany offered the support of dbFairness@work where employees that are in a conflict / a situation of feeling misunderstood can find help to solve the conflict / situation. dbFairness@work is open for every one of our German employees and offers strict confidentiality. Experts here are trained and certified HR employees across Deutsche Bank Group.

_ The HR team also provided guidance to the Managers on how to manage problematic situations with their teams / employees. This included online trainings / courses and coaching.

Risk Report

GRI 102-15

Introduction

Disclosures in line with IFRS 7 "Financial Instruments: Disclosures" and International Accounting Standard (IAS) 1 "Presentation of Financial Statements"

The following Risk Report provides qualitative and quantitative disclosures covering credit, market, strategic and non-financial risks in line with the requirements of IFRS 7 "Financial Instruments: Disclosures", and capital disclosures required by IAS 1 "Presentation of Financial Statements". Information which forms part of and is incorporated by reference into the financial statements of this report is marked with a petrol line throughout this Risk Report.

Our Risk

We are exposed to a variety of risks as a result of our business activities. These risks include non-financial risk, market risk, credit risk, strategic risk, and liquidity risk. The corporate risk profile is driven by various external and internal factors, including fiduciary risk. As an asset manager, our fiduciary obligation is paramount and requires us to put the interests of our clients first. We achieve this by risk managing the investment portfolios on behalf of our clients and by complying with regulatory requirements and contractual obligations.

Over the past few years, the integration of sustainability risks in our risk management processes has been a focus area. Its importance has been highlighted by the publications of the amendments of the EU regulatory framework as well as publications and recommendations given at National Competent Authority (NCA) level. As sustainability risk management is a fundamental cornerstone of ESG integration, our risk management processes have been updated to ensure the guidance given is a central component of our corporate DNA.

In this context, there are two core principles we embrace in our risk governance: every employee needs to manage risk and is obligated to ensure that we operate in the best interest of our clients and our franchise; and we have strict segregation of duties enabling us to operate a control environment that is designed to protect the franchise, our clients, and shareholders.

Risk and Capital Overview

IFR Article 47

Key Risk Metrics

With effect from 26 June 2021, we adhere to the own funds requirements under the new Investment Firm Regulation (EU) No 2019/2033 (IFR), as outlined in Article 11 of the IFR.

We manage our own funds so as to satisfy the levels of regulatory own funds defined in Article 9 IFR, the Directive (EU) No 2019/2034 (IFD) in articles 39 and 40, and as required by the relevant authority, Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), to cover the k-factor requirements for risk to client and risk to market.

We are also required to adhere to a new liquidity requirement as per Article 43 IFR. The Group is required to hold an amount of liquid assets such as cash and bank balances and government bonds equivalent to at least one third of the fixed overhead requirement for the previous year plus 1.6% of the total amount of guarantees provided to clients. As of 31 December 2021, the Group fulfils this requirement (as of 31 December 2020 Pro-forma respectively).

The management of the own funds excess and the k-factor metrics form part of our holistic risk management across the individual risk types. As a new regulatory metric, we introduced the IFR liquidity requirements and will continue with the measurement of the stressed net liquidity position (SNLP) as a specific internal risk metric.

Own funds excess (shortfall)	
31 December 2021	€ 2,045 million
31 December 2020 Pro-forma	€ 1,995 million

Own funds requirement based on k-factors	
31 December 2021	€ 560 million
31 December 2020 Pro-forma	€ 508 million

IFR liquidity requirement	
31 December 2021	€ 495 million
31 December 2020 Pro-forma	€ 448 million

Stressed net liquidity position	
31 December 2021	€ 2,289 million
31 December 2020	€ 2,077 million

Overall Risk Assessment

Material corporate risk categories include:

_ **financial risks** such as market risk associated with our co-investments, seed investments, guaranteed products, credit risk, liquidity risk and strategic risk and
_ **non-financial risks (NFRs)** including reputational risk and operational risk (with important sub-categories such as duties to customers, information security, technology, service providers) and potential spill-over effects of our fiduciary risks.

We manage the identification, assessment and mitigation of key risks through an internal governance process and the use of risk management tools. We have a clearly defined risk appetite and our approach to identifying and assessing the impact aims to ensure that we mitigate the impact of these risks on our financial results, long-term strategic goals and reputation. Please refer to the section 'Risk Report – Risk Framework' for detailed information on the management of our material risks.

In addition, external factors outside of our control can have a significant effect on our financial profile and strategic plans. Please refer to the section 'Outlook – DWS Group – Risks and Opportunities' for detailed information on these external factors. The assessment of the potential impacts of these risks is integrated into our stress test, which assesses our ability to absorb these events should they occur. The results of these calculations show that the currently available capital, in combination with available mitigation measures, would allow us to absorb the impact of these risks if they were to materialize in line with the stress test parameters.

Risk Profile

As we embark on the second phase of our corporate journey, we focus on Transform, Grow and Lead. This may have material implications for our risk profile.

From a non-financial risk perspective, we are faced with transformation risks as we move from project design and planning into a multi-year execution phase to replace our core infrastructure platforms, embrace new technologies and engage with new external service providers. All transformation activities, including the integration of ESG in our risk management framework, are subject to close monitoring and oversight.

The main risk driver in our business is non-financial risk. We are, however, exposed to other forms of risk given the impact from the market, flows, and foreign exchange rates on our corporate activities.

Risk Framework

IFR Article 47

Risk Management Principles

The diversity of our business model requires us to identify, assess, model, measure, aggregate, mitigate, and monitor our risks. The core objective is to reinforce our resilience by deploying a holistic approach to the management of risk and return throughout our organization as well as the effective management of our risk, capital and reputational profile. We actively take risks in connection with our business and as such the following principles underpin our risk management framework:

_ Risk is taken within a defined risk appetite.
_ Every risk taken needs to be approved within the risk management framework (RMF).
_ Risk taken needs to be adequately priced.
_ Risk should be continuously monitored and managed.

Risk and capital are managed via a framework of principles, organizational structures, and measurement and monitoring processes that are closely aligned with our business activities.

- Core risk management is the responsibility of the Executive Board which delegates to senior risk managers and the Risk and Control Committee (RCC) (and its delegates) for execution and oversight.
- We operate a distinct risk management model, the three lines of defence (LoD). The three LoD approach and its underlying governance standards apply to all levels of the organization.

First LoD: As risk owners the first LoD businesses are fully accountable for the identification, assessment, and management of risks that originate in their organization or that their organization is exposed to, and for managing them against a defined risk appetite. Risk owners are those roles in the Group that generate risks, whether financial or non-financial. The heads of the business areas must determine the appropriate organizational structure to identify their organization's risk profile, implement a risk management and control approach within their organization, take business decisions on the mitigation or acceptance of risks within the risk appetite and establish and maintain risk owner controls. For the first LoD there is a dedicated Control Office, which focuses on a consolidated risk profile and acts as primary contact for risk management matters.

Second LoD: The second LoD control functions qualitatively and quantitatively define risk appetite for the specific risk type they control and monitor and report on the risk type's profile against risk appetite. As experts for their risk type, they advise – as an independent function – the first LoD on how to identify, assess and manage this risk and how to implement the risk type framework. The second LoD control functions have a veto authority for risk decisions to prevent risk appetite breaches.

Third LoD is the internal audit function which is accountable for providing independent and objective assurance on the effectiveness of how the business divisions and the second LoD control functions interact with respect to risk management.

- The Group business and risk strategy (BRS) and the risk appetite are approved annually by the Executive Board. In addition, Deutsche Bank Group sets the risk appetite for its Asset Management division, primarily DWS Group, with which we comply.
- The Strategic Capital Plan provides the basis for aligning risk, capital, and performance targets for regular risk capital profile monitoring.
- Cross-risk analysis reviews are conducted across the firm to validate the existence of appropriate risk management practices and an awareness of risk.
- All material risks across non-financial risk, market risk, credit risk, strategic risk and liquidity risk, are managed via dedicated risk management processes. Modelling and measurement approaches for quantifying risk and capital demand are implemented across the material risk types. Furthermore, we have set up a dedicated reputational risk governance framework including a committee to assess and manage reputational risk matters. Sustainability risk is not considered to be a separate risk type, but sustainability factors are risk drivers of existing risk types being managed.
- We have monitoring, stress testing tools, and escalation processes for key capital and liquidity thresholds and metrics.
- Systems, processes and policies are critical components of our risk management capability to facilitate a comprehensive view and articulate the underlying roles and responsibilities.

Integrating Sustainability Risks into our Risk Management Framework

The overall risk management and control framework covers risk types spanning three main areas: non-financial risks (operational and reputational risks), financial risks and fiduciary investment risks.

We understand that sustainability factors – including climate risk factors – can materialize and impact all three of the risk areas mentioned above and are therefore understood as factors impacting the existing risk types. In addition, we also observe the increased focus on assessing and monitoring the adverse impact of our corporate and investment activity on the environment and society.

In 2021, we continued to integrate sustainability factors into our existing risk management frameworks:

- We have formalized the integration of sustainability factors into existing risk types within a new Sustainability Risk Management Policy and Risk Appetite monitoring process.
- We have established a dedicated portfolio sustainability risk governance for European domiciled funds pursuing actively managed Equity and Fixed Income strategies that measure and manage the sustainability risk profiles of the portfolios.
- We have identified key climate transition risks driven by a dedicated ESG scenario analysis that may impact us as an organization and have assessed ESG related strategic risks and opportunities related to the changing regulatory environment as well as changing ESG client preferences.

Further details on the Sustainability Risk integration program are described in the 'Risk Report – Sustainability Risk' section below.

Risk Governance

Our activities and operations throughout the world are regulated and supervised by relevant competent authorities in each of the jurisdictions in which we conduct business.

The Executive Board is responsible for managing the Group in accordance with the law, regulations, the Articles of Association and its Terms of Reference with objective of creating sustainable value in the interest of the Group, thus taking into consideration the interests of the shareholders, employees, and other stakeholders. Furthermore, the Executive Board is responsible for establishing a proper business organization, encompassing appropriate and effective risk management and approves the Strategic Plan and the Risk Appetite Statement.

The Supervisory Board is informed regularly of the Group's risk position, risk management and risk controlling activities, as well as on our reputational risks and material litigation cases. It has formed an Audit and Risk Committee to deal with risk related matters (See 'Standing Committees of the Supervisory Board – Audit and Risk Committee'). At the meetings of the Audit and Risk Committee of the Supervisory Board, the Executive Board reports on key risks, on risk strategy, mitigation strategies, and on matters of importance due to the risks they entail. The Audit and Risk Committee deliberates with the Executive Board on issues of the aggregate risk profile and the risk strategy and supports the Supervisory Board in monitoring the implementation of this strategy.

The following functional committees have been set-up by the Executive Board and are central to the management of risk:

The **Risk and Control Committee** (RCC) is the key committee dealing with review of and decisions on material risk topics.

The RCC is supported by the **Capital Investment Committee** (CIC), which is responsible for overseeing all aspects of risk associated with portfolios of co-investments and seed capital investments.

The **Reputational Risk Committee** (RRC), is responsible for upfront, active decision-taking and the oversight, governance, and coordination of reputational risk management.

The **Strategic Investment Committee** (SIC) is responsible for corporate investment decisions and principal corporate transactions (acquisition, disposals, and joint ventures). In addition, the SIC evaluates strategic investment decisions and monitors progress and performance of approved transactions.

The **Chief Risk Officer** (CRO) holds Group-wide responsibility for the management of non-financial, financial, and fiduciary risks as well as for the comprehensive control of risk, and ongoing development of methods for risk measurement. In addition, the CRO is responsible for monitoring, analysing, and reporting risk on a comprehensive basis. We manage our risk and capital via a framework of principles, organizational structures and measurement and monitoring processes that are closely aligned with the underlying business activities and associated risk profile. In order to achieve this, the Group leverages Deutsche Bank for defined risk services across several risk types, notably in terms of risk principles and governance frameworks, capital models including stress testing as well as support on capital adequacy requirements, and in non-financial risks specifically where specialist skills are required. The Group control model has been designed to balance the need for alignment with our business, while maintaining independence and strong relationships with Deutsche Bank key control functions.

Risk Appetite and Capacity

Risk appetite expresses the aggregate level of risk that we are willing to assume within our risk capacity in order to achieve our business objectives. This is defined by a set of minimum quantitative metrics and qualitative statements. Risk capacity is defined as the maximum level of risk we can assume given our capital and liquidity base, risk management and control capabilities, our regulatory constraints, and our obligations to stakeholders.

Risk appetite is an integral element in our business planning processes via our risk plan and strategy, designed to promote the appropriate alignment of risk, capital, and performance targets, while at the same time considering risk capacity constraints from both non-financial and financial risks.

In order to determine risk appetite, we set different group level triggers and thresholds on a forward-looking basis and define the escalation requirements for further action. We assign risk metrics that are sensitive to the material risks to which we are exposed and which are able to function as key indicators of financial health. In addition to that, we link our risk management governance framework with the risk appetite framework.

Reports relating to the risk profile, as compared to risk appetite and strategy are presented regularly to the RCC, the

Executive Board, and the Audit and Risk Committee. In the event that our desired risk appetite is breached, a predefined escalation governance matrix is applied so these breaches are highlighted to the respective committees. Changes to the risk appetite must be approved by the Executive Board.

Risk and Capital Plan

We conduct an annual integrated strategic planning process which articulates the development of our future strategic direction for the business. The strategic planning process is designed to deliver an overview of capital, liquidity, and risk under risk-return considerations. This process translates our long-term strategic targets into measurable short- to medium-term financial targets and enables intra-year performance monitoring and management. Risk-specific portfolio strategies complement this framework and allow for an in-depth implementation of the risk strategy at portfolio level, addressing risk specifics including risk concentrations.

Stress Testing

Stress testing is performed on a regular basis in order to assess the impact of a severe economic downturn or other shocks on our capital profile and financial position. This exercise complements traditional risk measures and leverages Deutsche Bank Group's stress testing process with enhancements tailored to our risk profile. All material risk types which consume capital and liquidity risk are subject to stress testing. The time-horizon of internal stress tests is generally one year and can be extended to multi-year, if required by the scenario assumptions.

Risk Measurement and Monitoring

The appropriate measurement of all risks is a crucial prerequisite for robust risk management. All risks are measured quantitatively or qualitatively, using advanced and approved methodologies. All measurement approaches must be appropriate for the type and materiality of risk measured and provide sufficient transparency including correlation.

Quantitative analysis allows the measurement of the potential impact (size and likelihood) and is complemented by best-practice qualitative measures to ensure comprehensive coverage of all risks on a risk-based approach. All material risks in non-financial, market, credit and strategic, are managed via dedicated risk management processes. Modelling and measurement approaches for quantifying risk and capital demand are implemented across the material risk types. Reputational risk is implicitly covered in our economic capital framework – which ensures that we maintain an adequate capitalization to cover the risks to which we are exposed - primarily within operational and strategic risk.

Established teams within Finance, Capital and Liquidity Management and Risk assume responsibility for measurement, analysis and reporting of risk while promoting appropriate quality and integrity of risk-related data.

We monitor all risk taken against risk appetite and in consideration of risk and reward at the Group level, underlying risk type, and at portfolio level.

The monthly Risk and Capital Profile (RCP) report is used to detail the risk profile and is presented to the RCC and subsequently used as the base for regular reporting to the Executive Board and the Audit and Risk Committee. The RCP is complemented by other standard and ad-hoc management reports by Risk, Finance, and Capital and Liquidity Management, which are presented to the RCC and/or its sub-committees where appropriate.

We use a variety of data sources to support internal and external reporting. The risk infrastructure considers reporting at relevant legal entity and business levels and provides the basis for reporting on risk positions, capital adequacy and limit utilization to the relevant functions on a regular and ad-hoc basis.

Model Risk

Model Risk Management (MoRM) is a core component of our risk management framework. We rely on models for investment, portfolio management, risk management, valuation, capital planning, and other purposes. The MoRM framework is in place to safeguard the interests of our clients and stakeholders as well as to fulfil regulatory requirements with respect to model risk.

Models used by the firm and covered by the Model Risk Framework include models use for both fiduciary and non-fiduciary purposes and may either be internally developed or sourced via third party vendor. These models generally fall into the following categories:

- Pricing models are used to generate asset and liability fair value measurements reported in official books and records and/or risk sensitivities.
- Risk and Capital models are used to evaluate the risk exposures used for regulatory or internal capital adequacy requirements.
- Other models include those within our business lines that do not fall into the above categories, such as fund level valuation / pricing related models, trading / investment related models, risk management models and asset allocation models.

Model risk appetite is aligned to the Group's qualitative statements, ensuring that model risk management is embedded in a strong risk culture and that risks are mitigated as appropriate.

Model Risk Governance

Model Risk Governance has the following objectives:

_ Maintain a robust model risk management and governance framework, including senior forums for monitoring and escalation of model risk related topics
_ Maintain model risk policies and key operating procedures with clear roles and responsibilities for key stakeholders across the model risk life cycle
_ Assess and monitor the model control environment
_ Maintain model inventory to a high degree of integrity
_ Support ongoing model risk assessments
_ Perform independent model validations providing effective review and challenge to the model development and the appropriateness of model use
_ Ensure the model risk framework aligns to industry best practice and regulatory expectations

There is interaction with Deutsche Bank in the provision of model development support and advisory services for the current suite of risk and capital models used within the Group including changes related to new regulations and/or changes in business strategy.

Non-Financial Risk

Non-financial risk is comprised of Operational Risk and Reputational Risk.

Operational Risk means the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events, including legal risk. Operational risk excludes business and reputational risk.

Reputational Risk means the risk of possible damage to our brand and reputation, and the associated risk to earnings, capital, or liquidity, arising from any association, action or inaction which could be perceived by stakeholders to be inappropriate or unethical or inconsistent with our Code of Conduct.

Key Drivers for Non-Financial Risk

Non-financial risk is inherent to our business activities. We have embedded effective internal risk governance processes and the use of risk management tools and concepts. Our integrated approach enables sound identification, evaluation, remediation, and monitoring (risk management lifecycle) of the key non-financial risks such as duties to customer, information security, technology, service provider, transaction processing, and risks driven by external influences. Any failures related to key non-financial risks could lead to material financial, regulatory, or reputational impacts.

The most material non-financial risks in light of our business profile are:

_ **Duties to Customers:** As an asset manager, we face the risk that products and services are not suitable or inappropriate for the investor or that a product that we manufacture or distribute is inappropriate. Duties to customers primarily reflect the fiduciary nature of our business and the liabilities derived in case of failure to adhere to specific disclosures, contractual agreements, principles, or regulatory requirements.

_ **Information Security:** We face the risk that our business is not sufficiently protected against information security failures, i.e. cyber security attacks. Our operational systems are subject to an increasing exposure to cyber-attacks and other internet crime, which may compromise our ability to conduct business and service our clients in a resilient way.

_ **Technology**: We face the risk of loss events due to instability, malfunction, or outage of our IT infrastructure. Such losses could materially affect our ability to conduct business and service our clients in a resilient way. IT related errors may also result in the mishandling of confidential information and damage to our IT systems.

_ **Service Providers:** We utilize a variety of service providers to support our businesses, systems, and processes. By this we are able to focus on our core competencies and to seek improvements in effectiveness, efficiency, and costs. Typically, the usage of service providers exposes us to comparable non-financial risks as if we perform the business activities ourselves. We remain ultimately responsible for the services our vendors provide. In addition, the usage of service providers exposes us to vendor specific risks such as non-adherence to contractual obligations or failure of the service provider.

_ Transaction Processing: Our business is highly dependent on the ability to process a high number of transactions on a daily basis, across numerous and diverse markets in many currencies. If any of these processes or systems do not operate properly, or are subject to intentional or unintentional human error, this may result in financial losses, reputational damage, customer dissatisfaction or potential regulatory or litigation exposure.

Management of Non-Financial Risk

The governance of non-financial risks follows the three lines of defence (LoD) approach with the aim of protecting the Group, our clients, and shareholders against risk of material financial, regulatory, or reputational damages. It seeks to ensure that all our key non-financial risks are identified and addressed, that accountabilities regarding the management of non-financial risks are clearly assigned and risks are consciously taken and managed in the most appropriate and long-term interest of our franchise, clients and stakeholders. The three LoD approach and its underlying governance standards apply to all levels of the organization.

To manage our non-financial Risks, the Operational Risk Management Framework (ORMF) defines interrelated concepts and processes aligned to the Deutsche Bank Group framework. The ORMF has been designed by Risk as second LoD function to provide a comprehensive approach across all three lines of defence for managing the key non-financial risks across the risk management lifecycle. The approach enables us to determine our non-financial risk profile in comparison to our risk appetite, to systematically identify non-financial risk themes and concentrations, and to define risk mitigating measures and priorities. Our approach to the identification and impact assessment aims to ensure that we mitigate the impact of these risks on our financial results, long-term strategic goals, and our reputation. Key concepts and processes for managing our non-financial risks are loss data collection, lessons learned and risk and control assessments.

The most material risks we seek to remediate qualify as our top risks and are regularly analysed and reported. Top risks are rated in terms of both the likelihood of their occurrence and the potential impact (severity) on the Group. The concept provides a forward-looking perspective on the impact of planned remediation and control enhancements. It also contains emerging risks and themes that have the potential to evolve into top risks in the future.

Dedicated Product Lifecycle Process

We have embedded a Product Lifecycle Management Framework to ensure that appropriate governance, processes and controls for the design, approval, marketing and ongoing management and systematic monitoring of products throughout their lifecycle are in place. This framework is designed to manage the risks associated with the implementation of new products as well as product changes during the product lifecycle. Products and services are subject to a systematic review process to ensure that they remain fit for purpose.

Dedicated Reputational Risk Management Process

We have a dedicated Reputational Risk Management Framework, which sets out the governance and process, to assist our employees in identifying, assessing, manging, and monitoring reputational risk. The RRC is responsible for upfront, active decision-taking and the oversight, governance, and coordination of reputational risk management.

We seek to ensure that reputational risk is in line with our business strategy and overall risk profile. Reputational risk cannot be excluded, and is also driven by any unforeseeable change in the perception of practices by our various stakeholders (e.g., public, clients, shareholders, and regulators). In line with our fiduciary responsibilities, we strive to balance reputational risk against the economic interest of our clients and the firm. We seek to avoid unnecessary reputational risks that exceed risk appetite such as violations of laws and regulations including sanctions and embargoes.

Financial Risk

IFR Article 47

Key Drivers for Market Risk

Market risk is the potential for change in the value of financial instruments due to changes in market prices. We are exposed to non-trading market risk, which arises from our investments and from off-balance sheet exposures. The key drivers of our exposure include movements in interest rates, credit spreads, foreign exchange rates, commodity prices, and equity prices.

Our risk exposure can also be impacted by more general market movements related to the economic environment or socio-political events. The primary objective in the management of our market risk is to ensure that our risk exposure is within the approved risk appetite.

Market risk primarily impacts the main investment risk types such as seed investments, co-investments, guaranteed products, foreign exchange and pension, and other equity compensation risks, as outlined below.

Seed Investments: Seed capital is deployed to build marketable track records by providing initial liquidity for new products initiated by us. We execute an economic risk position offset program to minimize the profit/loss volatility of the seed investment portfolio. Seed investments are typically short-term (up to three years, frequently shorter) and risk positions are broadly offset within a 6% tracking error on notional to minimize market risk. Offsetting positions are classified as derivatives on the balance sheet.

Co-Investments: We have direct co-investments primarily in funds that invest in a variety of alternative asset classes such as real estate, infrastructure, private equity, and sustainable investments. Investments are made to ensure an alignment of interest between fund investors and the Group and are normally held to maturity.

Strategic Investments: Strategic investments typically have the primary objective of enhancing the franchise value by providing access, for example, to specific markets, products or exchanges. A strategic investment, therefore, has a broader strategic business objective than making a return on the investment itself.

The key risk inherent in our co-investment and strategic investment portfolio is the impact of an event on the value of the underlying assets in each portfolio potentially resulting in the need to partially impair or even fully write-off the value of the investment in the portfolio. Key events can include:

_ **Economic environment:** Material economic downturn impacting the value of the underlying fund investments
_ **Geo-political risk:** Material geo-political events impacting the value of underlying fund investments such as the US-China trade dispute or a political shift in willingness to support or subsidize certain industries (notably in the sustainability sector)
_ **Equity prices:** Impact on underlying investments of a change in equity prices in turn impacting the value of the co-investment in the relevant funds (despite latter being unlisted/illiquid)
_ **Foreign Exchange (FX):** Impact on reported value of investments of movements in foreign currencies (notably USD) relative to Euro (EUR); direct impact on underlying investments notably in global funds
_ **Interest rates:** Impact of interest rate movements on funds invested in debt instruments and/or providing loans (e. g. sustainable funds); wider, indirect impact of rising interest rates on investor appetite for investment in alternative funds; expected only to have a peripheral impact as the bulk of investor interest is driven by alternative market specifics
_ **Commodity prices:** Impact on underlying investments of a change in commodity prices in turn impacting the value of investment in the relevant funds e. g. real estate construction costs
_ **Idiosyncratic risk:** Market risk can also occur as a result of specific investment characteristics, for example leverage, management quality, or fraud

Decreases in investment valuations directly impact our profits via reduction of fair value. In addition, fee income is negatively affected as result of lower asset value of the underlying fund. Furthermore, potential issues in current or future capital raising and/or reputational/litigation risk may arise.

Guaranteed Products: We manage guaranteed retirement accounts ("Riester Products") and guaranteed funds, whereby we provide a full or partial notional guarantee at maturity. Riester guaranteed retirement accounts are voluntary private pension schemes in Germany that are government subsidized.

The guaranteed products portfolios are managed using constant proportion portfolio insurance (CPPI) strategies and techniques, which use a rule-based exposure allocation mechanism into highly rated assets and riskier assets, depending on market levels.

This allocation mechanism between the two components limits the downside risk. Guaranteed products may invest into a wide range of equity and fixed income securities as well as other instruments permitted in the product documentation.

The risk for the Group as guarantor occurs if the net asset value (NAV) of underlying funds at the respective guarantee date is less than the guaranteed amount. The respective guarantee shortfall is reflected as negative market values from derivative financial instruments. A provision is booked, aligned to the long-dated maturity of the underlying guarantees.

The guarantee shortfall is particularly sensitive to movements in the long-dated interest rate curves and can also fluctuate due to changes in:

_ **Market development:** In addition to changes in long-dated interest rates, the shortfall is also impacted by changes in equity prices, volatility, and other market factors impacting the Net Asset Value (e. g. performance of underlying assets and funds).
_ **Changes in client behaviour,** e. g. decreases in cancellation rates increase the shortfall as do client contributions if made in a low interest rate environment.
_ **Model assumptions:** The shortfall calculation can be influenced by changes in model assumptions and the timing of the market data snapshot used.

This risk is regularly monitored under different stress scenarios and client contribution and cancellation simulations. We mitigate interest rate risk as and when necessary to retain a balanced risk position in line with our risk appetite and strategic goals. The instruments of choice include long-dated bonds, long-dated interest rate swaps or swaptions.

Structural Foreign Exchange: Structural foreign exchange (FX) risk arises from our non-EUR denominated subsidiaries, primarily USD and Great Britain Pound (GBP) based. We monitor our structural foreign exchange risks on an ongoing basis and may selectively offset the risk positions with the primary objective to stabilize consolidated capital and internal capital adequacy ratios.

Foreign Exchange: Investments - and related derivatives – can be denominated in currencies other than the Group's functional currency of EUR. These are translated at the period end closing rate and can give rise to fluctuations (up and down) in the reported value of the investments. Foreign exchange gains and losses resulting from the translation and settlement of these items are recognized in the consolidated statement of income as net gains (losses) on financial assets/liabilities at fair value through profit or loss.

Pension Risk: We are exposed to market risk from several defined benefit pension schemes for past and current employees. The ability of the pension schemes to meet the projected pension payments is maintained through investments and ongoing plan contributions. Market risk can materialize due to a potential decline in the market value of the assets or an increase in the liability of each of the pension plans. Key risk factors include interest rates, inflation, credit spreads, and equity values. The overall risk increases with reduction in plan contributions as plans mature (no new entrants), increased, or offset by changes in the longevity profile of the pensioner population.

Equity Compensation Risk: Equity compensation is linked to our share price and performance and so is a right way risk since liabilities will primarily only increase if the share price and relevant performance improves. We monitor and manage the resulting profit and loss volatility and enter into short-term derivatives to retain a balanced risk position as and when necessary, in line with our risk appetite and strategic goals.

Management of Financial Risk

The above-mentioned types of financial risks are subject to dedicated approval processes which ensure that all aspects of risk, capital and funding are considered before new investments are made. For new co-investment and seed capital requests, for example, there is a clearly defined approval authority matrix dependent on the quantum of risk involved. All requests are reviewed by the CIC and escalated to the requisite delegated authority accordingly.

Market risk exposure is identified and captured based on our risk type framework covering equity, FX, interest rate, credit spread, commodity, and idiosyncratic risk. Risk is measured by estimating the potential losses from a particular risk type. This is usually achieved by determining the exposure, the trend and potential change in market value as well as the covariance with other relevant assets and liabilities. Established capital models, specific to us, are used to calculate the capital consumption of financial risks.

When necessary, approvals are granted subject to conditions to mitigate the potential risk to the Group and its stakeholders. Such conditions can include limiting concentrations in high-risk sectors and/or geographies. One area where risk position offsetting is routinely used as a direct risk mitigation is the seed capital portfolio.

A limit structure for the Groups' investments is in place with regular monitoring to ensure the portfolio remains within risk tolerance levels. The co-investment portfolio is also subject to bi-annual reviews at the underlying fund level to ensure the risk profile is maintained and any emerging risks are escalated where necessary. Ad-hoc monitoring and/or reviews of any aspect of the financial risk portfolio are carried out as and when required.

For sensitivity analyses on market risk exposures please refer to note 10 'Financial Instruments'.

Credit Risk

Credit risk arises from all transactions where actual, contingent or potential claims against any counterparty, borrower, obligor or issuer (which we refer to collectively as "counterparties") exist.

As an asset manager, we do not undertake business activities that result in material credit risk. For the Group, credit risk exposure relates primarily to cash and cash equivalent positions that are placed with third party banking and financial institutions, typically overnight but also, in certain circumstances, for longer periods. The counterparties are monitored via market parameters, the usage of independent credit rating agencies and proprietary analysis. The related credit risk to third party institutions is aggregated and managed within appropriate limits.

To further diversify counterparty risk in our corporate liquidity management, other options have been used, including investing in US Government securities as well as in corporate and government bonds. Credit risk has been further diversified through the holding of German sub-sovereign bonds. Due to the ultra-long maturity of these instruments, they serve as a proxy hedge to the interest rate risk of our Guaranteed Products. All diversification items contribute to our market risk positions.

Strategic Risk

Strategic Risk is the risk of an operating income shortfall due to lower-than-expected performance in revenues not compensated by a reduction in costs. Strategic Risk may arise from a decline in our assets under management driven by changes in asset values, from our ability to attract and retain assets under management and maintain competitive investment performance or from changes to the competitive landscape or regulatory framework. Strategic Risk could also arise due to a failure to execute strategy and/or failure to effectively take actions to address underperformance.

Strategic risk is a material risk type that may arise from the failure to meet our baseline strategy, failure to position us strategically, or an ineffective response to material negative plan deviations caused by external and internal factors. Exposure categories to help guide the assessment process for strategic risk include competitive landscape, key personnel, regulation, strategic relationships, macroeconomic downturn, and product suite.

The Strategic and Capital plan is approved annually by the Executive Board. During the year, execution of business strategy is regularly monitored to assess the performance against strategic objectives and to seek to ensure we remain on track to achieve targets.

Liquidity Risk

Liquidity risk is the risk arising from our potential inability to meet all payment obligations when they come due or only being able to meet these obligations at excessive costs. The objective of the Group's liquidity risk management framework is to ensure that it can fulfil its payment obligations at all times and can manage liquidity and funding risks within the agreed risk appetite. The framework considers relevant and significant drivers of liquidity risk, whether on-balance sheet or off-balance sheet as well as expected future cash flows.

Capital and Liquidity Management is mandated to manage the overall liquidity and funding position of the Group as well as the liquidity risk profile. Risk oversees the application of the liquidity risk framework and adherence to the risk appetite as approved by the Executive Board.

The Group proactively manages liquidity risks by:

_ Maintaining a liquid balance sheet with a prudent cash buffer and limited leverage
_ Assessing and monitoring liquidity and liquidity risks on a monthly basis and presenting the results to the RCC
_ Stress testing of liquidity by applying a combined, market and idiosyncratic stress event in which the Group needs to remain solvent over a prolonged period of stress (up to eight weeks)
_ Performing a rolling 12-month cash flow forecast, which is also stressed as part of the monthly stress testing
_ Maintaining a funding plan to assess upcoming funding demands and sources
_ Maintaining contingency funding procedures to enable swift and coordinated action and decision making in a liquidity crisis event

The Group uses stress testing and scenario analysis to evaluate the impact of sudden and severe stress events on our corporate liquidity position. It models the behaviour of our cash and cash-like investments position including on- and off-balance sheet in- and outflows and results in available liquidity after stress.

In line with the defined liquidity risk appetite, we aim to maintain a global level of available liquidity of € 600 million at all times. On 31 December 2021, available liquidity both within the stressed 8-week horizon and after a stressed 12-month period were significantly above the threshold.

Liquidity risk is an area of lesser concern for the Group due to the cash generating nature of our business and the conservative funding profile of our balance sheet. We principally fund the business through equity and cash generated from operations. We may, however, raise debt funding to address specific funding demands that may arise as part of growing the business.

As part of the annual strategic planning process, we project the development of the key liquidity and funding metrics based on the underlying business plans to ensure that the plan is in compliance with risk appetite. This includes maintaining a funding plan to specifically assess upcoming funding demands and sources to accommodate projected seed and co- investments within the respective limits.

To diversify our funding and access to liquidity, we have put in place a revolving credit facility in the amount of € 500 million for general corporate purposes under which there were no drawings as of 31 December 2021.

For the maturity analysis of financial liabilities please refer to note 10 'Financial Instruments'.

Risk Diversification and Concentration

Risk Concentrations

Risk concentrations refer to clusters of the same or similar risk drivers within specific risk types (intra-risk concentrations in operational, credit, market, liquidity and other risks). They could occur within and across counterparties, businesses, regions/countries, industries, and products. The management of concentrations is integrated as part of the management of individual risk types (e.g., operational, credit, market, liquidity risk management) and monitored on an ongoing basis, with the key objective to avoid any risk concentrations. This is supported by limit setting on different levels and/or management according to risk type.

Risk Type Diversification Benefit

The risk type diversification benefit quantifies diversification effects between operational, credit, market, and strategic risk in the capital adequacy assessments. To the extent correlations between these risk types fall below 1.0, a risk type diversification benefit results. The calculation of the risk type diversification benefit is intended to ensure that the standalone capital for the individual risk types is aggregated in an economically meaningful way.

Fiduciary Investment Risk

While non-financial, market, credit, strategic and liquidity risk management are focusing on risk management for us, the scope of fiduciary investment risk is the management of investment portfolios in accordance with our fiduciary and regulatory obligations.

The investment funds risk framework, which covers regulatory, client specific and internal requirements is embedded in our control framework.

Fiduciary Investment Risk in Traditional Asset Classes

Market Risk Management

The market risk management process identifies, measures, monitors, and reports the market risks of the investment portfolios. Both the specific risks on position level and the overall risk of the portfolio are considered – aiming at protecting investor assets and interests.

Risk Identification and Measurement: The risk identification process is performed on a quantitative and on a qualitative basis. The most relevant quantitative metrics are based on movements in credit spreads, equity prices, implied volatilities, commodity prices, foreign exchange rate, interest rates, and inflation rates.

Risk Monitoring and Escalation: The Group monitors market risks on a global basis with dedicated escalation procedures. Appropriate thresholds are defined and consumption of the capacity within the limits is reported to portfolio management. Indications for a high probability of a limit breach trigger immediate escalation and mitigation actions.

Liquidity Risk Management

Liquidity risk is defined as the risk arising from potential inability to meet investor redemptions or at significant cost to redeeming and remaining investors. The liquidity risk management framework includes processes to identify, measure, monitor, assess, manage, and report liquidity risk over the complete life cycle of a portfolio. Processes are executed by multiple Front-Office and control functions and governed by policies, procedures, and oversight bodies.

Identification and Assessment: The investment portfolio liquidity risk identification and assessment process consider a wide range of liquidity risk factors. Among them are the portfolio's strategy, the portfolio's asset liquidity, and liquidity demand scenarios such as investor redemptions and margin/collateral calls. Each portfolio's liquidity risk is measured across multiple dimensions, such as the time to liquidate portfolio holdings, the cost attributed to such liquidation, and the effect the liquidation would have on portfolio's future liquidity composition.

The portfolio's asset liquidity is measured by considering asset and market specific factors such as securities' listing status and trading activity. Liquidity demand scenarios are estimated applying a historical Redemption-at-Risk approach if applicable or otherwise hypothetical redemption scenarios. In addition, liquidity stress tests are run to simulate the impact of stress conditions, e. g. market depth decline.

Metrics are calculated and refreshed - where applicable – with updated trading and market data through the enterprise-wide system, Aladdin. The system is supplemented by additional Group trading and valuation control data. The metrics are available to control as well as Front-Office functions via reports and direct system access.

For efficient communication, a liquidity score is assigned to each portfolio based on a liquidity metrics weighted aggregation scheme which is supplemented by a qualitative assessment. In addition, each portfolio's liquidity risk relative to investment strategy and redemption obligations is reviewed through a formal annual risk review process.

Monitoring and Mitigation: Risk regularly performs monitoring for limit utilization on liquidity metrics. The limit structure consists of regulatory/internal limits and warning thresholds. Escalation chains and contingency planning are defined within the liquidity governance framework.

Fiduciary Investment Risk in Alternative Asset Classes

Whereas market prices are available daily for traditional assets, alternative assets are in most cases much more illiquid, or prices are not directly observable. In these cases, regular valuations take place reflecting the illiquidity of alternative assets. Measurement and control processes are undertaken on a monthly or quarterly basis rather than daily.

Investment Risk Management

The methodology for the alternative risk management requires expertise in the asset acquisition process, credit analysis where appropriate, regular stress testing, and calculation and monitoring of leverage, where applicable.

We have defined an appropriate catalogue of criteria which are observed in order to measure risk. This catalogue differs among the different sub-asset classes in Alternatives, e. g. real estate, infrastructure, debt, private equity and fund of funds. Warning thresholds are established, and consumption reported regularly to management.

Identification of Risk in Alternatives

The risk management function is responsible for identifying the material portfolio risk, which is defined as the risk of decreasing market values of the portfolio positions. This risk is considered material, in case it leads to a significant loss for the investor with a sufficient probability. Due to changing market conditions and volatilities as well as trading activities, the market risk for a given portfolio changes over time. The relevant risks to be considered, as well as traditional market risks and Alternatives assets, are:

- Interest rate risk
- FX risk
- Volatility risk
- Inflation risk
- Real estate risk
- Credit risk

Internal warning thresholds are implemented for the relevant criteria at the individual asset level (or contract) and at the entire portfolio level. Portfolio levels close to the warning threshold are regularly discussed and notified to the respective Alternatives Investment Committees or Boards of the management companies, whereas individual assets are monitored separately. The monitoring of individual assets may be triggered by reaching internal warning thresholds or by violation of contractually defined limits. In these instances, an asset is included in a watch list jointly overseen by portfolio management and risk management with regular monitoring of any mitigating actions. If investments further deteriorate, work-out specialists or other stress scenarios will be considered.

Liquidity Risk Management

Liquidity risk is the risk arising from potential inability to meet investor redemptions or other liquidity demands within a requested time period (liquidation period). Liquidity risk arises due to expected or unexpected investor redemption or other liabilities for payment such as settlements of foreign exchange forward transactions or margin calls which must be met by the current cash positions or by selling assets to generate cash. Hence the liquidity risk management framework considers both, the specific liquidation risk of the individual investments and the overall risk of the portfolio to generate liquidity. Within Alternatives products, open ended funds and closed end funds require a different kind of liquidity risk management.

Identification and Assessment: Measurement of the liquidity risk compares possible liquidity needs with asset liquidity and is summarized in a liquidity profile, which aggregates available liquidity by time buckets, considering the time it takes to liquidate assets. In addition, Risk defines further internal limits where appropriate.

Mitigation and Monitoring: Liquidity risk primarily affects open end funds and is addressed by respective provisions within the funds. The liquidity limit utilization is monitored on a regular basis. The implemented liquidity stress tests follow the approach that, under several predetermined liquidity stress test scenarios, the liquidity factors that drive the liquidity of funds are subject to severe stress levels which could reasonably be expected to occur. Appropriate thresholds are defined and limit utilisation is reported to management, as appropriate. Indications for high probability of a limit breach trigger immediate escalation and mitigation actions.

Counterparty Risk

Counterparty Risk relates to the potential losses arising when a counterparty cannot (or does not) fulfil its obligation in a transaction. In the context of the Group, counterparties are typically third party with direct market access (broker) or derivative counterparties, securities lending counterparties or banks where cash deposits are placed.

Each counterparty must be approved by Risk before any trade can be entered. Counterparty risks are identified via market signals (e. g. credit spreads), factors like ratings as well as by the regular review of counterparties. ESG aspects are also considered when reviewing a counterparty. Where appropriate, aggregated counterparty exposure limits are defined. Monitoring and escalation of limit excesses ensures adequate oversight. Over the Counter (OTC) derivatives exposure is traded under an International Swaps and Derivatives Association (ISDA) or ISDA equivalent agreement like a German Master Agreement (DRV) mitigating counterparty risks. Derivatives exposure is collateralised according to European Market Infrastructure Regulation (EMIR) standards.

Valuation Risk

Valuation Risk is defined as the risk from the potential to mismark the assets in investment portfolios, which can arise due to data feed issues; errors by accounting agents, pricing agents or valuation advisor; lack of adequate controls over pricing exceptions or missing prices; model or input errors; and other control processes failures. Valuation Control Group is responsible for oversight, monitoring and management of risk mitigating activities aimed to ensure that the assets in investment portfolios are fairly valued in accordance with our fiduciary and regulatory obligation.

Our investment management entities having fiduciary valuation obligations carry out a valuation process implemented by dedicated business and infrastructure teams, internal and external service providers. Valuation processes, procedures and service relationships are documented and ensure compliance with our global standards and principles detailed in the valuation policies, as well as relevant legal and regulatory requirements and client guidelines. The valuation risk management framework guides the implementation of consistent, robust and reliable valuation and governance processes that define the organizational set-up, standardized procedures and applicable controls. The risk management framework also provides direction for the committees, senior management and fund boards mandated to govern the asset valuation process.

Sustainability Risk

In recent years we have been monitoring the increased regulatory and market attention to the integration of sustainability risk in risk management frameworks. The guidance notice on dealing with sustainability risk published by the BaFin in December 2019 explains supervisory expectations for the integration of sustainability risk in the identification, assessment, monitoring, and management of all (material) risks. In response to this guidance and in alignment with the ESG strategy, we continued the sustainability risk integration process in 2021. We furthermore considered additional requirements such as the entry into force of the Level I of the SFDR and the publications addressing the integration of sustainability risk in the risk management policies for Undertakings for Collective Investments in Transferable Securities (UCITS) and Alternative Investment Funds (AIFs).

Sustainability Risk and Sustainability Factors

Sustainability risk means an environmental, social, or governance event or condition that could potentially cause a negative material impact on the value of an investment. These events or conditions (subsequently also called "factors") can either be of a macroeconomic nature (also called "outside-in") or directly related to our activities or an investee company contained in a portfolio managed by us (also called "inside-out").

"**Inside-out" events and conditions** include the following factors:

_ **Environmental factors** can for example be carbon footprint, avoidance of waste, and sustainable land use.
_ Relevant **Social factors** are amongst others compliance with recognized labour law standards.
_ **Governance factors** include tax honesty, anti-corruption measures, and data protection.

The following macroeconomic ESG related factors are considered as part of the **"outside-in" events and conditions**:

_ **Physical climate factors**, including extreme weather events such as heat waves, floods, and forest fires as well as long-term climate change leading for example to rising sea levels, unstable weather conditions, and ocean acidification.
_ **Climate transition factors**, for example policy measures, technological change, and changes in customer preferences associated with the transition to a low-carbon economy.

From our point of view, sustainability risk as well as the underlying sustainability factors cannot simply be considered to be one new and independent additional risk type, but sustainability factors are considered to be risk factors within existing risk types. The following hypothetical scenarios provide a selective overview of how sustainability factors may be impacting existing risk types:

Fiduciary Investment Risk: Companies contained within the portfolio of a fund managed by us operate their business in a non-sustainable way or might be exposed to significant climate change factors. An abrupt change in the market view or the materialization of climate change events might lead to a devaluation of shares in these companies which eventually leads to losses for investors of the fund.

Strategic Risk: Subsequent to the regulatory changes, for example those implementing the EU Action Plan, the product suite we offer may potentially no longer meet client expectations with regard to a diverse and appropriate offering of sustainable investment products. The resulting redemptions as well as missing subscriptions linked to this situation expose us to a strategic sustainability risk.

Non-Trading Market Risks: Shares in real estate investment funds that are part of the co-investment portfolio may be exposed to physical climate change or climate transition risks.

Operational and Reputational Risk: The ESG classification of products manufactured by us may be challenged with respect to the quality of sustainability factors considered (also called "greenwashing"). Besides the potential regulatory fines and litigations linked to such incident, ESG aware investors could withdraw their money from ESG labelled products or even other products managed by us.

We consider the above ESG related risk scenarios to be relevant for integration in the risk management Framework, which we further describe in the following sections.

Integration of Sustainability Risk in Corporate Risk Management

During the analysis of impacted risk types that formed the basis of our sustainability risk definition, we identified several corporate financial and non-financial risk types that could be impacted by sustainability factors, non-financial risks, strategic risks, market risks and counterparty risks in addition to reputational risks.

The following ESG integration activities have been performed during 2021:

Risk Management Framework: Subsequent to the implementation of the Sustainability Risk Management Policy, sustainability risks have been integrated into several aspects of the risk management framework. This includes the risk inventory analysis as well as the risk appetite statement of the Group – containing quantitative ESG related metrics.

Strategic Risk: We implemented a corporate ESG scenario analysis to quantify strategic risks and opportunities related to environmental, social and governance matters impacting the business model of the Group. The analysis identified and assessed key outside-in as well as inside-out factors that may have an impact on revenue generation:

- Outside-In factors: Changing ESG preferences of clients and the continuously changing regulatory environment in Europe are transforming the European product landscape with clients adjusting their investment portfolio allocation.
- Inside-Out factors: Our ability to transform our product suite and investment processes and respond to the changing regulatory environment whilst developing sustainable products that meet client needs.

These conclusions support the strategic decisions that have been made for our product conversion strategy, and further described in 'Our Strategy' and '[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing' chapter of the Annual Report.

Non-Financial Risk: The introduction of sustainability factors was considered in the 2021 Risk and Control Assessment.

Integration of Sustainability Risk in Investment Risk Management

Sustainability risk and sustainability factors have potential impacts on the portfolio risk profiles, for both liquid and illiquid alternative asset classes. The number of sustainability factors potentially impacting the valuation of assets contained in a managed portfolio led to the conclusion that a comprehensive measurement and management of sustainability risk requires a diverse set of risk indicators and measures.

For this purpose, the Climate Transition Risk Rating as well as a Rating assessing Norm Controversies (please refer to [Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing' for further details) were selected to assess the sustainability risk profile of a fund. In 2021, we implemented a portfolio sustainability risk governance process for European domiciled funds pursuing actively managed Equity or Fixed Income strategies. This process includes portfolio risk appetite setting as well as the measurement, monitoring and reporting of such indicators. In addition, selected ESG ratings were considered within existing counterparty risk processes and concentration risk processes.

As part of the sustainability risk integration into illiquid alternative asset classes, for real estate funds we developed an assessment process for physical climate risk and climate transition risks at the portfolio level.

Business Continuity and Crisis Management

Business Continuity Management (BCM) Program

We are committed to protecting our staff and ensuring the continuity of critical group businesses and functions in order to protect our franchise, mitigate risks, safeguard client services, and sustain both stable financial markets and customer confidence. We have developed, implemented, and continue to test and maintain our global BCM program to ensure it attains these objectives.

The BCM program outlines core procedures for the relocation or the recovery of operations in response to varying levels of disruption. A number of scenarios are considered including staff unavailability, complete loss of a single production site, loss of vendor services and loss of application software. These procedures provide information for responsible personnel to evaluate the business disruption and initiate appropriate action, including:

- safeguard employees' and our property
- communicate with our employees, regulators, and clients
- provide our client with access to their funds and securities and
- protect our books and records and recover/resume normal operations.

Each of our core businesses functions and infrastructure groups construct and maintain their business continuity plans (BCPs) to ensure a continuous, reliable service. BCPs are based on predefined strategies, roles, and responsibilities. BCPs are designed to ensure provision of critical business processes and IT systems within predefined recovery time frames. BCPs are reviewed, updated, and tested annually or when changes occur.

In support of our BCM program, we maintain technical disaster recovery (DR) plans to protect and recover applications, information assets, and technical infrastructure in the event of a facility failure or technology outage.

Roles and Responsibilities

The BCM program has defined roles and responsibilities, which are documented in our corporate standards. This fosters a companywide approach to the provision of resiliency throughout the Group and results in a group wide fit-for-purpose business continuity capability. The BCM program is staffed and managed within each region by specialists who coordinate preparedness efforts with BCM-trained staff embedded in each business and infrastructure area. The regional business continuity teams provide expertise and guidance to all business functions in developing, implementing, testing, and maintaining effective BCPs and recovery processes. Similarly, technical DR standards are implemented regionally by our technology department.

The Executive Board retains overall responsibility for policy setting, supervision and effective implementation of the business continuity policy and has delegated responsibility for business process disruption risk to the Chief Operating Officer (COO). The compliance with corporate standards is monitored regionally by a Regional Business Continuity Council, reporting on a quarterly basis to the Global Business Continuity Council. Regular reports - at least once a year - are submitted to senior management.

Crisis Management and Implementation

Our COO ensures a clearly defined, documented, and tested crisis management process for assessing, escalating, and managing any business disruption that may affect our ability to continue our critical business operations. This includes a crisis contact and escalation process, which is tested on a regular basis. In addition, BCPs are designed to be implemented in response to varying levels of business disruptions. The nature of the business disruption will affect whether all or only parts of our plans are executed.

Business Continuity Recovery Solutions

We have a broad recovery program in place to deal with the impact of incident or crisis. A number of customized recovery solutions have been designed to facilitate the quickest possible resumption of work for the critical businesses and support functions. Examples of these are:

Alternate Sites

We are using self-managed, dedicated standby facilities. These recovery sites provide dedicated recovery seats and infrastructure to provide for the needs of the business. Additionally, we retain recovery sites contractually through service providers who concentrate on business resiliency. All recovery sites are physically separated from normal business locations to prevent both sites being affected by the same incident.

Work-from-home (Remote Access)

Where permitted, employees can work remotely from home over a secure line and redirect their phone to either a landline or mobile phone.

Reciprocal Agreements

Some businesses have partnership agreements with other business units regarding the allocation of a required number of recovery seats or the ability to transfer work. The receiving business unit provides the necessary infrastructure, hardware facilities or staff. Both normal business locations are geographically separated from each other to prevent both sites being affected by the same incident.

IT Disaster Recovery (DR)

IT DR planning takes into consideration possible disruption scenarios such as a loss of data centre or the failure of specific IT assets and/or applications supporting critical business operations. In order to address these scenarios, confidential DR plans are in place to manage the recovery and continuation of operations from DR environments located at geographically separate sites. All DR plans are validated periodically and include the assessment of recovery time and recovery point objectives as well as technical and business validation to ensure that the DR environments operate at the required level.

Displacement Strategy

Certain business processes can be switched from one location to another and in the longer term, key staff can move to another location unaffected by the incident.

Service Providers

Service providers are contractually obliged to have business continuity capabilities in place to ensure continuity of services provided to us if the ordinary operation of the service provider is disrupted and to modify their work stream in order to adapt with our business continuity organization. A vendor risk management process is in place to ensure compliance.

Pandemic Planning

We maintain a risk-based approach to pandemic planning, using as a guide the World Health Organization (WHO) definitions of pandemic phases.

COVID-19

We actively manage the possible impact for the company and closely monitor the development of the situation in all regions to protect our staff and clients. We continue to communicate frequently with our employees with updates on the rapidly developing COVID-19 situation, including with precautionary health and hygiene reminders.

We encourage our staff to take preventive actions to help limit the spread of respiratory viruses. This includes in particular heightened hygiene measures following the recommendation of the World Health Organization (WHO).

In addition, we restrict travel to absolutely critical business travel only. These business trips have to be exceptionally pre-approved by our senior management prior to booking. Travel restrictions are under constant review and are updated as necessary. Audio and video conference meetings are encouraged where possible. If necessary – for example, when new variants appear or during phases of a particularly dynamic infection – work from home may be mandated beyond the official quarantine regulations.

The proactive precautions we continue to take have no impact on our operations and all client service continues unaffected. All areas of our business remain fully operational and, as described above, we were and are fully prepared and equipped to address any adverse impact that COVID-19 may have on the delivery of services. We were and are also capable of ensuring work-from-home for all our employees at the same time, if necessary – including portfolio management. We will maintain our risk-based approach of a hybrid schedule of return to the office and work-from-home using the recommendations of the WHO and the national health ministries, to preserve the health of our employees and to ensure all areas of our business remain fully operational.

Customer and Client Access to Funds and Securities

If the usual access to funds, securities and/or investment accounts are impacted by a significant business disruption, we will advise our customer and clients of the appropriate DWS contacts through expedient means at www.dws.com.

Regulatory Obligations

In the case of conflict between the business continuity policies and standards or the technical DR standards and local regulatory obligations, the stricter obligation is adhered to.

Compliance and Control

[Compliance and Control in the Group]

As a global fiduciary business, an effective compliance culture enables us to perform our duties in safeguarding client assets. This includes risk management processes such as risk identification, risk management and evaluation, risk monitoring and mitigation as well as accountability, and a clear responsibility across all three lines of defence but also a culture of ethics, setting out standards of behaviour which we expect our employees to adhere to. Our Code of Conduct is at the heart of everything we do. It is designed to ensure that we conduct ourselves ethically – with integrity, and in accordance with ours and Deutsche Bank's policies and procedures as well as the laws and regulations that apply to us across the world. Underpinning all of this is a simple but basic principle that we should do what is right and proper – it is not enough to just go by what is allowed. Whenever issues arise thoroughly investigations are carried out immediately.

In addition to integrity standards, our risk management framework shows the importance of an effective Compliance organisation in order to safeguard our regulatory, reputational and operational business interests. Compliance is embedded in this Risk Management Framework. In this context, it has the task to monitor and assess our risk profile with regard to the agreed risk appetites as well as the effectiveness of the first LoD controls that ensure risk mitigation. Although we have adopted a risk management process and regularly review our various controls, procedures, systems and policies, we are aware, that non-compliance with relevant laws and regulations and an inappropriate control framework could expose us to material financial, regulatory and reputational risk.

Since 2020, our Compliance organisation is part of the Chief Operating Office. The COO is responsible for Operations, the Divisional Control Office, the Chief Administrative Office, the Platform Transformation Team Anti-Financial Crime (AFC) & Compliance and Legal as well as responsible for the US region.

[Business Ethics]

GRI 102-17

We apply a Code of Conduct that sets out the standards of behaviour to which we expect all of our employees to adhere to. Whenever issues arise thoroughly investigations are carried out immediately. The underlying basis adopted is a Deutsche Bank Group global conduct risk framework designed to avoid the inappropriate creation of bad outcomes for our clients, for us or the integrity of financial markets through breaches of laws, regulations, or internal requirements such as our Code of Conduct. This global framework defines the principles for oversight over the management of conduct risk so that there is timely identification, reporting, escalation and remediation of issues that arise.

Since our IPO in March 2018, we developed a distinct set of values and corporate culture in order to position ourselves for the future. Therefore, the Executive Board identified four values shaping our culture as a leading asset manager. Culture and integrity are an essential cornerstone of a good corporate governance and success for the future and must be backed by our asset management capabilities as well as investment performance. With regards to conduct risk management, our employees are at the heart of what we do working in partnership, building trust and acting with integrity. With regards to reputational risk, our brand is one of the most important assets that our company has. Our brand offers identity, distinguishes the company and its products from its competitors, impacts the value of a company and attracts future employees. For additional information on composition, choice, and governance of our boards and committees, please refer to the 'Corporate Governance Statement' within this report.

In 2019, we set out a Culture and Conduct Programme that has continued into 2021 and will be continued going forward. The Culture and Conduct Programme in 2021 included eight initiatives designed to drive our corporate culture, these eight initiatives constitute our Culture Plan which is further broken down into actions and milestones. These initiatives are designed to focus on our employees since the more employees understand the risk attributable to their function, product, and business area, the more likely they are to incorporate them into decision making and ethical behaviour. In 2021, a total of 26 actions were identified, 14 will be continued either beyond 2021 or continuously. This is all aligned to the code of conducts, to ensure that our employees conduct themselves ethically with integrity and in accordance with policies and procedures.

Dealing with Conflicts of Interest

GRI 102-25

Conflicts of interest are inherent to all banking and investment businesses. Failure to recognise and appropriately manage conflicts of interest can result in inappropriate or adverse consequences for clients, the Group, and our employees. Every part of the Group is required to implement a dedicated framework for conflicts of interest in line with the Conflicts of Interest Policy of the Group, to identify actual and potential conflicts and manage them fairly and appropriately for all involved parties. Conflicts of interests are identified and administered through the respective Chief Operating Officers in the first line of defence and Compliance as second line maintains oversight. This includes topics such as employee trading, outside business interests, deal logging, or conflicts arising from family and close personal relationships.

An independent Deutsche Bank Group-wide Business Selection and Conflicts Office (BSCO) is responsible for identifying and managing transaction related conflicts. It has the mandate to approve or reject business transaction and annually reports to the Executive Board on conflicts of interest. Procedures around conflicts of interest were tested through a dedicated Compliance review in 2021 with no significant findings according to our internal audit rating methodology.

Anti-Competitive Behaviour

GRI 206-1

The consequences of anti-competitive behaviour could be serious and far-reaching. Our Anti-Trust Compliance programme defines the minimum standards of behaviour for our employees and includes a comprehensive training and control framework for identifying and monitoring anti-trust risks in order to prevent or mitigate breaches of anti-trust laws.

To our knowledge, there have been no pending or completed legal actions against the Group during the reporting period regarding any anti-competitive behaviour or violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.

In 2021, efforts around further strengthening our anti-trust framework continued by, among others the roll-out of a dedicated DWS Antitrust training that will also continue to be held for relevant staff in 2022.

Marketing and Labelling

Our reputation is founded on trust from our clients, shareholders, regulators, employees, and from the public in general. Isolated events can undermine that trust and negatively impact our reputation and hence our brand and it is therefore very important that it is protected.

Our governance structure including operation guidelines, defined policies, and our corporate values provide a structured framework for all employees to protect our brand and reputation. They enable a tight connectivity across the organisation to ensure that the framework is being followed and fully implemented. Our values and methodical business process are also reflected in the marketing and labelling of our products.

All marketing efforts must be tailored to the clients' requirements, must be fair, balanced and designed to ensure that risks are reasonably disclosed. Such materials are subject to complex regulatory requirements, which vary depending on the DWS entity, product, intended audience, venue where the offer or sale occurs, and other criteria. Our employees not only adhere to these requirements but also use professional judgment to present product and marketing content with honesty and transparency.

As part of the marketing review process, all marketing and product materials as well as further documents are reviewed and approved by Compliance or respective business gatekeepers to ensure that all requirements are being followed. The records of all approved materials are either retained by Compliance, the business or within the Compliance review systems. Only material that has been reviewed and approved can be published or distributed externally to clients.

We follow a clear set of rules including our Code of Conduct and address law-abiding conduct, corruption prevention, conflicts of interest, information and data protection to protect our clients' interests as well as our brand and reputation. We also follow the standards of Deutsche Bank Group's Gifts, Entertainment and Business Event Policy, our global framework on controls of marketing material and for some regions additional marketing policies that have been defined based on local requirements.

[Anti-Financial Crime – Preventing Fraud, Bribery and Corruption]

GRI 102-25; 205-2

We are convinced that the fight against financial crime is vital to ensure the stability and integrity of the international financial system. Failure to identify and manage risks relating to financial crime exposes DWS and its staff to potential corporate criminal and/or regulatory liability, civil lawsuits, financial losses, and a loss of reputation. The Executive Board is ultimately responsible for the management and mitigation of financial crime risks within the Group. It has delegated tasks relating to those obligations to the Anti-Financial Crime (AFC) and Compliance function. This global function maintains a close alignment with the AFC and Compliance function of Deutsche Bank Group.

The goal of the AFC function is to prevent us and our clients from being misused, or from engaging in the commission of certain criminal offences, referred to as financial crime. AFC is a second line of defence control function, managing and mitigating the financial crime risks assigned to it in the Non-Financial Risk Management taxonomy. These relate to the prevention of money laundering, countering terrorism financing, and the prevention of other criminal activities (e. g. fraud, bribery, and corruption) as well as observing sanctions and embargoes. AFC develops and implements, or oversees the development by other areas, of policies, procedures and processes, which form the control framework for those risks. AFC not only has oversight in respect of the broader control framework as it relates to countering other criminal activities, including controls for which other functions are accountable, but also performs second line of defence controls to detect and prevent financial crimes to which we are exposed, as well as identifying potential governance and control gaps. Furthermore, AFC provides specific training to our employees and to business development consultants engaged by DWS to ensure sufficient knowledge and awareness to support the achievement of the AFC function's goal across the whole Group.

Every employee is responsible for the prevention, detection, and reporting of internal and external fraud as well as bribery and corruption in connection with our business. We require all employees to conduct themselves with the highest standards of integrity at all times and to follow the correct procedures if they believe that something is not right. A speak-up culture is essential to maintaining a positive compliance culture in which everyone not only adheres to our policies, but also respects applicable laws and regulations in all jurisdictions at the same time as offering a safe environment for employees to raise issues.[43] Our Anti-Fraud Policy applies to all employees, permanent and temporary, and explains how to immediately escalate any known or suspected fraudulent incident or any concern via our whistle-blower tool or hotline that protects the identity of the individuals raising the incident or concern. We take a zero-tolerance approach to bribery and corruption in line with our Code of Conduct, our values and beliefs, and national and international laws and regulations. The Anti-Bribery and Corruption Policy sets out the minimum standards of behaviour expected of all employees and third parties as well as the minimum safeguarding measures to be implemented. Any non-compliance with the Fraud as well as the Bribery and Corruption Policies will lead to consequences for the respective individuals.

During 2021 we did not identify or report any material breaches of laws and regulatory requirements in relation to fraud, bribery, or corruption.

[Data Protection and Client Privacy]

GRI 418-1

Data protection is a significant challenge for both, companies and individuals. Therefore, we are committed to protecting personal data, complying with the General Data Protection Regulation (GDPR) and other relevant laws, and meeting the increasingly exacting demands of clients, employees, business partners, and regulators.

Data Privacy and Protection

Key Topics in 2021

Brexit: On 28 June 2021, the EU commission adopted an adequacy decision for the United Kingdom under the EU General Data Protection Regulation (GDPR). This decision

[43] Raising Concerns (including Whistleblowing) Policy – Deutsche Bank Group.

continues to allow the free movement of data between the EU and UK.

Third Country Data Transfers: In the aftermath of the decision of the Court of Justice of the European Union (CJEU) in the Facebook Ireland Ltd. v. Maximillian Schrems case, dated 16 July 2020 ("Schrems II"), the European Commission released revised Standard Contractual Clauses (SCC) on 4 June 2021 which must now be used for all new third country data transfers. All existing contracts must be transitioned to the new SCCs by 27 December 2022. In addition, Transfer Impact Assessments (TIA) must be carried out for all these third country data transfers and supplementary measures, such as privacy-enhancing technologies, must be established if necessary.

Governance

For data privacy we leverage Deutsche Bank Group´s expertise and resources. The Deutsche Bank Group Data Privacy (GDP) department is a specialised and independent function controlling the collection, processing and use of personal data. The GDP team provides the Data Protection Officer (DPO) for us and is supported by local delegates in the countries in which we conduct business. This set-up ensures direct and indirect reporting lines as well as regular exchanges on data protection topics within our centralised and decentralised organisation. In response to the increased controls required to ensure compliance with GDPR provisions, GDP is being expanded to ensure we have enough personnel to monitor, test, and assess our data privacy and protection set-up.

Education and Training on GDPR

Employee training on the implications of privacy laws for our day-to-day business as an asset manager is a key factor in ensuring adequate data protection in all operational processes. We aim to train all our staff on the implications of GDPR for day-to-day business. This training (eLearning module) was made available to employees with network access in all countries where we conduct business, even in those where the GDPR is not applicable, but where other data protection laws and principles apply.

Data Breaches

No data breaches reported to the DPO needed to be notified to data protection authorities.

Information Security Governance

Our COO is the Executive Board member overseeing information security which is managed by the Chief Information Security Officer (CISO). The CISO is the senior accountable officer for information security who has been empowered to strengthen cyber security protection and align us to the strategic direction set by the CSO of Deutsche Bank Group.

As the most senior authority for security matters, the CISO develops and drives the implementation and execution of the security strategy and ensures that our assets are appropriately protected. Our cyber security program follows a proactive risk-based approach, continuously improving the control standards to accommodate changes in the “threat landscape”, the evolution of the business model and the adoption of innovative technology and process solutions. To support this, we align our information security management system to the latest information security policies defined by Deutsche Bank Group. Our Information Security Framework is managed under the Deutsche Bank Group umbrella framework that has been validated by the certification ISO 27001, which was recertified in September 2021 (valid until 2024). To address the risk of violation of the confidentiality, integrity, and availability of our information by third parties, we have a multi-layer vendor management program with oversight by the dedicated DWS Vendor Management team. This is governed by Third Party Risk Management principles at Deutsche Bank Group level.

Employee Awareness and Training in Information Security

We aim to train all our employees in information security risk and controls as part of the on boarding process and regularly during their employment. The mandatory training includes several threat scenarios for which employees are challenged to select the best course of action to ensure that information is protected. Training sessions are continuously renewed, tailored and adapted to follow latest market developments and specific job profiles to ensure that employees are prepared in case of a cyber-threat.

In addition to the mandatory training, we use the Deutsche Bank Group awareness campaigns following the strategy to fortify the human firewall. As in the previous year, we continued to roll out the multi-channel awareness campaign to all staff globally, covering a broad range of information and security topics including the 2021 Information Security Month initiative. In 2021, we also continued the "Time to be aware" campaign to help our staff understand common yet significant security threats and their responsibility and contribution to helping us protect ourselves against such threats.

As a result of the strategy, in 2021 we have not experienced any relevant data leakages.

[Public Policy and Regulation]

Regulatory reforms in the EU and internationally expose us and our clients to increasing regulatory requirements. Failure to comply with laws and regulations applicable to us could result in harm to our reputation, regulatory penalties or fines, and a material adverse effect on our results of operations. To be compliant with all relevant rules and regulations is of paramount importance for us. Our aim is to identify new regulations and changes to existing ones at an early stage and to inform the relevant parties in the Group about it, thereby necessary changes can be implemented in time, to amend, upgrade or introduce new policies, procedures, systems and controls as required.

Since the risk of changing rules and regulations is inherent to our daily business, we have developed a holistic framework to identify and implement new or changed regulations using a systematic approach that prioritises significant regulatory risks and allocates clear accountability for the identification, impact assessment, and implementation of regulatory changes in order to address this adequately.

The framework governs how we manage regulatory change risk and helps to build our profile in regulatory interaction in general, so that we engage constructively with regulatory stakeholders. It also ensures informed strategic decision-making and provides oversight and control over how key initiatives are implemented, as well as insight for senior management on upcoming issues of public policy.

In 2021, Compliance continued with the established process. On a monthly basis information is communicated via the Local Regulatory Adherence Forum to our wider organisation. This provides transparency regarding project implementation and documentation.

The strategy for the implementation of regulatory change projects depends on the impact of the specific regulatory changes and the regulation in question. For major regulatory change topics such as Prudential requirements of investment firms (IFR/IFD), Central Securities Depositories Regulation (CSDR) or ESG centrally led change management implementation teams are established to determine precise impact per business lines.

Compliance has a Regulatory Practice Group, in which regulatory Compliance contacts from respective regions provide updates to the colleagues on key items which impact their jurisdictions and which may have extra-territorial impact. The process ensures informed strategic decision-making and provides oversight and control over how regulations are implemented. Monthly summary reports on key regulatory initiatives are provided by Compliance.

ESG Regulatory Compliance

GRI 419-1

EU Action Plan on Sustainable Finance and BaFin Guidance Notice on Dealing with Sustainability Risks

In 2018, the European Commission adopted the EU Action Plan on Sustainable Finance[44], which has the goal of supporting investment in low-carbon and resource-efficient technologies and to foster a longer-term outlook. We believe that the EU Action Plan on Sustainable Finance will play a key role in achieving the goals of the Paris climate agreement. As a member of the German Investment Fund Association (Bundesverband Investment und Asset Management e.V. – BVI) and the European Fund and Asset Management Association (EFAMA), DWS takes an active role in contributing its experiences and insights in sustainable finance throughout the policy and legislative process.

The ESG Regulatory Governance programme, launched in 2019, continued its work in 2021 by focusing on the implementation of the requirements of the Sustainable Finance Disclosure Regulation (SFDR)[45], which is effective from 10 March 2021. Under SFDR, financial market participants and financial advisors must provide transparency in the integration of sustainability risks and in the consideration of principal adverse impact in their processes. Furthermore, additional sustainability-related information with respect to financial products must be published by

[44] For additional information: Communication from the Commission to the European Parliament, the European Council, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions, Action Plan: Financing Sustainable Growth, COM (2018) 97 final, March 2018.

[45] Regulation (EU) 2019/2088 of the European Parliament and of the Council, of 27 November 2019.

financial market participants. DWS worked in 2021 on the update of the pre-contractual documents and periodic reports as well as website disclosures at both product and legal entity level. In 2021, the Principal Adverse Impact Statements and the Sustainability Risk Policies were published on the corresponding websites. The already existing Compensations Policy was adjusted according to Art. 5 of the SFDR.[46] Specifications outlined in the Regulatory Technical Standards (RTS) are currently still in draft status and their implementation will be one of the programme's focus areas for 2022.

The programme also analysed the requirements of the Taxonomy Regulation[47] and the planned changes in MiFID II[48], UCITS[49] and the Alternative Investment Fund Managers Directive (AIFMD)[50]. The Taxonomy Regulation introduces criteria for determining whether an economic activity qualifies as environmentally sustainable. Financial market participants will have to describe how and to what extent the investments underlying the financial product are made in environmentally sustainable economic activities. Those requirements were specified in the Taxonomy Art. 8 Delegated Act which was published in July 2021[51], requiring initial KPIs on Taxonomy eligibility being published for 2021, please refer to 'Supplementary Information – [Disclosures on Taxonomy Eligibility in Accordance with Article 8 Taxonomy Regulation and Delegated Act]'.

In December 2019, the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) published a Guidance Notice on Dealing with Sustainability Risks[52]. This Guidance Notice serves as a compendium of certain procedures for companies supervised by BaFin. It was analysed as part of the ESG Regulatory Governance programme and an impact assessment was performed. Implementation activities were conducted throughout this year and we plan to finalize the remaining aspects of the implementation of the BaFin Guidance Notice in 2022.

Tax Policy

GRI 207-1; 207-2; 207-3

Our tax policy framework is part of Deutsche Bank's tax strategy and principles[53]. These principles are embedded in controls, apply to all of our entities and have been approved by the Management Board of Deutsche Bank. The principles are subject to regular reviews. They enable us to manage our tax affairs in a value generating way while meeting applicable local and international laws and regulations (including international standards such as the Organisation for Economic Co-operation and Development (OECD) Guidelines). Further, these principles ensure that the tax consequences of business operations are appropriately aligned with the economic and commercial consequences of those operations, with due regard being given to the potential perspective of the relevant tax authorities.

In addition, tax principles help to make our interactions with tax authorities proactive, transparent, courteous, and timely. We constantly seek to foster positive working relationships with tax authorities. Further, as a responsible taxpayer, we consider long-term tax impacts and carefully evaluate the interest of all our stakeholders. Considering various interests of our stakeholders is achieved in particular by presenting important tax issues to the respective legal entity boards. Moreover, we participate and contribute to current discussions on tax regulations through business associations. The reason for participating in these discussions is to be able to exert influence in order to ensure that new tax regulations represent our values with regard to a fair tax system in social, political and business terms.

The tax department is part of the CFO division and is responsible for the global tax position. Our tax function is an independent risk and control function which is separated from the business divisions. We strive to employ highly skilled and motivated professionals to ensure that our own tax matters are robust and that we deliver high quality tax services.

We have controls and other governance mechanisms in place to ensure, in all material aspects, that we comply with applicable tax laws, file accurate tax returns, and pay the amount of tax due.

The management, control and reporting of tax risks follows the three lines of defence model. The first line of defence is our business divisions whose activities may generate tax risks. The business divisions are responsible for managing tax risks within the defined tax risk appetite at the appropriate

[46] Https://www.dws.com/de-de/loesungen/esg/informationen-zur-nachhaltigkeit/.
[47] Regulation (EU) No 2020/852 of the European Parliament and of the Council, of 18 June 2020.
[48] Directive (EU) 2020/1504 of the European Parliament and of the Council, of 7 October 2020, amending Directive 2014/65/EU.
[49] Commission Delegated Directive (EU) 2021/1270 of 21 April 2021, amending Directive 2010/43/EU.
[50] Commission Delegated Directive (EU) 2021/1255 of 21 April 2021, amending Delegated Regulation (EU) No 231/2013.
[51] Commission Delegated Regulation of 6 July 2021 supplementing Regulation (EU) No 2020/852.
[52] Merkblatt zum Umgang mit Nachhaltigkeitsrisiken, Bundesanstalt für Finanzdienstleistungsaufsicht, 20 December 2019.
[53] For additional information please see https://www.db.com/ir/en/tax-strategy.htm

granularity. This is to ensure that organization, governance and structures are in place to identify, monitor, and evaluate the tax risks they generate or are exposed to. The second line of defence is the tax function which facilitates the implementation of a sound tax risk management framework to ensure that the Group's position, with respect to tax matters, remains robust. The tax function, which is independent of the business divisions, is responsible for defining the tax risk appetite as well as the tax risk management and control standards. It also independently oversees and challenges the businesses and management and acquiring of tax risks. The third line of defence is our internal audit function which is accountable for providing independent and objective assurance on the effectiveness of how the business divisions and the tax function interact with respect to tax risk management.

Internal Control System for the Financial and Non-Financial Reporting Process

General

Management is responsible for establishing and maintaining an adequate internal control system to support the consolidated financial reporting process and the integrated non-financial Group statement. The control system comprises the principles, processes and measures to provide assurance regarding the reliability of financial and non-financial reporting and the preparation of the Group's consolidated financial statements in accordance with IFRS and HGB.

The internal control system and risk management system as they relate to financial reporting form an integral part of the broader DWS control environment.

Internal Control System for the Financial Reporting Process

Internal Control System Objectives

To mitigate financial reporting risk the internal control system has been established to provide reasonable but not absolute assurance against material misstatements. To support this the Group adopts the following objectives:

- **Existence:** Assets and liabilities exist and transactions have occurred.
- **Completeness:** All transactions are recorded, account balances are included in the financial statements.
- **Valuation:** Assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts.
- **Rights, obligations and ownership:** Rights and obligations are appropriately recorded as assets and liabilities.
- **Presentation and disclosures:** Disclosure, presentation and classification of financial reporting is appropriate.
- **Safeguarding of assets:** Unauthorised acquisition, use or disposition of assets is prevented or detected in a timely manner.

The internal control system covers both the financial reporting process of the entities included in the consolidated financial statements and the consolidation process itself. This ensures the consolidated financial statements as a whole are prepared in accordance with applicable rules and provisions.

Internal Control System Organisation

The Group organisational structure facilitates the operation of the internal control system with clear division of roles and responsibilities to support the financial reporting process and preparation of consolidated financial statements. The operation of the accounting related internal control system primarily involves staff based in the Chief Financial Office (CFO).

CFO is responsible for the periodic preparation of the financial statements. The two key control functions within CFO that contribute to the internal control system are the Group Controller and Financial Control Oversight (FCO).

The Group Controller is responsible for the financials of the Group and its consolidated subsidiaries. The Controller function sets the reporting timetables, performs the consolidation, controls and validates the period end results, executes adjustment processes, and compiles the Group financial statements. In addition, Product and Regional Finance teams are responsible for reviewing the quality of financial data by performing validation and control, in close contact with business, infrastructure and legal entity management.

FCO is responsible for implementation of the financial reporting control framework to minimise financial reporting risk. FCO also coordinates the evaluation and review of risk and control issues and performs ongoing assessment and monitoring of the effectiveness of the internal control system.

Financial Reporting Controls

The Group operates a large number of controls in relation to the financial reporting and consolidation processes. Some of the key controls that support these processes include the following:

_ **Consolidation and other period end reporting controls:** Controls over consolidation, financial statement disclosure and presentation
_ **Accounting policy design and implementation:** Controls to promote the consistent recording and reporting of business activities in accordance with accounting policies
_ **Balance sheet substantiation:** Controls relating to the substantiation of balance sheet accounts to promote the integrity of general ledger account balances based on supporting evidence
_ **Valuation including the independent price verification process:** The Principal Valuation Control Council (PVCC) provides oversight over valuation processes.
_ **Reconciliation controls, both external and internal:** Inter-system reconciliations are performed between relevant systems for all transactions, positions or relevant parameters.
_ **New product and transaction approval, capture and confirmation:** Controls are intended to ensure the completeness and accuracy of recorded transactions as well as appropriate authorisation for new products and transactions.
_ **System access controls:** Controls ensure that user access to financial information in the key financial reporting systems is governed by a need-to-know principle.

Monitoring and Oversight of Internal Control Effectiveness

The effectiveness of the internal control system relating to the financial reporting process is regularly monitored. This includes monitoring performed by FCO and as part of the broader Group financial reporting and non-financial risk and control frameworks. This monitoring includes regular forums comprising control representatives, key control testing procedures to centrally evaluate the operating effectiveness of the control environment and regular reporting of control environment metrics to senior management.

These processes are supported by independent Internal Audit who evaluate the design and operating effectiveness of the internal control system by performing periodic and ad-hoc risk-based audits.

Finally, the Audit and Risk Committee and the Executive Board provide senior oversight and governance of the financial reporting process including signing off the consolidated financial statements for the Group.

[Internal Control System for the Non-Financial Reporting Process]

To support the accurate reporting of material non-financial information the Group has developed a non-financial internal control system, distinct from the internal control system for financial reporting. The objective of the internal control system for the integrated non-financial Group statement is to provide accurate reporting of internally compiled sustainability KPIs, as disclosed in the 'DWS Performance' section of this report.

The Sustainability KPIs are reviewed annually with members of the Group Sustainability Council (GSC) to determine if any changes are required to those that are being monitored. The Sustainability KPIs and their associated targets and ambitions are also reviewed by the Executive Board.

CFO is responsible for coordinating and reviewing the internal control system, internal and external ESG AuM and flow reporting and reporting of KPIs in collaboration with the KPI owners. Ownership of the KPIs is split across the following functions:

_ **Product Division:** Owns the ESG Product Classification Framework.
_ **Corporate Governance Centre:** Compiles corporate engagement and proxy voting results.
_ **COO:** Co-ordinates with Deutsche Bank Group to obtain emissions data where required and determine DWS energy consumption, use of electricity from renewable sources and travel emissions results.
_ **HR:** Compiles proportion of women results.
_ **Corporate Social Responsibility:** Tracks volunteer hours per employee.

A review of sustainability KPIs is performed through the GSC where KPIs are presented on a quarterly basis.

The internal control system comprises key controls that are designed to ensure the accuracy of sustainability KPIs. These key controls vary by KPI but reflect the following key principles:

_ **Four eyes review:** All internally produced KPIs are subject to four eyes controls with at least two independent parties involved in the review and reporting of KPI data. In addition for all KPIs, the CFO division acts as an independent control function before any KPIs are disclosed externally.
_ **Data quality:** Data quality checks are performed to ensure accurate KPI reporting. Sustainability KPIs involve diverse sources of data and as such appropriate controls are executed to ensure integrity of the underlying data.

_ **Documentation:** All internally produced KPIs (that are published externally) are supported by control documentation which comprise key static data, process flow, key controls, and risk assessment.

Compensation Report

The 2021 compensation report for the members of the Executive Board of DWS Management GmbH as the General Partner of the DWS KGaA and the Supervisory Board of the DWS KGaA was prepared jointly by the members of the Executive Board and the Supervisory Board in accordance with Section 162 German Stock Corporation Act.

The compensation report sets out the broad lines of the compensation systems for the members of the Executive Board and the Supervisory Board and provides clear and comprehensible information on the compensation granted and due by DWS KGaA and subsidiaries of the Group to each current and former member of the Executive Board and the Supervisory Board in the 2021 financial year.

The compensation report complies with the current legal and regulatory requirements of the German Stock Corporation Act (AktG), in particular Section 162 (1) and (2) AktG, the Remuneration Regulation for Institutions (Institutsvergütungsverordnung – InstVV) as well as the EU Directives on Alternative Investment Fund Managers (AIFMD) and Undertakings for Collective Investment in Transferable Securities V (UCITS V) as applicable. It also takes into account the recommendations of the German Corporate Governance Code (GCGC) and complies with the relevant requirements of the applicable accounting rules for capital market-oriented companies.

Based on Section 162 AktG, the compensation report also provides clear and comprehensible information on the compensation granted and due to each current and former member of the Joint Committee in the 2021 financial year.

Executive Board Compensation

Compensation Governance

DWS Management GmbH is the General Partner of the DWS KGaA. As such, it is responsible for the management of the business of the DWS KGaA. The subject of this section of the compensation report is the compensation for the members of the Executive Board, who represent the General Partner and fulfil its task of managing the business.

Due to DWS Management GmbH's legal form, its shareholders' meeting is responsible for the structure of the compensation system of the Executive Board of DWS Management GmbH and for the determination of the specific structure as well as the individual amount of compensation. The Joint Committee of DWS KGaA has a right of proposal with respect to the determination of the amount of individual variable compensation. The Joint Committee consists of two members delegated by the shareholders' meeting (currently two members of the Management Board of Deutsche Bank) and two members delegated by the shareholder representatives on the Supervisory Board.

The shareholders' meeting may resolve to amend the compensation system if necessary. In the case of significant changes, but at least every four years, the compensation system is submitted to the General Meeting of DWS KGaA for approval.

Due to regulatory requirements, the three Executive Board members with responsibility for the Investment, Coverage and Product division each have, in addition to their service contracts with DWS Management GmbH, an additional service contract with a subsidiary of the Group, DWS Investment GmbH. The shareholders' meeting is solely responsible for the structure of the compensation system and the determination of the individual compensation relating to DWS Management GmbH. However, the total compensation of the Executive Board members includes both the compensation determined by DWS Management GmbH as well as by the subsidiary of the Group consolidated in the Group financial statements, DWS Investment GmbH. For reasons of transparency, the compensation system on which compensation from the subsidiary is based is explained in broad lines in section 'compensation system for additional service contracts with a subsidiary of the Group'.

Alignment of Executive Board Compensation with DWS's Strategy

The Executive Board of the Group is responsible for steering and controlling the entire Group. The compensation system for the Executive Board plays a vital role in promoting and implementing the Group's long-term strategy and developing a value-based, sustainable management system aligned with shareholder interests. An additional objective of the compensation system is to offer Executive Board members a market-oriented, competitive compensation package in balance with statutory and regulatory conditions and the principles of good corporate governance.

The following principles in particular have been taken into consideration in the development of the compensation system and the determination of individual variable compensation:

General principles of the compensation

Promoting DWS Group's strategy	The strategy of the Group forms the basis for the definition of the relevant and at the same time ambitious objectives. The level of target achievement determines the level of compensation. Excellent performance can thus be rewarded appropriately, while a failure to achieve objectives results in the reduction of variable compensation, up to and including complete forfeiture (pay for performance).
Focus on long-term group performance	Long-term objectives and performance parameters as well as variable compensation granted on a largely deferred basis guarantee a forward-looking, sustainable work to promote further success and positive business development.
Sustainability: the focus of action	Responsible and sustainable action are of paramount strategic importance. For that reason, the performance parameters of the compensation system are closely linked with DWS's ESG/sustainability strategy.
Consideration of the shareholders' interests	Clearly defined key financials that are aligned with the performance of the DWS Group, which directly determine the setting of the variable compensation and the granting of variable compensation in the form of share-based components ensures that variable compensation is closely aligned with the performance of DWS shares and shareholder interests.
Motivating collective and individual performance	Ambitious and motivating individual objectives in the Executive Board member's area of responsibility and consideration of the performance of the Executive Board as a whole promote a successful and dynamic environment.

Compensation-related Events in 2021

Amendment of the Compensation System as of 1 January 2021

Against the background of new regulatory requirements according to the Act transposing the second European Shareholder Rights Directive into German law (ARUG II) and the new German Corporate Governance Code (GCGC 2020), the compensation system for the Executive Board which has been in force since the Company's initial public offering in March 2018 was thoroughly reviewed in the 2020 financial year and further developed taking these requirements into account.

As a result of the review, the shareholders' meeting has amended the compensation system in the following aspects:

_ In the performance-related variable compensation, an even stronger focus was placed on long-term strategic success by bundling all common strategic objectives in the long-term component and a higher weighting of now 60%.
_ In line with DWS's ESG sustainability strategy, variable compensation has been linked more closely to ESG ambitions: through individual objectives in the Short-Term Award (STA) as well as through joint targets in the Long-Term Award (LTA), at least 20% of the total variable target compensation is now linked to ESG targets.

Approval by the 2021 Annual General Meeting

The compensation system for the members of the Executive Board, amended effective as of 1 January 2021, was submitted for approval to the Annual General Meeting of DWS Group on 9 June 2021, in accordance with Section 120 a (1) AktG. The Annual General Meeting approved the compensation system by a majority of 99.21%.

Detailed information on the compensation system is published on the DWS's website (Compensation system for the Managing Directors of the General Partner.pdf).

The compensation system was implemented within the framework of the Executive Board service contracts and applied to all members of the Executive Board active in the 2021 financial year.

Deviations from the compensation system

The shareholders' meeting in the 2021 financial year did not make use of the possibility provided for in the compensation system pursuant to Section 87a (2) sentence 2 AktG to temporarily deviate from individual components of the system in special, extraordinary situations.

Composition of the Executive Board

The Executive Board consisted of six members in the 2021 financial year. The mandates of Dr Asoka Woehrmann, Mark Cullen, Dirk Goergen, Stefan Kreuzkamp and Claire Peel were extended for a further three years.

Principles of Compensation Determination

Compensation Structure

Compensation for Executive Board members consists of non-performance-related (fixed) and performance-related (variable) components. The fixed and variable compensation together constitute an Executive Board member's total compensation. The shareholders' meeting defines target and maximum amounts for all compensation components. The total compensation of all Executive Board members is furthermore subject to additional caps.

Non-performance related component (fixed compensation)

The fixed compensation comprises a base salary, contributions to a pension plan and fringe benefits.

Base salary

Base salary is determined based on the position held by an Executive Board member and the associated shared responsibility for management. In addition, the duration of membership in the Executive Board is taken into account by the ability to set a higher base salary for Executive Board members upon reappointment. Furthermore, the amount of the base salary offered depends on the relevant market conditions. In the light of regulatory requirements, a cap for variable compensation amounting to 200% of fixed compensation is factored in; therefore, fixed compensation is determined in such a way that a competitive and market-oriented total compensation can be ensured even while taking these requirements into account.

The base salary amounts to € 2,400,000 per year for the Chairman of the Executive Board and between € 950,000 and € 1,250,000 per year for the other Executive Board members. It is paid in twelve equal monthly instalments.

Fringe benefits

Furthermore, all Executive Board Members are entitled to receive “fringe benefits”. They consist on the one hand of contractually agreed regularly recurring benefits such as contributions to insurance policies, coverage of costs for participation in medical check-ups and – for Executive Board members based in Germany – a company car option on the basis of the applicable Company Car Policy of Deutsche Bank Group. In addition, Executive Board members not resident in Germany may be granted certain ad-hoc benefits, such as reimbursement of costs for preparing income tax returns.

The availability and individual utilization of fringe benefits may vary depending on location and personal situation, which is why the amount of fringe benefits cannot be precisely determined at the beginning of a year. However, the cap on total compensation (maximum compensation) pursuant to Section 87a (1) sentence 2 number 1 AktG (maximum compensation) may in total not be exceeded by these benefits.

Company pension plan

In addition, Executive Board members receive a commitment to pension benefits under the defined contribution pension plan offered to DWS employees in Germany.

For the Executive Board members a fixed annual value in the amount of € 90,000 respectively € 300,000 for the Chairman of the Executive Board is contributed to the pension plan (annual contribution). The annual contribution is invested in selected investment funds. Furthermore, an additional risk contribution of € 10,000 is provided to cover the risk of early pension events. The sum of the market values of the investments forms the pension amount available to be paid as pension benefit in case of a pension event (age limit, invalidity or death).

Executive Board members domiciled outside of Germany who pay taxes on their income outside Germany may opt for a pension allowance in lieu of the pension plan commitment; the allowance is equivalent to the annual contribution to the pension provision.

Performance-related component (variable compensation)

Variable compensation is performance-related and is granted as either the Short-Term Award (STA) or the Long-Term Award (LTA), depending on the tenure of the relevant objectives. For variable compensation, the objectives and performance parameters are defined at the beginning of a fiscal year; the extent to which the objectives are achieved determines the amount of variable compensation. This always ensures a close link between performance and compensation.

Short-Term Award (STA)

The STA is used to reward the achievement of individual and divisional objectives of an Executive Board member. The performance criteria on which the STA is based are short-term objectives for a financial year. The agreed objectives support DWS's business and strategic objectives and are aligned with the individual Executive Board members' areas of responsibility and the specific challenges associated with it.

The STA is determined based on the objectives listed in the individual Balanced Scorecard as well as on up to three further individual objectives. The portion of the STA determined by the Balanced Scorecard accounts for 20% of the performance evaluation. The additional individual objectives account for an equivalent share of the STA. The sum of the Balanced Scorecard and the additional individual objectives amounts to 40% of the total reference variable compensation

The target amounts of the STA based on a year-round full-time employment at 100% achievement grade are currently between € 200,000 and € 1,440,000. The maximum possible level of target achievement is capped uniformly at 150%.

Long-Term Award (LTA)

The focus of assessment of variable compensation lies on the achievement of long-term and strategic objectives. The Long-Term Award, which covers the long-term strategic targets, uniformly comprising 60% of the total reference variable compensation.

The LTA consists mainly of the DWS Group component linked in accordance with the strategy of the Group to three selected performance indicators as key metrics for the success and growth of the business: Adjusted cost-income ratio (CIR), net flows (as a percentage of assets under management (AuM)), and Environmental, Social and Governance (ESG) footprint. Each of the three aforementioned objectives is weighted at a fixed percentage of the reference size for the DWS Group component by the shareholders' meeting. This reference size amounts to a total of 50% of the total reference variable compensation.

Due to regulatory requirements, the overall performance of Deutsche Bank Group must also be taken into account when determining the variable compensation. For this reason, collective objectives are linked additionally to the Deutsche Bank Group strategy and performance. In accordance with this strategy, four performance metrics constituting important indicators for the capital, risk, cost and return profile of the Deutsche Bank Group form the reference value for the Deutsche Bank Group component of the LTA: Core capital ratio (CET 1-Quote), leverage ratio, adjusted costs, and return on tangible equity (RoTE). The four aforementioned objectives specified are equally weighted within the Deutsche Bank Group component. The Deutsche Bank Group component accounts for 10% of the total reference variable compensation.

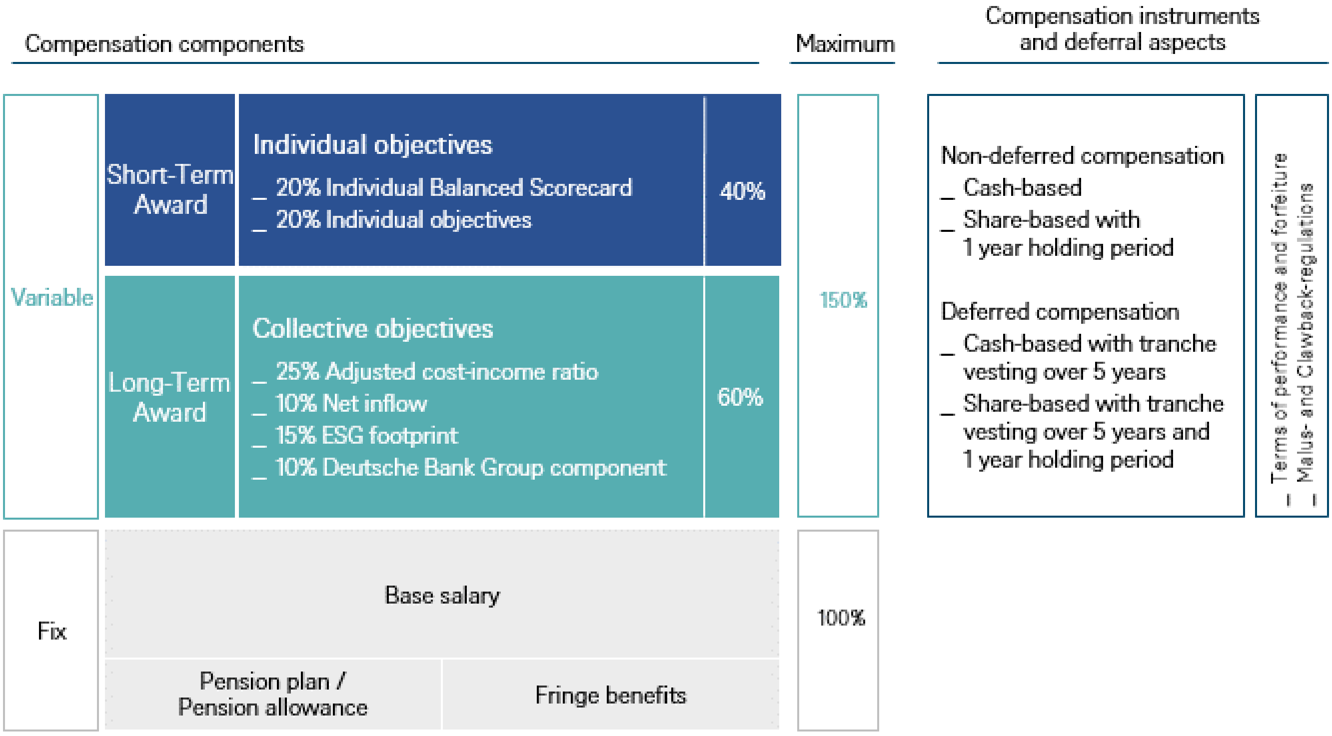
The target amounts of the LTA based on a year-round full-time employment at 100% achievement grade are currently between € 300,000 and € 2,160,000. The maximum possible level of target achievement is uniformly capped at 150%.

Compensation instruments and deferral periods

The defined variable compensation for Executive Board members can be granted entirely on a deferred basis, subject to a minimum deferral of 60%; this ensures that the sustainability of success is adequately taken into account in the business and risk strategy and leads to a long-term incentive effect of variable compensation. Moreover, more than half of the total variable compensation is granted in the form of share-based instruments, the value of which is linked to DWS's share price performance.

The deferred compensation instruments are subject to additional performance and forfeiture conditions which can result in the full or partial forfeiture (malus). In addition, the shareholders' meeting may reclaim already paid variable compensation under certain circumstances (clawback). Variable compensation awarded for a fiscal year is disbursed over a period of one up to six years.

Overview of the compensation system



Further rules: Maximum compensation as well as commitments and benefits in connection with the start and end of the activity.

Composition of the Target Total Compensation and Compensation Caps

In accordance with the compensation system, the shareholders' meeting defines a target total compensation for each Executive Board member.

In order to take appropriate account of factors such as competition and the market environment as well as the various areas of responsibility and the requirements of the respective position and duration of membership in the Executive Board, the compensation system allows for differentiation with respect to the amount of the target total compensation and the ratio of fixed to variable compensation components. The relative shares of the compensation components in the annual target total compensation are determined in the following ranges due to the differentiation:

Compensation components and relative share

	Relative share of total compensation in %	
Compensation components	CFO, COO and Head of Product Division	CEO, Head of Investment and Head of Coverage Division
Long-term award	19 - 32%	29 – 35%
Short-term award	13 - 21%	19 - 24%
Base salary	42 - 63%	38 - 48%
Pension contribution / pension allowance	3 - 6%	1 - 5%
Regular fringe benefits	1%	1%
Reference total compensation	**100%**	**100%**

The total compensation is furthermore subject to additional caps which are to be reviewed when determining the compensation:

Pursuant to Section 87a (1) sentence 2 number 1 AktG, the shareholders' meeting set a limit (maximum compensation) for total compensation for the Executive Board members amounting to € 9.85 million each. This cap comprises not only base salary and variable compensation but also regular and ad-hoc fringe benefits and pension service costs for company pension plan or pension allowances.

Pursuant to the Capital Requirements Directive (CRD IV) applicable to the financial sector as implemented by Section 25a (5) of the German Banking Act (Kreditwesengesetz – KWG) and Section 6 InstVV, the ratio of fixed to variable compensation is capped at 1:1, i. e., the amount of variable compensation may not exceed the fixed compensation. The shareholders' meeting has utilized the option provided by law and resolved to increase the upper limit for the ratio of fixed to variable compensation to 1:2.

The shareholders' meeting defines a target and a maximum amount for variable components. The maximum possible level of target achievement for short-term as well as long-term variable compensation components is limited uniformly to 150% of the respective target amount. If the level of target achievement exceeds that amount, short-term as well as long-term variable compensation determined at the end of the year is limited to 150% of the reference variable compensation.

If, after determining target achievement, variable or total compensation is calculated to exceed one of the above-mentioned caps, the variable compensation will be reduced accordingly by an equal percentage reduction in the Short-Term and Long-Term Awards until the amount of variable or total compensation meets the limit.

In the following table all target and maximum amounts for the variable compensation elements as well as the base salary for each Executive Board member in the financial year 2021 based on a year-round full-time employment is shown. The maximum amounts of short-term as well as long-term variable compensation components were set uniformly at 150% of the respective target amount according to the maximum possible level of target achievement.

Target and maximum amounts

				2021	2020
in €	Base salary	Short-Term Award	Long-Term Award[1]	Total compensation	Total compensation[2]
Chief Executive Officer and Head of Executive Division					
Target value	2,400,000	1,440,000	2,160,000	6,000,000	6,000,000
Maximum value	2,400,000	2,160,000	3,240,000	7,800,000	7,200,000
Chief Financial Officer and Head of CFO Division					
Target value	1,200,000	320,000	480,000	2,000,000	2,000,000
Maximum value	1,200,000	480,000	720,000	2,400,000	2,400,000
Chief Operating Officer and Head of COO Division					
Target value	1,250,000	620,000	930,000	2,800,000	2,800,000
Maximum value	1,250,000	930,000	1,395,000	3,575,000	3,575,000
Chief Investment Officer and Head of Investment Division[3]					
Target value	1,250,000	700,000	1,050,000	3,000,000	3,000,000
Maximum value	1,250,000	1,050,000	1,575,000	3,875,000	4,000,000
Head of Client Coverage Division[3]					
Target value	1,200,000	480,000	720,000	2,400,000	2,400,000
Maximum value	1,200,000	720,000	1,080,000	3,000,000	3,000,000
Head of Product Division[3]					
Target value	950,000	200,000	300,000	1,450,000	1,450,000
Maximum value	950,000	300,000	450,000	1,700,000	1,700,000

[1] The Long-Term Award accounts for 60% of the total reference variable compensation, 50% are determined by the DWS Group component and 10% by the Deutsche Bank Group component.
[2] Values are annualised values as of 31 December 2020.
[3] Due to regulatory requirements, the current function holders have another employment contract with a subsidiary within the Group. For reasons of comparability, the values given refer to full-time employment throughout the year.

Application of the Compensation System in the Financial Year 2021

Non-performance Related Component (Fixed Compensation)

The fixed components of compensation in the form of base salary, fringe benefits and pension contributions or allowances were granted in the financial year as non-performance related and in accordance with the compensation system based on the individual contractual commitments and individual utilization.

Performance Related Component (Variable Compensation)

The variable performance-related compensation for the 2021 financial year was determined by the shareholders' meeting following the proposal of the Joint Committee based on the achievement of the pre-defined and agreed financial and non-financial objectives. For all targets, demanding and ambitious target and maximum values as well as performance parameters for the 2021 financial year were defined, from which the level of achievement of the targets could be transparently derived. The range of possible target achievement was between 0% and 150%.

Short-Term Award (STA)

The STA is determined based on the results of the individual Balanced Scorecard as well as on the achievement of individual objectives.

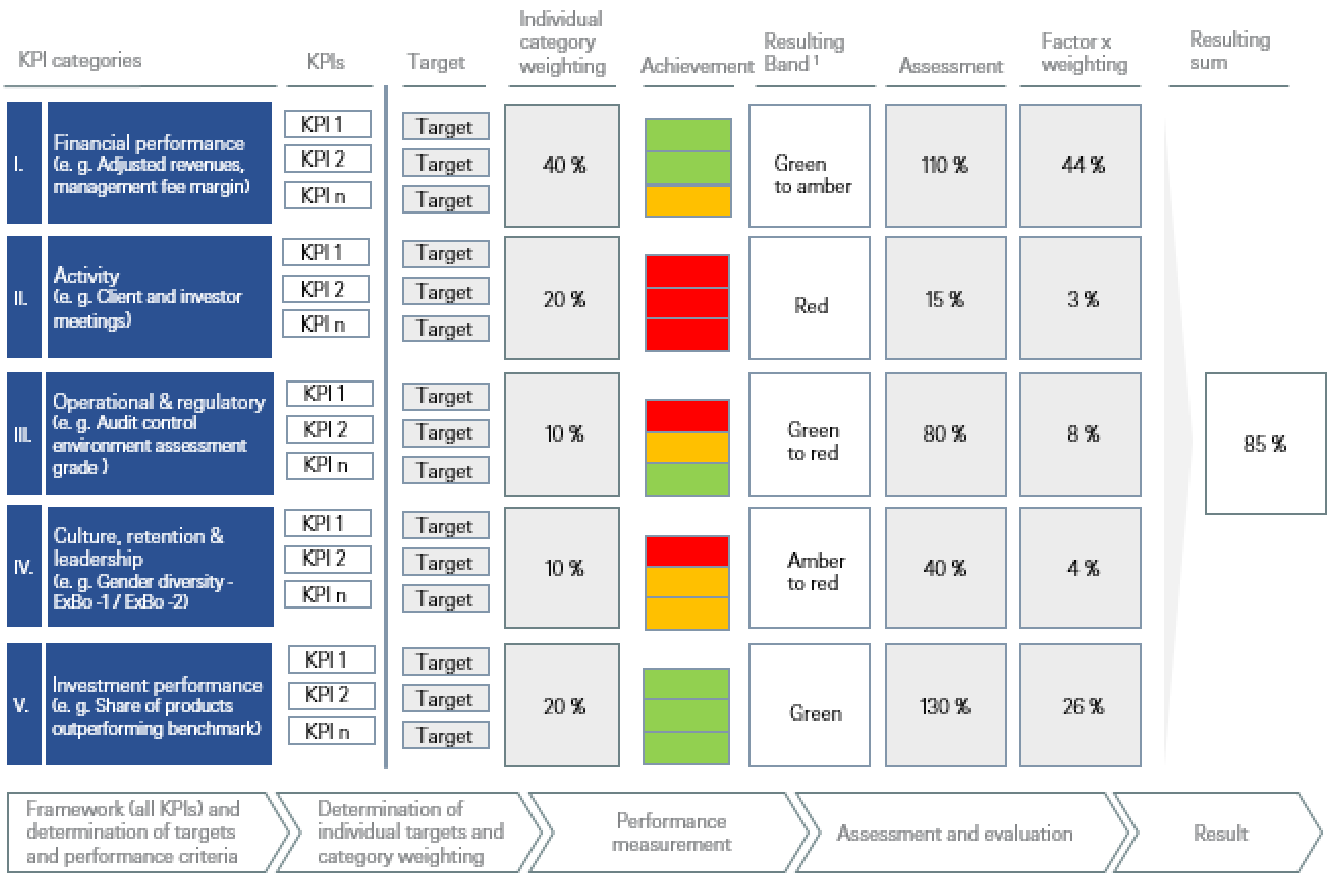
Individual Balanced Scorecard

The Balanced Scorecard is a tool used to steer and control key performance indicators (KPIs) and renders it possible to measure the achievement of strategic objectives. At the same time, it offers an overview of the priorities set throughout the entire Group. The Balanced Scorecard contains key financial as well as non-financial performance indicators in a balanced ratio. In accordance with strategic priorities, aspects such as environmental, social and governance considerations are also taken into account – for instance, sustainable finance and products, regulatory requirements and corporate culture.

These performance indicators are bundled into five categories associated with the business model of an asset manager. The categories are individually weighted depending on the respective area of responsibility of the Executive Board members. Clear financial and non-financial objectives are set for all performance indicators; these can be reviewed at any time based on defined metrics and are measured transparently at the end of each fiscal year.

The level of achievement of the targets is translated into a percentage target achievement for each category at the end of the year, taking into account predefined lower and upper limits. The target achievement level of the individual Balanced Scorecards for each Executive Board member is calculated based on the respective percentage of target achievement and the individual weightings of the individual categories.

Balanced Scorecard



[1] Resulting bands of KPI categories: Green (100-150%); Green to amber (75-125%), Green to red (50-100%), Amber to red (25%-75%), Red (0%-50%).

Individual objectives

Up to three additional individual objectives are agreed between the shareholders' meeting and each Executive Board member as part of the annual objective setting process for each fiscal year. The objectives consider the respective area of responsibility and can be directly influenced. Thus, depending on the specific strategic and operational challenges for each individual Executive Board member, they play a key role in implementing the overall strategy of the Group.

The objectives balance financial and non-financial objectives, with at least one of them relating to the ESG strategy. Objectives may cover strategic projects and initiatives as well as operational activities if they lay the groundwork for the structure and organization of DWS and its long-term development.

For the 2021 financial year, the shareholders' meeting has defined targets from the following subject areas topics for the members of the Executive Board and combined them with relevant and concrete evaluation criteria as well as a weighting:

Individual objectives 2021

Member of the Executive Board	Subject areas of the individual objective setting
Dr Asoka Woehrmann	_ Driving sustainability as core principle for DWS _ Leading DWS on its path to become a standalone asset management firm _ Leading execution of the strategic corporate agenda
Manfred Bauer	_ Introducing an ESG default principle for new products _ Executing a Product suite initiative to derive optimization of products and the overall offering _ Executing growth strategy pillars to foster profitable growth
Mark Cullen	_ Driving COVID-19 crisis management and transition to regular operations _ Leading cost management efforts with a focus on CIR _ Executing standalone infrastructure program along plan
Dirk Goergen	_ Establishing a key client program, including an expansion of partnerships _ Focusing the sales strategy on profitable growth _ Incorporating ESG sales intelligence and client advisory
Stefan Kreuzkamp	_ Expanding ESG procedures within the investment process with a special focus on engagement and stringent management of ESG laggards _ Enhancing usage of AI in research and investment processes _ Executing further improvements in Passive and Quantitative business as part of the overall growth strategy
Claire Peel	_ Executing the standalone infrastructure program for the corporate functions CFO and Risk Division _ Representing the firm on external industry bodies _ Embedding sustainability efforts into risk management and finance processes (including reporting)

To determine the respective level of target achievement, contribution to the Company was measured based on pre-defined milestones and deliverables, measurable indicators or feedback from internal and external partners on the one hand. On the other hand, it was also assessed how the member of the Executive Board embodies DWS's values and beliefs in the day-to-day conduct. In particular, feedback from the various control functions such as Anti-Financial Crime (AFC), Audit, Compliance, Human Resources and Risk is also taken into account.

Overall achievement of STA objectives

The portion of the STA determined by the Balanced Scorecard as well as the additional individual objectives account for an equivalent share of 50% each of the performance evaluation of the STA.

Taking into account the respective level of target achievement of the Balanced Scorecard and the individual objectives, the following overall target achievement levels and amounts result in the STA:

Overall target achievement levels STA

	Target Value (in €)	Target achievement level (in %)	Overall achievement STA (in €)
Dr Asoka Woehrmann	1,440,000	115.00%	1,656,000
Manfred Bauer[1]	80,000	127.50%	102,000
Mark Cullen	620,000	127.50%	790,500
Dirk Goergen[1]	192,000	135.00%	259,200
Stefan Kreuzkamp[1]	280,000	115.00%	322,000
Claire Peel	320,000	127.50%	408,000

[1] The values given refer to the DWS Management GmbH contract (40% working time allocation).

Long-Term Award (LTA)

The performance criteria on which the LTA is based consist of collective long-term objectives which were consistently defined for all Executive Board members. For 2021 financial year the shareholders' meeting determined the target values as well as lower and upper limits and the achievement grade matrix, from which the level of target achievement is determined at the end of the year.

DWS Group component

In accordance with Group's strategy, the shareholders' meeting has selected the following three performance indicators

_ Adjusted Cost-Income ratio (CIR),
_ Net flows (as a percentage of assets under management (AuM)),
_ Environmental, Social and Governance (ESG) footprint.

Measured against the previously defined target values as well as the upper and lower limits using the assessment matrix the performance indicators have developed as follows in 2021 financial year:

Adjusted cost-income ratio (CIR)

The adjusted cost-income ratio underscores the consistent focus of DWS's management on further increasing operational efficiency and cost control in order to generate long-term growth and maximize shareholder value. The adjusted cost-income ratio accounts for 50% of the target value of DWS Group component.

Based on the communicated objective of an adjusted cost-income ratio (adjusted for litigation expenses, restructuring costs and severance packages as well as costs incurred in the context of transformation) of 60% by 2024, a demanding objective was defined for 2021, the success of which was measured at the end of the year on the basis of the defined assessment matrix.

The annual target was significantly exceeded with an adjusted cost-income ratio of 58.1% and resulted in a level of achievement of 150%.

Net flows

Net flows represent assets acquired or withdrawn by clients within a specified period. Inflows and outflows constitute a key driver of change in assets under management. For that reason, this financial indicator has represented a key yardstick for measuring the organic growth of DWS since its IPO and accounts for 20% of the target value of DWS Group component.

Based on the communicated objective of average annual net flows of >4% (as of % of BoP AuM on average) by 2024, an ambitious target for 2021 was defined.

Net flows in 2021 were € 48 billion, this corresponded to an increase of 6% and were thus clearly above target figure. On the basis of the defined evaluation matrix, the level of target achievement of 150% was derived.

Environmental, Social and Governance (ESG) footprint

In every aspect of its business, the focus of DWS's strategy rests on improving the integration of sustainability factors. The collective ESG ambitions within the LTA account for 30% of the target value of DWS Group component.

The following specific collective ESG objectives and targets have been defined for the LTA

ESG Objectives

Environmental, Social and Governance (ESG) footprint			Portion of the DWS Group component 30%
Environment	Sustainable finance and investment	ESG net flows	6%
		Sustainability rating	6%
	Reduce own CO_2 emissions	Energy consumption	1%
		Travel emissions	5%
Social		Corporate social responsibility activities of DWS employees	6%
Governance		Ethic, conduct and speak-up culture	6%

Environmental aspects such as sustainable finance and investments and reducing the Company's own carbon footprint are underpinned by the following objectives and the following target achievement levels were reached on the basis of the defined assessment matrix:

_ ESG net flows: growth of ESG-specific inflows 150%,
_ Sustainability rating: improvement of results in the Carbon Disclosure Project (CDP) rating 140%,
_ Reduction of total energy consumption and emissions stemming from travel (air and rail) 142%.

Social aspects are used as a benchmark for a corporate culture that actively promotes social commitment, striving to achieve a broad-based involvement on the part of DWS employees in projects relating to corporate social responsibility (CSR) with partner organizations. Social responsibility measured in time resulted to a level of target achievement of 100%.

Corporate governance aspects relate to ethical conduct, integrity and a "speak-up" culture as a component of the annual employee survey. In particular, the aim is to gain insight into and assess attitudes towards leadership and to develop a culture of open dialogue. The level of agreement achieved in 2021 corresponded to a target achievement of 140%.

For further details, please refer to the table 'Sustainability KPIs' in the chapter 'DWS Performance' in the DWS Annual Report 2021.

In summary, taking into account the weighting of the individual objectives, a level of target achievement of 134% was determined for the ESG footprint.

Overall achievement DWS Group component

From the aforementioned target achievements and taking into account the respective share of the three objectives, a calculated level of target achievement of 145% was determined for the DWS Group component.

Deutsche Bank Group component

The overall performance of Deutsche Bank Group which is to be taken into account when determining variable compensation due to regulatory requirements, is determined by the following performance indicators:

LTA Deutsche Bank group component	
Core capital ratio	Common Equity Tier 1 capital ratio of the Bank in relation to its risk-weighted assets
Leverage ratio	The Bank's core capital as a percentage of its total leverage exposure pursuant to the definitions of the Capital Requirements Regulation / Capital Requirements Directive IV
Adjusted costs	Total non-interest expenses, excluding restructuring, severance and litigation costs as well as impairments of goodwill and other intangible assets
Return on tangible equity	Net income (or loss) attributable to shareholders as a percentage of average tangible shareholders' equity. The latter is determined by deducting goodwill and other intangible assets from shareholders' equity.

In the 2021 financial year, the four performance indicators developed as follows: The target achievement levels of the Common Equity Tier 1 capital ratio (CET1 ratio) and the leverage ratio were 100% and the target achievement rate for the adjusted non-interest expenses was 20%. The target achievement level of the objective for the Deutsche Bank Group return on tangible equity reached 90% in 2021. The overall level of target achievement of all four equally weighted objectives of Deutsche Bank Group component was 77.5%.

Overall achievement of LTA objectives

The DWS Group component accounts for 50% and the Deutsche Bank Group component accounts for 10% in the performance measurement of the variable compensation.

In summary, the LTA results in the following overall levels of target achievement, taking into account the respective levels of target achievement as well as the portion of the targets in the DWS respectively Deutsche Bank Group component:

Overall target achievement level LTA

Components and Reference Sizes			Objectives	Target achievement level	Weighting related to the component	Overall achievement
Long-Term Award	DWS Group Component	50%	Adjusted CIR (cost-income ratio)	150%	50%	145%
			Net flows (% of BoP AuM)	150%	20%	
			Environmental, Social and Governance (ESG) footprint	134%	30%	
	Deutsche Bank Group Component	10%	CET1 ratio / leverage ratio / adjusted non-interest expenses / post-tax return on tangible equity (RoTE)	77.5%	100%	77.5%

Appropriateness of Compensation

The shareholders' meeting regularly reviews the appropriateness of the compensation system, the individual compensation components as well as the overall compensation.

It ensures that the compensation is market-oriented and appropriate for comparable companies and takes into account both the size and international business model of DWS as well as its economic position and profitability.

To that end, external and internal benchmark studies are performed to assess whether compensation is in line with the market:

Horizontal – external benchmarking

Given the Group's international orientation, the review of market conformity of total compensation is based on compensation market data of international asset managers that are comparable in terms of assets under management and number of employees. The comparison factors in the compensation levels and structures. In addition, compensation is benchmarked against companies in Germany listed on the SDAX and MDAX which are comparable in terms of market capitalization.

Vertical – internal benchmarking

Furthermore, the shareholders' meeting considers the development of Executive Board compensation by way of a vertical comparison. It examines the ratio of average compensation of the members of the Executive Board to the average compensation of the first management level below the Executive Board and the employees of the Group worldwide over time. The workforce comprises non-tariff and tariff employees.

The review of appropriateness for the 2021 financial year has shown that the compensation resulting from the achievement of targets for the 2021 financial year is appropriate.

Compliance with the Cap on Total Compensation (Maximum Compensation)

The cap for total compensation for the Executive Board members amounting to € 9.85 million each set by the shareholders' meeting pursuant to Section 87a (1) sentence 2 number 1 AktG was met in 2021 financial year.

Multi-year Variable Compensation

In accordance with the InstVV and the applicable provisions relating to AIFMD / UCITS V, at least 60% of total variable compensation is granted to Executive Board members in deferred form. Up to 100% of the variable compensation offered may be granted on a deferral basis.

More than half of the deferred compensation is granted in the form of share-based instruments (DWS Restricted Equity Award – DWS REA) while the remainder is granted as deferred cash compensation (DWS Restricted Incentive Award – DWS RIA). The DWS RIA, in whole or in part may also be invested in selected investment funds. In such cases, the award will be granted as the DWS Employee Investment Plan (EIP) – Elected EIP Award. The deferred components of compensation, both the DWS REA and the DWS RIA as well as the Elected EIP Award, vest in equal annual tranches over a five-year period. Each tranche of the DWS REA is subject to an additional holding period of one year after vesting.

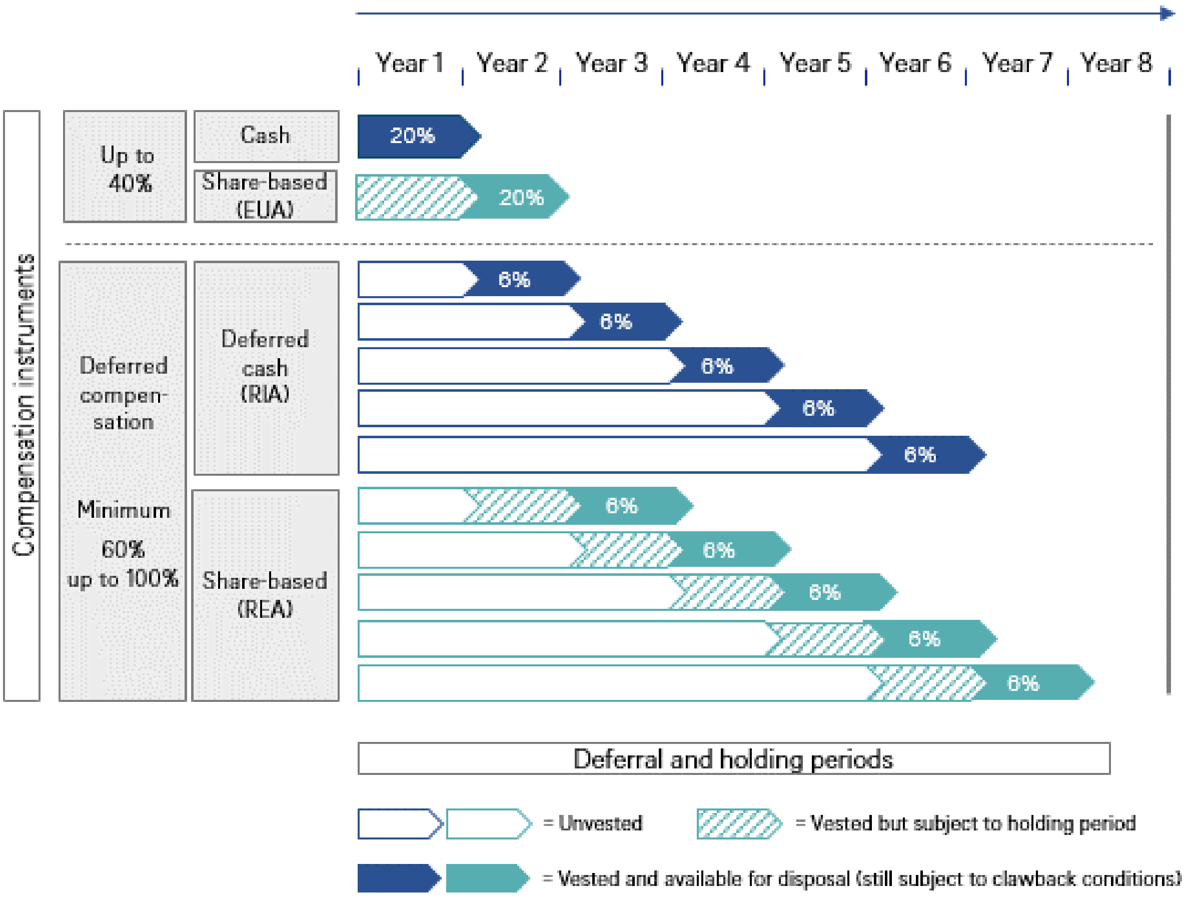
Additionally, more than half of non-deferred compensation is awarded in the form of share-based instruments (DWS Equity Upfront Award – DWS EUA). The DWS EUA is also subject to an additional holding period of one year. Only the remaining amount of the non-deferred compensation can be paid out immediately in cash.

Of the total variable compensation, no more than a maximum of 20% may be paid out in cash immediately, while at least 80% are paid at a later date. Variable compensation awarded for a fiscal year is disbursed over a period of up to six years. Only then may Executive Board members dispose over the full amount of the variable compensation granted to them for a fiscal year. Payment is made after the expiry of the respective deferral or holding period of each tranche.

During the vesting and holding period, the value of the DWS Equity Award depends on the share price performance of DWS shares and thus on the sustainable performance of the Group, thereby establishing a link between compensation of Executive Board members and the success of the company. When opting an Elected EIP Awards, the value depends on the performance of the selected investment funds.

Summarized Management Report
Consolidated Financial Statements
Corporate Governance Statement

Overview of award instruments and deferral periods



Performance and forfeiture conditions and clawback

The variable compensation components are subject to special performance and forfeiture conditions during the deferral and holding periods; these conditions can result in a partial reduction to the forfeiture in full of the variable compensation granted but not yet paid out. This ensures that appropriate consideration is given to the sustainability of the success of the business and risk strategy and ultimately provides a long-term incentive for variable compensation granted to Executive Board members.

In particular, the following events can result in the partial or complete forfeiture (malus rule):

_ Failure to comply with certain performance conditions set at DWS Group's level, such as DWS Group's pre-tax profit, regulatory own funds requirements under the Investment Firm Regulation (EU) 2019/2033 (IFR) and DWS's capital adequacy in line with DWS Group´s risk appetite statement.
_ Failure to comply with certain performance conditions set at Deutsche Bank Group's level, such as reporting an after-tax operating loss or exceeding certain capital adequacy requirements. Further information on the Deutsche Bank Group performance conditions can be viewed in the Deutsche Bank Group Annual Report.
_ Misconduct on the part of individual Executive Board members, such as breach of internal or external rules and regulations, termination for cause or negative individual contributions to performance.

In the event of specific individual negative performance contributions by Executive Board members, the shareholders' meeting may reclaim variable compensation components already granted up to two years after expiry of the last deferral period (clawback) in accordance with Section 18 (5) and Section 20 (6) InstVV.

The possibility of a full or partial forfeiture (malus) or reclaiming (clawback) of the Executive Board members' variable compensation components is reviewed regularly and in a timely manner before the respective due dates. In the 2021 financial year, the reviews gave no reason to make use of the option of retaining or reclaiming variable compensation components.

The following table shows the characteristics of the deferred and share-based compensation instruments that have been granted to active and previous members of the Executive Board since the IPO in March 2018 for the performance of their duties on the Executive board:

Overview on award types

Award Type	Description	Deferral period	Retention period
2019-2022 DWS Equity Upfront Award (DWS EUA)	Upfront equity proportion (cash settled): The value of the EUA is linked to DWS's share price.	N/A	12 months
2019-2022 DWS Restricted Incentive Award (DWS RIA)	Non-equity based portion (deferred cash compensation). The Executive Board members can also elect to link all or part of the value of the RIA to selected DWS investment fund(s), in which case the Awards will be granted under the “DWS Employee Investment Plan - Elected EIP Award”. The value of the EIP depends on the performance of the selected investment funds over the vesting period.	Pro rata vesting over five years	N/A
2019-2022 DWS Restricted Equity Award (DWS REA)	Deferred equity portion (cash settled): The value of the REA is linked to DWS's share price over the vesting and retention period.	Pro rata vesting over five years	12 months
2019 DWS Performance Share Unit Award (PSU Award) granted under DWS Equity Plan	One-off IPO related equity portion (cash settled): The value of the PSU is linked to DWS's share price.	Pro rata vesting over three years	12 months

Benefits in the Event of Termination of the Mandate

Benefits upon early termination

The Executive Board members are in principle entitled to receive a severance payment upon early termination of their appointment at the initiative of the shareholders´ meeting, provided the shareholders´ meeting is not entitled to revoke the appointment or give notice under the contractual agreement for cause. The circumstances of the early termination of the appointment and the length of service on the Executive Board are to be taken into account when determining the amount of the severance payment. The severance payment, as a rule, is two annual compensation amounts and is limited to the claims to compensation for the remaining term of the contract. The calculation of the severance payment is based on the annual compensation for the previous financial year and on the expected annual compensation for the current financial year, if applicable. The severance payment is determined in accordance with the statutory and regulatory requirements, in particular with the provisions of the InstVV.

In the 2021 financial year, no early termination was made. Accordingly, no benefits upon early termination were agreed.

Benefits in the event of regular termination

The Executive Board members receive a commitment to pension benefits under the defined contribution pension plan offered to DWS employees in Germany.

The following table shows the annual pension contribution and annual service cost for the years 2021 and 2020 as well as the corresponding commitment amounts as of 31 December 2021 and 31 December 2020 for the members of the Executive Board working in 2021. The different amounts result in particular from the different duration of the Executive Board's activities.

Pension contribution and obligation

in €	Annual contribution 2021	Annual contribution 2020	Total contributions, end of year 2021	Total contributions, end of year 2020	Service cost (IFRS) in the year 2021	Service cost (IFRS) in the year 2020	Defined benefit obligation (IFRS), end of year 2021	Defined benefit obligation (IFRS), end of year 2020
DWS Management GmbH:								
Dr Asoka Woehrmann	125,000	90,000	305,000	180,000	130,186	104,072	359,294	211,833
Manfred Bauer[1]	36,000	18,000	54,000	18,000	41,430	21,269	62,602	20,988
Mark Cullen[2]	0	0	0	0	0	0	0	0
Dirk Goergen	36,000	36,000	111,000	75,000	41,882	42,734	141,469	93,626
Stefan Kreuzkamp	36,000	36,000	138,000	102,000	41,620	42,378	169,617	124,198
Claire Peel[2]	0	0	0	0	0	0	0	0
Other subsidiary of the Group:								
Manfred Bauer[1]	54,000	27,000	81,000	27,000	61,926	31,992	93,576	31,473
Dirk Goergen	54,000	54,000	166,500	112,500	62,442	63,887	210,932	139,512
Stefan Kreuzkamp	54,000	54,000	627,000	573,000	62,203	63,351	863,066	760,854
Total	**395,000**	**315,000**	**1,482,500**	**1,087,500**	**441,689**	**369,683**	**1,900,556**	**1,382,484**

[1] Member since 1 July 2020.
[2] Mark Cullen and Claire Peel opted for a pension supplement in lieu of the pension plan commitment in the amount of €90,000.

Crediting from other Board Memberships

The Executive Board members' service agreements stipulate that Executive Board members shall ensure that compensation to which they may be entitled as members of a board, specifically a supervisory board, an advisory board or comparable institution within a company of the DWS or Deutsche Bank Group (Section 18 Stock Corporation Act), does not accrue to them. Accordingly, Executive Board members did not receive any compensation from mandates in Group companies.

This does not apply to the compensation received by the members of the Executive Board responsible for the Investment, Coverage and Product divisions as a result of their further contract of employment with a subsidiary within the DWS Group.

Compensation System for Additional Service Contracts with a Subsidiary of the Group

Due to regulatory requirements, Executive Board members with responsibility for the Investment, Coverage and Product division each have, in addition to their service contracts with DWS Management GmbH, an additional service contract with a subsidiary of the Group, DWS Investment GmbH. The total compensation of the Executive Board members includes both the compensation received from DWS Management GmbH as well as from the subsidiary of the Group consolidated in the Group financial statements. The compensation system on which the compensation from DWS Investment GmbH is based is subject to the relevant branch-specific remuneration provisions stated in AIFMD/UCITS V. If employees of the subsidiary have been identified as having a material impact on Deutsche Bank Group's risk profile (InstVV Material Risk Taker), the stricter regulation apply in case of deviating regulation.

The employees of DWS Investment GmbH are subject to the compensation standards and principles as outlined in the DWS Compensation Policy. The policy is reviewed on an annual basis. As part of the Compensation Policy, the Group employs a Total Compensation philosophy which comprises fixed pay and variable compensation and ensures an appropriate relationship to each other.

Fixed pay is used to compensate employees for their skills, experience and competencies, commensurate with the requirements, size and scope of their role. The appropriate level of fixed pay is determined with reference to the prevailing market rates for each role, internal comparisons and applicable regulatory requirements.

Variable compensation enables to provide additional reward to employees for their performance and behaviours without encouraging excessive risk-taking. The variable compensation basically consists of two elements: DWS component (corresponds to 25% of the reference value of the variable compensation) and individual component (corresponds to 75% of the reference value of the variable compensation).

For employees identified as InstVV Material Risk Taker (MRT), half of the DWS component is determined by the three performance indicators at the level of the DWS Group, which also apply to the members of the Executive Board: Adjusted Cost-Income ratio, net flows and Environmental, Social and Governance (ESG) footprint. Each of the objectives is weighted at a fixed percentage. The second half of the DWS component of variable remuneration considers four equally weighted objectives at Deutsche Bank Group level, also applicable for the Executive Board members: Core capital ratio (CET 1-Quote), capital ratio, leverage ratio, adjusted costs and post-tax return on tangible equity (RoTE).

For the 2021 financial year, a target of 88.75% was set for the DWS component based on the assessment of the defined performance indicators at the level of the DWS and Deutsche Bank Group, taking into account the weighting of 50% each.

The individual component of the variable compensation is determined on the basis of objectives agreed with each employee for the financial year.

Both DWS component as well as the individual component may be awarded in cash, share-based or fund-based instruments under the Group deferral arrangements. For employees who are identified as having a material impact on the company's risk profile at least 40% of the total variable compensation must be granted on a deferred basis. The limit is increased to 60% depending on the amount of the variable remuneration and the risks that a risk taker may pose. The Group retains the right to reduce the total amount of variable compensation, including the DWS Component, to zero in cases of significant misconduct, performance-related measures, disciplinary outcomes or unsatisfactory conduct or behaviour by the employee subject to applicable local law.

Total Compensation is supplemented by additional benefits, which are considered to be fixed remuneration in the regulatory sense, as they are not directly linked to the performance or individual discretion.

With the consent of the shareholders, DWS Investment GmbH made use of the option provided by the law and increased the fixed-to-variable compensation ratio to 1:2 in 2020.

Executive Board Compensation in the 2021 Financial Year

Compensation of the Current Members of the Executive Board

In the 2021 financial year, the compensation for the members of the Executive Board for the performance of their duties for and on behalf of the Group and its subsidiaries is provided below.

This comprises on the one hand the compensation determined for their activity as a member of the Executive Board on an individual basis for the 2021 financial year.

In addition, the compensation granted and due (inflows) in the year under review in accordance with Section 162 Stock Corporation Act is shown. The inflows are reported broken down by fixed and variable compensation components including the fringe benefits.

Inflows as well as the compensation determined for the 2021 financial year from the additional service contracts of the members of the Executive Board with responsibility for the Investment, Coverage and Product division are shown in a separate table; they relate to the period in which the person affected was a member of the Executive Board.

Compensation determined

Following the proposal of the Joint Committee, the shareholders' meeting determined the compensation and its composition under the service contract with DWS Management GmbH for the 2021 financial year based on the assessment of the achievement of the objectives as follows:

Total compensation for the 2021 and 2020 financial years

				2021	2020
in €	Base salary	Short-Term Award	Long-Term Award	Total compensation	Total compensation
Dr Asoka Woehrmann	2,400,000	1,656,000	2,889,000	6,945,000	6,031,768
Manfred Bauer[1,2]	380,000	102,000	160,500	642,500	292,438
Mark Cullen	1,250,000	790,500	1,243,875	3,284,375	2,938,539
Dirk Goergen[2]	480,000	259,200	385,200	1,124,400	788,489
Stefan Kreuzkamp[2]	500,000	322,000	561,750	1,383,750	1,147,066
Claire Peel	1,200,000	408,000	642,000	2,250,000	1,812,347
Total	**6,210,000**	**3,537,700**	**5,882,325**	**15,630,025**	**13,010,647**

[1] Member since 1 July 2020.
[2] The table above sets out the compensation determined under the service contract with DWS Management GmbH (40% working time allocation).

In the additional service contracts of the Executive Board members with responsibility for the Investment, Coverage and Product division with 60% working time allocation, the Supervisory Board of DWS Investment GmbH responsible for the compensation determined the compensation and its composition for the 2021 financial year on the basis of the assessment of the achievement of the respective targets as follows:

Total compensation in the additional service contracts for the 2021 and 2020 financial years

	2021			2020
in €	Base salary	Variable compensation	Total compensation	Total compensation
Manfred Bauer	570,000	381,563	951,563	434,018
Dirk Goergen	720,000	888,750	1,608,750	1,157,978
Stefan Kreuzkamp	750,000	1,099,219	1,849,219	1,626,000
Total	**2,040,000**	**2,369,532**	**4,409,532**	**3,217,996**

In summary, within the scope of DWS Management GmbH and additional service contracts, € 5,894,795 (2020: € 4,990,577) of the variable compensation for the 2021 (2020) financial year was for share-based components, which equate to 173,397 units (2020: 143,548 units). Units were calculated by dividing the respective amounts in euro by the average share price of DWS share over the last ten trading days prior to 1 March 2022.

€ 4,710,024 (2020: € 4,221,579) DWS share-based components were granted by DWS Management GmbH, which equate to 138,547 units (2020: 121,429 units). € 1,184,771 (2020: € 768,998) DWS share-based components were granted by the Group, which equate to 34,851 units (2020: 22,120 units).

Compensation granted and due (inflows)

The following tables show the fixed as well as the variable compensation components granted and due to the active members of the Executive Board in the reporting year (broken down by cash portion and various award instruments differentiated according to the respective grant years) according to Section 162 AktG. These are the compensation components that were either actually paid ("granted") to individual members of the Executive Board during the reporting period or were already due in law during the reporting period but have not yet been paid ("due"). In addition to the compensation levels, pursuant to Section 162 (1) sentence 2 AktG, the relative shares of fixed and variable components of the total compensation are shown.

Compensation granted and due (inflows) in the 2021 and 2020 financial years according to Section 162 AktG

	Dr Asoka Woehrmann				Mark Cullen			
	2021		2020		2021		2020	
	in € t.	in %	in € t.	in %	in € t.	in %	in € t.	in %
Components of fixed compensation:								
Base salary	2,400	60	2,200	72	1,250	58	1,250	72
Pension allowance	0	0	0	0	90	4	90	5
Fringe benefits	6	0	6	0	7	0	7	0
Total fixed compensation	**2,406**	**61**	**2,206**	**73**	**1,347**	**63**	**1,347**	**77**
Components of variable compensation:								
Cash compensation for 2020 (2019)	575	14	618	20	338	16	353	20
DWS Restricted Incentive Awards:								
2020 DWS Restricted Incentive Award for 2019	202	5	0	0	106	5	0	0
2020 Elected EIP Award for 2019	102	3	0	0	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	35	1	35	1	7	0	7	0
2019 Elected EIP Award for 2018	0	0	0	0	0	0	0	0
DWS Equity Awards:								
2020 DWS Equity Upfront Award for 2019	605	15	0	0	346	16	0	0
2019 DWS Equity Upfront Award for 2018	0	0	181	6	0	0	34	2
2019 DWS Restricted Equity Award for 2018	51	1	0	0	10	0	0	0
Total variable compensation	**1,570**	**39**	**835**	**27**	**806**	**37**	**394**	**23**
Total compensation	**3,976**	**100**	**3,041**	**100**	**2,152**	**100**	**1,741**	**100**

Compensation Report

Executive Board Compensation

	Claire Peel			
	2021		2020	
	in € t.	in %	in € t.	in %
Components of fixed compensation:				
Base salary	1,200	72	1,075	72
Pension allowance	90	5	90	6
Fringe benefits	0	0	23	2
Total fixed compensation	**1,290**	**77**	**1,188**	**80**
Components of variable compensation:				
Cash compensation for 2020 (2019)	147	9	135	9
DWS Restricted Incentive Awards:				
2020 DWS Restricted Incentive Award for 2019	41	2	0	0
2020 Elected EIP Award for 2019	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	28	2	28	2
2019 Elected EIP Award for 2018	0	0	0	0
DWS Equity Awards:				
2020 DWS Equity Upfront Award for 2019	132	8	0	0
2019 DWS Equity Upfront Award for 2018	0	0	142	10
2019 DWS Restricted Equity Award for 2018	40	2	0	0
Total variable compensation	**387**	**23**	**304**	**20**
Total compensation	**1,677**	**100**	**1,492**	**100**

	Manfred Bauer (Member since 1 July 2020)							
	2021				2020			
	DWS Management GmbH	Other subsidiary in the Group	Overall	Relative portion	DWS Management GmbH	Other subsidiary in the Group	Overall	Relative portion
	in € t.	in € t.	in € t.	in %	in € t.	in € t.	in € t.	in %
Components of fixed compensation:								
Base salary	380	570	950	95	190	285	475	99
Pension allowance	0	0	0	0	0	0	0	0
Fringe benefits	0	4	4	0	1	2	3	1
Total fixed compensation	**380**	**574**	**954**	**95**	**191**	**287**	**478**	**100**
Components of variable compensation:								
Cash compensation for 2020 (2019)	20	30	50	5	0	0	0	0
DWS Restricted Incentive Awards:								
2020 DWS Restricted Incentive Award for 2019	0	0	0	0	0	0	0	0
2020 Elected EIP Award for 2019	0	0	0	0	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	0	0	0	0	0	0	0	0
2019 Elected EIP Award for 2018	0	0	0	0	0	0	0	0
DWS Equity Awards:								
2020 DWS Equity Upfront Award for 2019	0	0	0	0	0	0	0	0
2019 DWS Equity Upfront Award for 2018	0	0	0	0	0	0	0	0
2019 DWS Restricted Equity Award for 2018	0	0	0	0	0	0	0	0
Total variable compensation	**20**	**30**	**50**	**5**	**0**	**0**	**0**	**0**
Total compensation	**400**	**604**	**1,004**	**100**	**191**	**287**	**478**	**100**

Dirk Goergen

	2021				2020			
	DWS Management GmbH in € t.	Other subsidiary in the Group in € t.	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	Other subsidiary in the Group in € t.	Overall in € t.	Relative portion in %
Components of fixed compensation:								
Base salary	480	720	1,200	78	430	645	1,075	88
Pension allowance	0	0	0	0	0	0	0	0
Fringe benefits[1]	0	(2)	(2)	0	0	(1)	(1)	0
Total fixed compensation	**480**	**718**	**1,198**	**78**	**430**	**644**	**1,074**	**88**
Components of variable compensation:								
Cash compensation for 2020 (2019)	72	103	175	11	51	76	127	10
DWS Restricted Incentive Awards:								
2020 DWS Restricted Incentive Award for 2019	15	23	38	2	0	0	0	0
2020 Elected EIP Award for 2019	0	0	0	0	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	1	1	2	0	1	1	2	0
2019 Elected EIP Award for 2018	0	0	0	0	0	0	0	0
DWS Equity Awards:								
2020 DWS Equity Upfront Award for 2019	50	74	124	8	0	0	0	0
2019 DWS Equity Upfront Award for 2018	0	0	0	0	4	7	11	1
2019 DWS Restricted Equity Award for 2018	1	2	3	0	0	0	0	0
Total variable compensation	**139**	**203**	**342**	**22**	**57**	**84**	**141**	**12**
Total compensation	**619**	**921**	**1,540**	**100**	**487**	**728**	**1,215**	**100**

[1] Due to the economic participation in the costs of a company bicycle, which exceeds the amount of the other fringe benefits, a negative balance is to be shown for the financial years 2021 and 2020.

Stefan Kreuzkamp

	2021				2020			
	DWS Management GmbH in € t.	Other subsidiary in the Group in € t.	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	Other subsidiary in the Group in € t.	Overall in € t.	Relative portion in %
Components of fixed compensation:								
Base salary	500	750	1,250	56	500	750	1,250	59
Pension allowance	0	0	0	0	0	0	0	0
Fringe benefits	0	3	3	0	0	2	2	0
Total fixed compensation	**500**	**753**	**1,253**	**57**	**500**	**752**	**1,252**	**60**
Components of variable compensation:								
Cash compensation for 2020 (2019)	129	175	304	14	151	215	366	17
DWS Restricted Incentive Awards:								
2020 DWS Restricted Incentive Award for 2019	45	64	109	5	0	0	0	0
2020 Elected EIP Award for 2019	0	0	0	0	0	0	0	0
2019 DWS Restricted Incentive Award for 2018	30	10	40	2	30	10	40	2
2019 Elected EIP Award for 2018	0	39	39	2	0	39	39	2
DWS Equity Awards:								
2020 DWS Equity Upfront Award for 2019	147	210	357	16	0	0	0	0
2019 DWS Equity Upfront Award for 2018	0	0	0	0	153	252	405	19
2019 DWS Restricted Equity Award for 2018	43	71	114	5	0	0	0	0
Total variable compensation	**395**	**569**	**964**	**43**	**334**	**515**	**849**	**40**
Total compensation	**895**	**1,322**	**2,217**	**100**	**834**	**1,267**	**2,101**	**100**

With respect to deferred awards from previous years disbursed in the year under review, the respective DWS Group and Deutsche Bank Group performance conditions were met.

Compensation of the Previous Members of the Executive Board

Compensation granted and due (inflow)

The following tables show the compensation granted and due (inflows) according to Section 162 AktG in the year under review for former members of the Executive Board with regard to the previous performance of their duties for and on behalf of the Group and its subsidiaries shown in the order of their leaving date. The variable compensation inflows are reported broken down by cash portion and various award types. These are the compensation components that were either actually paid ("granted") to former members of the Executive Board during the reporting period or were already due in law during the reporting period but have not yet been paid ("due"). Furthermore, the inflows from further service contracts of the members of the Executive Board from commitments during the time in which they were members of the Executive Board are presented. In addition to the compensation levels, pursuant to Section 162 (1) sentence 2 AktG, the relative shares of variable components of the total compensation are shown.

Compensation granted and due (inflows) in the 2021 financial year according to Section 162 AktG for former members

	Pierre Cherki Member until 9 June 2020				Robert Kendall Member until 9 June 2020			
	2021				2021			
	DWS Management GmbH	Other subsidiary in the Group	Overall	Relative portion	DWS Management GmbH	Other subsidiary in the Group	Overall	Relative portion
	in € t.	in € t.	in € t.	in %	in € t.	in € t.	in € t.	in %
Components of variable compensation:								
Cash compensation for 2020	69	0	69	7	49	0	49	7
DWS Equity Upfront Award	381	192	573	57	276	130	406	58
DWS Restricted Incentive Award	128	12	140	14	91	73	164	23
Elected EIP Award	0	100	100	10	0	0	0	0
DWS Restricted Equity Award	43	80	123	12	29	56	85	12
Total compensation	**621**	**384**	**1,005**	**100**	**444**	**259**	**704**	**100**

	Nikolaus von Tippelskirch Member until 9 June 2020	
	2021	
	Overall	Relative portion
	in € t.	in %
Components of variable compensation:		
Cash compensation for 2020	97	34
DWS Equity Upfront Award	106	37
DWS Restricted Incentive Award	54	19
Elected EIP Award	0	0
DWS Restricted Equity Award	31	11
Total compensation	**288**	**100**

	Jonathan Eilbeck Member until 30 November 2018		Thorsten Michalik Member until 30 November 2018				Nicolas Moreau[1] Member until 25 October 2018	
	2021		2021				2021	
	Overall in € t.	Relative portion in %	DWS Management GmbH in € t.	Other subsidiary in the Group in € t.	Overall in € t.	Relative portion in %	Overall in € t.	Relative portion in %
Components of variable compensation:								
Cash compensation for 2020	0	0	0	0	0	0	0	0
DWS Equity Upfront Award	0	0	0	0	0	0	0	0
DWS Restricted Incentive Award	38	42	15	30	45	41	90	41
Elected EIP Award	0	0	0	0	0	0	0	0
DWS Restricted Equity Award	54	59	22	43	65	59	130	59
Total compensation	**91**	**100**	**37**	**73**	**110**	**100**	**220**	**100**

[1] The table above sets out the inflows for Mr Moreau with regard to the previous performance of duties as an Executive Board member. Inflows with regard to the previous performance of duties as a Management Board member of Deutsche Bank AG are disclosed in the Compensation Report of Deutsche Bank Group.

With respect to deferred awards from previous years paid in the year under review, the respective DWS Group and Deutsche Bank Group performance conditions were met.

Pension payments

No pension payments have been made to former members of the Executive Board.

Compensation for Supervisory Board Members

The compensation for members of the Supervisory Board is set forth in the Articles of Association of DWS KGaA. Any amendment of the Articles of Association requires a resolution of the General Meeting of DWS KGaA.

The members of the Supervisory Board receive a fixed annual compensation ("Supervisory Board compensation"). The annual base compensation amounts to € 85,000 for each member, the Chairperson of the Supervisory Board receives twice that amount and the Deputy Chairperson one and a half times that amount.

Members and the Chairpersons of the Committees of the Supervisory Board are paid an additional fixed annual compensation as follows:

in €	Chairperson	Member
Audit & Risk Committee	40,000	20,000
Nomination Committee	20,000	15,000
Remuneration Committee	20,000	15,000

The Supervisory Board compensation is disbursed within the first three months of the following year.

In case of a change in the composition of the Supervisory Board during the year, the compensation for the financial year will be paid on a pro rata basis, rounded up / down to full months.

The members of the Supervisory Board are reimbursed by the company for the cash expenses they incur in the performance of their office, including any value added tax (VAT) on their compensation and reimbursement of expenses. Furthermore, any employer contributions to social security schemes that may be applicable under foreign law to the performance of their work on the Supervisory Board is paid for each member of the Supervisory Board affected. Finally, the Chairman of the Supervisory Board will be reimbursed appropriately for travel expenses incurred in performing representative tasks due to his role.

In the interest of DWS KGaA, the members of the Supervisory Board are included in an appropriate amount, with a deductible, in any financial liability insurance policy held by the company. In the financial year 2021, Deutsche Bank

Group provided a Directors' and Officer´s Liability Insurance (D&O insurance) to the members of the Supervisory Board.

The current Supervisory Board compensation and the underlying compensation system was determined in 2018, prior to the IPO of DWS KGaA, with the support of an independent external remuneration advisor. The compensation takes into account the responsibilities, requirements and time commitment of the members of the Supervisory Board. It also reflects, based on a horizontal peer group comparison, the compensation arrangements of competitors and selected German listed companies of comparable size, market capitalization and structure and is therefore competitive.

The Supervisory Board considers the appropriateness of the compensation level and system in its annual self-assessment as part of the efficiency review.

In addition, the Supervisory Board compensation is reviewed from time to time with the help of independent external experts at the instigation of the Supervisory Board or the Executive Board, representing the General Partner. Based on the results of a review undertaken in the first quarter 2021, the Executive Board and the Supervisory Board saw no cause for any amendments. Subsequently, the confirmation of the current compensation of the members of the Supervisory Board was proposed to the General Meeting on 9 June 2021 and approved by 99.85% of all valid votes.

In the event that the Executive Board and the Supervisory Board see reason for change, they will submit a modified compensation system and a proposal for a corresponding amendment of the Articles of Association of DWS KGaA to the General Meeting. In any case, the compensation for the Supervisory Board, including the underlying compensation system, will be presented to the General Meeting for its approval ("Billigung") every four years. Potential conflicts of interest on the part of individual members of the Executive Board or members of the Supervisory Board with regard to the compensation system for the Supervisory Board will be treated in accordance with the existing policies and procedures.

In the opinion of the Executive Board and the Supervisory Board the design of the Supervisory Board compensation as a purely fixed compensation without performance-related elements is most suitable to properly reflect and promote the independence of the Supervisory Board and its advisory and monitoring function. This enables the Supervisory Board to make its decisions objectively and independently of the Executive Board in the interests of the company, without being guided by any short-term business successes that might be reflected in variable compensation.

The Supervisory Board compensation provides a useful counterbalance to the strategically oriented compensation system for the members of the Executive Board, which contains both fixed and variable components. Supervisory Board compensation thus contributes to the implementation of a sustainable corporate strategy at DWS KGaA.

The appropriateness of Supervisory Board compensation ensures that the company will continue to be able to attract appropriately qualified candidates to join the Supervisory Board; in this way, Supervisory Board compensation also makes a sustainable contribution to promoting the business strategy and the long-term development of the company.

The following tables provide the Supervisory Board Compensation (excluding value added tax) granted and owed to the individual members of the Supervisory Board for the financial years 2021 in according to Section 162 AktG:

	Compensation for fiscal year 2021				
in €	Supervisory Board	Audit and Risk Committee	Remuneration Committee	Nomination Committee	Total
Karl von Rohr[1]	–	–	–	–	–
Ute Wolf	127,500	40,000	–	–	167,500
Stephan Accorsini	85,000	20,000	–	–	105,000
Annabelle Bexiga	85,000	–	15,000	–	100,000
Aldo Cardoso	85,000	20,000	15,000	–	120,000
Minoru Kimura[2]	–	–	–	–	–
Bernd Leukert[1]	–	–	–	–	–
Angela Meurer	85,000	–	–	–	85,000
Richard I. Morris, Jr.	85,000	20,000	–	15,000	120,000
Erwin Stengele	85,000	–	15,000	–	100,000
Margret Suckale	85,000	–	20,000	15,000	120,000
Said Zanjani	85,000	–	–	15,000	100,000

in €	Supervisory Board	Audit and Risk Committee	Remuneration Committee	Nomination Committee	Total
					Compensation for fiscal year 2020
Karl von Rohr[1]	–	–	–	–	–
Ute Wolf	127,500	40,000	–	–	167,500
Stephan Accorsini	85,000	20,000	–	–	105,000
Annabelle Bexiga	85,000	–	15,000	–	100,000
Aldo Cardoso	85,000	20,000	15,000	–	120,000
Minoru Kimura[2]	–	–	–	–	–
Bernd Leukert[1]	–	–	–	–	–
Angela Meurer	85,000	–	–	–	85,000
Richard I. Morris, Jr.	85,000	20,000	–	15,000	120,000
Hiroshi Ozeki[2,3]	–	–	–	–	–
Erwin Stengele	85,000	–	15,000	–	100,000
Margret Suckale	85,000	–	20,000	15,000	120,000
Said Zanjani	85,000	–	–	15,000	100,000

1 Deutsche Bank Group shareholders' representatives on the Supervisory Board have waived their Supervisory Board compensation in line with Deutsche Bank Group policies and procedures.
2 In 2021 one and in 2020 two independent shareholders' representatives on the Supervisory Board waived their Supervisory Board compensation in line with applicable policies and procedures.
3 Mr Ozeki stepped down from his office as shareholders' representative on the Supervisory Board on 10 April 2020.

DWS KGaA does not provide members of the Supervisory Board with benefits after they have left the Supervisory Board.

Compensation for Joint Committee Members

The compensation for members of the Joint Committee is set forth in the Articles of Association of DWS KGaA. The members of the Joint Committee receive a fixed annual remuneration of € 20,000 and the Chairman of € 40,000.

The compensation is disbursed within the first three months of the following year.

In case of a change in the composition of the Joint Committee during the year, the compensation for the financial year will be paid on a pro rata basis, rounded up / down to full months.

The members of the Joint Committee are reimbursed by the company for the cash expenses they incur in the performance of their office, including any value added tax (VAT) on their compensation and reimbursement of expenses. Furthermore, any employer contributions to social security schemes that may be applicable under foreign law to the performance of their work on the Joint Committee is paid for each member of the Joint Committee affected. Finally, the Chairman of the Joint Committee will be reimbursed appropriately for travel expenses incurred in performing representative tasks due to his role.

In the interest of DWS KGaA, the members of the Joint Committee are included in an appropriate amount, with a deductible, in any financial liability insurance policy held by the company. In the financial year 2021, Deutsche Bank Group provided a Directors' and Officer´s Liability Insurance (D&O insurance) to the members of the Joint Committee.

The following table provides the compensation (excluding value added tax) granted and owed to the individual members of the Joint Committee for the financial year 2021:

in €	Compensation for fiscal year 2021	Compensation for fiscal year 2020
Karl von Rohr[1]	–	–
Minoru Kimura[2]	–	–
James von Moltke[1]	–	–
Ute Wolf	20,000	20,000
Hiroshi Ozeki[2,3]	–	–

1 Deutsche Bank Group executives, delegated by the shareholders' meeting of the General Partner to the Joint Committee, have waived their compensation in line with Deutsche Bank Group policies and procedures.
2 In 2021 one and in 2020 two members of the Joint Committee, delegated by the shareholders' representatives on the Supervisory Board from their midst, waived their compensation in line with applicable policies and procedures.
3 Mr Ozeki stepped down from his office as shareholders' representative on the Supervisory Board on 10 April 2020 and exited the Joint Committee effective the same date.

Comparative Presentation of Compensation and Earnings Development

The table below shows the comparative presentation of the annual change in compensation of the members of the Executive Board and the Supervisory Board, the performance of the KGaA and the Group and the average compensation of employees on a full-time equivalence basis. In the following years, the information referred to in Section 162 (1) sentence 2 number 2 AktG, will gradually be expanded to include the change in a financial year compared to the previous year, until a reporting period of five years is reached. From the financial year 2025 onwards, the annual changes for the last five years will be shown.

The information on the compensation of the active and former members of the Executive Board and the Supervisory Board shall be the compensation granted and due pursuant to Section 162 (1) sentence 2 number 1 AktG.

The presentation of the company's performance is to reflect, according to the legal requirements, those of the legally independent company listed on the stock exchange. Accordingly, the net income (loss) of DWS KGaA is used to present earnings within the meaning of Section 162 (1) sentence 2 No. 2 AktG. As the Executive Board compensation is measured on the basis of Group relevant data, net income (loss) for the Group is additionally shown as well as adjusted cost-income-ratio and net flows related to the Group. The latter as important key metrics for the Group account for 35% in the performance measurement of the members of the Executive Board. Taking into account the international business model of DWS, all employees of the Group worldwide were considered for the comparison group of employees; this corresponds to the approach in the vertical benchmarking in the context of the review of appropriateness.

in € t. (unless stated otherwise)	2021	2020	Annual change from 2020 in %
1. Company profit development			
Net income (loss) DWS KGaA (in € m.)	532	388	37
Net income (loss) DWS Group (in € m.)	782	558	40
Adjusted cost-income ratio (CIR) DWS Group (in %)	58.1	64.5	(6.4) ppt
Net flows DWS Group (in € bn.)	48	30	N/M
2. Average compensation employees			
World-wide on a full-time equivalent basis	193	179	8
3. Executive Board compensation			
Current members of the Executive Board:			
Dr Asoka Woehrmann	3,976	3,041	31
Manfred Bauer (Member since 1 July 2020)	1,004	478	110
Mark Cullen	2,152	1,741	24
Dirk Goergen	1,540	1,215	27
Stefan Kreuzkamp	2,217	2,101	6
Claire Peel	1,677	1,492	12
Former members of the Executive Board:			
Pierre Cherki (Member until 9 June 2020)	1,005	3,388	(70)
Robert Kendall (Member until 9 June 2020)	704	2,670	(74)
Nikolaus von Tippelskirch (Member until 9 June 2020)	288	1,453	(80)
Jonathan Eilbeck (Member until 30 November 2018)	91	230	(60)
Thorsten Michalik (Member until 30 November 2018)	110	276	(60)
Nicolas Moreau (Member until 25 October 2018)	220	1,747	(87)
4. Supervisory Board compensation			
Current members of the Supervisory Board:			
Karl von Rohr[1]	–	–	N/M
Ute Wolf	168	168	0
Stephan Accorsini	105	105	0
Annabelle Bexiga	100	100	0
Aldo Cardoso	120	120	0
Minoru Kimura (Member since 10 August 2020)[2]	–	–	N/M
Bernd Leukert (Member since 21 July 2020)[1]	–	–	N/M
Angela Meurer	85	85	0
Richard I. Morris, Jr.	120	120	0
Erwin Stengele	100	100	0
Margret Suckale	120	120	0
Said Zanjani	100	100	0
Former members of the Supervisory Board:			
Hiroshi Ozeki (Member until 10 April 2020)[2]	–	–	N/M

[1] Deutsche Bank Group shareholders' representatives on the Supervisory Board have waived their Supervisory Board compensation in line with Deutsche Bank Group policies and procedures.
[2] In 2021 one and in 2020 two independent shareholders' representatives on the Supervisory Board waived their Supervisory Board compensation in line with applicable policies and procedures.

Supplementary Information

On DWS Group

Branches of Subsidiaries

DWS KGaA does not have any branches of its own but has established 24 active branches within five of its subsidiaries.

The table below provides the split of branches by subsidiary as at 31 December 2021.

Number of Branches by Region

Name of subsidiary	EMEA	Americas	Asia/Pacific
DWS Alternatives GmbH	3	0	0
DWS Distributors, Inc.	0	7	0
DWS Grundbesitz GmbH	5	0	1
DWS International GmbH	6	0	0
DWS Investment Management Americas, Inc.	0	2	0
Total	**14**	**9**	**1**

The majority of these branches have been operational for a number of years and are considered an extension of our investment management activities performed in specific locations where it is important to have a local presence in key markets. These branches were set up to mainly provide distribution and supporting services.

Research and Activities

Our research platform covers macroeconomics, fixed income, equities and alternatives generating more than 500 top-down recommendations and over 3,000 bottom-up recommend-dations.

As the asset management industry evolves, we also continue to modernize and digitize our platforms to improve and enhance internal research and development for our products and services. We expect our proprietary research to continue to become increasingly important following the implementation of MiFID II in 2018.

CIO View

The CIO View is our house view on macroeconomic topics and individual asset classes, providing financial-market forecasts, model multi-asset allocations and DWS's views on market risks. As part of our fiduciary responsibility, our portfolio managers use the CIO View as a foundation for their active investment decisions. The view also serves to share our investment expertise with clients. In 2018 we incorporated environmental, social and corporate governance (ESG) aspects into our quarterly CIO View publication for the first time, recognizing the impact that ESG and sustainability issues have on the asset-management industry and markets in general. Since the beginning of 2021, all of our publications and presentations reflect the ESG perspective whenever it is applicable.

[Disclosures on Taxonomy Eligibility in Accordance with Article 8 Taxonomy Regulation and Delegated Act]

Background

In order to position DWS as an independent asset manager with a focus on sustainability we will report under Article 8 of

Regulation (EU) 2020/852 ("Taxonomy Regulation")[54] as financial undertaking and asset manager and will disclose how and to what extent our activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 Taxonomy Regulation. We take into consideration all disclosure requirements published until 31 January 2022.

In terms of the reporting requirements and content, Art. 8 Taxonomy Regulation differentiates between so-called non-financial undertakings and financial undertakings. Although DWS KGaA does not itself qualify as a financial undertaking pursuant to Article 1 (8) of the delegated regulation to Article 8 Taxonomy Regulation ("Taxonomy Article 8 Delegated Act")[55], we are engaged in financial activities as the activities performed by a number of our subsidiaries are those of an asset manager (and investment firm). Since the quantitative indicators (KPI) for non-financial undertakings would not appropriately demonstrate to what extent our economic activities are sustainable under the Taxonomy Regulation, we are reporting under Article 8 Taxonomy Regulation as financial undertaking. We are further reporting the KPIs for asset managers as they most appropriately reflect our underlying business model.

The content and presentation of the KPIs to be reported pursuant to Article 8 Taxonomy Regulation are further described in the Taxonomy Article 8 Delegated Act.

Article 10 of the Taxonomy Article 8 Delegated Act provides a phasing in of the Article 8 Taxonomy Regulation quantitative reporting requirements (or KPIs). From 1 January 2022 until 31 December 2023, financial undertakings need only to disclose exposure to Taxonomy-eligible / non-eligible investments, the exposure to central governments, central banks and supranational issuers, the exposure to derivatives as well as the exposure to undertakings that are not obliged to publish information pursuant to the Non-Financial Reporting Directive (NFRD)[56] - non-NFRD undertakings - in relation to their total assets. Pursuant to Article 10 (3) (b) of the Taxonomy Article 8 Delegated Act, exposures to central governments, central banks and supranational issuers are excluded both from the numerator and the denominator of the KPIs.

In 2022, the Taxonomy-eligibility / non-eligibility to be reported also only covers the climate objectives under the climate delegated regulation to the Taxonomy Regulation[57] (the "EU Climate Delegated Act"). The EU Climate Delegated Act contains technical screening criteria for economic activities determining environmental performance requirements for a substantial contribution to the first two climate objectives of the Taxonomy regulation (climate change mitigation and adaptation) as well as the criteria for the "do no significant harm" requirement relating to any of the other environmental objectives of the Taxonomy Regulation. The technical screening criteria for the remaining four objectives of the Taxonomy Regulation shall be published in 2022 and apply in 2023.

The quantitative reporting from 1 January 2022 until 31 December 2023 for financial undertakings is to be accompanied by the qualitative disclosures under Annex XI of the Taxonomy Article 8 Delegated Act.

Quantitative disclosures as of 31 December 2021

	in %[1]	in % of total AuM[2]
Proportion of exposure to Taxonomy eligible investments	0.0	0.0
Proportion of exposure to Taxonomy non-eligible investments	0.0	0.0
Proportion of exposure to central governments, central banks and supranational issuers	N/A	14.1
Proportion of exposure to derivatives	0.4	0.3
Proportion of exposure to non-NFRD undertakings (financial or non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU)	68.1	58.5

[1] Based on actuals and the Group's AuM as shown in 'Operating and Financial Review - DWS Performance' excluding investments in central governments, central banks and supranational issuers.
[2] Based on actuals and the Group's AuM as shown in 'Operating and Financial Review - DWS Performance'.

[54] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.
[55] Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.
[56] Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups.
[57] Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

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Qualitative disclosures according to Annex XI Taxonomy Article 8 Delegated Act

Contextual information in support of the quantitative indicators, on the scope of assets, data sources and limitations

In accordance with Article 10 (3) and Article 7 (1) – (3) of the Taxonomy Article 8 Delegated Act, we disclose the relevant quantitative indicators (KPIs) in the above table.

At present, we can only generate the KPIs on Taxonomy eligible investments based on estimated turnover data provided by data service provider. Since the mandatory Article 8 Taxonomy Regulation disclosure must be based on actual data, according to the EU Commission's FAQ Document on Article 8 Taxonomy Article 8 Delegated Act[58] and the Appendix 1 of the Platform on Sustainable Finance on voluntary information as part of the Taxonomy[59], our Taxonomy-eligible / non-eligible investments for this reporting period are reported as 0%.

Actual data is however available for calculating the KPIs illustrating the exposure to derivatives and exposure to non-NFRD undertakings.

To evaluate the exposure to non-NFRD undertakings in our Active and Passive investments, external data from a data service provider has been used.

For Illiquid business, data sources include external counterparties such as investors and fund managers. A large portion of the Illiquid investments are made in non-NFRD undertakings, thus, are largely included in the exposure to non-NFRD undertakings.

For all assets, the data have limitations which include the reliance on external valuation methodology, data availability and data quality. The information is provided as of 31 December 2021.

Compliance of our business strategy, product design processes and engagement with clients and counterparties with the Taxonomy Regulation

The EU Climate Delegated Act which sets out performance requirements for a substantial contribution to the first two climate objectives of the Taxonomy Regulation as well as the criteria for the “do no significant harm” requirement relating to the relevant other four objectives of the Taxonomy Regulation has only been published on 9 December 2021.

The inclusion of certain economic activities (natural gas, nuclear power) in the Taxonomy Regulation is also still under discussion. Further, the reporting requirements of Art. 8 Taxonomy Regulation only entered into force for reports to be published as of 1 January 2022. Quantitative disclosures on Taxonomy-alignment under the Taxonomy Article 8 Delegated Act will not be available until later in 2023 for non-financial undertakings and until later in 2024 for financial undertakings.

Starting from 2022 and subject to the increase in scope of economic activities covered by the Taxonomy Regulation and availability of data, we intend to comply with the Taxonomy Regulation in our business strategy, product design processes and engagement policy.

We aim to make further use of data reported as per the Taxonomy Regulation in our research activities as well as in proxy voting and engagement, where available and reliable. Please refer to ‘[Our Responsibilities] – ESG Products, Sustainable Finance and Responsible Investing’ for further information.

[58] EU Commission, FAQ Document: How should financial and non-financial undertakings report Taxonomy-eligible economic activities and assets in accordance with the Taxonomy Regulation Article 8 Article 8 Delegated Act?, 20 December 2021.

[59] Platform on Sustainable Finance: Platform considerations on voluntary information as part of Taxonomy-eligibility reporting, Appendix 1, 20 December 2021.

Information pursuant to Sections 289a and 315a of the German Commercial Code and Explanatory Report

Structure of the Share Capital including Authorized and Conditional Capital

For information regarding DWS Group's share capital please refer to note 20 'Equity' to the Consolidated Financial Statements.

Restriction on Voting Rights or the Transfer of Shares

Under Section 136 of the German Stock Corporation Act (AktG) the voting right of the affected shares is excluded by law. As far as DWS KGaA held own shares as of 31 December 2021 in its portfolio according to Section 71b of the German Stock Corporation Act (AktG) no rights could be exercised.

Pursuant to Section 285 (1) Sentence 2 of the German Stock Corporation Act (AktG), the shareholder of the General Partner, DB Beteiligungs-Holding GmbH, is not entitled to vote its shares in certain situations, for example, for the election or removal of the Supervisory Board members, the ratification of acts of management, the appointment of the auditor and the appointment of a special auditor.

We are not aware of any other restrictions on voting rights or the transfer of shares.

Shareholdings which Exceed 10% of the Voting Rights

The German Securities Trading Act (Wertpapierhandelsgesetz) requires that any investor whose share of voting rights reaches, exceeds or falls below certain thresholds as the result of purchases, disposals or otherwise, must notify us and the German Federal Financial Supervisory Authority (BaFin) thereof. The lowest threshold is 3%.

DWS KGaA has its registered seat in Frankfurt am Main, Germany and its business address is Mainzer Landstrasse 11-17, 60329 Frankfurt am Main. DWS KGaA is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 111128. The company is a partnership limited by shares incorporated in Germany and governed by German law.

DB Beteiligungs-Holding GmbH, which has its registered seat in Frankfurt am Main, Germany, and is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 87504, is the largest shareholder of DWS KGaA. As per 20 April 2018, DB Beteiligungs-Holding GmbH held 158,981,872 units or a 79.49% share in DWS KGaA. We are not aware of any changes as of 31 December 2021.

DB Beteiligungs-Holding GmbH is a wholly-owned subsidiary of Deutsche Bank AG, which has its registered seat in Frankfurt am Main, Germany and is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 30000. Deutsche Bank AG is the ultimate beneficial owner of those units held by DB Beteiligungs-Holding GmbH.

The remaining shares are held by investors outside of Deutsche Bank Group.

DWS KGaA is not aware of any other shareholder holding directly or indirectly more than 10% or more of the voting rights.

Shares with Special Control Rights

Shares which confer special control rights have not been issued.

Rules Governing the Appointment and Replacement of the Managing Directors of the General Partner (Executive Board)

Pursuant to the Articles of Association of DWS KGaA (Section 7) the management of DWS KGaA is the sole responsibility of the General Partner, DWS Management GmbH. Pursuant to Section 6 (1) and (2) of the Articles of Association of the General Partner, the General Partner shall have at least two Managing Directors (Geschäftsführer) who are appointed and dismissed by resolution of the shareholders' meeting of DWS Management GmbH. The Managing Directors manage the business activities of DWS Management GmbH and – with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – the business activities of DWS KGaA. For ease of reference, the Managing Directors are collectively referred to as the "Executive Board". They are also responsible for representing DWS Management GmbH as well as DWS KGaA vis-à-vis third parties. Decisions taken by the Executive Board are in accordance with the law, the Articles of Association of DWS KGaA and the General Partner, the Terms of Reference of the Executive Board and, subject to the statutory and regulatory restrictions, instructions from the shareholders' meeting of the General Partner. For certain material decisions in relation to the business of DWS KGaA the General Partner also requires approval from the Joint Committee (see Section 3 of the Annual Report – Overview of the Governance Bodies of DWS). The Executive Board has a Chairman (Chief Executive Officer), who is appointed by the shareholders' meeting of the General Partner pursuant to the Terms of Reference for the Executive Board.

Pursuant to the German Investment Firm Act (WpIG) evidence must be provided to the German Federal Financial Supervisory Authority (BaFin) and to the Deutsche Bundesbank that any member of the Executive Board is reliable and has adequate professional suitability and sufficient time availability to exercise the respective task before the member is appointed (Section 67 (2) No.1 of the Securities Institutions Act).

Pursuant to Section 62 (2) of the Securities Institutions Act, BaFin can demand that members of the Executive Board are dismissed and prohibit them from carrying out their activities if such members are not reliable or do not have the professional suitability to manage the company or do not commit sufficient time to the performance of their functions. In addition, BaFin can require the dismissal of members of the Executive Board and prohibit them from carrying out their activities if such members have intentionally or recklessly contravened the provisions of the Securities Institutions, the regulations issued to support its implementation or orders issued by BaFin, and if they persist in such behaviour despite having been duly cautioned by BaFin.

Rules Governing the Amendment of the Articles of Association

Any amendment of the Articles of Association of DWS KGaA requires a resolution of the General Meeting of the company pursuant to Section 179 of the German Stock Corporation Act (AktG). Pursuant to the Articles of Association of DWS KGaA, the resolutions of the General Meeting are taken by a simple majority of votes and, in so far as a majority of capital stock is required, by a simple majority of capital stock, except where law or the Articles of Association determine otherwise (Section 25 (1)). Resolutions passed in the General Meeting require the approval of the General Partner where they involve matters which, in the case of a limited partnership, require the authorization of the personally liable partners. This includes resolutions on the amendment of the Articles of Association. To the extent that the resolutions of the General Meeting are subject to the consent of the General Partner, the General Partner shall declare at the General Meeting whether consent to the resolutions will be given or will be refused (Section 25 (3)). The authority to amend the Articles of Association in so far as such amendments merely relate to the wording has been assigned to the Supervisory Board (Section 25 (4)).

Amendments to the Articles of Association become effective upon their entry in the Commercial Register pursuant to Section 181 (3) of the German Stock Corporation Act (AktG).

Powers of the General Partner to Issue or Buy Back Shares

On 7 March 2018 an extraordinary General Meeting of DWS KGaA approved the creation of two authorized capitals in the total amount of € 100 million:

The General Partner is authorized to increase the share capital of the company on or before 31 January 2023 once or more than once, by up to a total of € 40 million – through the issuance of new shares against cash payment or contribution in kind ("Authorized Capital 2018/I"). Shareholders are to be granted pre-emptive rights, but the General Partner is authorized to except broken amounts from shareholders' pre-emptive rights. The General Partner is also authorized to exclude pre-emptive rights if the capital increase against contribution in kind is carried out in order to acquire companies or shareholdings in companies. Finally, the General Partner is authorized – limited to a portion in a nominal amount of up to € 20 million – to exclude the pre-emptive rights if the issue price of the new shares is not significantly lower than the quoted price of the shares already listed at the time of the final determination of the issue price and the total shares issued since the authorization in accordance with Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG) do not exceed 10% of the share capital at the time the authorization becomes effective – or if the value is lower – at the time the authorization is utilized. Decisions of the General Partner to utilize the Authorized Capital 2018/I and to exclude pre-emptive rights require the approval of the Supervisory Board. The new shares may also be taken up by banks specified by the General Partner with the obligation to offer them to shareholders (indirect pre-emptive right). Further details are governed by Section 4 of the Articles of Association.

The General Partner is authorized to increase the share capital of the company on or before 31 January 2023 once or more than once, by up to a total of € 60 million through the issuance of new shares against cash payment ("Authorized Capital 2018/II"). Shareholders are to be granted pre-emptive rights, but the General Partner is authorized to except broken amounts from shareholders' pre-emptive rights. Decisions of the General Partner to utilize the Authorized Capital 2018/II and to exclude pre-emptive rights require the approval of the

Supervisory Board. The new shares may also be taken up by certain banks specified by the General Partner with the obligation to offer them to the shareholders (indirect pre-emptive right). Further details are governed by Section 4 of the Articles of Association.

The Annual General Meeting of 5 June 2019 authorized the creation of conditional capital in the total amount of up to € 20 million. The General Partner is authorized to issue, once or more than once, on or before 31 May 2024 bonds with warrants and/or convertible bonds with a fixed maturity not exceeding 20 years or with a perpetual maturity, and to grant option rights to the holders of bonds with warrants and conversion rights (in conjunction with a conversion obligation if applicable) to the holders of convertible bonds in respect of new shares in the company, subject to the terms and conditions governing the bonds with warrants or convertible bonds. The total nominal amount of the bonds with warrants and convertible bonds may not exceed a total value of € 600 million. Option and conversion rights may only be issued in respect of company shares nominally representing up to € 20 million of the share capital. For this purpose share capital may be increased by up to € 20 million by issuing up to 20,000,000 new no par value bearer shares (conditional capital). Further details are governed by Section 4 of the Articles of Association.

By resolution of the Annual General Meeting of 5 June 2019 the General Partner is authorized to purchase, on or before 31 May 2024, its own shares in a total volume of up to 5% of the share capital at the time the resolution is taken or – if the value is lower – of the share capital at the time this authorization is exercised. Together with its own shares acquired for other reasons and which are from time to time in the company's possession or attributable to the company pursuant to Section 71a et. seq. of the German Stock Corporation Act (AktG), the own shares purchased on the basis of this authorization may not at any time exceed 10% of the company's respectively applicable share capital. The own shares may be bought through the stock exchange or by means of a public purchase offer to all shareholders. The authorization provides for certain thresholds by defining a minimum and maximum consideration for the acquisition of a treasury share. The countervalue for the purchase of shares (excluding ancillary purchase costs) through the stock exchange may not be more than 10% higher or lower than the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before the obligation to purchase. In the case of a public purchase offer, it may not be more than 20% higher or lower than the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before the day of publication of the offer. If the volume of shares offered in a public purchase offer exceeds the planned buyback volume, acceptance must be in proportion to the shares offered in each case. The preferred acceptance of small quantities of up to 100 of the company's shares offered for purchase per shareholder may be provided for.

In addition, the General Partner is authorized to dispose of the purchased shares on the stock exchange or by an offer to all shareholders. The General Partner is also authorized to use shares purchased on the basis of authorizations pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to issue staff shares to employees and retired employees of DWS Group or to use them to service option rights on shares of DWS and/or rights or duties to purchase shares of DWS granted to employees or members of executive or non-executive management bodies of DWS Group.

Furthermore, the General Partner is authorized, with the exclusion of shareholders' pre-emptive rights, to sell such own shares to third parties against cash payment if the purchase price is not substantially lower than the price of the shares on the stock exchange at the time of sale. The General Partner may only use this authorization if it has been ensured that the number of shares sold on the basis of this authorization does not exceed 10% of the company's share capital at the time this authorization becomes effective or – if the amount is lower – at the time this authorization is exercised. Shares that are issued or sold during the validity of this authorization with the exclusion of pre-emptive rights, in direct or analogous application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG), are to be included in the maximum limit of 10% of the share capital. Also to be included are shares that are to be issued to service option and/or conversion rights from convertible bonds, bonds with warrants, convertible participatory rights or participatory rights, if these bonds or participatory rights are issued during the validity of this authorization with the exclusion of pre-emptive rights in corresponding application of Section 186 (3) Sentence 4 of the German Stock Corporation Act (AktG).

Finally, the General Partner is also authorized to cancel shares acquired on the basis of the described authorizations or a preceding authorization without the execution of this cancellation process requiring a further resolution by the General Meeting.

By resolution of the Annual General Meeting of 5 June 2019 the General Partner is authorized pursuant to Section 71 (1) No. 8 of the German Stock Corporation Act (AktG) to execute the purchase of shares under the resolved authorization also with the use of derivatives. The purchase of shares may be executed, apart from in the ways described above with the use of put and call options or forward purchase contracts. DWS KGaA may sell to third parties put options based on physical delivery and buy call options from third parties if it is ensured by the option conditions that these options are fulfilled only with shares which themselves were acquired subject to compliance with the principle of equal treatment. All share purchases based on put or call options are limited to shares in a maximum volume of 5% of the actual share capital at the time of the resolution by the General Meeting on this authorization. The term of the options must be selected such that the share purchase upon exercising the option is carried out at the latest on 31 May 2024.

The authorization provides for certain thresholds for such transactions. The purchase price to be paid per share upon exercise of the put options or upon the maturity of the forward purchase may not exceed by more than 10% or fall below 10% of the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before conclusion of the respective transaction in each case excluding ancillary purchase costs but taking into account the option premium received. The call options may only be exercised if the purchase price to be paid does not exceed by more than 10% or fall below 10% of the average of the share prices (closing auction prices of the DWS share in Xetra trading and/or in a comparable successor system on the Frankfurt Stock Exchange) on the last three stock exchange trading days before the acquisition of the shares.

The authorized capitals, conditional capital and the authorization to purchase and sell own shares have not been utilized so far.

Significant Agreements which Take Effect, Alter or Terminate upon a Change of Control of the Company Following a Takeover Bid

Significant agreements which take effect, alter or terminate upon a change of control of the company following a takeover bid have not been entered into.

Agreements for Compensation in Case of a Takeover Bid

If a member of the Executive Board leaves DWS Group within the scope of a change of control, she or he is not entitled to any specific one-off compensation payment. For information on the compensation system, please refer to the Executive Board Compensation Report.

Consolidated Financial Statements

Consolidated Financial Statements

Consolidated Statement of Income

in € m.	Notes	2021	2020
Management fees income		3,590	3,200
Management fees expense		1,219	1,067
Net management fees	6	**2,371**	**2,134**
Performance and transaction fee income		229	109
Performance and transaction fee expense		17	19
Net performance and transaction fees	6	**212**	**90**
Net commissions and fees from asset management	6	**2,583**	**2,223**
Interest and similar income[1]		27	16
Interest expense		20	21
Net interest income		**7**	**(5)**
Net gains (losses) on financial assets/liabilities at fair value through profit or loss[2]		253	(89)
Net income (loss) from equity method investments	12	81	63
Provision for credit losses		5	2
Other income (loss)[2]		(198)	47
Total net interest and non-interest income		**2,720**	**2,237**
Compensation and benefits[3]	8,21	799	732
General and administrative expenses	7,15	836	742
Impairment of goodwill and other intangible assets	13	0	0
Total non-interest expenses		**1,635**	**1,474**
Profit (loss) before tax		**1,086**	**762**
Income tax expense	22	304	204
Net income (loss)		**782**	**558**
Attributable to:			
Non-controlling interests		2	2
DWS shareholders		780	556

1 Interest and similar income includes € 7 million and € 7 million for 2021 and 2020, respectively, calculated based on effective interest method.
2 Net gains (losses) in financial assets/liabilities at fair value through profit or loss are impacted by valuation adjustments of € (2) million for 2021 (€ (48) million for 2020) on derivatives mainly driven by guaranteed products and valuation adjustments of € 208 million for 2021 (€ (30) million for 2020) on guaranteed funds. Other income (loss) includes € (208) million for 2021 (€ 30 million for 2020) valuation adjustments on liabilities of guaranteed funds. DWS Group has no stake in these funds.
3 Includes restructuring costs of € 2 million for 2021 (€ 15 million for 2020).

Consolidated Statement of Comprehensive Income

in € m.	2021	2020
Net income (loss) recognised in the income statement	**782**	**558**
Other comprehensive income (OCI):		
Items that will not be reclassified to profit or loss:		
Remeasurement gains (losses) related to defined benefit plans, before tax	26	9
Income tax expense (benefit) related to items that will not be reclassified to profit or loss	8	3
Items that are or may be reclassified to profit or loss:		
Financial assets mandatory at fair value through other comprehensive income		
Unrealized net gains (losses) arising during the period, before tax	(44)	3
Equity method investments		
Net gains (losses) arising during the period	0	(1)
Foreign currency translation		
Unrealized net gains (losses) arising during the period, before tax	294	(305)
Realized net gains (losses) arising during the period (reclassified to profit or loss), before tax	1	0
Income tax expense (benefit) related to items that are or may be reclassified to profit or loss	(14)	1
Total other comprehensive income (loss), net of tax	**282**	**(299)**
Total comprehensive income (loss), net of tax	**1,064**	**259**
Attributable to:		
Non-controlling interests	2	2
DWS shareholders	1,062	257

Earnings per Common Share

	Notes	2021	2020
Earnings per common share:			
Basic	9	€ 3.90	€ 2.78
Diluted	9	€ 3.90	€ 2.78
Number of common shares (in million)	20	200	200

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Consolidated Balance Sheet

in € m.	Notes	31 Dec 2021	31 Dec 2020
ASSETS			
Cash and bank balances	10	2,191	2,189
Financial assets at fair value through profit or loss:	10		
Trading assets		1,505	1,297
Positive market values from derivative financial instruments		26	0
Non-trading financial assets mandatory at fair value through profit or loss		1,745	1,131
Investment contract assets mandatory at fair value through profit or loss		562	526
Total financial assets at fair value through profit or loss	**10**	**3,838**	**2,954**
Financial assets at fair value through other comprehensive income	10	154	198
Equity method investments	12	349	304
Loans at amortized cost	10	5	4
Property and equipment	14	26	29
Right-of-use assets	15	119	115
Goodwill and other intangible assets	13	3,652	3,550
Assets held for sale	16	324	0
Other assets	10,17	762	887
Assets for current tax	22	46	76
Deferred tax assets	22	145	142
Total assets		**11,611**	**10,448**
LIABILITIES AND EQUITY			
Financial liabilities at fair value through profit or loss:	10		
Trading liabilities		28	18
Negative market values from derivative financial instruments		160	158
Investment contract liabilities designated at fair value through profit or loss		562	526
Total financial liabilities at fair value through profit or loss	**10**	**750**	**702**
Other short-term borrowings	10	75	72
Lease liabilities	15	136	130
Liabilities held for sale	16	252	0
Other liabilities	10,17	2,623	2,498
Provisions	18	16	17
Liabilities for current tax	22	96	61
Deferred tax liabilities	22	218	205
Long-term debt	10	0	0
Total liabilities		**4,166**	**3,685**
Common shares, no par value, nominal value of € 1.00	20	200	200
Additional paid-in capital		3,448	3,459
Retained earnings		3,487	3,051
Accumulated other comprehensive income (loss), net of tax		286	23
Total shareholders' equity		**7,421**	**6,732**
Non-controlling interests		24	30
Total equity		**7,445**	**6,762**
Total liabilities and equity		**11,611**	**10,448**

Consolidated Changes in Equity

in € m.	Common Stock	Additional paid in capital	Share awards	Retained earnings	Accumulated other comprehensive income, net of tax[1]: Unrealized net gains (losses): On financial assets mandatory at fair value through other comprehensive income, net of tax	Unrealized net gains (losses): From equity method investments	Foreign currency translation net of tax	Total	Shareholders' equity: Total	Non-controlling interest	Total equity
Balance as of 1 January 2020	200	3,358	122	2,823	0	19	308	327	6,830	23	6,852
Total comprehensive income (loss), net of tax	0	0	0	556	2	(1)	(305)	(305)	251	2	253
Remeasurement gains (losses) related to defined benefit plans, net of tax	0	0	0	6	0	0	0	0	6	0	6
Cash dividends paid	0	0	0	334	0	0	0	0	334	0	334
Net change in share awards in the reporting period, net of tax	0	0	(21)	0	0	0	0	0	(21)	(0)	(21)
Other	0	0	0	0	0	0	0	0	0	5	5
Balance as of 31 December 2020	200	3,358	101	3,051	2	18	2	23	6,732	30	6,762
Balance as of 1 January 2021	200	3,358	101	3,051	2	18	2	23	6,732	30	6,762
Total comprehensive income (loss), net of tax	0	0	0	780	(30)	0	293	264	1,044	2	1,046
Remeasurement gains (losses) related to defined benefit plans, net of tax	0	0	0	18	0	0	0	0	18	0	18
Cash dividends paid	0	0	0	362	0	0	0	0	362	0	362
Net change in share awards in the reporting period, net of tax	0	0	(10)	0	0	0	0	0	(10)	0	(10)
Other	0	0	0	0	0	0	0	0	0	(9)	(9)
Balance as of 31 December 2021	200	3,358	91	3,487	(28)	19	295	286	7,421	24	7,445

[1] Excluding remeasurement gains (losses) related to defined benefit plans, net of tax.

Consolidated Statement of Cash Flows

Cash flows are classified into operating activities, investing activities and financing activities with regard to the activities of the Group. The Group's cash flow statement presented below is prepared using the indirect method for cash flows from operating activities.

Operating activities – These cover mainly cash flows from commissions and fees as well as related to compensation and benefits and general and administrative expenses. In addition, operating activities include cash flows from assets and liabilities, which are excluded from investing and financing activities. Cash flows from trading assets and liabilities and derivative financial instruments are presented net under operating activities. Further, operating activities cover cash flows on taxes and interest. While received dividends except for dividends from equity method investments are included in operating activities, paid dividends are allocated to financing activities as these are related to equity.

Investing activities – These contain mainly cash flows resulting from purchase, sale and maturities of non-trading financial assets, that include mainly seed investments, co-investments, liquidity positions and investment contract assets. These also include financial assets at fair value through other comprehensive income which comprise of sub-sovereign bonds. In addition, cash flows related to equity method investments, tangible and intangible assets are shown under investing activities.

Financing activities – These show cash flows from transactions related to equity and other borrowings including long-term debt and other short-term borrowings. The principal payments of the lease liabilities are also allocated to financing activities, while the interest payments for lease liabilities are included in interest paid in operating activities.

Cash and cash equivalents – These comprise cash and bank balances on demand.

in € m.	2021	2020
Cash flows from operating activities:		
Net income (loss)	**782**	**558**
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Restructuring activities	2	15
(Gain) loss on sale of financial assets from investing activity	(17)	(4)
Deferred taxes, net	2	(18)
Impairment, depreciation, other amortization and (accretion)	85	69
Share of net loss (income) from equity method investments	(84)	(63)
Other non-cash movements	(110)	6
Income (loss) adjusted for non-cash charges, credits and other items	**659**	**565**
Adjustments for net change in operating assets and liabilities:		
Interest-earning time deposits with banks	(3)	(33)
Other assets	(106)	137
Investment contract liabilities designated at fair value through profit or loss	36	(18)
Other liabilities	393	(386)
Trading assets and liabilities, pos. and neg. market values from derivative financial instruments, net[1]	(219)	182
Other, net	24	(64)
Net cash provided by (used in) operating activities	**783**	**383**
Thereof: Net cash provided by (used in) operating activities of guaranteed funds	23	(9)
Cash flows from investing activities:		
Proceeds from sale and maturities of:		
Non-trading financial assets mandatory at fair value through profit or loss[2]	1,734	1,800
Equity method investments	3	0
Property and equipment	9	3
Disposals of intangible assets	0	1
Purchase of:		
Non-trading financial assets mandatory at fair value through profit or loss[3]	(2,204)	(1,517)
Financial assets at fair value through other comprehensive income	0	(196)[4]
Property and equipment	(9)	(10)
Additional intangible assets	(35)	(24)
Dividends received from equity method investments	74	21
Loans at amortized cost made to other parties	(1)	(1)
Net cash provided by (used in) investing activities	**(430)**	**78**
Cash flows from financing activities:		
Cash dividends paid to DWS shareholders	(362)	(334)
Other borrowings	1	0
Repayment of other borrowings	0	(15)
Repayment of lease liabilities (principal)	(18)	(16)
Net change in non-controlling interests	(7)	7
Net cash provided by (used in) financing activities	**(386)**	**(357)**
Net effect of exchange rate changes on cash and cash equivalents	**28**	**(31)**
Net increase (decrease) in cash and cash equivalents	**(5)**	**72**
Cash and cash equivalents at beginning of period	2,060	1,987
Net increase (decrease) in cash and cash equivalents	(5)	72
Cash and cash equivalents at end of period	**2,055**	**2,060**

[1] This item mainly comprises trading assets held by consolidated guaranteed funds that are offset by payables to clients held by guaranteed funds and presented in other liabilities.
[2] The inflows result mainly from maturity of government bonds and disposals of money market funds as well as of seed investments.
[3] The outflows contain mainly investments in liquidity positions and seed investments.
[4] The outflows of € 196 million pertains to the acquisition of the long-term German sub-sovereign bonds.

in € m.	2021	2020
Supplemental cash flow information:		
Net cash provided by (used in) operating activities includes		
Income taxes paid (received), net	240	324
Interest paid	21	21
Interest received	6	8
Dividends received	8	8
Cash and cash equivalents comprise		
Cash and bank balances (excluding time deposits)[1]	2,055	2,060
Total cash and cash equivalents	**2,055**	**2,060**

[1] The balance sheet item cash and bank balances of € 2,191 million(31 December 2020: € 2,189 million) comprises time deposits of € 137 million (31 December 2020: € 129 million), bank balances on demand of € 2,055 million (31 December 2020: € 2,060 million) and cash of € 0 million (31 December 2020: € 0 million). The cash flow statement shows only cash and bank balances on demand.

Notes to the Consolidated Financial Statements

01 – Basis of Preparation

DWS Group GmbH & Co. KGaA (DWS KGaA or the Parent) has its registered seat in Frankfurt am Main, Germany and its business address at Mainzer Landstrasse 11-17, 60329 Frankfurt am Main. DWS KGaA is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 111128. The company is a partnership limited by shares incorporated in Germany and governed by German law.

DB Beteiligungs-Holding GmbH, has its registered seat in Frankfurt am Main, Germany, is registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 87504 and is the parent company of DWS KGaA holding a 79.49% share of DWS KGaA. The remaining shares are held by external investors. The ultimate parent company of DWS KGaA is Deutsche Bank AG, Frankfurt am Main, Germany, registered with the commercial register of the local court of Frankfurt am Main, Germany, under HRB 30000. The consolidated financial statements of Deutsche Bank AG in accordance with IFRS can be viewed on the Investor Relations website of Deutsche Bank AG (https://www.db.com/ir).

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union (EU) and the relevant interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and in compliance with Section 315a German Commercial Code (HGB). The Group's application of IFRS results in no differences between IFRS as issued by the IASB and IFRS as endorsed by the EU.

The consolidated financial statements comprise the consolidated income statement, the statement of comprehensive income, the consolidated statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the consolidated financial statements. They include the parent company, DWS Group GmbH & Co. KGaA, together with its consolidated subsidiaries, including certain structured entities presented as a single economic unit (collectively the "Group/DWS Group").

The consolidated financial statements have been prepared as at the end our reporting period, 31 December 2021 for the period from 1 January 2021 to 31 December 2021. The individual financial statements of the companies included in the consolidation are drawn up on the same accounting date, 31 December 2021, as that of DWS Group GmbH & Co. KGaA. They have been prepared using uniform accounting policies. Please refer to note 2 'Significant Accounting Policies and Estimates' for additional information on the presentation of the Group's reported amounts of income, expenses, assets, liabilities, equity and the disclosure of contingent liabilities at the reporting date.

The consolidated financial statements are stated in euro, the presentation currency of the Group except when otherwise indicated and are rounded to the nearest million. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. "N/A" is read as not applicable.

Disclosures about the management of risks arising from financial instruments as required by IFRS 7 "Financial Instruments: disclosures" are set forth in the Risk Report section of the Summarized Management Report and are an integrated part of the consolidated financial statements. These audited disclosures are identified by petrol lines in the margins of the Risk Report.

The Group's management has a reasonable expectation that DWS KGaA and the Group have adequate resources to continue in operating existence for the foreseeable future. Accordingly, the Group's annual consolidated financial statements have been prepared on a going concern basis. Income and expenses are recognised using the accrual method, i.e. they are recognised in the period to which they relate.

On 4 March 2022, the Executive Board prepared the consolidated financial statements and submitted them to the Supervisory Board for review and approval, and released them for publication.

Consolidated Group

In preparing the accompanying consolidated financial statements, the principles underlying the consolidation procedures of IFRS 10 "Consolidated Financial Statements" have been applied.

According to IFRS 10, a group consists of a parent entity and the subsidiaries controlled by the parent. "Control" of an investee assumes the simultaneous fulfilment of the following three criteria:

_ The parent company holds decision-making power over the relevant activities of the investee.
_ The parent company has exposure, or rights, to variable returns from its involvement with the investee.
_ The parent company can use its decision-making power to affect the variable returns.

The Group consists of 73 consolidated entities (previous year: 76), thereof 47 subsidiaries (previous year: 50) and 26 consolidated structured entities (previous year: 26).

44 of the entities controlled by the Group are directly or indirectly held by the Group at 100% of the ownership interests (share of capital, previous year: 46). Third parties also hold ownership interest in 29 of the consolidated entities (non-controlling interest, previous year: 30). As of 31 December 2021 and same for the previous year, the non-controlling interests are neither individually nor cumulatively material to the Group.

Refer to note 24 'Information on Subsidiaries and Shareholdings' for additional information.

Principles of Consolidation

Subsidiaries and consolidated structured entities are consolidated using the acquisition method. This method requires all of a subsidiary's assets and liabilities to be recognised at fair value at the acquisition date or at the date on which control is acquired.

Any difference between the cost and the fair value of the assets and liabilities is recognised as goodwill under intangible assets. The carrying amount of goodwill is tested for impairment at least once a year or more frequently if there are any indications of possible impairment. An impairment loss is recognized in profit or loss and any negative goodwill is recognised immediately in profit or loss.

Transactions between consolidated entities as well as intercompany profits resulting from transactions between consolidated companies are eliminated in full. Material intercompany transactions and profits related to companies accounted for using the equity method are eliminated.

Shares in joint ventures and associated companies are accounted for, if material, using the Equity method in our consolidated financial statements and are thus not included in the scope of consolidation.

02 – Significant Accounting Policies and Estimates

Accounting Policies

Subsidiaries

The Group's subsidiaries are those entities which it directly or indirectly controls. Control over an entity is evidenced by the Group's ability to exercise its power in order to affect any variable returns that the Group is exposed to through its involvement with the entity.

When assessing whether to consolidate an entity, the Group evaluates a range of control factors, namely:

_ the purpose and design of the entity
_ the relevant activities and how these are determined
_ whether the Group's rights result in the ability to direct the relevant activities
_ whether the Group has exposure or rights to variable returns
_ whether the Group has the ability to use its power to affect the amount of its returns

Where voting rights are relevant, the Group is deemed to have control where it holds, directly or indirectly, more than half of the voting rights over an entity unless there is evidence that another investor has the practical ability to unilaterally direct the relevant activities.

Potential voting rights that are deemed to be substantive are also considered when assessing control. Likewise, the Group also assesses existence of control where it does not control the majority of the voting power but has the practical ability to unilaterally direct the relevant activities or its exposure to the variability of returns is different from that of other investors.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

The Group reassesses the consolidation status at least at every quarterly reporting date. Therefore, any changes in the structure leading to a change in one or more of the control factors, require reassessment when they occur. This includes changes in decision making rights, changes in contractual arrangements, changes in the financing, ownership or capital structure as well as changes following a trigger event which was anticipated in the original documentation.

Consistent accounting policies are applied throughout the Group for the purposes of consolidation. Issuance of a subsidiary's stock to third parties are treated as non-controlling interests. Profit or loss attributable to non-controlling interests are reported separately in the Consolidated Statement of Income and Consolidated Statement of Comprehensive Income.

At the date that control of a subsidiary is lost, the Group a) derecognizes the assets (including attributable goodwill) and liabilities of the subsidiary at their carrying amounts, b) derecognizes the carrying amount of any non-controlling interests in the former subsidiary, c) recognizes the fair value of the consideration received and any distribution of the shares of the subsidiary, d) recognizes any investment retained in the former subsidiary at its fair value and e) recognizes any resulting difference of the above items as a gain or loss in the income statement. Any amounts recognized in prior periods in other comprehensive income in relation to that subsidiary would be reclassified to the Consolidated Statement of Income or transferred directly to retained earnings if required by other IFRSs.

Structured Entities

The Group engages in various business activities with structured entities which are mainly designed to manage funds and own-account investment in funds set up by the Group or portfolios of funds set up by third-party companies. The fund manager typically has power through investment management and other agreements.

Structured entities are consolidated when the substance of the relationship between the Group and the structured entities indicates that the structured entities are controlled by the Group and the Group is exercising its power as a principal rather than as an agent in respect of the fund or portfolios it manages. In assessing whether the Group is an agent or a principal, it considers a number of factors, including the scope of its decision-making activities, rights held by the investors and others and its exposure to variable returns including remuneration. The Group does not consolidate funds where it is deemed to be an agent or when a third party investor has the ability to direct the activities of the fund.

The Group has the following consolidated structured entities:

Guaranteed Funds

The Group manages guaranteed funds, which provide a partial notional guarantee at a date specific in the respective guaranteed contract (guarantee date). These funds are consolidated by the Group under IFRS 10 "Consolidated Financial Statements" due to the fact it has power (being the asset manager), is exposed to variable returns (specifically via the guarantee) and can use its power to affect those returns. In general, the Group has no stake in these funds. Since investors can return their fund shares on a daily basis and receive back the market value of their shares, the interests of the investors do not qualify as equity and the Group recognizes a liability at amortized cost within other liabilities which reflects the implied fair value based on the assets held as trading assets measured at fair value through profit or loss. The assets held by the consolidated structured entity are classified as trading assets in the balance sheet.

Seed Investments

Seed investments are deployed to build marketable track records for new products initiated by the Group. Seed investments are made to establish necessary funding for a new fund. Over time, seed investments are withdrawn as the funds grow and/or clients make investments in the funds. Seeded products typically comprise shares of mutual funds, exchange traded funds (ETFs) or equity interests in other types of commingled vehicles. The underlying exposure is comprised of varying asset types (typically fixed income or equity securities with active primary and secondary markets). The duration of deployed seed capital is typically up to three years. The Group consolidates these structured entities typically when setting up as the Group has the ability to exercise its power in order to affect any variable returns. The Group deconsolidate those funds when losing the power to control in order to affect any variable returns that the Group is exposed to through its involvement with the entity.

Co-Investments

The Group has direct investments in co-investments primarily in structured entities that invest in a variety of asset classes, including (but not limited to), equities, fixed income, commodities and other alternative asset classes which may include real estate, infrastructure, private equity and hedge funds. Investments are made to ensure an alignment of interest with the management of the respective funds. Co-investment capital is subject to investment market movements.

Associates

An associate is an entity in which the Group has significant influence, but not a controlling interest, over the operating and financial management policy decisions of the entity. Significant influence is defined under IAS 28 "Investments in Associates and Joint Ventures" by holding percentage and representation on the board of directors. Generally, significant influence is presumed when the Group holds between 20% and 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether the Group has significant influence. Among the other factors that are considered in determining whether the Group has significant influence are representation on the board of directors (Supervisory Board in the case of German stock corporations) and material intercompany transactions. The existence of these factors could require the application of the equity method of accounting for a particular investment even though the Group's investment is less than 20% of the voting stock.

Investments in associates are accounted for under the equity method. The Group's share of the results of associates is adjusted to conform to the accounting policies of the Group. Material intercompany transactions and profits related to companies accounted for using the equity method are eliminated.

Under the equity method of accounting, the Group's investments in associates and jointly controlled entities are initially recorded at cost including any directly related transaction costs incurred in acquiring the associate, and subsequently increased (or decreased) to reflect both the Group's pro-rata share of the post-acquisition net income (or loss) of the associate or jointly controlled entity and other movements included directly in the equity of the associate or jointly controlled entity. Dividend income from investments under the equity method of accounting is recognised upon the receipt of proceeds from the investee company. Goodwill arising on the acquisition of an associate or a jointly controlled entity is included in the carrying value of the investment (net of any accumulated impairment loss). As goodwill is not reported separately it is not specifically tested for impairment. Rather, the entire equity method investment is subject to impairment testing requirements quarterly or when there is an indication of a possible impairment.

If there is objective evidence of impairment, an impairment test is performed by comparing the investment's recoverable amount, which is the higher of its value in use and fair value less costs to sell, with its carrying amount. An impairment loss recognized in prior periods is only reversed if there has been a change in the estimates used to determine the investment's recoverable amount since the last impairment loss was recognized. Accordingly, any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

At the date that the Group ceases to have significant influence over the associate or jointly controlled entity the Group recognizes a gain or loss on the disposal of the equity method investment equal to the difference between the sum of the fair value of any retained investment and the proceeds from disposing of the associate and the carrying amount of the investment. Amounts recognized in prior periods in other comprehensive income in relation to the associate are accounted for on the same basis as would have been required if the investee had directly disposed of the related assets or liabilities.

Foreign Currency Translation

The Consolidated Financial Statements are prepared in euro, which is the presentation currency of the Group. Various entities in the Group use a different functional currency, being the currency of the primary economic environment in which the entity operates.

An entity records foreign currency revenues, expenses, gains and losses in its functional currency using the exchange rates prevailing at the dates of recognition.

Monetary assets and liabilities denominated in currencies other than the entity's functional currency are translated at the period end closing rate. Foreign exchange gains and losses resulting from the translation and settlement of these items are recognized in the Consolidated Statement of Income as net gains (losses) on financial assets/liabilities at fair value through profit or loss in order to align the translation amounts with those recognized from foreign currency related transactions (derivatives) which hedge these monetary assets and liabilities.

Non-monetary items that are measured at historical cost are translated using the historical exchange rate at the date of the transaction. Translation differences on non-monetary items which are held at fair value through profit or loss are recognized in profit or loss.

For purposes of translation into the presentation currency, assets and liabilities of foreign operations are translated at the period end closing rate and items of income and expense are translated into euros at the rates prevailing on the dates of the transactions, or average rates of exchange where these approximate actual rates. The exchange differences arising on the translation of a foreign operation are included in other comprehensive income. For foreign operations that are subsidiaries, the amount of exchange differences attributable to any non-controlling interests is recognized in non-controlling interests.

Currency Translation Adjustments (CTA) reflected in equity are the result of legal entities held by parent companies with a different functional currency.

Net Commissions and Fees from Asset Management

At the Group, IFRS 15 “Revenue from Contracts with Customers” applies to the fees and charges reported under ‘Net commissions and fees from asset management’ in the Group’s consolidated statement of income. The income arises in connection with services that are directly related to the Group’s ordinary business activities (asset management business) and hence fall within the scope of IFRS 15.

The Group applies the IFRS 15 five-step business model to determine revenue recognition. After a contract with a customer has been identified in the first step, the performance obligation – or a series of distinct performance obligations – to the customer is identified in the second step. The Group must examine whether the service is capable of being distinct and is actually distinct within the context of the contract. A promised service is distinct if the customer can benefit from the service either on its own or together with other resources that are readily available to the customer, and the promise to transfer the service to the customer is separately identifiable from other promises in the contract. The amount of income is measured based on the contractually agreed transaction price for the performance obligation defined in the contract. Income is not recognized in profit and loss until the identified performance obligation has been satisfied.

Management Fees and Performance Fees

The Group is a global asset manager offering traditional active and passive strategies as well as alternative and bespoke solutions for its customers. The Group earns management fees and performance fees with different products carrying different fee rates arising from trust and other fiduciary activities that result in segregated holding or investing of assets on behalf of individuals, trusts, retirement benefit plans, and others.

Management fees are charged as a percentage of AuM and are received on a monthly or quarterly basis. Other recurring fees include ongoing fees for products not captured in an asset class mix such as, for example, custody fees for client accounts. Performance fees are received primarily for fund management services based on the fund’s performance relative to a benchmark/target return or the realized appreciation of the fund’s investments. Variable performance fees based on specific contractual terms and fees from transaction related contracts are further components of the performance and transaction fees.

The terms and conditions of management fees and performance fees are governed in the asset management agreement. Asset management services that give rise to the management fee and performance fees constitute a single performance obligation under IFRS 15 and are considered together for revenue recognition purposes. The management and performance fee are variable consideration such that at each reporting date the Group estimates the fee amount to which the entity will be entitled in exchange for transferring the promised services to the customer. This includes consideration of the following constraints in the estimation on the fee amount:

_ The AuM in the case of the management fee; and
_ The fund’s performance relative to a benchmark / target return or the realized appreciation of the fund’s investments in the case of the performance fee

Management fees and performance fees are recognized when it is highly probable that a significant reversal in the cumulative amount of the transaction price would not occur. They mainly relate to gross fund management fees received and gross expenses mainly relate to distribution fees paid. The Group updates its estimate of the transaction price for the management and performance fee at each reporting date. The benefits arising from the asset management services are simultaneously received and consumed by the customer over time. The Group recognizes revenue over time by measuring the progress towards complete satisfaction subject to the removal of any uncertainty whether it is highly probable that a significant reversal in the cumulative amount of revenue recognized would occur or not. For the management fee component including other recurring fees this is the end of the monthly or quarterly service period. For the performance fee this is when based on the contractual provisions any uncertainty from the performance-related nature of the fee component has been fully removed. Variable performance fees based on specific contractual terms and fees from transaction related contracts (such as for real estate transactions for alternative funds) are further components of the performance and transaction fees.

The asset management fee is often structured as so-called "all-in fee" such that it includes compensation for example for fund related services such as administrative services and fund audit services. The Group remains the primary obligor to provide the services. In this case the revenue and expenses are reported gross as commission and fee income and general and administrative expenses respectively.

For expenses incurred in relation to businesses where revenue is driven on a commission basis, and for which income is reported as that commission income in the consolidated financial statements, such expenses are presented on a net basis. For example, net management fees consist of gross management fees and other-related fees, including administrative service fees, net of distribution fees paid. The total level of management fees depends on the client and product mix. Subsequently all expenses that are incurred on a transaction basis and are directly incurred and incremental to the generation of fee income are presented in net commissions and fees from asset management in the Group's consolidated financial statements.

Distribution Fees

Revenue and expenses from the distribution of fund units arise from "front-end load" fees and "distribution" fees. The associated revenue and expenses are reported gross as commission and fee income and commission and fee expense respectively. However, in certain distribution agreements the Group does not own the contractual obligation to perform the first-time distribution service to the end-investor. Instead, a third party agent enters directly into a contractual agreement with the end-investor to perform the distribution service. In this case, the Group does not report any revenue and associated expense in commission and fee income and commission and fee expense respectively.

The gross management fee and performance fee income and expense are disclosed in note 6 'Net Commissions and Fees from Asset Management' to the Group's consolidated financial statements. This includes income and associated expense where the Group contractually owns the performance obligation (principal) in relation to the service that gives rise to the revenue and associated expense. In contrast, it does not include situations where the Group does not contractually own the performance obligation (agent).

Financial Assets and Liabilities, Financial Instruments

IAS 32 "Financial Instruments: presentation" defines financial instruments as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity, i. e. any contract representing contractual rights or obligations to pay or receive cash or other financial assets.

Derivative instruments are financial assets or liabilities that derive their value from an underlying, which require little or no initial investment and which are settled at a future date. The Group does not apply hedge accounting.

Financial assets and liabilities are recognized in the financial statements in accordance with the provisions of IFRS 9 as adopted by the European Union.

IFRS 9 Classification and Measurement

IFRS 9 "Financial Instruments" sets out requirements for recognizing and measuring financial instruments. A financial instrument is any contract that gives rise to both a financial asset of one entity and financial liability or equity instrument of another entity.

IFRS 9 requires the classification of financial assets to be determined based on both the business model used for managing the financial assets and contractual cash flow characteristics of the financial assets. The classification and measurement of financial liabilities will continue to follow IAS 39 "Financial Instruments: recognition and measurement".

Financial assets and financial liabilities are recognized in the Group's consolidated statement of financial position when the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Financial Assets

Non-derivative financial assets (debt or equity instruments) are classified in accounting categories in the financial statements that determine their accounting treatment and their subsequent measurement method.

These financial assets are classified in one of the following three categories:
_ Financial assets at fair value through profit or loss

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income

Business Model

There are three business models defined under IFRS 9 for financial assets:
- hold to collect –financial assets held with the objective to collect contractual cash flows.
- hold to collect and sell – financial assets held with the objective of both collecting contractual cash flows and selling financial assets
- other – financial assets held with trading intent or that do not meet criteria of either “hold to collect” or “hold to collect and sell”

For “hold to collect” instruments the primary objective is to collect the nominal value of the receivable and any interest payable on these instruments, they are measured at amortized cost.

The Group applies the business model “hold to collect and sell” for instruments where the primary objective is to both collect contractual cash flows and sell financial assets, the assigned debt instruments are measured at fair value through other comprehensive income. Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of income. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

The remaining Group’s assets under IFRS 9 mainly comprises of consolidated funds under IFRS 10, co-investments and seed investment as well instruments to further diversify our liquidity and funding capabilities and these assets are considered as “other business model” measured at fair value through profit and loss.

Solely Payments of Principal and Interest (SPPI)

If a financial asset is held in either “hold to collect” or a “hold to collect and sell” business model, then an assessment to determine whether contractual cash flows are solely payments of principal and interest on the principle amount outstanding at initial recognition is required to determine the classification.

Contractual cash flows, that are SPPI on the principal amount outstanding, are consistent with a basic lending arrangement. Interest is considered for the time value of the money and the credit risk associated with the principal amount outstanding during a particular period of time. It can also include consideration for the other basic lending risks (e. g. liquidity risk) and costs (e. g. administrative costs) associated with holding the financial assets for a particular period of time; and a profit margin that is consistent with a basic lending arrangement.

Financial Liabilities

Financial liabilities are measured at amortized cost using the effective interest method except for financial liabilities at fair value through profit or loss,

Financial liabilities include long-term and short-term debt issued which are initially measured at fair value, which is the consideration received, net of transaction costs incurred.

Impairment

The impairment model in IFRS 9 is based on the concept of Expected Credit Losses (ECL) which are a probability-weighted estimate of credit losses.

IFRS 9 Impairment requirements applies to all financial assets measured at amortised cost and measured at Fair Value through Other Comprehensive Income (FVOCI) not classified and measured at Fair Value through Profit or Loss (FVTPL). The ECL is applicable to DWS Group. The approach is summarized as follows:

- Stage 1: The Group recognizes a credit loss allowance at an amount equal to twelve-month expected credit losses. This represents the portion of lifetime expected credit losses (LTECL) from default events that are expected within twelve months of the reporting date, assuming that credit risk has not increased significantly after initial recognition.
- Stage 2: The Group recognizes a credit loss allowance at an amount equal to LTECL for those Financial Assets which are considered to have experienced a significant increase in credit risk since initial recognition. The assessment of significant increase in credit risk is based on measuring changes in counterparty probability of default (PD) or if contractual payments are 30 days past due. This requires the computation of ECL based on lifetime probability of default that represents the probability of default occurring over the remaining lifetime of the Financial Asset. Allowance for credit losses is higher in this stage because of an increase in credit risk and the impact of a longer time horizon being considered compared to twelve months in stage 1.
- Stage 3: The Group recognizes a loss allowance at an amount equal to lifetime expected credit losses, reflecting a probability of default of 100%, via the recoverable cash flows for the asset, for those financial assets that are credit-

impaired. The Group's definition of default is aligned with the regulatory definition.

Determination of Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an arm's length transaction between market participants at the measurement date.

Goodwill and Other Intangible Assets

Goodwill arises on the acquisition of subsidiaries and associates and represents the excess of the aggregate of the cost of an acquisition and any non-controlling interests in the acquiree over the fair value of the identifiable net assets acquired at the date of the acquisition.

For the purpose of calculating goodwill, fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows to present value. This discounting is either performed using market rates or by using risk-free rates (RFRs) and risk-adjusted expected future cash flows. Any non-controlling interests in the acquiree is measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets (this is determined for each business combination).

Goodwill and intangible assets are tested for impairment purposes on cash-generating unit (CGU) level. The Group has one CGU for the purpose of impairment testing of goodwill and intangible assets as the Group is managed as a single business segment on asset management for controlling and reporting purposes.

Goodwill is tested for impairment annually in the fourth quarter by comparing the recoverable amount of the goodwill with the carrying amount. In addition, in accordance with IAS 36 "Impairment of assets", the Group tests goodwill whenever a triggering event is identified.

Intangible assets are recognized separately from goodwill when they are separable or arise from contractual or other legal rights and their fair value can be measured reliably. Intangible assets that have a finite useful life are stated at cost less any accumulated amortization and accumulated impairment losses. Customer-related intangible assets that have a finite useful life are amortized over periods of between 1 and 20 years on a straight-line basis based on their expected useful life. These assets are tested for impairment and their useful lives reaffirmed at least annually. Indefinite life intangible assets have an indefinite useful life and hence are not amortized. These assets are tested for impairment and their indefinite useful lives reaffirmed at least annually. The Group reviews the useful life of an intangible asset that is not being amortized each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for these assets. If they do not, the change in the useful life assessment from indefinite to finite life will be accounted for as a change in an accounting estimate in accordance with IAS 8 "Accounting policies, changes in accounting estimates and errors". Indefinite life intangibles are reviewed for impairment annually in the fourth quarter or more frequently if there are indications that the carrying value may be impaired. If any indicators exist, further assessment is made to determine if the carrying value may be impaired.

The Group assesses annually whether there is an indication that a previously recognized impairment loss has reversed. If there is such an indication and the recoverable amount of the impaired asset or CGU subsequently increases, then the impairment loss generally is reversed. In all cases the maximum amount of the reversal is the lower of (1) the amount necessary to bring the carrying amount of the asset to its recoverable amount and (2) the amount necessary to restore the assets to their pre-impairment carrying amounts less subsequent depreciation or amortization that would have been recognized.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. These contracts will mainly relate to office buildings and other leases for vehicles.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i. e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to an annual impairment review.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e. g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption for short-term leases (i. e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Employee Benefits

Share-Based Compensation Plans

In DWS Group there are two main categories of share-based compensation plans, which are described below:

DWS Share-Based Plans (cash-settled)

The Group made grants of share-based compensation under the DWS Equity Plan. This plan represents a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified time period.

In September 2018, IPO related Awards were granted to selected employees within the Group. Both Awards (DWS Equity Plan and DWS Stock Appreciation Rights (SAR) Plan) are considered as share-based cash-settled awards.

All employees who are offered DWS Equity Plan Awards are subject to performance condition and forfeiture provision which need to be met for each tranche to be capable of settlement. In case such performance conditions are not met, the tranche will lapse.

Employees who are offered DWS SAR Plan Awards are also subject to specific performance and forfeiture provisions, as applicable under the SAR Plan.

Compensation expense is recorded on a straight-line basis over the period in which employees perform services to which the awards relate, or over the period of the tranches for those awards delivered in tranches. Estimates of expected forfeitures are periodically adjusted in the event of actual forfeitures or for changes in expectations. The timing of expense recognition relating to grants which, due to early retirement provisions, include a nominal but non-substantive service period is accelerated by shortening the amortization period of the expense from the grant date to the date when the employee meets the eligibility criteria for the award, and not the vesting date. For awards that are delivered in tranches, each tranche is considered a separate award and amortized separately.

The principal inputs for the fair value of the awards are the market value on reporting date, discounted for any dividends foregone over the holding periods of the award, and adjustment for expected and actual levels of vesting which includes estimating the number of eligible employees leaving the Group and number of employees eligible for early retirement.

The liabilities incurred are re-measured at the end of each reporting period until settlement with recognizing any gains and losses in profit and loss.

DB Share Based Plans (equity-settled)

Some Group employees continue to hold deferred awards granted under the DB Equity Plan, under the rules established for Deutsche Bank Group as applicable.

Share-based payment transactions where Deutsche Bank AG as parent company have granted Deutsche Bank AG shares to the employees of the Group are classified as equity-settled transactions reflected in the equity in the consolidated financial statements of the Group as Deutsche Bank AG has the obligation to settle the shares.

The substance of the Deutsche Bank's share award programs is that Deutsche Bank AG makes a capital contribution to the Group, which correspondingly makes a share-based payment to its employees in exchange for services. Compensation cost related to the grant of parent company awards to employees of the Group are recognized in the consolidated financial statements as compensation expense with a corresponding credit to equity. The compensation expense based on the fair value at grant date of the awards (and adjusted for expected forfeitures) is amortized over the requisite substantial service period of the award.

For share awards, the fair value is the quoted market price of the share reduced by the present value of the expected dividends from Deutsche Bank AG that will not be received by the employee and adjusted for the effect, if any, of restrictions beyond the vesting date. In case an award is modified such that its fair value immediately after modification exceeds its fair value immediately prior to modification, a re-measurement takes place and the resulting increase in fair value is recognized as additional compensation expense in the consolidated financials of the Group.

Compensation expense is recorded on a straight-line basis over the period in which employees perform services to which the awards relate or over the period of the tranches for those awards delivered in tranches. Estimates of expected forfeitures are periodically adjusted in the event of actual forfeitures or for changes in expectations. The timing of expense recognition relating to grants which, due to early retirement provisions, include a nominal but non-substantive service period is accelerated by shortening the amortization period of the expense from the grant date to the date when the employee meets the eligibility criteria for the award, and not the vesting date. For awards that are delivered in tranches, each tranche is considered a separate award and amortized separately.

If there are recharge arrangements in place to compensate Deutsche Bank AG for the cost of acquiring the shares to settle its obligation, the Group recognizes a corresponding liability that is accrued over the respective service/vesting period.

From the perspective of the Group, the recharge forms part of the determination of the net capital contribution received in respect of the share-based payment transaction. As the Group recognizes a capital contribution as part of the accounting for the share-based payment transaction, the Group recognizes its reimbursement of the contribution to DB Group Services Ltd. (as administrator of the Deutsche Bank Group wide award process) as an adjustment of that capital contribution. The Group therefore recognizes a recharge liability with a corresponding debit in equity.

The liabilities incurred are re-measured at the end of each reporting period until settlement, recognizing any gains and losses in equity.

Pension Benefits

The Group provides a number of pension plans. In addition to defined contribution plans, there are retirement benefit plans accounted for as defined benefit plans. The assets of all the Group's defined contribution plans are held in independently administered funds. Contributions are generally determined as a percentage of salary and are expensed based on employee services rendered, generally in the year of contribution.

All retirement benefit plans accounted for as defined benefit plans are valued using the projected unit-credit method to determine the present value of the defined benefit obligation and the related service costs. Under this method, the determination is based on actuarial calculations which include assumptions about demographics, salary increases and interest and inflation rates. Actuarial gains and losses are recognized in other comprehensive income and presented in equity in the period in which they occur. The majority of the Group's benefit plans is funded.

Other Post-Employment Benefits

In addition, the Group maintains unfunded contributory post-employment medical plans for a number of current and retired employees who are mainly located in the United States. These plans pay stated percentages of eligible medical and dental expenses of retirees after a stated deductible has been met. Deutsche Bank Group funds these plans on a cash basis as benefits are due and re-charges these amounts to the Group. Analogous to retirement benefit plans these plans are valued using the projected unit-credit method. The Group only pays for participation in these plans.

Refer to note 21 'Employee Benefits' for further information on the accounting for pension benefits and other post-employment benefits.

Termination Benefits

Termination benefits arise when employment is terminated by the Group before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits as a liability and an expense if the Group is demonstrably committed to a detailed formal plan without realistic possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due in more than twelve months after the end of the reporting period are discounted to their present value. The discount rate is determined by reference to market yields on high-quality corporate bonds.

Provisions and Contingent Liabilities

Provisions are recognized in accordance with IAS 37 and if the Group has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as of the balance sheet date, considering the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted and measured at the present value of the expenditure expected to be required to settle the obligation, using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

Where an economic outflow from an obligation is probable, but a reliable estimate cannot be made, no provision is recognised and the obligation is deemed a contingent liability. Contingent liabilities also include possible obligations for which the possibility of future economic outflow is more than remote but less than probable. Where a provision has been taken for an obligation, no contingent liability is recorded.

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party (for example, because the obligation is covered by an insurance policy), an asset is recognized if it is virtually certain that reimbursement will be received.

Income Taxes

The Group recognizes the current and deferred tax consequences of transactions that have been included in the consolidated financial statements using the provisions of the respective jurisdictions' tax laws. Current and deferred taxes are recognized in profit or loss except to the extent that the tax relates to items that are recognized directly in equity or other comprehensive income in which case the related tax is recognized directly in either equity or other comprehensive income accordingly.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, unused tax losses and unused tax credits. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable profit will be available against which those unused tax losses, unused tax credits and deductible temporary differences can be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period that the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Current tax assets and liabilities are offset when
(1) they arise from the same tax reporting entity or tax group of reporting entities,
(2) the legally enforceable right to offset exists and
(3) they are intended to be settled net or realized simultaneously.

Deferred tax assets and liabilities are offset when the legally enforceable right to offset current tax assets and liabilities exists and the deferred tax assets and liabilities relate to income taxes levied by the same taxing authority on either the same tax reporting entity or tax group of reporting entities.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, branches and associates and interests in joint ventures except when the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the difference will not reverse in the foreseeable future. Deferred income tax assets are provided on deductible temporary differences arising from such investments only to the extent that it is probable that the differences will reverse in the foreseeable future and sufficient taxable income will be available against which those temporary differences can be utilized.

Deferred tax related to fair value re-measurement of financial instruments, which are charged or credited directly to other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognized in the statement of income once the underlying transaction or event to which the deferred tax relates is recognized in the statement of income.

Statement of Cash Flows

The Group's assignment of cash flows to the operating, investing or financing category depends on the Group's primary operating activity which is to serve a range of active, passive and alternative investment capabilities to institutional and retail clients worldwide.

The amounts shown in the consolidated statement of cash flows do not precisely match the movements in the consolidated balance sheet from one period to the next as they exclude non-cash items such as movements due to foreign exchange translation and movements due to changes in the group of consolidated companies.

The movements in balances carried at fair value through profit or loss shown in operating cash flows represent all changes impacting the carrying value. This includes the impact of market movements and cash inflows and outflows.

A statement of cash flows is not particularly meaningful as far as companies in the asset management sector are concerned. The statement of cash flows for the Group does not replace liquidity and financial planning, nor is it used as a management tool.

Use of estimates and assumptions in preparing the Consolidated Financial Statements

Assumptions and estimates must be made in accordance with the relevant financial reporting standards and the application of the Group's accounting policy in order to determine the reported amounts of assets, liabilities, income and expenses recognised in these consolidated financial statements. These assumptions and estimates are based on past experience, planning and expectations or forecasts of future events. Actual results may differ from these estimates and may prove to be significantly higher or lower than the estimate. Significant judgment is required in making these estimates and the Group's final of assets, liabilities, income and expenses recognised in these consolidated financial statements may ultimately be materially different.

The Group's management has to make highly subjective or complex judgements and assumptions, often as a result of having to estimate the impact of matters that are inherently uncertain and susceptible to change. Management bases its estimates and assumptions on historical experience, where applicable and other factors believed to be reasonable under the circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. Management cannot offer any assurance that the actual results will be consistent with these estimates and assumptions, and these critical accounting estimates or assumptions could change from period to period or could involve estimates where management could have reasonably used another estimate in the relevant accounting period. The most critical accounting estimates, which reflect significant management estimates to determine amounts in the Consolidated Financial Statements, are as follows:

Management Fee and Performance Fee

Performance-based remuneration components have been agreed, they are influenced, among other things, by market developments and thus by factors beyond the company's control. The performance fee is material with a broad range of possible outcomes and although the Group has entered similar contracts, that experience is of little predictive value in determining the future performance of the product.

Additional information and quantitative disclosures are provided in note 6 'Net Commissions and Fees from Asset Management'.

Fair values of financial assets and financial liabilities

The Group uses valuation techniques to establish the fair value of instruments where prices quoted in active markets are not available. Therefore, where possible, parameter inputs to the valuation techniques are based on observable data derived from prices of relevant instruments traded in an active market. These valuation techniques involve some level of management estimation and judgment, the degree of which will depend on the price transparency for the instrument or market and the instrument's complexity. The assumptions underlying the determination of fair values for the measurement parameters and measurement methods used are presented in the notes on financial instruments.

In reaching estimates of fair value management judgment needs to be exercised. The areas requiring significant management judgment are identified, documented and reported to senior management as part of the valuation control process and the standard monthly reporting cycle. The specialist model validation and valuation control groups focus attention on the areas of subjectivity and judgment.

The level of subjectivity and degree of management judgment required is more significant for those instruments valued using specialized and sophisticated models and where some or all the parameter inputs are less liquid or less observable. Management judgment is required in the selection and application of appropriate parameters, assumptions and modelling techniques. In particular, where data are obtained from infrequent market transactions then extrapolation and interpolation techniques must be applied. Where no market data are available for a particular instrument then pricing inputs are determined by assessing other relevant sources of information such as historical data, fundamental analysis of the economics of the transaction and proxy information from similar transactions, and making appropriate adjustment to reflect the actual instrument being valued and current market conditions. Where different valuation techniques indicate a range of possible fair values for an instrument then management has to decide what point within the range of estimates appropriately represents the fair value. Further, some valuation adjustments may require the exercise of management judgment to achieve fair value.

Financial assets and liabilities carried at fair value are required to be disclosed according to the inputs to the valuation method that are used to determine their fair value. Specifically, segmentation is required between those valued using quoted market prices in an active market (level 1), valuation techniques based on observable parameters (level 2) and valuation techniques using significant unobservable parameters (level 3). Management judgment is required in determining the category to which certain instruments should be allocated. This specifically arises when the valuation is determined by a number of parameters, some of which are observable and others are not. Further, the classification of an instrument can change over time to reflect changes in market liquidity and therefore price transparency.

The Group provides a sensitivity analysis of the impact upon the level 3 financial instruments of using a reasonably possible alternative for the unobservable parameter. The determination of reasonably possible alternatives requires significant management judgment.

Additional information and quantitative disclosures are provided in note 10 'Financial Instruments'.

Goodwill and Other Intangible Assets

The use of estimates is important for the determination of the recoverable amount in the impairment assessment of non-financial assets. It requires estimates based on quoted market prices, prices of comparable businesses, present value or other valuation techniques, or a combination thereof, necessitating management to make subjective judgments and assumptions and to determine the values for the key assumptions based on a combination of internal and external analysis.

Additional information and quantitative disclosures are provided in note 13 'Goodwill and other intangible assets'.

Provisions and Contingent Liabilities

The Group operates in a legal and regulatory environment that exposes it to risk of litigation and regulatory enforcement. As a result, the Group may be involved in litigation, arbitration and regulatory proceedings and investigations. Where that is the case, in determining for which of these matters the possibility of a loss is probable, or less than probable but more than remote, and then estimating the possible loss for those claims, the Group takes into consideration a number of factors, including but not limited to the nature of the claim and its underlying facts, the procedural posture, available indemnities and the opinions and views of legal counsel and other experts. Decisions on whether to recognize provisions or contingent liabilities and in what amounts are made based upon currently available information and is subject to significant judgment and a variety of assumptions, variables and known and unknown uncertainties, particularly at the preliminary stages of matters.

The matters for which the Group determines that the possibility of a future loss is more than remote will change from time to time, as will the matters as to which a reliable estimate can be made and the estimated possible loss for such matters. Actual results may prove to be significantly higher or lower than the estimate of possible loss in those matters where such an estimate was made. In addition, loss may be incurred in matters with respect to which the Group believed the likelihood of loss was remote. In particular, the estimated aggregate possible loss does not represent the Group's potential maximum loss exposure for those matters.

Additional information and quantitative disclosures are provided in note 18 'Provisions'.

03 – Recently Adopted and New Accounting Pronouncements

Recently Adopted Accounting Pronouncements

Except as described below, the accounting policies applied in these consolidated financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2021.

The Group has adopted the following accounting pronouncements effective 1 January 2021.

Interest Rate Benchmark Reform (Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures" and IFRS 16 "Leases")

On 1 January 2021, the Group adopted amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures" and IFRS 16 "Leases" as Phase 2 of the IASB's project addressing the potential effects from the reform of the Interbank Offered Rate (IBOR) on financial reporting.

The amendments in Phase 2 deal with replacement issues, therefore, they address issues that might affect financial reporting when an existing interest rate benchmark is replaced. This includes modification of financial assets, financial liabilities and lease liabilities as well as specific hedge accounting requirements. The amendments introduce a practical expedient for modifications required by the reform (modifications required as a direct consequence of the IBOR reform and made on an economically equivalent basis). These modifications are accounted for by updating the effective interest rate. All other modifications are accounted for using the current IFRS requirements. A similar practical expedient is introduced for lessee accounting applying IFRS 16, whereby when assessing the lease modification due to IBOR reform, the discount rate used in calculating the revised carrying value of the lease liability is amended for the change in the benchmark rate only. The amendments also require additional disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the Group is exposed and how the Group manages those risks as well as the Group's progress in transitioning from IBORs to alternative benchmark rates, and how the Group is managing this transition.

The Group does not have significant IBOR exposures in the consolidated financial statements but continues to see asset level exposure to IBORs across funds and segregated accounts established by DWS for clients' investments. In some of these portfolios there are both references at the portfolio level as well as within assets held within the investment structures. Within the Group, however, the exposures are limited to specific investments we have made in the aforementioned portfolios.

Since the Group does not have significant exposure to IBORs, the adoption of the amendments did not have a material impact on the Group's consolidated financial statements.

IFRS 16 "Leases"

In March 2021, the International Accounting Standards Board (IASB) issued amendments to IFRS 16 "Leases" that extend the previously provided exemption for lessees from assessing whether a COVID-19-related rent concession is a lease modification to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021). The amendments are effective for annual periods beginning on or after 1 April 2021 with early adoption permitted including financial statements not yet authorized for issue at 31 March 2021. The amendment is also available for interim reports. The amendments have not any impact on the Group's consolidated financial statements. These amendments have been endorsed by the EU on 30 August 2021.

New Accounting Pronouncements

The following accounting pronouncements were not effective as of 31 December 2021 and therefore have not been applied as of 31 December 2021.

IFRS 3 "Business combinations"

In May 2020, the International Accounting Standards Board (IASB) issued amendments to IFRS 3 "Business combinations". The amendments update an outdated reference in IFRS 3 without significantly changing its requirements. The amendments are effective for annual periods beginning on or after 1 January 2022 with early adoption permitted. The amendments will not have a material impact on the Group's consolidated financial statements. These amendments have been endorsed by the EU on 28 June 2021.

IAS 37 "Provisions, contingent liabilities and contingent assets"

In May 2020, the International Accounting Standards Board (IASB) issued amendments to IAS 37 "Provisions, contingent liabilities and contingent assets" to clarify what costs an entity considers in assessing whether a contract is onerous. The amendments specify that the "cost of fulfilling" a contract comprises the "costs that relate directly to the contract". Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments are effective for annual periods beginning on or after 1 January 2022 with early adoption permitted. The amendments will not have a material impact on the Group's consolidated financial statements. These amendments have been endorsed by the EU on 28 June 2021.

IAS 16 "Property, plant and equipment"

In May 2020, the International Accounting Standards Board (IASB) issued amendments to IAS 16 "Property, plant and equipment". The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 with early adoption permitted. The amendments will not have a material impact on the Group's consolidated financial statements. These amendments have been endorsed by the EU on 28 June 2021.

Improvements to IFRS 2018-2020 Cycles

In May 2020, the International Accounting Standards Board (IASB) issued amendments to multiple IFRS standards, which resulted from the IASB's annual improvement project for the 2018-2020 cycles. This comprises amendments that result in accounting changes for presentation, recognition or measurement purposes as well as terminology or editorial amendments related to IFRS 1 "Presentation of Financial Statements - First-time Adoption of International Financial Reporting Standards", IFRS 9 "Financial Instruments", IFRS 16 "Leases" and IAS 41 "Agriculture". The amendments to IFRS 9 clarify which fees an entity includes when it applies the 10 per cent test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendments will be effective for annual periods beginning on or after 1 January 2022 with early adoption permitted. The amendments will not have a material impact on the Group's consolidated financial statements. These amendments have been endorsed by the EU on 28 June 2021.

Classification of Liabilities as Current or Non-current (amendments to IAS 1 "Presentation of Financial Statements")

In January 2020, the International Accounting Standards Board (IASB) issued amendments to IAS 1 "Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current". They clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. The amendments also clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments will be effective for annual periods beginning on or after 1 January 2023 with early adoption permitted. The amendments will not have a material impact on the Group's consolidated financial statements. These amendments have not yet been endorsed by the EU.

IAS 8 "Accounting policies, changes in accounting estimates and errors"

In February 2021, the International Accounting Standards Board (IASB) issued Definition of Accounting Estimates, which amended IAS 8 "Accounting Policies, changes in accounting estimates and errors". The amendments introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies, with a primary focus on the definition of and clarifications on accounting estimates. The amendments introduce a new definition for accounting estimates by clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy. The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments. The amendments will not have a material impact on the Group's consolidated financial statements. These amendments have not yet been endorsed by the EU.

IAS 1 "Presentation of Financial Statements"

On 12 February 2021 the International Accounting Standards Board (IASB) issued the amendments to IAS 1 "Presentation of Financial Statements" paragraphs 117–122 to require entities to disclose their material accounting policy information rather than their significant accounting policies. To support this amendment the IASB also amended IFRS Practice Statement 2 "Making Materiality Judgements" to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

_ Requiring companies to disclose their material accounting policies rather than their significant accounting policies
_ Clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed
_ Clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements

The amendments are effective from 1 January 2023 but may be applied earlier. The amendments will not have a material impact on the Group's consolidated disclosures. These amendments have not yet been endorsed by the EU.

IFRS 17 "Insurance Contracts"

On 18 May 2017, the IASB issued IFRS 17, "Insurance contracts", which establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. IFRS 17 replaces IFRS 4 "Insurance contracts" which has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. IFRS 17 solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner, benefiting both investors and insurance companies. Insurance obligations will be accounted for using current values – instead of historical cost. The information will be updated regularly, providing more useful information to users of financial statements. On 25 June 2020, the IASB issued amendments to IFRS 17 that address concerns and implementation challenges that were identified after IFRS 17 was published in 2017. The amendments are effective for annual periods beginning on or after January 1, 2023 with early adoption permitted. Based on the Group's business activities it is expected that IFRS 17 will not have a material impact on the Group's consolidated financial statements. These amendments have been endorsed by the EU on 19 November 2021.

04 – Acquisitions and Dispositions

Business Combinations

In the period 1 January 2021 to 31 December 2021 there were no acquisitions accounted for as business combinations.

Acquisitions

On 14 September 2021, the Group acquired a minority stake in UK-based Smart Pension Limited ("Smart") for € 24 million. The company provides a cloud-native, API-based technology platform, allowing financial services organizations and governments to administer retirement savings plans. The investment will form an integral part of the Group's growth strategy in the UK.

Dispositions

In the period 1 January 2021 to 31 December 2021 the Group did not dispose any affiliates, business or significant associates. For further information please refer to note 16 'Non-Current Assets and Disposal Groups Held for Sale'.

05 – Business Segment and Related Information

The Group's segmental reporting has been prepared in accordance with the management approach, which requires presentation of segments on the basis of the internal management report of the entity that are regularly reviewed by the Chief Operating Decision Maker (CODM).

The term CODM identifies a function, not necessarily a manager with a specific title. Although an entity cannot have more than one CODM, the CODM can be a group of persons. Generally, an operating segment has a segment manager who is directly accountable to and maintains regular contact with the CODM to discuss operating activities, financial results, forecasts, or plans for the segment. The term “segment manager” also identifies a function, not necessary a single manager with a specific title.

The Group - based on this management approach - operates a single business segment for reporting and controlling purposes.

The Executive Board will be responsible as CODM for reviewing and monitoring the results of the Group and making strategic decisions around asset allocation and resources. The segment manager is the Executive Board.

The Group’s operating activity is managed using one globally integrated investment group targeting the same client segments, distribution channels and asset classes. There is one centrally managed sales force servicing all the business units/products and negotiating prices with clients and the Group is using largely shared infrastructure and support services (such as marketing, product strategy, product development and finance).

The Executive Board has responsibility for the steering and oversight of the entire Group including strategy, planning, major personnel decisions, organisation, risk management and compliance systems.

The Executive Board sets strategy for the Group and its individual parts including the one centrally managed sales force and the largely shared infrastructure and support services. Although revenues are monitored by the different asset classes - i. e. Traditional (Active/Passive) and Alternatives, all other direct and allocated costs, along with assets and liabilities, but also full-time employee and capital ratios, are analysed and monitored on an aggregated basis.

The following table presents total net interest and non-interest income by geographic area - based on the management approach of the Group:

in € m.	2021	2020
Germany	1,387	989
Europe (excluding Germany), Middle East and Africa	626	631
Americas	545	483
Asia/Pacific	163	134
Total net interest and non-interest income	**2,720**	**2,237**

Notes to the Consolidated Income Statement

06 – Net Commissions and Fees from Asset Management

Split of net commissions and fees from asset management by type and product

in € m.	2021	2020
Management fees:		
Management fee income	3,590	3,200
Management fee expense	1,219	1,067
Net management fees	**2,371**	**2,134**
Thereof:		
Active Equity	772	658
Active Multi Asset	208	187
Active SQI[1]	205	187
Active Fixed Income	281	288
Active Cash	19	30
Passive	378	300
Alternatives	498	464
Other[2]	10	20
Performance and transaction fees:		
Performance and transaction fee income	229	109
Performance and transaction fee expense	17	19
Net performance and transaction fees	**212**	**90**
Thereof:		
Alternatives	101	56
Active and Other	111	34
Total net commissions and fees from asset management	**2,583**	**2,223**

[1] Systematic & Quantitative Investments.
[2] Other recurring fees include ongoing fees not assigned to a product, for example, custody fees for client accounts.

Split of commission and fee income from asset management by region

in € m.	2021	2020
Commission and fee income from asset management:		
Germany	1,611	1,410
Europe (excluding Germany), Middle East and Africa	1,522	1,239
Americas	637	608
Asia/Pacific	49	53
Total commission and fee income from asset management	**3,819**	**3,309**
Commission and fee expense from asset management	**1,236**	**1,086**
Net commissions and fees from asset management	**2,583**	**2,223**

Revenue is recognized when performance obligations are satisfied. Performance obligation is satisfied by fund performance exceeding a hurdle rate (an agreed minimum annual return provided to investors). As of 31 December 2021, there were performance obligations to be satisfied of € 244 million with a time band of five years from 2023 to 2027 (as of 31 December 2020, € 66 million with a time band of seven years from 2022 to 2028) from alternative funds. The increase of performance obligations to be satisfied was mainly driven by additional fund expected to generate future performance fees.

07 – General and Administrative Expenses

in € m.	2021	2020
Information technology	136	115
Professional services	80	55
Market data & research services	66	67
Occupancy, furniture and equipment expenses	51	51
Banking services and outsourced operations	224	203
Marketing expenses	29	21
Travel expenses	5	7
Charges from Deutsche Bank Group[1]	158	149
Other expenses	87	74
Total general and administrative expenses	**836**	**742**

[1] Thereof € 114 million related to infrastructure charges from Deutsche Bank Group for the year 2021 (€ 106 million for the year 2020) and € 44 million related to DWS functions in Deutsche Bank Group entities for the year 2021 (€ 43 million for the year 2020).

08 – Restructuring

During 2021, the restructuring programme, that was defined in 2019 and related to measures of a cost efficiency plan, was closed and the Group does not expect any further costs relating to this programme.

Restructuring expense is comprised of termination benefits, additional expenses covering the acceleration of deferred compensation awards not yet amortized due to the discontinuation of employment and contract termination costs related to real estate.

in € m.	2021	2020
Restructuring – staff related	2	15
Thereof:		
Termination benefits	0	8
Retention acceleration	1	7
Social security	0	0
Restructuring – non-staff related	0	0
Total net restructuring charges	**2**	**15**

09 – Earnings per Common Share

Basic earnings per common share are computed by dividing net income (loss) attributable to DWS shareholders by the average number of common shares outstanding during the year. The average number of common shares outstanding is defined as the average number of common shares issued.

Diluted earnings per common share assumes the conversion into common shares of outstanding securities or other contracts to issue common stock. The Group does not have any dilution impact on earnings per common share as of 31 December 2021 and 31 December 2020.

Computation of basic and diluted earnings per common share

in € m. (unless stated differently)	2021	2020
Net income (loss) attributable to DWS shareholders – numerator for basic earnings per common share	780	556
Net income (loss) attributable to DWS shareholders after assumed conversions – numerator for diluted earnings per common share	780	556
Number of common shares (in million)	200	200
Weighted-average shares outstanding - denominator for basic earnings per common share (in million)	200	200
Adjusted weighted-average shares after assumed conversions - denominator for diluted earnings per common share (in million)	200	200

Earnings per common share

	2021	2020
Basic earnings per common share	€ 3.90	€ 2.78
Diluted earnings per common share	€ 3.90	€ 2.78

Notes to the Consolidated Balance Sheet

10 – Financial Instruments

Appropriate classification of financial instruments is determined at the time of initial recognition or when reclassified in the balance sheet. Financial instruments are recognised or derecognised on trade date, which is the date on which the Group commits to purchase or sell the asset or issue or repurchase the liability.

The major financial instruments and their valuation are described in the following:

Trading assets and corresponding payables held by consolidated funds

Trading assets held by consolidated guaranteed funds and consolidated seed investments –The valuation of these assets including equity instruments and debt instruments follows the valuation prepared by the fund and includes relevant IFRS adjustments if applicable.
Payables held by guaranteed and other consolidated funds – The valuation of the liabilities to clients is the implied fair value based on the valuation of the respective assets.

Derivative financial instruments

Positive market value from derivative financial instruments – This position mainly relates to short-term derivatives the Group entered into to manage the profit or loss volatility associated with our share price linked, equity-based compensation. The fair value of the hedge options is calculated using a Black-Scholes option pricing model.
Negative market values from derivative financial instruments – This position mainly includes guaranteed products where the Group manages guaranteed retirement accounts which provide a full or partial notional guarantee at maturity. The Group provides partial notional guarantees to guaranteed funds. These guarantees are considered as derivatives. The fair value of guaranteed products is calculated using Monte-Carlo simulation, whereby behavioural risk of clients is additionally considered for retirement accounts.

Non-trading assets

Seed investments and co-investments – The valuation of the Group's share is based on the valuation of the respective fund and include relevant IFRS adjustments if applicable.
Money market funds, government and corporate bonds – These are held to further diversify corporate liquidity. The valuation of money market funds is based on observable market data. The valuation of bonds is based on prices quoted in active markets.
Sub-sovereign bonds – These long-term German sub-sovereign bonds are held to manage the interest-rate exposure resulting from guaranteed retirement accounts and to further diversify corporate liquidity. The valuation of the bonds is based on observed market prices as well as broker quotes.

Unit-linked life insurance financial instruments

Investment contract assets and liabilities – The investment contract assets represent the fund shares held in the customer contracts which valuation is prepared by the fund and includes relevant IFRS adjustments if applicable. The investment contract obliges the Group to use these assets to settle the liabilities to the customers. Therefore, the fair value of investment contract liabilities is determined by the fair value of the underlying assets based on observable market data. As the liabilities are fully collateralised no credit risk need to be considered when determining their fair value.

Financial instruments held at amortized cost

Cash and bank balances – The primary objective of cash and bank balances is to collect nominal value of the receivables, that are of a short-term nature, and any interest payable on it.
Other financial assets and liabilities – These are short-term receivables and payables from commissions and fees, from brokerage and other remaining settlement balances.

The following table shows the carrying value as well as the fair value hierarchy and total fair value if required. Fair value information for short-term financial instruments held at amortized cost are not reflected as the carrying value is a reasonable approximation of the fair value. Therefore, there is neither fair value nor fair value hierarchy required. For other financial assets and liabilities, please refer to note 17 'Other Assets and Other Liabilities'. Furthermore, financial assets and liabilities classified as held-for-sale are not included in the table below as their carrying value is a reasonable approximation of the fair value. For financial assets and liabilities as held-for-sale, see note 16 'Non-Current Assets and Disposal Groups Held for Sale'. All fair value measurements in the table below are recurring fair value measurements.

					31 Dec 2021
	Carrying amount				Fair value
in € m.	Total	Level 1	Level 2	Level 3	Total
Financial assets held at fair value:					
Trading assets:					
Debt instruments held by consolidated guaranteed funds	1,301	1	1,300	0	1,301
Debt instruments held by consolidated seed investments	7	0	7	0	7
Equity instruments held by consolidated guaranteed funds	173	173	0	0	173
Equity instruments held by consolidated seed investments	24	24	0	0	24
Total trading assets	**1,505**	**199**	**1,307**	**0**	**1,505**
Positive market values from derivative financial instruments	**26**	**0**	**26**	**0**	**26**
Non-trading financial assets mandatory at fair value through profit or loss:					
Debt instruments - co-investments	474	0	0	474	474
Debt instruments - seed investments	22	18	4	0	22
Debt instruments - money market funds	0	0	0	0	0
Debt instruments - government bonds	647	647	0	0	647
Debt instruments - corporate bonds	476	476	0	0	476
Debt instruments - other debt instruments	96	67	0	29	96
Thereof: liquidity positions	67	67	0	0	67
Equity instruments	30	0	0	30	30
Thereof: co-investments	3	0	0	3	3
Total non-trading financial assets mandatory at fair value through profit or loss	**1,745**	**1,209**	**4**	**533**	**1,745**
Debt instruments - investment contract assets mandatory at fair value through profit or loss	**562**	**0**	**562**	**0**	**562**
Total financial assets held at fair value through profit or loss	**3,838**	**1,407**	**1,899**	**533**	**3,838**
Debt instruments - sub-sovereign bond at fair value through other comprehensive income	154	0	154	0	154
Total financial assets at fair value through other comprehensive income	**154**	**0**	**154**	**0**	**154**
Total financial assets held at fair value	**3,992**	**1,407**	**2,052**	**533**	**3,992**
Financial assets held at amortized cost:					
Cash and bank balances	2,191				
Loans	5	0	5	0	5
Other financial assets	714				
Total financial assets held at amortized cost	**2,911**	**0**	**5**	**0**	**5**
Financial liabilities held at fair value:					
Trading liabilities:					
Investment funds (short position)	28	28	0	0	28
Total trading liabilities	**28**	**28**	**0**	**0**	**28**
Negative market values from derivative financial instruments	**160**	**1**	**20**	**140**	**160**
Investment contract liabilities designated at fair value through profit or loss	562	0	562	0	562
Total financial liabilities designated at fair value through profit or loss	**562**	**0**	**562**	**0**	**562**
Total financial liabilities held at fair value through profit or loss	**750**	**29**	**582**	**140**	**750**
Payables from guaranteed and other consolidated funds	**1,511**	**0**	**1,511**	**0**	**1,511**
Total financial liabilities held at fair value	**2,261**	**29**	**2,093**	**140**	**2,261**
Financial liabilities held at amortized cost:					
Other short-term borrowings	75				
Other financial liabilities	972				
Thereof: payables from performance related payments	306				
Long-term debt	0				
Total financial liabilities held at amortized cost	**1,047**				

					31 Dec 2020[1]
	Carrying amount				Fair value
in € m.	Total	Level 1	Level 2	Level 3	Total
Financial assets held at fair value:					
Trading assets:					
Debt instruments held by consolidated guaranteed funds	1,081	0	1,080	0	1,081
Debt instruments held by consolidated seed investments	128	30	99	0	128
Equity instruments held by consolidated guaranteed funds	13	13	0	0	13
Equity instruments held by consolidated seed investments	75	75	0	0	75
Total trading assets	**1,297**	**118**	**1,179**	**0**	**1,297**
Positive market values from derivative financial instruments	**0**	**0**	**0**	**0**	**0**
Non-trading financial assets mandatory at fair value through profit or loss:					
Debt instruments - co-investments	389	0	0	389	389
Debt instruments - seed investments	46	9	37	0	46
Debt instruments - money market funds	266	0	266	0	266
Debt instruments - government bonds	404	404	0	0	404
Debt instruments - corporate bonds	0	0	0	0	0
Debt instruments - other debt instruments	19	0	0	19	19
Thereof: liquidity positions	0	0	0	0	0
Equity instruments	7	0	0	7	7
Thereof: co-investments	0	0	0	0	0
Total non-trading financial assets mandatory at fair value through profit or loss	**1,131**	**413**	**303**	**415**	**1,131**
Debt instruments - investment contract assets mandatory at fair value through profit or loss	**526**	**0**	**526**	**0**	**526**
Total financial assets held at fair value through profit or loss	**2,954**	**531**	**2,008**	**415**	**2,954**
Debt instruments - sub-sovereign bond at fair value through other comprehensive income	198	0	198	0	198
Total financial assets at fair value through other comprehensive income	**198**	**0**	**198**	**0**	**198**
Total financial assets held at fair value	**3,152**	**531**	**2,206**	**415**	**3,152**
Financial assets held at amortized cost:					
Cash and bank balances	2,189				
Loans	4	0	4	0	4
Other financial assets	827				
Total financial assets held at amortized cost	**3,020**	**0**	**4**	**0**	**4**
Financial liabilities held at fair value:					
Trading liabilities:					
Investment funds (short position)	18	18	0	0	18
Total trading liabilities	**18**	**18**	**0**	**0**	**18**
Negative market values from derivative financial instruments	**158**	**1**	**2**	**155**	**158**
Investment contract liabilities designated at fair value through profit or loss	526	0	526	0	526
Total financial liabilities designated at fair value through profit or loss	**526**	**0**	**526**	**0**	**526**
Total financial liabilities held at fair value through profit or loss	**702**	**19**	**528**	**155**	**702**
Payables from guaranteed and other consolidated funds	**1,170**	**0**	**1,170**	**0**	**1,170**
Total financial liabilities held at fair value	**1,872**	**19**	**1,698**	**155**	**1,872**
Financial liabilities held at amortized cost:					
Other short-term borrowings	72				
Other financial liabilities	1,147				
Thereof: payables from performance related payments	233				
Long-term debt	0				
Total financial liabilities held at amortized cost	**1,219**				

[1] The table has been updated compared to prior year and the investment funds are presented under debt instruments.

Trading assets increased by € 209 million, mainly driven by an increase of assets held by guaranteed funds in the amount of € 381 million resulting mainly from mark-to-market valuation gains and net purchases. This impact was partially offset by a decrease of assets held by consolidated seed investments in the amount of € 172 million mainly resulting from deconsolidation of funds. The corresponding payables held by guaranteed and other consolidated funds increased respectively.

Non-trading financial assets mandatory at FVTPL increased by € 614 million primarily driven by increased liquidity positions of € 521 million and co-investments of € 88 million. Corporate cash was invested into government bonds, corporate bonds, and other debt instruments whereby money market funds were sold. Co-investments increased mainly due to mark-to-market valuation gains.

The increase of investment contract assets and corresponding liabilities of € 36 million is mainly driven by mark-to-market valuation gains of the related investments that were partially offset by redemptions and maturities.

Positive market values from derivative financial instruments mainly include the equity compensation share price option that the Group entered into in 2021.

The carrying value of sub-sovereign bonds as of 31 December 2021 was € 154 million while the amortised cost value as of 31 December 2021 was € 195 million.

Negative market values from derivative financial instruments mainly include the guaranteed products (€ 140 million as of 31 December 2021, € 154 million as of 31 December 2020).

For further details on other financial assets and liabilities, please refer to note 17 'Other Assets and Other Liabilities'.

Fair Value Valuation Techniques and Controls

The valuation techniques and controls of the Group are noted below.

Level 1 - Prices quoted in active markets – The fair value of instruments that are quoted in active markets is determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place.

Level 2 - Valuation techniques using observable market data – The Group uses valuation techniques to establish the fair value of instruments where prices quoted in active markets are not available. Valuation techniques used for financial instruments include modelling techniques, the use of indicative quotes for proxy instruments, quotes from recent and less regular transactions and broker quotes.

For some instruments a rate or other parameter, rather than a price is quoted. Where this is the case then the market rate or parameter is used as an input to a valuation model to determine fair value. For some instruments, modelling techniques follow industry standard models, for example, discounted cash flow analysis and standard option pricing models. These models are dependent upon estimated future cash flows, discount factors and volatility levels.

Frequently, valuation models require multiple parameter inputs. Where possible, parameter inputs are based on observable data or are derived from the prices of relevant instruments traded in active markets. Where observable data is not available for parameter inputs, then other market information is considered. For example, indicative broker quotes and consensus pricing information are used to support parameter inputs where they are available.

Level 3 - Valuation techniques using unobservable market data – Where no observable information is available to support parameter inputs, then valuation models used they are based on other relevant sources of information such as prices for similar transactions, historic data, economic fundamentals, and research information, with appropriate adjustment to reflect the terms of the actual instrument being valued and current market conditions.

Significant unobservable inputs and valuation adjustments are subject to regular reviews. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation control group assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Validation and control – The Group has an established valuation control framework which governs internal control standards, methodologies, and procedures over the valuation process. The Principal Valuation Control Council (PVCC) reviews the results of completeness control and ensures that all fair value assets and liabilities have been subject to the appropriate valuation control process. In addition, the PVCC ensures review and appropriateness of various detailed aspects of the controls such as independent price verification classification, testing thresholds and market data approvals.

An independent specialised valuation control group within Deutsche Bank Group´s Risk function which governs and develops the valuation control framework and manages the valuation control processes which covers the valuation of financial instruments across all levels of the fair value hierarchy. The mandate of this specialist function includes the performance of the independent valuation control processes for all businesses including DWS Group. A key focus of this independent valuation control group is directed to areas where management judgment forms part of the valuation process, including regular review of significant unobservable inputs and valuation adjustments mentioned above.

The PVCC oversees the valuation control processes performed by Deutsche Bank Group's specialist valuation function on behalf of the Group. Results of the valuation control processes are collected and analysed as part of a standard monthly reporting cycle. Variances outside of pre-set and approved tolerance levels are escalated both within the Finance function and Senior Business Management for review, resolution and, if required, adjustment. This process is summarised in the Valuation Control Report and reviewed by the PVCC.

For instruments where fair value is determined from valuation models, the assumptions and techniques used within the models are validated by Deutsche Bank Group's independent specialist model validation group.

Transfers

Transfers between levels take place when there is a change in the inputs that is relevant to categorization in the fair value hierarchy. Where applicable, transfers between levels 1, 2 and 3 are assumed to take place at the beginning of the year.

In 2021, there was a transfer from level 1 into level 2 of € 7 million from a consolidated fund in US whose underlying investments changed from listed to unlisted where observable parameters are available. There were no transfers between level 1 and 2 in 2020.

There were transfers out of level 3 in the amount of € 1 million during the year ending 31 December 2021 due to observable parameters for the derivative valuation. There were transfers into level 3 of € 1 million for the year ending 31 December 2020 since the funds are priced using expert opinion which is non-public information.

Analysis of Financial Instruments in Fair Value Hierarchy Level 3

Financial instruments at fair value categorised in level 3 of the fair value hierarchy are valued based on one or more unobservable parameters.

Reconciliation of financial instruments in level 3

						31 Dec 2021
	Financial assets				Financial liabilities	
in € m.	Debt instruments - Co-investments	Debt instruments - Other debt instruments	Equity instruments	Total	Negative market values from derivative financial instruments	Total
Balance as of 1 January 2021	**389**	**19**	**7**	**415**	**155**	**155**
Changes in the group of consolidated companies	(3)	3	(1)	0	0	0
Unrealized gains (losses) through profit or loss	66	1	(1)	66	15	15
FX gains (losses)	17	1	0	18	0	0
Purchases	39	5	27	70	0	0
Sales	0	0	1	1	0	0
Settlements	33	1	1	35	0	0
Transfers into Level 3	0	0	0	0	0	0
Transfers out of Level 3	0	0	0	0	1	1
Balance as of 31 December 2021	**474**	**29**	**30**	**533**	**140**	**140**

in € m.	Debt instruments - Co-investments	Debt instruments - Other debt instruments	Equity instruments	Total	Negative market values from derivative financial instruments [1]	Total
						31 Dec 2020
				Financial assets		Financial liabilities
Balance as of 1 January 2020	**403**	**16**	**8**	**427**	**108**	**108**
Changes in the group of consolidated companies	0	(1)	1	0	0	0
Unrealized gains (losses) through profit or loss	(11)	2	(4)	(13)	(47)	(47)
FX gains (losses)	(18)	(1)	0	(19)	0	0
Purchases	30	5	1	36	0	0
Sales	15	0	0	16	0	0
Settlements	0	0	0	0	0	0
Transfers into Level 3	1	0	0	1	0	0
Transfers out of Level 3	0	0	0	0	0	0
Balance as of 31 December 2020	**389**	**19**	**7**	**415**	**155**	**155**

[1] Numbers were adjusted to apply the "positive as normal" convention and all numbers are considered positive.

Sensitivity analysis of unobservable parameters

The value of financial instruments is dependent on unobservable parameter inputs from a range of reasonably possible alternatives. Appropriate levels for these unobservable input parameters are selected to ensure consistency with prevailing market evidence. If the Group had used parameter values from the extremes of the range of reasonably possible alternatives for these financial instruments, then as of 31 December 2021 it could have increased fair value by as much as € 17 million or decreased fair value by as much as € 49 million. As of 31 December, 2020, it could have increased fair value by as much as € 15 million or decreased fair value by as much as € 50 million.

The sensitivity calculation aligns to the approach used to assess valuation uncertainty for prudent valuation purposes. Prudent valuation is a mechanism for quantifying valuation uncertainty and assessing an exit price with a 90% certainty. Under EU regulation, the additional valuation adjustments (AVAs) would be applied as a deduction from Tier 1 capital (CET1).

The Group has limited potential impact from the relative uncertainty in the fair value of financial instruments for which valuation is dependent on unobservable parameters.

in € m.	Positive fair value movement from using reasonable possible alternatives	Negative fair value movement from using reasonable possible alternatives	Positive fair value movement from using reasonable possible alternatives	Negative fair value movement from using reasonable possible alternatives
		31 Dec 2021		31 Dec 2020
Debt instrument - co-investments	1	32	0	35
Debt instrument - other debt instrument	0	1	1	1
Equity instruments	2	3	1	2
Negative market values from derivative financial instruments	14	13	13	13
Total	**17**	**49**	**15**	**50**

Quantitative information about the sensitivity of significant unobservable inputs

The range of values shown below represents the highest and lowest inputs used to value the exposures.

Financial instruments in level 3 and quantitative information about unobservable inputs

in € m. (unless stated otherwise)	Fair value Assets	Fair value Liabilities	Valuation technique(s)	Significant unobservable input(s) (Level 3)	Range 31 Dec 2021	
Debt instrument - Co-investments	472	0	Market approach	Price per net asset value	100%	100%
	2	0	Intex model	Credit Spread	11%	16%
				Recovery rate	75%	75%
				Default rate	1%	1%
				Pre-payment rate	25%	25%
Debt instrument - Other debt instruments	13	0	Market approach	Price per net asset value	100%	100%
	16	0	Intex model	Credit Spread	2%	8%
				Recovery rate	75%	75%
				Default rate	1%	1%
				Pre-payment rate	25%	25%
Equity Instrument	30	0	Market approach	Price per net asset value	100%	100%
Negative market values from derivative financial instruments	0	140	Option pricing model	Cancellation rate	1%	15%
Total	**533**	**140**				

in € m. (unless stated otherwise)	Fair value Assets	Fair value Liabilities	Valuation technique(s)	Significant unobservable input(s) (Level 3)	Range 31 Dec 2020	
Debt instrument - Co-investments	384	0	Market approach	Price per net asset value	100%	100%
	5	0	Intex model	Credit Spread	9%	11%
				Recovery rate	75%	75%
				Default rate	1%	1%
				Pre-payment rate	15%	15%
Debt instrument - Other debt instruments	5	0	Market approach	Price per net asset value	100%	100%
	15	0	Intex model	Credit Spread	1%	8%
				Recovery rate	75%	75%
				Default rate	1%	1%
				Pre-payment rate	15%	15%
Equity instrument	7	0	Market approach	Price per net asset value	100%	100%
Negative market values from derivative financial instruments	0	155	Option pricing model	Cancellation rate	1%	15%
Total	**415**	**155**				

Credit Risk

For the Group, credit risk exposure relates primarily to financial instruments held at amortized cost, corporate, government and sub-sovereign bonds, money market funds and other debt instruments as well as unfunded commitments within contingent liabilities. For unfunded commitments please refer to note 19 ‘Contractual Obligations and Commitments’.

The key driver of our credit risk is the credit quality of credit institutions in which overnight deposits and, potentially, term deposits (up to one year) are placed. For deposits, we established a maximum concentration limit per counterpart of 35% in relation to the total of our liquidity positions which comprises of cash and bank balances, money market funds, government, sub sovereign and corporate bonds and other debt instruments. In the table below we show the highest maximum concentration risk regarding our counterparties.

Cash and bank balances by rating of institution

in € m.	31 Dec 2021[1]	31 Dec 2020
S&P A1	746	731
S&P A2	1,359	1,256
Other	85	202

[1] For individual credit institutions, which were still maintained in the category Other in the 2020 report, the respective parent rating was assigned if applicable, increasing the S&P A1 rating exposure by € 160 million.

Liquidity positions and concentration

	31 Dec 2021	31 Dec 2020
Liquidity positions (in € m.)	3,535	3,057
Max concentration (%) - limit 35%	24%	19%

The Group applied the IFRS 9 "Financial Instruments" requirement to recognize a loss allowance for expected credit losses (ECLs) on financial assets that are measured at amortised cost and fair value through other comprehensive income (FVOCI) as well as unfunded commitments. For details on the model please refer to note 2 'Significant Accounting Policies and Estimates'.

The table below shows the maximum exposure to credit risk which is the carrying amount of financial assets and the respective ECL reflected in profit or loss statement or other comprehensive income (OCI). The calculation of ECL considers amongst others internal and external credit rating of the counterparts. No financial instruments were assigned to stage 3 as of 31 December 2021 respectively as of 31 December 2020.

			31 Dec 2021			31 Dec 2020
in € m.	Carrying value gross	ECL Stage 1	ECL Stage 2	Carrying value gross	ECL Stage 1	ECL Stage 2
Cash and bank balances	2,191	(0)	0	2,189	0	0
Loans	5	0	0	4	(0)	0
Sub-sovereign bonds	154	0	0	198	0	0
Other financial assets	714	1	1	827	1	1
Off-balance sheet commitments	120	0	0	128	0	0
Total	**3,184**	**1**	**1**	**3,346**	**1**	**1**

Market Risk

For the Group, market risk exposure relates to financial assets held at fair value through profit or loss, financial liabilities held at fair value through profit or loss and other financial liabilities which are shown in the table above. In addition, market risk exposure relates to strategic investments that are mainly equity method investments and structural foreign exchange which are not part of financial instruments but considered for market risk. For equity method investments, please refer to note 12 'Equity Method Investments'. For structural foreign exchange resulting in Currency Translation Adjustments (CTA) that is part of accumulated other comprehensive income, please refer to 'Consolidated Changes in Equity'.

The Group's market risk exposure is mainly driven by the capital at risk especially deployed by the Group into seed investments and co-investments, and where a financial claim against us is inherent in the product, such as Guaranteed Products. As introduced for this note, trading assets from consolidated funds and investment contract assets are largely offset by their respective liabilities. Therefore, only limited market risk remains.

Seed Capital – The seed investments are exposed to the daily volatility of market prices. The risk is mitigated via typically short tenor and offsetting risk positions which are classified as derivatives. Therefore, a sensitivity analysis for this portfolio is not needed.

Co-Investments and strategic investments – These investments are subject to the risk of a potential event on their fair value resulting in significant decrease and the need to partially impair or even fully write-off.

The following assumptions are applied for the sensitivity analysis of co-investments:

The real estate sector represents the single largest contributor to the underlying assets of co-investments and, accordingly, the sensitivity analysis focuses on this market segment, applying blanket percentage value reductions to the component elements of our real estate fund portfolio. Two levels of market stress, 20% and 40%, have been assumed with the latter representing the peak depreciation in value seen in certain real estate markets during the global financial crisis. Using blanket market stresses is considered a highly conservative approach given that different sub-sectors and regions of the real estate market react to different degrees to any given market movement. In addition, it has been assumed that a movement in the value of the underlying assets has a commensurate and immediate impact on the value of our co-investment that is also a conservative assumption given the typical degree of diversification.

The other key assumption relates to leverage within the funds. The level of leverage varies by fund and depends on the risk profile of the individual funds. Since the global financial crisis, the leverage levels have reduced as investors are seeking sustainable performance.

The sensitivity analysis is performed based on the following methodology:

The Group´s co-investments are valued at least annually by fund administrators based on fundamental analysis of the underlying assets and their respective performance relative to when they were acquired. The valuation of the co-investments is based on the external valuation of the respective fund and include relevant IFRS adjustments if applicable. For the sensitivity analysis, a percentage stress factor is applied to the internal valuation, adjusting for fund leverage where necessary, to arrive at an estimated impact on our profit or loss.

Estimated net profit or loss impact from co-investments sensitivity for potential changes in real estate values

in € m.	31 Dec 2021	31 Dec 2020
Reduction in real estate value:		
20%	(64)	(52)
40%	(128)	(104)
Increase in real estate value:		
20%	64	52
40%	128	104

Guaranteed Products – The guaranteed products shortfall is primarily exposed to changing long-term interest rates.

The following assumption is applied for the sensitivity analysis of guaranteed products shortfall:

Long-term interest rates (e.g. 25 Year Euro Swap Rate) are the most significant out of various factors that can influence the guaranteed products shortfall. All other factors influencing the guaranteed products shortfall are assumed to remain static.

The sensitivity analysis is performed based on the following methodology:

The guaranteed products shortfall is calculated with option pricing model using Monte-Carlo simulation considering stochastic interest rates and equities for a CPPI strategy. The CPPI mechanism rebalances the asset allocation individually for each client account.

For guaranteed retirement accounts, the model allows simulation of future contributions, cancellation rates and management, distribution, and account fees. The current valuation calculates a shortfall value based on a representative sample of accounts which is scaled to the population size.

Estimated net profit or loss impact from guaranteed products sensitivity for potential changes in long-term interest rates

in € m.	31 Dec 2021	31 Dec 2020
Reduction in long-term interest rate:		
50 bp	(16)	(20)
100 bp	(37)	(46)
Increase in long-term interest rate:		
50 bp	12	15
100 bp	21	27

The sensitivity of the guaranteed products shortfall to long-term interest rates is not linear, with reductions in the long-term interest rates having a far greater impact on the shortfall value than increases of a similar magnitude.

Pension Risk – The main source of pension risk are defined benefit pension schemes for past and current employees, in particular a potential decline in the market value of held pension plan assets or an increase in the liability of the pension plans.

For details on the risks inherent in post-employment benefit plans, please refer to note 21 'Employee Benefits' which includes a detailed sensitivity analysis.

Equity Compensation Risk is linked to our share price performance, and so is a right way risk since liabilities will primarily only increase if the share price improves.

For details on share-based compensation plans, please refer to note 21 'Employee Benefits' which includes details on structure, terms and fair value of share-based awards.

Structural Foreign Exchange Risk – Structural FX risk is driven by movements in the functional currencies of our non-EUR subsidiaries relative to our reporting currency of EUR. The primary currencies to which structural FX risk is sensitive are USD and GBP, weakening of either relative to the EUR results in higher structural FX risk and associated capital requirements.

Following assumption is applied for the sensitivity analysis of structural FX risk:

The analysis assumes a range of percentage changes, 10% and 20% up and down change, to the USD/EUR rate and the GBP/EUR rate.

The sensitivity analysis is performed based on the following methodology:

Aggregated balance sheet exposures in the respective functional currencies are translated in EUR group currency whereby a 10% and 20% up and down change in the USD/EUR and GBP/EUR exchange rate is applied to estimate the impact on balance sheet.

Estimated balance sheet impact from structural FX risk sensitivity for potential specific FX moves

in € m.	31 Dec 2021	31 Dec 2020
USD weakens relative to EUR by:		
10%	(294)	(271)
20%	(538)	(497)
GBP weakens relative to EUR by:		
10%	(37)	(40)
20%	(68)	(74)
USD strengthens relative to EUR by:		
10%	359	331
20%	807	746
GBP strengthens relative to EUR by:		
10%	45	49
20%	102	111

Liquidity Risk

The following table presents an analysis of our contractual undiscounted cash flows of financial liabilities based upon earliest legally exercisable maturity as of 31 December 2021.

Maturity analysis of the earliest contractual undiscounted cash flow of financial liabilities

						31 Dec 2021
in € m.	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Trading liabilities	28	0	0	0	0	28
Negative market values from derivatives financial instruments	160	0	0	0	0	160
Investment contract liabilities	0	0	562	0	0	562
Other short-term borrowings	1	74	0	0	0	75
Liabilities held for sale	0	0	252	0	0	252
Lease liabilities	1	4	14	70	66	156
Long-term debt	0	0	0	0	0	0
Other financial liabilities	2,482	0	1	0	0	2,483
Unfunded commitments	120	0	0	0	0	120
Total	**2,791**	**78**	**829**	**70**	**66**	**3,836**

						31 Dec 2020
in € m.	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1 and 5 years	Due after 5 years	Total
Trading liabilities	18	0	0	0	0	18
Negative market values from derivatives financial instruments	158	0	0	0	0	158
Investment contract liabilities	0	0	526	0	0	526
Other short-term borrowings	1	71	0	0	0	72
Liabilities held for sale	0	0	0	0	0	0
Lease liabilities	1	4	14	62	72	153
Long-term debt	0	0	1	0	0	1
Other financial liabilities	2,314	0	1	0	0	2,316
Unfunded commitments	128	0	0	0	0	128
Total	**2,620**	**75**	**542**	**62**	**72**	**3,370**

Contractual undiscounted cash flows of investment contract liabilities, liabilities held for sale and payables from guaranteed and other consolidated funds of € 2,326 million as of 31 December 2021 (31 December 2020 € 1,970 million) are linked to offsetting assets and receivables of the nearly identical amount and with identical maturity. The residual contractual undiscounted cash flows of € 1,510 million as of 31 December 2021 (31 December 2020 € 1,400 million) are monitored and considered in our liquidity risk framework.

11 – Interest Rate Benchmark Reform

The Group has established an Interbank Offered Rate (IBOR) & EU Benchmark Regulation transition program in 2019, aimed at managing a smooth transition from London Interbank Offered Rate (LIBOR) and other IBORs to the new risk-free rates (RFRs). The program has been focused on identifying and quantifying exposures to various interest rate benchmarks, providing the capability to offer products referencing alternative RFRs and evaluating existing contracts that reference IBORs. Efforts also included identifying potential accounting impacts.

As part of the program, the Group has undertaken a comprehensive risk assessment which is refreshed regularly and has identified a number of inherent risks and mitigating actions.

Key risks include:

_ Business strategic risk to our franchise
_ Conduct/reputational risk
_ Legal risk

We plan to mitigate the risks respectively by

_ having a clear business transition strategy that aligns with the overall market and regulatory timeline,
_ by documenting all conduct risk items in a clear framework with detailed actions and appropriate owners to cleanse each one and
_ having a clear programme of work to identify every impacted legal agreement and to work with counterparties and fund council to make all appropriate changes.

Additional non-material risks have been identified which are compliance risk, liquidity risk, market risk, operational risk, transition risk, accounting, financial reporting and tax risk, information security and technology transformation risk.

Progress updates are provided regularly to the Group's IBOR Transition Steering Committee. Oversight of the program has been a major focus along with activities to minimize risk and disruption to customers.

The Group continues to work closely with industry bodies and receive guidance from regulators to manage the impact and to implement plans, aiming to mitigate the risks associated with the expected discontinuation of IBOR referenced benchmark interest rates. In this regard, the Group:

_ has reviewed, or is in the process of reviewing, the fall-back language for LIBOR-linked instruments including the development of a new framework introduced to quantify the potential impact of positions difficult to transition, referred to as "tough legacy",
_ is part of a Conduct Risk Advisory forum that was initiated in the beginning of 2020, aiming to discuss and review all conduct risks types (including new risks and current plan) relevant for the IBOR transition, and
_ continues to engage with industry groups in relation to the main challenges and consistent approach for asset managers.

The Group continues to develop infrastructure improvements in conjunction with third party providers and to assess potential transition risk impacts alongside relevant stress scenarios. The Group is encouraging the use of the most effective fall-back language available when conducting new transactions.

The following table shows the carrying values of the Group's non-derivative financial instruments and other commitments which reference IBORs where it is expected that there will no longer be a requirement to quote IBOR rates due to tough legacy. The Group has no derivative financial instruments which reference IBORs. Other commitments reflect the contingent liabilities from co-investments in scope. The table includes those financial instruments with a maturity date that extends past the date when the requirement to submit quotes is expected to end. For the IBOR rates disclosed below, the financial instruments maturity is past 31 December 2021, except for USD LIBOR referenced contracts with tenors other than 1-week or 2-months where the date is for those maturing after 30 June 2023.

in € m.	USD IBOR	GBP IBOR	Total
Non-derivative financial assets:			
Debt instruments - co-investments	38	0	38
Debt instruments - seed investments	0	0	0
Debt instruments - other debt instruments	17	0	17
Total non-derivative financial assets	**55**	**0**	**55**
Off-balance sheet exposure:			
Other commitments	13	0	13
Total off-balance sheet exposure	**13**	**0**	**13**

12 – Equity Method Investments

The Group holds interests in five (2020: six) associates and no (2020: none) joint arrangement. One associate is considered to be significant for the Group, based on its net income and total assets.

Significant Investments

Investment	Principal place of business	Nature of relationship	Ownership percentage
Harvest Fund Management Co., Ltd.	Shanghai, China	Strategic investment	30%

The 2021 financial information is based on 2021 IFRS unaudited financial statements of Harvest Fund Management Co., Ltd., the 2020 financial information has been updated with the 2020 audited IFRS financial statements as provided by Harvest Fund Management Co., Ltd.

Summarised financial information on Harvest Fund Management Co., Ltd.

in € m.	2021	2020
Total net revenues	1,147	842
Net Income	295	224
Other comprehensive income (loss)	(1)	(5)
Total comprehensive income	**294**	**219**

in € m.	31 Dec 2021	31 Dec 2020
Current assets	1,291	1,015
Non-current assets	966	804
Total assets	**2,257**	**1,819**
Current liabilities	1,006	760
Non-current liabilities	192	169
Total liabilities	**1,197**	**929**
Non-controllling interest	35	23
Net assets of the equity method investee	**1,024**	**867**

Reconciliation of total net assets to the Group’s carrying amount

in € m. (unless stated otherwise)	31 Dec 2021	31 Dec 2020
Net assets of the equity method investee	1,024	867
Group's ownership percentage on the investee's equity	30%	30%
Group's share of net assets	307	260
Goodwill	17	16
Intangible assets	15	14
Other adjustments	1	0
Carrying amount	**341**	**290**

The share in net income from Harvest Fund Management Co., Ltd. alone was € 85 million in 2021 (2020: € 63 million).

During the year, the Group received cash dividends from Harvest Fund Management Co., Ltd. amounting to € 68 million (2020: € 21 million). In 2020, the Group has reflected an extraordinary dividend receivable of € 6 million, received in 2021. There was no impairment loss in 2021 and 2020.

Non-significant Investments

Aggregated financial information on the Group's share in associates and joint arrangements that are individually immaterial

in € m.	31 Dec 2021	31 Dec 2020
Carrying amount of all associates that are individually immaterial to the Group	8	14
Aggregated amount of the Group's share of profit (loss) from continuing operations	(4)	(0)
Aggregated amount of the Group's share of post-tax profit (loss) from discontinued operations	0	0
Aggregated amount of the Group's share of other comprehensive income	0	(1)
Aggregated amount of the Group's share of total comprehensive income	**(4)**	**(1)**

The Group recognised an impairment loss of € 4 million in 2021 (2020: no impairment loss).

13 – Goodwill and Other Intangible Assets

Goodwill

Changes in Goodwill

The changes in the carrying amount of goodwill, as well as gross amounts and accumulated impairment losses of goodwill, for the period ended 31 December 2021 and 31 December 2020, are shown.

in € m.	
Balance as of 1 January 2020	**2,881**
Disposals	0
Exchange rate changes	(142)
Balance as of 31 December 2020	**2,739**
Gross amount of goodwill	2,739
Accumulated impairment losses	0
Balance as of 1 January 2021	**2,739**
Reclassification from (to) assets held for sale	(40)
Disposals	0
Exchange rate changes	123
Balance as of 31 December 2021	**2,822**
Gross amount of goodwill	2,822
Accumulated impairment losses	0

As of 31 December 2021, changes relate to foreign exchange rate impacts of € 123 million (31 December 2020: € (142) million) and a reclassification to assets held for sale of € 40 million as of 31 December 2021 (€ 0 million as of 31 December 2020). No disposals as of 31 December 2021 (31 December 2020: € 0.4 million). For the reclassification to held for sale and the sale in 2021 please refer to note 16 'Non-Current Assets and Disposal Groups Held for Sale'.

Goodwill Impairment Test

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generated unit (CGU). During 2021 and 2020 respectively the Group did not acquire goodwill in a business combination.

The annual goodwill impairment test conducted in 2021 and 2020 respectively, did not result in an impairment loss on the Group's goodwill since the recoverable amount of the CGU was higher than the respective carrying amount.

A review of the Group's strategy, political or global risks for the asset management industry such as a return of the European sovereign debt crisis, uncertainties regarding the implementation of already adopted regulation as well as a slowdown of gross domestic product growth may negatively impact the performance forecasts and thus, could result in an impairment of goodwill in the future.

Carrying Amount

The carrying amount for the CGU is determined based on the Group's equity.

Recoverable Amount

The recoverable amount is the higher of the Group's fair value less costs of disposal and its value in use. The Group determines the recoverable amount based on value in use and employs the discounted cash-flow method (DCF) which reflects the specifics of the asset management business and its regulatory environment. The model calculates the present value of the estimated future earnings that are distributable to the shareholders after fulfilling the respective regulatory capital requirements.

The DCF uses earnings projections based on five-year strategic plans, which are discounted to their present value. Estimating future earnings involves judgment and the consideration of past and current performance as well as expected capital retention requirements / contributions in line with the business plan, market expectations and commercial, legal or regulatory requirements.

Earnings projections beyond the initial five-year period are adjusted to derive a sustainable level. In case of a going concern, the cash flow to equity is assumed to increase by or converge towards a constant long-term growth rate of up to 1.7% in 2021 and 3.1% in 2020. This is based on the revenue forecast as well as expectations for the development of gross domestic product and inflation and is captured in the terminal value.

Key Assumptions and Sensitivities

Key Assumptions: The DCF value of a CGU is sensitive to the earnings projections, to the discount rate (cost of equity) applied and to the long-term growth rate. The discount rates applied have been determined based on the capital asset pricing model and comprise a risk-free interest rate, a market risk premium and a factor covering the systematic market risk (beta factor). The values for the risk-free interest rate, the market risk premium and the beta factors are determined using external sources of information. CGU-specific beta factors are determined based on a respective group of peer companies. Variations in all of these components might impact the discount rates. The Group use a discount rate (after tax) of 9.1% in 2021 (2020: 9.8%).

Management determined the values for the key assumptions based on a combination of internal and external analysis. Estimates for efficiency and the cost reduction program are based on progress made to date and scheduled future projects and initiatives

Key Management Assumptions are:

- Deliver strong investment product performance
- Expand product suite in growth areas (e.g. alternatives, multi assets, passive, ESG investment schemes) while consolidating non-core strategies
- Consistent net flows leveraging market share leadership in Germany and the rest of Europe, while expanding coverage in Asia-Pacific and focused growth in the Americas
- Diversification of intermediary coverage towards high growth channels and deployment of digital solutions to serve new channels
- Further efficiency through improved core operating processes, platform optimization and product rationalization
- Anticipation of further headwinds in the asset management industry as a result of the changing regulatory environment

Uncertainty associated with key assumptions and potential events/circumstances that could have a negative effect:

- Challenging market environment and volatility unfavourable to our investment strategies
- Unfavourable margin development and adverse competition levels in key markets and products beyond expected levels
- Business/execution risks, e.g., under achievement of net flow targets from market uncertainty, loss of high quality client facing employees, unfavourable investment performance, lower than expected efficiency gains
- Uncertainty around regulation and its potential implications not yet anticipated

Sensitivities: To test the resilience of the recoverable amount, key assumptions used in the DCF model (for example, the discount rate and the earnings projections) are sensitized. Management believes that no reasonable changes in key assumptions could cause an impairment loss.

Other Intangible Assets

Changes in Other Intangible Assets

	Purchased intangible assets							Internally generated intangible assets	Total other intangible assets
	Unamortized			Amortized				Amortized	
in € m.	Retail Investment Management Agreements	Other	Total unamortized purchased intangible assets	Customer-related intangible assets	Contract-based intangible assets	Software and other	Total amortized purchased intangible assets	Software	
Cost of acquisition/manufacture:									
Balance as of 1 January 2020	**1,030**	**0**	**1,031**	**114**	**20**	**88**	**222**	**226**	**1,479**
Additions	0	0	0	0	0	0	0	24	24
Disposals	0	0	0	0	0	0	0	2	2
Exchange rate changes	(85)	(0)	(85)	(9)	0	1	(9)	(5)	(99)
Balance as of 31 December 2020	**945**	**0**	**945**	**104**	**20**	**89**	**213**	**242**	**1,401**
Additions	0	0	0	0	0	0	0	35	35
Changes in the group of consolidated companies	0	(0)	(0)	0	0	0	0	0	(0)
Disposals	0	0	0	0	0	0	0	0	0
Reclassifications from/(to) “held for sale”	0	0	0	0	0	0	0	(40)	(40)
Transfers	0	0	0	0	0	0	0	0	0
Exchange rate changes	71	0	71	8	0	(1)	7	6	84
Balance as of 31 December 2021	**1,017**	**0**	**1,017**	**112**	**20**	**88**	**221**	**242**	**1,479**
Accumulated amortization and impairment:									
Balance as of 1 January 2020	**260**	**0**	**260**	**113**	**20**	**88**	**222**	**97**	**579**
Amortization for the year	0	0	0	0	0	0	0	43	43
Disposals	0	0	0	0	0	0	0	1	1
Impairment losses	0	0	0	0	0	0	0	1	1
Exchange rate changes	(22)	(0)	(22)	(9)	0	1	(9)	(3)	(33)
Balance as of 31 December 2020	**239**	**0**	**239**	**104**	**20**	**89**	**213**	**137**	**590**
Amortization for the year	0	0	0	0	0	0	0	40	40
Disposals	0	0	0	0	0	(0)	(0)	0	0
Reclassifications from/(to) “held for sale”	0	0	0	0	0	0	0	(9)	(9)
Impairment losses	0	0	0	0	0	0	0	0	0
Exchange rate changes	18	0	18	8	0	(1)	7	4	29
Balance as of 31 December 2021	**257**	**0**	**257**	**112**	**20**	**88**	**221**	**172**	**650**
Carrying amount:									
As of 1 January 2020	**770**	**0**	**771**	**0**	**0**	**0**	**0**	**129**	**900**
As of 31 December 2020	**706**	**0**	**706**	**0**	**0**	**0**	**0**	**105**	**811**
As of 31 December 2021	**760**	**0**	**760**	**0**	**0**	**0**	**0**	**70**	**830**

As of 31 December 2021, there was an impairment loss on internally generated software amounting to € 0.2 million (31 December 2020: impairment loss of € 1 million) reflected under general and administrative expenses in the consolidated statement of income which is mainly due to the decommissioning and disinvestment of applications that the Group no longer uses.

Amortizing Intangible Assets

In 2021, amortizing other intangible assets decreased by a net € 35 million (2020: € 24 million), mainly from the internally generated intangible assets.

The total amortization of intangibles amounting to € 40 million (2020: € 43 million) is reflected under general and administrative expenses in the consolidated Statement of Income. For the reclassification to assets held for sale of € 31 million as of 31 December 2021 (none as of 31 December 2020) please refer to note 16 'Non-Current Assets and Disposal Groups Held for Sale'.

Useful life of other amortized intangible assets by asset class

	Useful life in years
Internally generated intangible assets:	
Software	up to 10
Purchased intangible assets:	
Customer-related intangible assets	up to 20
Contract-based intangible assets	up to 8
Other	up to 80

Unamortized Intangible Assets

Within this asset class, the Group recognizes certain contract-based intangible assets, which are deemed to have an indefinite useful life.

The asset class comprises the below detailed investment management agreements related to retail mutual funds. Due to the specific nature of these intangible assets, market prices are ordinarily not observable and, therefore, the Group values such assets based on the income approach, using a post-tax DCF methodology.

Retail investment management agreements – These assets, amounting to € 760 million, relate to the Group's US retail mutual fund business. Retail investment management agreements are contracts that give DWS Group the exclusive right to manage a variety of mutual funds for a specified period. Since these contracts have a long history of renewal at minimal cost, these agreements are not expected to have a foreseeable limit on the contract period. Therefore, the rights to manage the associated assets under management are expected to generate cash flows for an indefinite period of time. This intangible asset was recorded at fair value based upon a valuation provided by a third party at the date of acquisition of Zurich Scudder Investments, Inc. in 2002.

The recoverable amount was calculated as fair value less costs of disposal using the multi-period excess earnings method and the fair value measurement was categorized as Level 3 in the fair value hierarchy and is essentially unchanged. The key assumptions in determining the fair value less costs of disposal include the asset mix, the flows forecast, the effective fee rate and discount rate as well as the terminal value growth rate. The discount rate (cost of equity) applied in the calculation was 9.8% in 2021 (10.3% in 2020). The terminal value growth rate applied for 2021 is 4.1% (for 2020 4.1%). The review of valuation for the years 2021 and 2020 neither resulted in any impairment nor a reversal of prior impairments.

14 – Property and Equipment

in € m.	Furniture and equipment	Leasehold improvements	Construction in progress	Total
Cost of acquisition:				
Balance as of 1 January 2020	**17**	**74**	**0**	**92**
Additions	2	8	0	10
Disposals	1	3	0	4
Transfers in (out)	3	(3)	(0)	0
Exchange rate changes	(0)	(6)	(0)	(6)
Balance as of 31 December 2020	**20**	**70**	**0**	**91**
Balance as of 1 January 2021	**20**	**70**	**0**	**91**
Additions	2	7	0	9
Disposals	1	10	0	11
Transfers in (out)	0	0	(0)	0
Exchange rate changes	0	5	0	6
Balance as of 31 December 2021	**23**	**72**	**0**	**95**
Accumulated depreciation and impairment:				
Balance as of 1 January 2020	**15**	**48**	**0**	**63**
Depreciation	2	3	0	5
Disposals	1	1	0	2
Transfers in (out)	0	(0)	0	0
Exchange rate changes	(0)	(4)	0	(4)
Balance as of 31 December 2020	**15**	**46**	**0**	**62**
Balance as of 1 January 2021	**15**	**46**	**0**	**62**
Depreciation	2	3	0	5
Disposals	0	1	0	2
Transfers in (out)	0	(0)	0	0
Exchange rate changes	0	4	0	4
Balance as of 31 December 2021	**17**	**51**	**0**	**69**
Carrying amount:				
As of 31 December 2020	**5**	**24**	**0**	**29**
As of 31 December 2021	**5**	**21**	**0**	**26**

Furniture and equipment consist primarily of IT equipment and furniture within the Group premises.

Leasehold improvements consist primarily of fixtures and fittings and the cost of any structural improvements to leased properties.

Construction in progress represent expenditure incurred during an asset's construction which has been capitalised. These will be transferred to the respective asset class once construction has been completed.

There are no items of property and equipment subject to restrictions on title or which have been pledged as security against liabilities and no commitments for acquisition of property and equipment as of 31 December 2021.

All classes of property and equipment are initially recognised on the balance sheet at cost. Subsequent measurement follows as cost less depreciation and any accumulated impairment losses. Depreciation occurs on a straight-line basis over the asset's useful economic life.

Useful economic life of property and equipment by asset class

	Useful life in years
Furniture and equipment	7 to 10 years
Leasehold improvements	shorter of 10 years or the remaining lease term

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated. Impairment losses are recognised in the Consolidated Statement of Income. As of 31 December 2021 and 31 December 2020, there were no impairment losses of property and equipment.

15 – Leases

Leases as Lessee

Right-of-use assets

in € m.	Properties	Other	Total right-of-use assets
Cost value:			
Balance as of 1 January 2020	**148**	**1**	**149**
Additions	15	0	15
Disposals	6	0	6
Exchange rate changes	(7)	0	(7)
Balance as of 31 December 2020	**150**	**1**	**150**
Balance as of 1 January 2021	**150**	**1**	**150**
Additions	18	0	18
Disposals	13	0	13
Exchange rate changes	7	0	7
Balance as of 31 December 2021	**161**	**1**	**162**
Accumulated depreciation and impairment:			
Balance as of 1 January 2020	**19**	**0**	**19**
Depreciation	18	0	18
Disposals	3	0	3
Impairment losses	1	0	1
Exchange rate changes	(1)	0	(1)
Balance as of 31 December 2020	**34**	**0**	**35**
Balance as of 1 January 2021	**34**	**0**	**35**
Depreciation	17	0	17
Disposals	11	0	11
Impairment losses	0	0	0
Exchange rate changes	1	0	1
Balance as of 31 December 2021	**42**	**0**	**43**
Carrying amount:			
Balance as of 31 December 2020	**115**	**0**	**115**
Balance as of 31 December 2021	**119**	**0**	**119**

The Group's right-of-use assets consist primarily of premises leased under long-term rental agreements. Some lease agreements include options to extend the lease by a defined amount of time, price adjustment clauses and escalation clauses in line with general office rental market conditions. The lease agreements do not include any clauses that impose any restriction on Group's ability to pay dividends, engage in debt financing transactions or enter into further lease agreements and do not include any residual value guarantees.

The right-of-use assets are depreciated on a straight-line basis until the end of the useful economic life of the asset or the end of the lease term and are reviewed at the end of each reporting period to determine if there is any impairment.

The additions and disposals during 2021 and 2020 mainly reflect office movements as part of the Group's location strategy.

For 2021, there was no impairment loss reflected (for 2020: € 1 million due national lockdowns and regional restrictions on work and travel during the year and for the remaining lease terms into 2021).

Amounts recognised in consolidated statement of income

in € m.	2021	2020
Interest expense on lease liabilities	3	2
Income from sub-leasing right-of-use assets presented in other income	0	0
Expenses relating to short-term leases	0	0

The Group has not used the exemption for short-term leases and low-value assets under IFRS 16 for 2021 and 2020 respectively.

Amounts recognised in consolidated statement of cash flows

in € m.	2021	2020
Cash outflows for leases	21	18
Thereof: principal portion	18	16
Thereof: interest portion	3	2
Thereof: leases not reflected on balance sheet	0	0

Extension options and leases not yet commenced but committed

in € m.	31 Dec 2021	31 Dec 2020
Future cash outflows not reflected in lease liabilities:		
Not later than one year	0	0
Later than one year and not later than five years	8	10
Later than five years	149	123
Total future cash outflows not reflected in lease liabilities	**158**	**134**

Most property leases contain extension options exercisable by the Group by providing prior written notice to the landlord before the end of the lease. This notice period ranges from 18 months to 90 days before the end of the non-cancellable contract period. In certain rare instances, leases will renew automatically unless prior written notice is provided.

Where practical, the Group will seek to include extension options in its leases for operational flexibility.

All options are exercisable by the Group and not the lessors. At commencement date, the Group assess whether it is reasonably certain to exercise any extension options. If so, these are included in the initial measurement of associated lease liabilities.

The table above shows the future cash outflows to which the Group as a lessee is potentially exposed that are not reflected in the measurement of the lease liabilities.

Leases as Lessor

Finance lease

The Group reflects finance lease contracts within loans at amortized costs. As of 31 December 2021 there was one contract with a net investment of € 2 million (as of 31 December 2020: € 2.6 million). During 2021, the Group reflected rental income in the amount of € 0.3 million (2020: € 0.0 million) shown within general and administrative expenses.

16 – Non-Current Assets and Disposal Groups Held for Sale

In September 2021, DWS and BlackFin Capital Partners (BlackFin) have agreed on a long-term strategic partnership to jointly evolve the digital investment platform into a platform eco system that provides comprehensive digital investment solutions and services to distribution partners, institutional investors and retail clients. It was agreed that DWS will transfer its digital investment platform into a joint venture with BlackFin, maintaining a stake of 30%. As of 31 December 2021, the Group has classified the related assets and liabilities in the transaction perimeter as a disposal group held-for-sale. Closing of the transaction is expected for the second half of 2022. The valuation of the assets and liabilities did not result in the recognition of a loss.

in € m.	31 Dec 2021	31 Dec 2020
Cash and bank balances	6	0
Goodwill and other intangible assets	71	0
Other financial assets	247	0
Total assets held for sale	**324**	**0**
Other financial liabilities	252	0
Total liabilities held for sale	**252**	**0**

17 – Other Assets and Other Liabilities

in € m.	31 Dec 2021	31 Dec 2020
Other assets:		
Other financial assets:		
Receivables from brokerage and securities	20	239
Receivables from commissions/fees	187	195
Remaining other financial assets	507	393
Total other financial assets	**714**	**827**
Other non-financial assets:		
Other tax receivables	14	11
Remaining other non-financial assets	34	49
Total other non-financial assets	**47**	**59**
Total other assets	**762**	**887**
Other liabilities:		
Other financial liabilities:		
Payables from brokerage and securities	1	271
Payables from commissions/fees	158	138
Payables from performance related payments	306	233
Remaining other financial liabilities	506	505
Payables from guaranteed and other consolidated funds[1]	1,511	1,170
Total other financial liabilities	**2,483**	**2,318**
Other non-financial liabilities:		
Other tax payables	21	23
Remaining other non-financial liabilities	119	157
Total other non-financial liabilities	**140**	**180**
Total other liabilities	**2,623**	**2,498**

[1] Payables from guaranteed and other consolidated funds carried at amortized cost and reflected with their implied fair value of the respective trading assets through profit or loss (please refer to note 10 ‘Financial Instruments’).

As of 31 December 2021, the Group’s balance of receivables from commission and fee income was € 187 million (€ 195 million as of 31 December 2020). As of 31 December 2021, the Group’s balance of liabilities associated with commission and fee income was € 158 million (€ 138 million as of 31 December 2020). The decrease in receivables and payables from brokerage and securities relates to the transfer of these assets and liabilities into held for sale. For further details refer to note 16 ‘Non-Current Assets and Disposal Groups Held for Sale’. The Group has no contract liabilities as of 31 December 2021 and as of 31 December 2020 respectively which arise from the Group’s obligation to provide future services to a customer for which it has received consideration from the customer prior to completion of the services.

The balances of receivables and liabilities do not vary significantly from period to period reflecting the fact that they predominately relate to recurring service contracts with service periods of less than one year such as monthly and quarterly asset management services. Customer payment in exchange for services provided is generally subject to performance by the Group over the specific service period such that the Group’s right to payment arises at the end of the service period when its performance obligations are fully completed.

18 – Provisions

Movements by class of provision

in € m.	Operational risk	Civil litigations	Restructuring - staff related	Other	Total
Balance as of 1 January 2020	**4**	**1**	**3**	**6**	**15**
New provisions	8	0	8	6	23
Amounts used	3	1	11	5	19
Unused amounts reversed	0	1	0	0	1
Effects from exchange rate fluctuations/unwind of discount	0	(0)	(0)	(0)	(0)
Balance as of 31 December 2020	**9**	**0**	**1**	**7**	**17**
New provisions	6	1	0	0	7
Amounts used	0	0	1	1	2
Unused amounts reversed	0	0	0	6	6
Effects from exchange rate fluctuations/unwind of discount	0	0	0	0	0
Balance as of 31 December 2021	**14**	**1**	**0**	**1**	**16**

Classes of Provisions

Operational risk is the risk of loss resulting from an inadequate or failed internal processes, people and systems, or from external events. The definition used to determine provisions from operational risk differs from the risk management definition, as it excludes risk of loss resulting from civil litigations or regulatory enforcement matters.

Civil litigation provisions arise out of current or potential claims or proceedings alleging non-compliance with contractual, other legal or regulatory responsibilities, that have resulted or may result in demands from customers, counterparties, or other parties in civil litigations.

Restructuring provisions arise out of restructuring activities and cover termination benefits. For further details see note 8 ‘Restructuring’.

Other provisions include provisions for regulatory enforcement and several specific items arising from a variety of different circumstances not covered under the named classes above.

The provisions recognized by the Group are considered short-term nature with the expectation of usage over the next year.

Current Individual Proceedings

By the nature of our business, the Group is involved in litigation and arbitration proceedings and regulatory investigations, but none of such proceedings is currently expected to have a significant impact on the Group’s financials.

For the matters for which a reliable estimate can be made, as of 31 December 2021 respectively as of 31 December 2020, the Group has not recognized material provisions or contingent liabilities in connection with its individual proceedings.

Material individual proceedings are described below:

The Group has received requests for information from various regulatory and law enforcement agencies concerning certain ESG related matters. The Group continues to provide information to and otherwise cooperate with the investigating agencies. These investigations are ongoing and the outcome is as yet to be determined and therefore unpredictable and no reliable estimate can be made. As such the Group has not established a provision or contingent liability at this time.

19 – Contractual Obligations and Commitments

Contractual obligations result from purchase obligations which include future payments mainly for technology services and asset management services.

Commitments cover contingent receivables and contingent liabilities. The Group had no contingent receivables to report as of 31 December 2021 and 31 December 2020. Contingent liabilities mainly relate to unfunded commitments given to funds, for which the Group acts as an investor.

The following table presents the contractual obligations and commitments by maturity buckets:

	31 Dec 2021				
	Payment due by period				
in € m.	< 1 year	1–3 years	3–5 years	> 5 years	Total
Purchase obligations	54	102	227	12	395
Contingent liabilities	120	0	0	0	120

	31 Dec 2020				
	Payment due by period				
in € m.	< 1 year	1–3 years	3–5 years	> 5 years	Total
Purchase obligations	33	53	210	21	317
Contingent liabilities	128	0	0	0	128

Purchase obligations increased by € 77 million compared to 31 December 2020 primarily due to new agreements related to the transformation project and a sponsorship agreement.

Contingent liabilities decreased by € 8 million compared to 31 December 2020 due to lower unfunded commitments for co-investments.

20 – Equity

Common Shares

The company's share capital consists of common shares issued in registered form without par value. As of 31 December 2021 the share capital of the company amounts to € 200 million and is divided into up to 200,000,000 ordinary bearer shares. Under German law, each share represents an equal stake in the subscribed capital. Therefore, each share has a nominal value of € 1.00, derived by dividing the total amount of share capital by the number of shares.

There are no issued ordinary shares that have not been fully paid.

Number of shares	
Common shares as at 31 December 2020	**200,000,000**
Changes	-
Common shares as at 31 December 2021	**200,000,000**

Authorized Capital

The General Partner is authorized to increase the share capital of the company on or before 31 January 2023 once or more than once, by up to a total of € 40 million through the issuance of new shares against cash payment or contribution in kind ("Authorized Capital 2018/I"). The General Partner is further authorized to increase the share capital of the company on or before 31 January 2023 once or more than once, by up to a total of € 60 million through the issuance of new shares against cash payment ("Authorized Capital 2018/II"). Further details are governed by Section 4 of the Articles of Association.

Authorized capital	General Description	Expiration date
€ 40,000,000	Authorized Capital 2018 / I	31 January 2023
€ 60,000,000	Authorized Capital 2018 / II	31 January 2023

Conditional Capital

The General Partner is authorized to issue, once or more than once, on or before 31 May 2024 bonds with warrants and/or convertible bonds with a fixed maturity not exceeding 20 years or with a perpetual maturity, and to grant option rights to the holders of bonds with warrants and conversion rights (in conjunction with a conversion obligation if applicable) to the holders of convertible bonds in respect of new shares in the company, subject to the terms and conditions governing the bonds with warrants or convertible bonds. The total nominal amount of the bonds with warrants and convertible bonds may not exceed a total value of € 600 million. Option and conversion rights may only be issued in respect of company shares nominally representing up to € 20 million of the share capital. For this purpose share capital may be increased by up to € 20 million by issuing up to 20,000,000 new no par value bearer shares (conditional capital). Further details are governed by Section 4 of the Articles of Association.

Conditional capital	General Description	Expiration date
€ 20,000,000	Conditional Capital 2019 / I	31 May 2024

Dividends

The following table presents the amount of dividend proposed for the year ended 31 December 2021:

	2021 (proposed)	2020
Cash dividend (in € m.)	400	362
Cash dividend per common share (in €)	2.00	1.81

The Executive Board and Supervisory Board will recommend a dividend payment of € 2.00 per share for the financial year 2021 at the Annual General Meeting on 9 June 2022.

Additional Notes

21 – Employee Benefits

Share-Based Compensation Plans

There are two categories of share-based compensation plans, which are described below: DWS Share-Based Plans (cash-settled) and the DB Equity Plan (equity settled).

DWS Share-Based Plans (cash-settled)

The Group made grants of share-based compensation under the DWS Equity Plan. This plan represents a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified time period.

In September 2018 one-off IPO related awards under the **DWS Stock Appreciation Rights (SAR) Plan** were granted to all DWS employees. A limited number of DWS senior managers were granted a one-off IPO related Performance Share Unit (PSU) under the **DWS Equity Plan** instead. For members of the Executive Board, one-off IPO related awards under the DWS Equity Plan were granted in January 2019.

The DWS SAR Plan represents a contingent right to receive a cash payment equal to any appreciation (or gain) in the value of a set number of notional DWS shares over a fixed period of time. This award does not provide any entitlement to receive DWS shares, voting rights or associated dividends.

The DWS Equity Plan is a phantom share plan representing a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified period of time.

The award recipient for any share-based compensation plan is not entitled to receive dividends during the vesting period of the award. The share awards granted under the terms and conditions of any share-based compensation plan are forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period (or the end of the retention period for Upfront Awards). Vesting usually continues after termination of employment in cases such as redundancy or retirement.

The following table outlines the basic terms of the DWS share-based plans:

Grant year(s)	Award Type	Vesting schedule	Eligibility
2021 DWS Equity Plan	Annual Awards	1/4: 12 months[1] 1/4: 24 months[1] 1/4: 36 months[1] 1/4: 48 months[1]	Select employees as annual performance-based compensation (InstVV MRTs)
	Annual Awards	1/3: 12 months[1] 1/3: 24 months[1] 1/3: 36 months[1]	Select employees as annual performance-based compensation (non-InstVV MRTs)
	Annual Awards (Senior Management)	1/5: 12 months[1] 1/5: 24 months[1] 1/5: 36 months[1] 1/5: 48 months[1] 1/5: 60 months[1]	Members of the Executive Board
	Annual Award - Upfront	Vesting immediately at grant[1]	Regulated employees
	Retention/New hire	Individual specification	Select employees to attract and retain the best talent
2019-2020 DWS Equity Plan	Annual Awards	1/3: 12 months[1] 1/3: 24 months[1] 1/3: 36 months[1]	Select employees as annual performance-based compensation
	Annual Awards (Senior Management)	1/5: 12 months[1] 1/5: 24 months[1] 1/5: 36 months[1] 1/5: 48 months[1] 1/5: 60 months[1]	Members of the Executive Board
	Annual Award - Upfront	Vesting immediately at grant[1]	Regulated employees
	Retention/New hire	Individual specification	Select employees to attract and retain the best talent
	Performance Share Unit (PSU) Award (one-off IPO related award granted in 2019)	1/3: March 2022[1] 1/3: March 2023[1] 1/3: March 2024[1]	Members of the Executive Board
2018 DWS Equity Plan	Retention/New hire	Individual specification	Select employees to attract and retain the best talent
	Performance Share Unit (PSU) Award (one-off IPO related award)[1]	1/3: March 2022[1] 1/3: March 2023[1] 1/3: March 2024[1]	Select Senior Managers
2018 DWS SAR Plan	SAR Award (one-off IPO related award)	For non-MRTs: 1 June 2021[3] For MRTs: 1 March 2023[1,3]	all DWS employees[2]

[1] Depending on their individual regulatory status, a six months retention period (AIFMD/UCITS MRTs) or a 12-months retention period (InstVV MRTs) applies after vesting.
[2] Unless the employee received PSU Award
[3] In 2020, two Early Exercise windows were offered to non-MRTs leading to accelerated vesting and exercise upon acceptance. For outstanding awards, a 4-year exercise period applies following vesting/retention period.

The following table sets out the movements in share award units:

	DWS Equity Plan		DWS SAR Plan			
	2021	2020	2021		2020	
Share units (in thousands)	Number of awards	Number of awards	Number of awards	Weighted-average exercise price	Number of awards	Weighted-average exercise price
Outstanding at beginning of year	**2,422**	**2,035**	**1,239**	**€ 24.65**	**2,061**	**€ 24.65**
Granted	704	804	0	€ 0.00	0	€ 0.00
Released or exercised[1]	(582)	(368)	(252)	€ 24.65	(759)	€ 24.65
Forfeited	(100)	(54)	(19)	€ 24.65	(78)	€ 24.65
Expired	0	0	(28)	€ 0.00	0	€ 0.00
Other movements	(43)	5	(3)	€ 24.65	15	€ 24.65
Outstanding at end of year	**2,401**	**2,422**	**937**	**€ 24.65**	**1,239**	**€ 24.65**
Of which exercisable	0	0	734	€ 0.00	0	€ 0.00

[1] Comparative exercise price for prior year 2020 within DWS SAR Plan has been amended based on updated information.

The following table sets out key information regarding awards granted, released and remaining in the year:

			2021			2020
	Weighted average fair value per award granted in year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years	Weighted average fair value per award granted in the year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years
DWS Equity Plan	€ 30.47	€ 37.24	2	€ 29.07	€ 34.88	2
DWS SAR Plan	0	€ 39.51	4	0	€ 31.95	5

As of 31 December 2021, the fair value of share-based awards made in 2021 and prior periods was approximately € 82 million (as of 31 December 2020: € 83 million), of which € 29 million (2020: € 20 million) relate to fully vested awards.

The fair value of the DWS SAR Plan awards have been measured using the generalised Black-Scholes model. The liabilities incurred are re-measured at the end of each reporting period until settlement. The principal inputs being the market value on reporting date, discounted for any dividends foregone over the holding periods of the award, and adjustment for expected and actual levels of vesting which includes estimating the number of eligible employees leaving Deutsche Bank Group and number of employees eligible for early retirement. The inputs used in the measurement of the fair values at grant date and measurement date of the DWS SAR Plan awards were as follows:

	Measurement date 31 Dec 2021	Measurement date 31 Dec 2020
	SAR	SAR
Units (in thousands)	937	1,239
Fair value (weighted average)	€ 10.95	€ 10.68
Share price	€ 35.48	€ 34.80
Exercise price	€ 24.65	€ 24.65
Expected volatility (weighted-average) in %	32	33
Expected life (weighted-average) in years	4	5
Expected dividends (% of income)	65	65

Given the limited trading in the market of implied DWS share price volatility, the expected volatility of the DWS share price has been based on an evaluation of the historical volatility for a comparable peer group over the preceding 5-year period.

In 2020, DWS offered eligible employees to exercise their SAR Award as part of two distinct Early Exercise Offers. SAR Awards which were not exercised continue to be subject to the terms and conditions of the DWS SAR Plan Rules, including forfeiture provisions.

DB Share Based Plans (equity-settled)

Some Group employees continue to hold deferred awards granted under the DB Equity Plan, under the rules established for Deutsche Bank Group.

Share-based payment transactions where Deutsche Bank Group AG have granted Deutsche Bank AG shares to the employees of the Group are classified as equity-settled transactions reflected in the equity in the consolidated financial statements of the Group as Deutsche Bank AG has the obligation to settle the shares. The award recipient is not entitled to receive dividends during the vesting period of the award.

The share awards granted under the terms and conditions of the DB Equity Plan may be forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period. Vesting usually continues after termination of employment in cases such as redundancy or retirement.

In countries where legal or other restrictions hinder the delivery of shares, a cash plan variant of the DB Equity Plan was used for granting awards.

The following table sets forth the basic terms of these share plans of Deutsche Bank Group.

Grant year(s)	Deutsche Bank Equity Plan	Vesting schedule	Eligibility
2019-2021	Annual Award	1/4: 12 months[1] 1/4: 24 months[1] 1/4: 36 months[1] 1/4: 48 months[1]	Select employees as annual performance-based compensation (CB/IB/CRU and InstVV MRTs in[2] an MBU)
	Annual Award	1/3: 12 months[1] 1/3: 24 months[1] 1/3: 36 months[1]	Select employees as annual performance-based compensation (CB/IB/CRU/MBU)[2]
	Annual Award	1/5: 12 months[1] 1/5: 24 months[1] 1/5: 36 months[1] 1/5: 48 months[1] 1/5: 60 months[1]	Select employees as annual performance-based compensation (Senior Management)
	Retention/New hire	Individual specification	Select employees to attract and retain the best talent
	Annual Award – Upfront	Vesting immediately at grant[3]	Regulated employees
2017-2018	Annual Award	1/4: 12 months[1] 1/4: 24 months[1] 1/4: 36 months[1] 1/4: 48 months[1]	Select employees as annual performance-based compensation
		Or cliff vesting after 54 months[1]	Members of Senior Leadership Cadre
	Retention/New hire	Individual specification	Select employees to attract and retain the best talent
	Key Retention Plan (KRP)[4]	1/2: 50 months[3] 1/2: 62 months[3]	Material Risk Takers (MRTs)
		Or cliff vesting after 43 months	Non-Material Risk Takers (non-MRTs)
2016	Key Position Award (KPA)[5]	Cliff-vesting after 4 years[3]	Select employees as annual retention

[1] For InstVV-regulated employees (and Senior Management) a further retention period of twelve months applies (six months for awards granted from 2017 -2018).
[2] For grant year 2019 divisions were called CIB, for grant year 2020 CIB is split into CB/IB/CRU.
[3] Share delivery takes place after a further retention period of twelve months.
[4] Equity-based awards granted under this plan in January 2017 were subject to an additional share price condition and were forfeited as a result of this condition not being met.
[5] A predefined proportion of the individual's KPA was subject to an additional share price condition and was forfeited as a result of this condition not being met.

In addition, the Group participates in a broad-based employee share ownership plan offered by Deutsche Bank Group and known as the Global Share Purchase Plan (GSPP). The rules are the same as those established for Deutsche Bank Group. The GSPP offers employees in specific countries the opportunity to purchase Deutsche Bank shares in monthly instalments over one year. At the end of the purchase cycle, the acquired stock is matched in a ratio of one to one up to a maximum of ten free shares, provided that the employee remains at Deutsche Bank Group for another year. In total, 555 Group staff from 10 countries enrolled in the twelfth cycle that began in November 2021.

The following table sets out the movements in share award units, including grants under the cash plan variant of the DB Equity Plan:

Share units (in thousands)	2021 Number of shares	2020 Number of awards
Outstanding at beginning of year	**1,916**	**9,231**
Granted	6	6
Released or exercised[1]	(843)	(2,106)
Forfeited	(9)	(5,216)
Expired	0	0
Other movements	150	1
Outstanding at end of year	**1,220**	**1,916**
Of which exercisable	0	0

The DB Equity Plan includes awards with share price hurdles under both the Key Position Award and the Key Retention Plan. The share price hurdle condition for both plans was measured during 2020 and was not met. As a result approximately 5.2 million share units were forfeited. In accordance with IFRS 2 the forfeiture due to a market performance condition did not result in a reversal to the recorded expense.

The following table sets out key information regarding awards granted, released and remaining in the year:

	2021			2020		
	Weighted average fair value per award granted in year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years	Weighted average fair value per award granted in the year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years
DB Equity Plan	€ 9.84	€ 10.57	2	€ 8.10	€ 7.83	2

As of 31 December 2021, the grant value of outstanding share awards was approximately € 11 million (31 December 2020: € 21 million).

In addition, approximately 0.8 million shares were issued to plan participants in 2021 following the vesting of DB Equity Plan awards granted in prior years.

Post-Employment Benefit Plans

Nature of Plans

The Group participates in a number of post-employment benefit plans on behalf of its employees. These plans are sponsored either by the Group directly or by other entities of Deutsche Bank Group and include both defined contribution plans and defined benefit plans. These plans are accounted for based on the nature and substance of the plan. Generally, for defined benefit plans the value of a participant's accrued benefit is based on each employee's remuneration and length of service; contributions to defined contribution plans are typically based on a percentage of each employee's remuneration. The remainder of this note focuses predominantly on the Group's defined benefit plans.

The defined benefit plans are described on a geographical basis, reflecting differences in the nature and risks of benefits, as well as in the respective regulatory environments. In particular, the requirements set by local regulators can vary significantly and broadly determine the design and financing of the benefit plans. Key information is also shown based on participant status, which provides an indication of the maturity of the Group's obligations.

				31 Dec 2021
in € m. (unless stated otherwise)	Germany	EMEA (excluding Germany)	APAC	Total
Defined benefit obligation related to:				
Active plan participants	231	29	5	266
Participants in deferred status	130	3	0	134
Participants in payment status	116	2	0	118
Total defined benefit obligation	**478**	**35**	**5**	**518**
Fair value of plan assets	**429**	**39**	**1**	**469**
Funding ratio (in %)	**90**	**110**	**23**	**91**

				31 Dec 2020
in € m. (unless stated otherwise)	Germany	EMEA (excluding Germany)	APAC	Total
Defined benefit obligation related to:				
Active plan participants	247	29	4	280
Participants in deferred status	134	3	0	137
Participants in payment status	100	2	0	102
Total defined benefit obligation	**481**	**34**	**4**	**519**
Fair value of plan assets	**415**	**36**	**1**	**452**
Funding ratio (in %)	**86**	**106**	**25**	**87**

The majority of the Group's defined benefit plan obligations relate to Germany. Outside of Germany, the largest obligations relate to Switzerland and Luxembourg. In Germany, post-employment benefits are usually agreed on a collective basis with respective employee workers councils. The Group's main pension plans are governed by boards of trustees, fiduciaries or their equivalent.

Post-employment benefits can form an important part of an employee's total remuneration. The Group follows the approach that their design shall be attractive to employees in the respective market, but sustainable over the longer term. At the same time, the Group tries to limit its risks related to provision of such benefits. Consequently, the Group has moved to offer defined contribution plans in many locations over recent years.

Historically, pension plans were typically based on final pay prior to retirement. These types of benefits still form a significant part of the pension obligations for participants in deferred and payment status. Currently, in Germany, Switzerland and Luxembourg, the main defined benefit pension plans for active staff are cash account type plans where the Group credits an annual amount to individuals' accounts based on an employee's current salary. Dependent on the plan rules, the accounts increase either at a fixed interest rate or participate in market movements of certain underlying investments to limit the associated investment risk. Sometimes, in particular in Germany, there is a guaranteed benefit amount within the plan rules, e. g. payment of at least the amounts contributed. Upon retirement, beneficiaries may usually opt for a lump sum or for conversion of the accumulated account balance into an annuity. This conversion is often based on market conditions and mortality assumptions at retirement.

The following amounts of expected benefit payments by the Group in respect of defined benefit plans include benefits attributable to employees' past and estimated future service and include both amounts paid from external pension trusts and paid directly by the Group in respect of unfunded plans.

in € m. (unless stated otherwise)	Germany	EMEA (excluding Germany)	APAC	Total
Actual benefit payments 2021	9	3	1	12
Benefits expected to be paid 2022	15	2	0	18
Benefits expected to be paid 2023	12	2	0	14
Benefits expected to be paid 2024	12	2	0	14
Benefits expected to be paid 2025	13	2	0	15
Benefits expected to be paid 2026	14	2	0	17
Benefits expected to be paid 2027-2031	96	10	3	109
Weighted average duration of defined benefit obligation (in years)	12	14	8	13

Multi-Employer Plans

Mainly in the United Kingdom (UK) and the US, some employees participate in defined benefit plans sponsored by another entity within the wider Deutsche Bank Group, for example retirement benefit plans in the UK as well as post-employment medical plans in the US. Generally the risk associated to the plan is within the sponsoring entity while the Group entities are obliged to pay for costs incurred for their respective employees within the sponsoring entity.

In Germany, the Group is a member of the BVV Versicherungsverein des Bankgewerbes a.G. (BVV) together with other financial institutions. The BVV, pension provider for Germany's financial industry, offers retirement benefits to eligible employees in Germany as a complement to post-employment benefit commitments of the Group. Both employers and employees contribute on a regular basis to the BVV. The BVV provides annuities of a fixed amount to individuals on retirement and increases these fixed amounts if surplus assets arise within the plan. Under legislation in Germany, the employer is ultimately liable for providing the benefits to its employees. An increase in benefits may also arise due to additional obligations to retirees for the effects of inflation. BVV is a multi-employer defined benefit plan. In line with industry practice, the Group accounts for these benefits as a defined contribution plan since insufficient information is available to identify assets and liabilities relating to the Group's current and former employees because the BVV does not fully allocate plan assets to beneficiaries or to member companies. According to the BVV's most recent disclosures, there is no current deficit in the plan that may affect the amount of future Group contributions. Furthermore, any plan surplus emerging in the future will be distributed to the plan members, hence it cannot reduce future Group contributions.

Governance and Risk

Oversight for the Group's pension plans is performed by the Risk and Control Committee (RCC), as mandated by the Executive Board to oversee its pension and related risks on a global basis. This committee meets monthly and is supported by a Pension Working Group. The RCC is mandated to take oversight with regards to guidelines for funding, asset allocation, actuarial assumption setting and risk management. In this regard, risk management includes the management and control of risks for the Group related to market developments (e. g. interest rate, credit spread, price inflation), asset investment, regulatory or legislative requirements, as well as monitoring demographic changes (e. g. longevity). While exercising this oversight the Group leverages Deutsche Bank Group's pension oversight and operative control mechanism implemented, during and after acquisitions or changes in the external environment (e. g. legislation, taxation), topics such as the general plan design or potential plan amendments are considered. To the extent that pension plans are funded, the assets held mitigate some of the liability risks, but introduce investment risk.

In key pension countries, the Group's largest post-employment benefit plan risk exposures relate to potential changes in credit spreads, interest rates, price inflation and longevity, although these have been partially mitigated through the investment strategy adopted.

Overall, the Group is seeking to minimize the impact of pensions on its financial position from market movements, subject to balancing the trade-offs involved in financing post-employment benefits, regulatory capital and constraints from local funding or accounting requirements. Deutsche Bank Group measures pension risk exposures on a regular basis using specific metrics developed for this purpose. This process covers Deutsche Bank Group overall, which includes the Group's exposures.

Funding

Various external pension trusts are maintained to fund the majority of the Group's defined benefit plan obligations. The Group's funding principle is to maintain coverage of the defined benefit obligation by plan assets within a range of 80% to 100% of the obligation, subject to meeting any local statutory requirements. The Group has also determined that certain plans should remain unfunded, although their funding approach is subject to periodic review, e. g. when local regulations or practices change. Obligations for any unfunded plans are accrued on the balance sheet as necessary. For externally funded defined benefit plans local minimum funding requirements may apply. However, for defined benefit plans in Germany which are externally funded by a Contractual Trust Agreement, no regulatory minimum funding requirements exist. In most countries the Group expects to receive an economic benefit from any plan surpluses of plan assets compared to defined benefit obligations, typically by way of reduced future contributions. Given the broadly fully funded position and the investment strategy adopted in the Group's key funded defined benefit plans, any minimum funding requirements that may apply are not expected to place the Group under any material adverse cash strain in the short term. With reference to the Group's funding principle, the Group considers not re-claiming benefits paid from the Group's assets as an equivalent to making cash contributions into the external pension trusts during the year.

Actuarial Methodology and Assumptions

31 December is the measurement date for all plans. All plans are valued by independent qualified actuaries using the projected unit credit method.

The key actuarial assumptions applied in determining the defined benefit obligations at 31 December are presented below in the form of weighted averages.

	31 Dec 2021			31 Dec 2020		
	Germany	EMEA (excluding Germany)	APAC	Germany	EMEA (excluding Germany)	APAC
Discount rate (in %)	1.12	0.57	1.19	0.66	0.28	1.38
Rate of price inflation (in %)	2.20	1.48	1.60	1.25	1.05	1.60
Rate of nominal increase in future compensation levels (in %)	2.43	1.79	3.63	1.75	1.50	3.66
Rate of nominal increase for pensions in payment (in %)	2.09	0.75	N/A	1.15	0.43	N/A
Assumed life expectancy at age 65:						
For a male aged 65 at measurement date	21.3	21.7	N/A	21.2	21.7	N/A
For a female aged 65 at measurement date	23.5	23.6	N/A	23.5	23.8	N/A
For a male aged 45 at measurement date	22.6	23.4	N/A	22.5	23.4	N/A
For a female aged 45 at measurement date	24.6	25.2	N/A	24.6	25.4	N/A
Mortality tables applied	modified Richttafeln Heubeck 2018G	Country specific tables	N/A	modified Richttafeln Heubeck 2018G	Country specific tables	N/A

For the Group’s most significant plans in the key countries, the discount rate used at each measurement date is set based on a high-quality corporate bond yield curve – derived based on bond universe information sourced from reputable third-party index and data providers and rating agencies – reflecting the timing, amount and currency of the future expected benefit payments for the respective plan.

The price inflation assumptions in the Eurozone are set with reference to market measures of inflation based on inflation swap rates in those markets at each measurement date. For other countries, the price inflation assumptions are typically based on long-term forecasts by Consensus Economics Inc. The assumptions for the increases in future compensation levels and for increases to pension payments are developed separately for each plan, where relevant. Each is set based on the price inflation assumption and reflecting the Group’s reward structure or policies in each market, as well as relevant local statutory and plan-specific requirements.

Among other assumptions, mortality assumptions can be significant in measuring the Group’s obligations under its defined benefit plans. These assumptions have been set in accordance with current best estimate in the respective countries. Future potential improvements in longevity have been considered and included where appropriate.

Due to the long-term nature of mortality assumptions and lack of clarity over the longer term impacts of the pandemic on health outcomes, there has been no specific allowance for the impact of COVID-19 in any region, other than for recent experience which would be captured as part of the annual valuation process.

Reconciliation in Movement of Liabilities and Assets – Impact on Financial Statements

				2021
in € m.	Germany	EMEA (excluding Germany)	APAC	Total
Change in the present value of the defined benefit obligation:				
Balance, beginning of year	**481**	**35**	**5**	**520**
Defined benefit cost recognized in profit or loss:				
Current service cost	13	2	1	16
Interest cost	3	0	0	3
Past service cost and gain or loss arising from settlements	2	0	0	2
Defined benefit cost recognized in other comprehensive income:				
Actuarial gain or loss arising from changes in financial assumptions	(19)	(1)	0	(20)
Actuarial gain or loss arising from changes in demographic assumptions	0	(1)	(0)	(1)
Actuarial gain or loss arising from experience	4	2	0	6
Cash flow and other changes:				
Contributions by plan participants	0	1	0	1
Benefits paid	(9)	(3)	(1)	(12)
Payments in respect to settlements	0	0	0	0
Acquisitions/divestitures	0	0	0	0
Exchange rate changes	0	1	(0)	1
Other[1]	2	0	0	3
Balance, end of year	**478**	**35**	**5**	**518**
thereof:				
Unfunded	0	1	4	5
Funded	478	34	1	513
Change in fair value of plan assets:				
Balance, beginning of year	**415**	**36**	**1**	**452**
Defined benefit cost recognized in profit or loss:				
Interest income	3	0	0	3
Defined benefit cost recognized in other comprehensive income:				
Return from plan assets less interest income	11	2	0	13
Cash flow and other changes:				
Contributions by plan participants	0	1	0	1
Contributions by the employer	7	1	0	8
Benefits paid[2]	(9)	(3)	(0)	(12)
Payments in respect to settlements	0	0	0	0
Acquisitions/divestitures	0	0	0	0
Exchange rate changes	0	1	(0)	1
Other[1]	2	0	0	2
Plan administration costs	0	(0)	0	(0)
Balance, end of year	**429**	**39**	**1**	**469**
Funded status, end of year	**(49)**	**3**	**(4)**	**(49)**
Change in irrecoverable surplus (asset ceiling):				
Balance, beginning of year	**0**	**(3)**	**0**	**(3)**
Interest cost	0	0	0	0
Changes in irrecoverable surplus	0	(2)	0	(2)
Exchange rate changes	0	(0)	0	(0)
Balance, end of year	**0**	**(5)**	**0**	**(5)**
Net asset (liability) recognized	**(49)**	**(1)**	**(4)**	**(54)**

[1] Transfers between other subsidiaries of Deutsche Bank Group.
[2] For funded plans only.
[3] Thereof € 2 million recognized in other assets and € 56 million in other liabilities.

in € m.	Germany	EMEA (excluding Germany)	APAC	2020 Total
Change in the present value of the defined benefit obligation:				
Balance, beginning of year	**453**	**32**	**5**	**490**
Defined benefit cost recognized in profit or loss:				
Current service cost	13	2	1	16
Interest cost	5	0	0	5
Past Service Cost and gain or loss arising from settlements	1	0	0	1
Defined benefit cost recognized in other comprehensive income:				
Actuarial gain or loss arising from changes in financial assumptions	22	1	0	23
Actuarial gain or loss arising from changes in demographic assumptions	(6)	0	0	(6)
Actuarial gain or loss arising from experience	(2)	(1)	0	(3)
Cash flow and other changes:				
Contributions by plan participants	0	1	0	1
Benefits paid	(8)	(1)	(1)	(10)
Payments in respect to settlements	0	0	0	0
Acquisitions/Divestitures	0	0	0	0
Exchange rate changes	0	0	0	0
Other[1]	3	0	0	3
Balance, end of year	**481**	**34**	**5**	**520**
thereof:				
Unfunded	0	1	3	4
Funded	481	33	2	516
Change in fair value of plan assets:				
Balance, beginning of year	**369**	**33**	**1**	**403**
Defined benefit cost recognized in profit or loss:				
Interest income	4	0	0	4
Defined benefit cost recognized in other comprehensive income:				
Return from plan assets less interest income	23	2	0	25
Cash flow and other changes:				
Contributions by plan participants	0	1	0	1
Contributions by the employer	24	1	0	25
Benefits paid[2]	(8)	(1)	0	(9)
Payments in respect to settlements	0	0	0	0
Acquisitions/Divestitures	0	0	0	0
Exchange rate changes	0	0	0	0
Other[1]	3	0	0	3
Plan administration costs	0	0	0	0
Balance, end of year	**415**	**36**	**1**	**452**
Funded status, end of year	**(66)**	**2**	**(4)**	**(68)**
Change in irrecoverable surplus (asset ceiling):				
Balance, beginning of year	**0**	**(2)**	**0**	**(2)**
Interest cost	0	0	0	0
Changes in irrecoverable surplus	0	(1)	0	(1)
Exchange rate changes	0	0	0	0
Balance, end of year	**0**	**(3)**	**0**	**(3)**
Net asset (liability) recognized	**(66)**	**(1)**	**(4)**	**(71)**

[1] Transfers between other subsidiaries of Deutsche Bank Group.
[2] For funded plans only.
[3] Thereof € 1 million recognized in other assets and € 72 million in other liabilities.

Investment Strategy

The Group participates in DB Group's overall investment strategy. The investment objective is to protect against adverse impacts of changes in the funding position of its defined benefit pension plans on key financial metrics, with a primary focus on protecting the plans' IFRS funded status, while taking into account the plans' impact on other metrics, such as regulatory capital and local profit or loss accounts. In

2021, there has been a shift in the investment strategy in selected markets to balance competing key financial metrics. Investment managers manage pension assets in line with investment mandates or guidelines as agreed with the pension plans' trustees and investment committees.

For key defined benefit plans for which the Group aims to protect the IFRS funded status, a liability driven investment (LDI) approach is applied. Risks from mismatches between fluctuations in the present value of the defined benefit obligations and plan assets due to capital market movements are minimized, subject to balancing relevant trade-offs. This is achieved by allocating plan assets closely to the market risk factor exposures of the pension liability to interest rates, credit spreads and inflation. Thereby, plan assets broadly reflect the underlying risk profile and currency of the pension obligations.

Where the desired hedging level for these risks cannot be achieved with physical instruments (i. e. corporate and government bonds), derivatives are employed. Derivative overlays mainly include interest rate, inflation swaps and credit default swaps. Other instruments are also used, such as interest rate futures and options. In practice, a completely hedged approach is impractical because of insufficient market depth for ultra-long-term corporate bonds, as well as liquidity and cost considerations. Therefore, plan assets contain further asset categories to create long-term return enhancement and diversification benefits such as equity, real estate, high yield bonds or emerging markets bonds.

Plan Asset Allocation to Key Asset Classes

The following table shows the asset allocation of the Group's funded defined benefit plans to key asset classes, i. e. exposures include physical securities in discretely managed portfolios and underlying asset allocations of any commingled funds used to invest plan assets.

Asset amounts in the following table include both "quoted" (i. e. level 1 assets in accordance with IFRS 13 "Fair Value Measurement" – amounts invested in markets where the fair value can be determined directly from prices which are quoted in active, liquid markets) and "other" (i.e. level 2 and 3 assets in accordance with IFRS 13) assets.

				31 Dec 2021				31 Dec 2020
in € m.	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Cash and cash equivalents	33	2	1	36	12	1	1	14
Equity instruments[1]	44	8	0	52	38	1	0	39
Investment-grade bonds[2]:								
Government	87	7	0	94	95	5	0	100
Non-government bonds	181	11	0	192	173	8	0	181
Non-investment-grade bonds:								
Government	5	0	0	5	4	1	0	5
Non-government bonds	14	2	0	16	10	0	0	10
Structured products	29	1	0	30	0	0	0	0
Alternatives:								
Real estate	17	5	0	22	17	4	0	21
Commodities	1	0	0	1	1	0	0	1
Private equity	0	0	0	0	0	1	0	1
Other[3]	(1)	2	0	1	58	15	0	73
Derivatives (market value):								
Interest rate	17	1	0	18	1	0	0	1
Credit	2	0	0	2	5	0	0	5
Inflation	0	0	0	0	0	0	0	0
Foreign exchange	0	0	0	0	1	0	0	1
Other	0	0	0	0	0	0	0	0
Total fair value of plan assets	**429**	**39**	**1**	**469**	**415**	**36**	**1**	**452**

[1] Allocation of equity exposure is broadly in line with the typical index in the respective market, e.g. the equity portfolio's benchmark of the UK retirement benefit plans is the MSCI All Countries World index.
[2] Investment-grade means BBB and above based on average credit ratings which are determined on the basis of the ratings of the rating agencies Fitch, Moody's and S&P. The average credit rating exposure for the Group's main plans is around A.
[3] Amongst others this position contains commingled funds which could not be segregated into the other asset categories.

The following table sets out the Group's funded defined benefit plan assets only invested in "quoted" assets, i. e. level 1 assets in accordance with IFRS 13.

	31 Dec 2021				31 Dec 2020			
in € m.	Germany	EMEA (excluding Germany)	APAC	Total	Germany	EMEA (excluding Germany)	APAC	Total
Cash and cash equivalents	27	2	0	29	9	1	0	10
Equity instruments[1]	36	1	0	37	32	1	0	33
Investment-grade bonds[2]:								
Government	31	4	0	35	38	3	0	41
Non-government bonds	0	0	0	0	0	0	0	0
Non-investment-grade bonds:								
Government	0	0	0	0	0	0	0	0
Non-government bonds	0	0	0	0	0	0	0	0
Structured products	0	0	0	0	0	0	0	0
Alternatives:								
Real estate	0	0	0	0	0	0	0	0
Commodities	0	0	0	0	0	0	0	0
Private equity	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0
Derivatives (market value):								
Interest rate	0	0	0	0	0	0	0	0
Inflation	0	0	0	0	0	0	0	0
Total fair value of quoted plan assets	**94**	**7**	**0**	**101**	**79**	**5**	**0**	**84**

1 Allocation of equity exposure is broadly in line with the typical index in the respective market, e. g. the equity portfolio's benchmark of the UK retirement benefit plans is the MSCI All Countries World Index.
2 Investment-grade means BBB and above. Average credit rating exposure for the Group's main plans is around A.

The following tables show the asset allocation of the "quoted" and other defined benefit plan assets by key geography in which they are invested.

							31 Dec 2021
in € m. (unless stated otherwise)	Germany	United Kingdom	United States	Other Eurozone	Other developed countries	Emerging markets	Total
Cash and cash equivalents	0	0	1	33	1	1	36
Equity instruments	1	1	31	10	8	1	52
Government bonds (investment-grade and above)	30	0	2	38	7	17	94
Government bonds (non-investment-grade)	0	0	0	0	0	5	5
Non-government bonds (investment-grade and above)	14	9	65	87	15	1	191
Non-government bonds (non-investment-grade)	0	0	2	14	0	0	16
Structured products	0	0	0	0	30	0	30
Subtotal	**45**	**10**	**101**	**182**	**61**	**25**	**424**
Share (in %)	11	3	24	43	14	6	100
Other asset categories							44
Fair value of plan assets							**468**

in € m. (unless stated otherwise)	Germany	United Kingdom	United States	Other Eurozone	Other developed countries	Emerging markets	31 Dec 2020 Total
Cash and cash equivalents	0	0	4	9	1	1	15
Equity instruments	9	1	10	8	10	1	39
Government bonds (investment-grade and above)	33	0	2	36	8	21	100
Government bonds (non-investment-grade)	0	0	0	0	1	4	5
Non-government bonds (investment-grade and above)	14	8	61	86	11	0	180
Non-government bonds (non-investment-grade)	0	0	0	10	0	0	10
Structured products	0	0	0	0	0	0	0
Subtotal	**56**	**9**	**77**	**149**	**31**	**27**	**349**
Share (in %)	16	3	22	42	9	8	100
Other asset categories							103
Fair value of plan assets							**452**

Plan assets include derivative transactions with other Deutsche Bank Group entities with a market value of positive € 19 million and positive € 6 million at 31 December 2021 and 31 December 2020, respectively. There is neither a material number of securities issued by the Group nor other claims against the Group assets included in the fair value of plan assets. The plan assets do not include any real estate which is used by the Group.

In addition, the Group estimates and allows for uncertain income tax positions which may have an impact on the Group's plan assets. Significant judgment is required in making these estimates and the Group's final liabilities may ultimately be materially different.

Key Risk Sensitivities

The Group's defined benefit obligations are sensitive to changes in capital market conditions and actuarial assumptions. Sensitivities to capital market movements and key assumption changes are presented in the following table. Each market risk factor or assumption is changed in isolation. Sensitivities of the defined benefit obligations are approximated using geometric extrapolation methods based on plan durations for the respective assumption. Duration is a risk measure that indicates the broad sensitivity of the obligations to a change in an underlying assumption and provides a reasonable approximation for small to moderate changes in those assumptions.

For example, the interest rate duration is derived from the change in the defined benefit obligation to a change in the interest rate based on information provided by the local actuaries of the respective plans. The resulting duration is used to estimate the remeasurement liability loss or gain from changes in the interest rate. For other assumptions, a similar approach is used to derive the respective sensitivity results.

For defined benefit pension plans, changes in capital market conditions will impact the plan obligations via actuarial assumptions – mainly interest rate and price inflation rate – as well as the plan assets. Where the Group applies a Liability Driven Investment (LDI) approach, the overall exposure to changes is reduced. Consequently, to aid understanding of the Group's risk exposures related to key capital market movements, the net impact of the change in the defined benefit obligations and plan assets due to a change of the related market risk factor or underlying actuarial assumption is shown; for sensitivities to changes in actuarial assumptions that do not impact the plan assets, only the impact on the defined benefit obligations is shown.

Asset-related sensitivities are derived for major plans which are applicable to the Group by using risk sensitivity factors determined by Deutsche Bank Group's Market Risk Management function. These sensitivities are calculated based on information provided by the plans' investment managers and extrapolated linearly to reflect the approximate change of the plan assets' market value in case of a change in the underlying risk factor.

The sensitivities illustrate plausible variations over time in capital market movements and key actuarial assumptions. The Group is not in a position to provide a view on the likelihood of these capital market or assumption changes. While these sensitivities illustrate the overall impact on the funded status of the changes shown, the significance of the impact and the range of reasonable possible alternative assumptions may differ between the different plans that comprise the aggregated results. Even though plan assets and plan obligations are sensitive to similar risk factors, actual changes in plan assets and obligations may not fully offset each other due to imperfect correlations between market risk factors and actuarial assumptions. Caution should be used when extrapolating these sensitivities due to non-linear effects that changes in capital market conditions and key actuarial assumptions may have on the overall funded status. Any management actions that may be taken to mitigate the inherent risks in the post-employment defined benefit plans are not reflected in these sensitivities.

			31 Dec 2021			31 Dec 2020
in € m.	Germany	EMEA (excluding Germany)	APAC	Germany	EMEA (excluding Germany)	APAC
Interest rate (–50 bp):						
(Increase) in DBO	(31)	(2)	0	(33)	(3)	0
Interest rate (+50 bp):						
Decrease in DBO	29	2	0	31	2	0
Rate of price inflation (–50 bp):[1]						
Decrease in DBO	7	0	0	5	0	0
Rate of price inflation (+50 bp):[1]						
(Increase) in DBO	(7)	0	0	(5)	0	0
Rate of real increase in future compensation levels (–50 bp):						
Decrease in DBO, net impact on funded status	1	0	0	1	0	0
Rate of real increase in future compensation levels (+50 bp):						
(Increase) in DBO, net impact on funded status	(1)	0	0	(1)	0	0
Longevity improvements by 10%:[2]						
(Increase) in DBO, net impact on funded status	(6)	0	0	(6)	0	0

[1] Incorporates sensitivity to changes in nominal increase for pensions in payment to the extent linked to the price inflation assumption.
[2] Estimated to be equivalent to an increase of around 1 year in overall life expectancy.

Expected Cash Flows

The following table shows expected cash flows for post-employment benefits in 2022, including contributions to the Group's external pension trusts in respect of funded plans, direct payment to beneficiaries in respect of unfunded plans, as well as contributions to defined contribution plans.

in € m.	2022
Expected contributions to:	
Group internal defined benefit plan assets	15
Defined benefit plan assets sponsored by another company of Deutsche Bank Group	2
BVV	3
Other defined contribution plans	17
Expected benefit payments for unfunded defined benefit plans	0
Expected total cash flow related to post-employment benefits	**38**

Expense of Employee Benefits

The following table presents a breakdown of specific expenses according to the requirements of IAS 19 "Employee Benefits" and IFRS 2 "Share-based payment" respectively.

in € m.	2021	2020
Expenses for defined benefit plans:		
Service cost	17	17
Net interest cost (income)	0	1
Total expenses defined benefit plans	**18**	**18**
Expenses for defined contribution plans:		
BVV	3	3
Other defined contribution plans	17	17
Total expenses for defined contribution plans	**21**	**20**
Total expenses for post-employment benefit plans	**38**	**38**
Employer contributions to mandatory German social security pension plan	14	13
Expenses for share-based payments, equity settled	4	11
Expenses for share-based payments, cash settled	32	30
Expenses for cash retention plans	42	29
Expenses for severance payments	19	9

22 – Income Taxes

Components of income tax expense (benefit)

in € m.	2021	2020
Current tax expense (benefit):		
Tax expense (benefit) for current year	300	231
Adjustments for prior years	2	(9)
Total current tax expense (benefit)	**302**	**222**
Deferred tax expense (benefit):		
Origination and reversal of temporary differences, unused tax losses and tax credits	6	(17)
Effect of changes in tax law and/or tax rate	(3)	2
Adjustments for prior years	(1)	(3)
Total deferred tax expense (benefit)	**2**	**(18)**
Total income tax expense (benefit)	**304**	**204**

Income tax expense in 2021 was € 304 million (2020: € 204 million). The effective tax rate of 28.0% (2020: 26.8%) was mainly impacted by tax-exempt income, partly offset by non-deductible expenses.

Total current tax expense includes benefits from previously unrecognized tax losses which reduced the current tax expense by € 1 million in 2021. In 2020 these effects reduced the current tax expense by € 3 million.

In 2021 the total deferred tax expense increased by € 4 million due to expenses arising from write-downs of deferred tax assets, partially offset by benefits from previously unrecognized tax losses and deductible temporary differences. In 2020 these effects reduced the deferred tax benefit by € 4 million.

The domestic income tax rate including corporate tax, solidarity surcharge, and trade tax used for calculating deferred tax assets and liabilities was 31.9% for 2021 and 2020.

Difference between applying German statutory (domestic) income tax rate and actual income tax expense (benefit)

in € m.	2021	2020
Expected tax expense (benefit) at domestic income tax rate of 31.9% (31.9% for 2020)	**347**	**243**
Foreign rate differential	(33)	(31)
Tax-exempt gains on securities and other income	(11)	0
Loss (income) on equity method investments	(15)	(11)
Non-deductible expenses	9	6
Changes in recognition and measurement of deferred tax assets[1]	4	1
Effect of changes in tax law and/or tax rate	(3)	2
Effect related to share-based payments	0	0
Other[1]	6	(6)
Actual income tax expense (benefit)	**304**	**204**

[1] Current and deferred tax expense (benefit) relating to prior years are mainly reflected in the line items “Changes in recognition and measurement of deferred tax assets” and “Other”.

Income taxes charged or credited to equity (Other comprehensive income/Additional paid-in capital)

in € m.	2021	2020
Actuarial gains/losses related to defined benefit plans	(8)	(3)
Financial assets mandatory at fair value through other comprehensive income:		
Unrealized net gains/losses arising during the period	14	(1)
Realized net gains/losses arising during the period (reclassified to profit or loss)	0	0
Other equity movement:		
Unrealized net gains/losses arising during the period	0	0
Realized net gains/losses arising during the period (reclassified to profit or loss)	0	0
Income taxes (charged) credited to other comprehensive income	**6**	**(4)**
Other income taxes (charged) credited to equity	**(1)**	**0**

Major components of the Group’s gross deferred tax assets and liabilities

in € m.	31 Dec 2021	31 Dec 2020
Deferred tax assets:		
Unused tax losses	0	0
Deductible temporary differences:		
Employee benefits, including equity settled share-based payments	107	103
Trading activities, including derivatives	128	78
Leases	32	35
Intangible assets	5	6
Accrued interest expense	3	2
Fair value OCI (IFRS 9)	13	0
Other assets	11	12
Total deferred tax assets pre offsetting	**299**	**236**
Deferred tax liabilities:		
Taxable temporary differences:		
Employee benefits, including equity settled share-based payments	11	6
Trading activities, including derivatives	123	65
Leases	29	32
Intangible assets	195	181
Fair value OCI (IFRS 9)	0	1
Other assets	14	14
Total deferred tax liabilities pre offsetting	**372**	**299**

Deferred tax assets and liabilities, after offsetting

in € m.	31 Dec 2021	31 Dec 2020
Presented as deferred tax assets	145	142
Presented as deferred tax liabilities	218	205
Net deferred tax liabilities	**73**	**63**

The change in the balance of deferred tax assets and deferred tax liabilities does not equal the deferred tax expense/(benefit). This is due to deferred taxes that are booked directly to equity and the effects of exchange rate changes on tax assets and liabilities denominated in currencies other than euro.

Items for which no deferred tax assets were recognized[1]

in € m.	31 Dec 2021	31 Dec 2020
Not expiring	(200)	(179)
Expiring in subsequent period	0	0
Expiring after subsequent period	(26)	(22)
Unused tax losses	**(226)**	**(201)**

[1] Amounts in the table refer to unused tax losses for federal income tax purposes.

Deferred tax assets were not recognized on these items because it is not probable that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilized.

As of 31 December 2021, DWS Group recognized deferred tax assets of € 6 million (2020: € 7 million), that exceed deferred tax liabilities in entities which have suffered a loss in either the current or preceding period. This is based on management's assessment that it is probable that the respective entities will have taxable profits against which the unused tax losses, unused tax credits and deductible temporary differences can be utilized. Generally, in determining the amounts of deferred tax assets to be recognized, management uses historical profitability information and, if relevant, forecasted operating results, based upon approved business plans, including a review of the eligible carry-forward periods, tax planning opportunities and other relevant considerations.

As of 31 December 2021, DWS Group had temporary differences associated with the Group's parent company's investments in subsidiaries, branches and associates and interests in joint ventures of € 124 million (2020: € 111 million), in respect of which no deferred tax liabilities were recognized.

23 – Related Party Transactions

Related parties are considered as a person or entity who has the ability to directly or indirectly control the other party or exercise significant influence over the other party in making financial or operational decisions. The Group's related parties include:

_ Key management personnel, close family members of key management personnel and entities which are controlled, significantly influenced by, or for which significant voting power is held by key management personnel or their close family members. The Group considers the members of the Executive Board and the Supervisory Board to constitute key management personnel.
_ Deutsche Bank AG and its subsidiaries including DB Beteiligungs-Holding GmbH, joint ventures, associates and their respective subsidiaries
_ Post-employment benefit plans for the benefit of DWS KGaA and its related party entities employees

Transactions with Related Party Persons

Related party persons are key management personnel who have directly or indirectly authority and responsibility for planning, directing and controlling the activities of the Group as well as their close family members. The Group considers the members of the Executive Board and the Supervisory Board to constitute key management personnel.

As of 31 December 2021, transactions with related party persons were loans and commitments of € 5 million and deposits of € 7 million. As of 31 December 2020, transactions with key management personnel were loans and commitments of € 6 million and deposits of € 2 million.

Transactions with Related Party Entities

Transactions between DWS KGaA and its subsidiaries meet the definition of related party transactions. If these transactions are eliminated on consolidation, they are not disclosed as related party transactions. Transactions between DWS Group and Deutsche Bank Group entities, including its associates and joint ventures and their respective subsidiaries also qualify as related party transactions.

Transactions with Deutsche Bank AG and other Deutsche Bank Group entities

				2021
in € m.	Net interest and non-interest income	Non-interest expenses	Assets	Liabilities
Deutsche Bank AG	(288)	115	888	275
Other Deutsche Bank Group entities	(54)	78	90	76

				2020
in € m.	Net interest and non-interest income	Non-interest expenses	Assets	Liabilities
Deutsche Bank AG	(242)	94	634	301
Other Deutsche Bank Group entities	(43)	100	90	107

The increase in assets with Deutsche Bank AG is mainly related to increased bank balances driven by cash management initiatives.

DWS KGaA incurred expenses for key management personnel services to DWS Management GmbH, a wholly owned subsidiary of Deutsche Bank AG, of € 15 million for the fiscal year 2021 (€ 21 million for the fiscal year 2020).

On 14 June 2021, DWS KGaA paid a dividend of € 288 million for the fiscal year 2020 to DB Beteiligungs-Holding GmbH, a wholly owned subsidiary of Deutsche Bank AG (on 23 November 2020, € 265 million for the fiscal year 2019 respectively).

The Group has no transactions as of 31 December 2021 and 31 December 2020 respectively with joint ventures and associates of Deutsche Bank Group.

Transactions with Related Party Pension Plans

Under IFRS, certain post-employment benefit plans are considered related parties. The Group has business relationships with a number of its pension plans pursuant to which it provides financial services to these plans, including investment management services. The Group's pension funds may hold or trade Deutsche Bank AG and its related parties' shares or securities.

in € m.	31 Dec 2021	31 Dec 2020
Other assets	1	1
Fees paid from plan assets to asset managers of the Group	1	1
Market value of derivatives with a counterparty of the Group / Deutsche Bank Group	19	6
Notional amount of derivatives with a counterparty of the Group / Deutsche Bank Group	458	568

24 – Information on Subsidiaries and Shareholdings

Composition of the Group

DWS Group GmbH & Co. KGaA is the direct or indirect holding company for the Group's subsidiaries.

The Group consists of 73 consolidated entities, thereof 47 subsidiaries and 26 consolidated structured entities.

44 of the entities controlled by the Group are directly or indirectly held by the Group at 100% of the ownership interests (share of capital). Third parties also hold ownership interest in 29 of the consolidated entities (non-controlling interest). As of 31 December 2021 the non-controlling interests are neither individually nor cumulatively material to the Group.

Shareholdings

The following tables show the shareholdings of DWS Group pursuant to Section 313 (2) of the German Commercial Code (HGB).

Subsidiaries

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
1	DWS Group GmbH & Co. KGaA	Frankfurt		
2	DB Immobilienfonds 5 Wieland KG i.L.	Frankfurt		93.6
3	DB Vita S.A.	Luxembourg		75.0
4	DBRE Global Real Estate Management IB, Ltd.	George Town		100.0
5	DBX Advisors LLC	Wilmington		100.0
6	Deutsche Alternative Asset Management (UK) Limited	London		100.0
7	Deutsche Capital Partners China Limited	Camana Bay		100.0
8	Deutsche Cayman Ltd.	Camana Bay		100.0
9	Deutsche Grundbesitz Beteiligungsgesellschaft mbH i.L.	Eschborn		100.0
10	Deutsche Grundbesitz-Anlagegesellschaft mit beschränkter Haftung	Frankfurt		99.8
11	DI Deutsche Immobilien Treuhandgesellschaft mbH	Frankfurt		100.0
12	DWS Alternatives France	Paris		100.0
13	DWS Alternatives Global Limited	London		100.0
14	DWS Alternatives GmbH	Frankfurt		100.0
15	DWS Asset Management (Korea) Company Limited	Seoul		100.0
16	DWS Beteiligungs GmbH	Frankfurt		98.9
17	DWS CH AG	Zurich		100.0
18	DWS Distributors, Inc.	Wilmington		100.0
19	DWS Far Eastern Investments Limited	Taipei		60.0
20	DWS Group Services UK Limited	London		100.0
21	DWS Grundbesitz GmbH	Frankfurt		99.9
22	DWS International GmbH	Frankfurt		100.0
23	DWS Investment GmbH	Frankfurt		100.0
24	DWS Investment Management Americas, Inc.	Wilmington		100.0
25	DWS Investment S.A.	Luxembourg		100.0
26	DWS Investments Australia Limited	Sydney		100.0
27	DWS Investments Hong Kong Limited	Hong Kong		100.0
28	DWS Investments Japan Limited	Tokyo		100.0
29	DWS Investments Shanghai Limited	Shanghai		100.0
30	DWS Investments Singapore Limited	Singapore		100.0
31	DWS Investments UK Limited	London		100.0
32	DWS Real Estate GmbH	Frankfurt		89.9
33	DWS Service Company	Wilmington		100.0
34	DWS Shanghai Private Equity Fund Management Limited	Shanghai		100.0
35	DWS Trust Company	Concord		100.0
36	DWS USA Corporation	Wilmington		100.0
37	Elizabethan Holdings Limited	George Town		100.0
38	Elizabethan Management Limited	George Town		100.0
39	European Value Added I (Alternate G.P.) LLP	London		100.0
40	Leonardo III Initial GP Limited	London		100.0
41	RoPro U.S. Holding, Inc.	Wilmington		100.0

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
42	RREEF America L.L.C.	Wilmington		100.0
43	RREEF European Value Added I (G.P.) Limited	London		100.0
44	RREEF Fund Holding Co.	George Town		100.0
45	RREEF Management L.L.C.	Wilmington		100.0
46	Treuinvest Service GmbH	Frankfurt		100.0
47	WEPLA Beteiligungsgesellschaft mbH	Frankfurt		100.0

Consolidated Structured Entities

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
48	DB Immobilienfonds 2 KG i.L.	Frankfurt		74.0
49	DB Impact Investment (GP) Limited	London		100.0
50	db PBC	Luxembourg	1	
51	DBRE Global Real Estate Management US IB, L.L.C.	Wilmington		100.0
52	DBX ETF Trust	Wilmington	1	
53	DWS Access S.A.	Luxembourg	1	
54	DWS Alternatives (IE) ICAV	Dublin		
55	DWS Funds	Luxembourg	1	
56	DWS Garant	Luxembourg	1	
57	DWS Invest (IE) ICAV	Dublin		
58	DWS Noor Islamic Funds Public Limited Company (in liquidation)	Dublin		50.0
59	DWS Zeitwert Protect	Luxembourg		
60	DWS-Fonds Treasury Liquidity (EUR)	Frankfurt		100.0
61	Dynamic Infrastructure Securities Fund LP	Wilmington		
62	G.O. IB-US Management, L.L.C.	Wilmington		100.0
63	Infrastructure Debt Fund S.C.Sp. SICAV-RAIF	Luxembourg		
64	PEIF II SLP Feeder, L.P.	Edinburgh		0.7
65	PEIF III SLP Feeder GP, S.à r.l.	Senningerberg		
66	PEIF III SLP Feeder, SCSp	Senningerberg	2	55.1
67	PES Carry and Employee Co-Investment Feeder SCSp	Luxembourg	2	1.1
68	PES Carry and Employee Co-Investment GP S.à r.l.	Luxembourg		
69	Property Debt Fund S.C.Sp. SICAV-RAIF	Luxembourg		
70	RREEF DCH, L.L.C.	Wilmington		100.0
71	Vermögensfondmandat Flexible (80% teilgeschützt)	Luxembourg		
72	Xtrackers ETC Public Limited Company	Dublin		
73	Xtrackers (IE) Public Limited Company	Dublin	1	

Companies Accounted for at Equity

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
74	Arabesque AI Ltd	London		24.9
75	Deutscher Pensionsfonds Aktiengesellschaft	Cologne		25.1
76	G.O. IB-SIV Feeder, L.L.C.	Wilmington		15.7
77	Harvest Fund Management Co., Ltd.	Shanghai		30.0
78	P.F.A.B. Passage Frankfurter Allee Betriebsgesellschaft mbH	Berlin		22.2

Other Companies where the Holding Exceeds 20%

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
79	DB Fund (Mauritius) Limited	Ebène CyberCity	5	100.0
80	DB Real Estate Global Opportunities IB (Offshore), L.P.	Camana Bay	3	33.6
81	Deutsches Institut für Altersvorsorge GmbH	Frankfurt	4	22.0
82	DWS Offshore Infrastructure Debt Opportunities Feeder LP	George Town	3	26.3

Other Companies with Status as Shareholder with Unlimited Liability pursuant to Section 313 (2) Number 6 HGB

Serial No.	Name of company	Domicile of company	Footnote	Share of capital in %
83	DEBEKO Immobilien GmbH & Co Grundbesitz OHG	Eschborn	2	0.1
84	RREEF European Value Added Fund I L.P.	London	2	0.0

Footnotes:

1 Only specified assets and related liabilities (silos) of this entity were consolidated.
2 Status as shareholder with unlimited liability pursuant to Section 313 (2) Number 6 HGB.
3 Classified as structured entity not to be accounted for at equity under IFRS (please refer to note 25 ‘Structured Entities’).
4 No significant influence; classified as non-trading financial assets mandatory at fair value through profit or loss.
5 Structured entity in liquidation

Significant Restrictions to Access or Use the Group’s Assets

Statutory, contractual or regulatory requirements as well as protective rights of non-controlling interests might restrict the ability of the Group to access and transfer assets freely to or from other entities within the Group and to settle liabilities of the Group.

The following restrictions impact the Group’s ability to use assets:

_ The assets of consolidated structured entities, which mainly consist of guaranteed funds, are held for the benefit of the parties that have bought the shares issued by these entities.
_ Investment contract related financial assets held to back unit linked contracts offered by DB Vita S.A. (the Group’s specialist for unit-linked products).

	31 Dec 2021		31 Dec 2020	
in € m.	Total assets	Restricted assets	Total assets	Restricted assets
Interest earning deposits with banks	1,942	68	1,963	47
Financial assets at fair value through profit or loss	3,838	2,075	2,954	1,845
Financial assets at fair value through other comprehensive income	154	0	198	0
Loans at amortized cost	5	0	4	0
Other	5,672	24	5,329	7
Total	**11,611**	**2,167**	**10,448**	**1,899**

The table above excludes assets that are not encumbered at an individual entity level but which may be subject to restrictions in terms of their transferability within the Group. Regulatory and central bank requirements or corporate laws may restrict the Group's ability to transfer assets to or from other entities within the Group in certain jurisdictions. Referring to this the US Federal Reserve Board required certain commitments with respect to the DWS Group operations in the US that are grouped under DWS USA Corporation (DWS Intermediate Holding Company – DWS IHC) in accordance with Regulation YY. That includes restrictions on capital distributions that could arise from non-compliance by DWS IHC with applicable regulatory requirements. Capital distribution restrictions would also be imposed on DWS IHC in an event that Deutsche Bank's IHC became subject to such restrictions.

25 – Structured Entities

Nature, Purpose and Extent of the Group's Interests in Structured Entities

The Group engages in various business activities with structured entities which are designed to achieve a specific business purpose. A structured entity is one that has been set up so that any voting rights or similar rights are not the dominant factor in deciding who controls the entity. An example is when voting rights relate only to administrative tasks and the relevant activities are directed by contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- Restricted activities
- A narrow and well defined objective
- Insufficient equity to permit the structured entity to finance its activities without subordinated financial support.
- Financing in the form of multiple contractually linked instruments to investors that create concentration of credit or other risks (tranches).

As part of its business, the Group is responsible for the set up and management of various entities that are used to manage portfolios of assets on behalf of its clients. These entities are classified as structured entities. Structured entities may be established as corporations, trusts or partnerships. Structured entities generally finance the purchase of assets by issuing debt or equity securities that are collateralised by and/or indexed to the assets held by the structured entities.

DWS Group is considered a fund's sponsor if market participants associate this structured entity with the Group. This is assumed to be the case if the term "DWS" is used in a fund's name. Investment funds managed by group-internal asset managers can be reasonably associated with the Group. As a sponsor, the Group is involved in the legal set-up and marketing of internally managed funds. This may include providing seed capital to the funds and providing administrative services to ensure the investment funds' operation.

Income Derived from Involvement with Structured Entities

The Group earns management fees and, occasionally, performance-based fees for its investment management service in relation to funds. The majority of the net commission and fees from asset management activities and most of the net gains (losses) on financial assets/liabilities at fair value through profit or loss relates to structured entities.

Financial Support

During 2021 and 2020 respectively, the Group did not provide non-contractual support to consolidated and unconsolidated structured entities.

Consolidated Structured Entities

The Group has the following consolidated structured entities and considers the net asset value of the consolidated structured entities as the size and maximum exposure at risk.

in € m.	31 Dec 2021	31 Dec 2020
Assets:		
Guaranteed funds	1,513	1,110
Seed investments	33	232
Co-investments	10	2
Liquidity positions	717	0
Total assets	**2,273**	**1,344**
Liabilities:		
Guaranteed funds	1,512	1,109
Seed investments	2	65
Co-investments	11	1
Liquidity positions	0	0
Total liabilities	**1,524**	**1,175**
Net income (loss) attributable to DWS shareholders:		
Guaranteed funds	0	(2)
Seed investments	1	6
Co-investments	(7)	0
Liquidity positions	(3)	0
Total net income (loss) attributable to DWS shareholders	**(8)**	**5**

Unconsolidated Structured Entities

These are structured entities which are not consolidated because the Group does not control them through voting rights, contract, funding agreements, or other means.

Interests in Unconsolidated Structured Entities

The Group's interests in unconsolidated structured entities refer to contractual involvement that exposes the Group to variability of returns from the performance of the structured entities. Examples of interests in unconsolidated structured entities include debt or equity investments (seed capital, co-investments), receivables from asset management fees (shown in other assets) and certain derivative instruments in which the Group is absorbing variability of returns from the structured entities.

Below is a description of the Group's interest in unconsolidated structured entities by type:

Securitization

The Group set up structured note vehicles with the primary objective to realize investment returns by investing in the debt of US infrastructure companies. The debt securitization assets held are classified as non-trading financial assets mandatory at fair value through profit or loss.

Funds

The Group sets up and manages various structured entities to accommodate client requirements to hold investments in specific assets. Those assets including seed and co-investments are classified as non-trading financial assets mandatory at fair value through profit and loss as the Group's business model assessment under IFRS 9 "Financial Instruments" resulted in "other business model".

Where we have an institutional mandate which is structured as a fund (e.g. German "Spezialfonds") these have been considered as structured entities.

Maximum Exposure to Unconsolidated Structured Entities

The maximum exposure to loss is determined by considering the nature of the interest in the unconsolidated structured entities. The maximum exposure for financial assets at fair value through profit and loss, loans and other assets is reflected by their carrying value in the consolidated balance sheet. The maximum exposure for derivatives under IFRS 12 "Disclosure of Interests in Other Entities", as interpreted by the Group, is reflected by the notional amounts of € 8,604 million as of 31 December 2021 (31 December 2020 € 5,877 million). Such amounts or their development do not reflect the economic risks faced by DWS Group because they do not take into account the effects of collateral or economic hedges nor the probability of such losses being incurred. Off-balance sheet commitments (unfunded commitments to funds) are reflected with their outstanding committed amount at reporting date. The total maximum exposure is calculated by adding total assets, total off-balance sheet exposure and notional amounts of derivatives.

The following table shows, by type of structured entity, the carrying amounts of the Group's interests recognized in the consolidated financial statement and the maximum exposure. The decrease in non-trading financial assets mandatory at fair value through profit or loss is mainly driven by a reduction of corporate cash invested into money market funds.

Carrying amounts and maximum exposure relating to the Group's interests

			31 Dec 2021
in € m.	Securitizations	Funds	Total
Assets:			
Financial assets at fair value through profit or loss – non-trading financial assets mandatory at fair value through profit or loss:			
Debt instruments - co-investments	0	436	436
Debt instruments - seed investments	0	22	22
Debt instruments - money market funds	0	0	0
Debt instruments - other debt instruments	16	12	27
Equity instruments	0	0	0
Investment contract assets	0	562	562
Total financial assets at fair value through profit or loss	**16**	**1,031**	**1,047**
Other assets	0	282	282
Total assets	**16**	**1,313**	**1,329**
Liabilities:			
Financial liabilities at fair value through profit or loss:			
Negative market values from derivative financial instruments	0	1	1
Total financial liabilities at fair value through profit or loss	**0**	**1**	**1**
Total liabilities	**0**	**1**	**1**
Notional amount of derivatives	**0**	**8,604**	**8,604**
Off-balance sheet exposure	**0**	**120**	**120**
Maximum exposure	**16**	**10,037**	**10,053**

			31 Dec 2020
in € m.	Securitizations	Funds	Total
Assets:			
Financial assets at fair value through profit or loss – non-trading financial assets mandatory at fair value through profit or loss:			
Debt instruments - co-investments	0	343	343
Debt instruments - seed investments	0	47	47
Debt instruments - money market funds	0	266	266
Debt instruments - other debt instruments	19	19	38
Equity instruments	0	1	1
Investment contract assets	0	526	526
Total financial assets at fair value through profit or loss	**19**	**1,202**	**1,222**
Other assets	0	157	157
Total assets	**19**	**1,359**	**1,378**
Liabilities:			
Financial liabilities at fair value through profit or loss:			
Negative market values from derivative financial instruments	0	1	1
Total financial liabilities at fair value through profit or loss	**0**	**1**	**1**
Total liabilities	**0**	**1**	**1**
Notional amount of derivatives	**0**	**5,877**	**5,877**
Off-balance sheet exposure	**0**	**128**	**128**
Maximum exposure	**19**	**7,364**	**7,383**

26 – Events after the Reporting Period

The recent military action Russia commenced against Ukraine has increased the political and economic uncertainty worldwide which may have an impact on our forward looking assumptions. Sanctions and counter-sanctions are likely to have an impact on global growth, global financial markets and interest rates.

For example, the risks of higher energy prices or a cut in gas supplies might increase inflation and economic damage could negatively impact our revenues, assets and liabilities. In addition, and as stated in the Risk Report, the fair value of guarantees of our guaranteed products and the associated level of the shortfall provision may be impacted. The current situation in Ukraine and Russia and its potential impact on the global economy may affect our ability to meet our financial or non-financial targets.

Whilst it is too early to predict how long the conflict will last, our business as well as our financial or non-financial targets may be adversely affected by a protracted downturn in local, regional and global economic conditions. Given the current uncertainty it is not possible to quantify the foregoing financial and non-financial impact.

27 – Supplementary Information

Staff Costs

in € m.	2021	2020
Staff costs:		
Wages and salaries	679	608
Other benefits including social security	118	108
thereof: those relating to pensions	62[1]	37
Total staff costs	**797**	**716**

[1] Including statutory social security costs for pension and retirement of € 26 million, whilst 2020 comparative number does not include this cost.

Staff

As of 31 December 2021 the effective staff employed (full-time equivalent - FTE) was 3,422 (31 December 2020: 3,321). Part-time staff is included in these figures proportionately.

The average number of effective staff employed (full-time equivalent) in 2021 was 3,361 (2020: 3,327). An average 1,728 (2020: 1,733) staff members worked outside Germany.

Executive Board and Supervisory Board Remuneration

The total compensation of the Executive Board was € 17,170,370 for the year ended 31 December 2021 (2020: € 17,146,126). Of that, € 5,894,795 (2020: € 4,990,577) was for DWS share-based components, which equate to 173,397 units (2020: 143,548 units). Units were calculated by dividing the respective amounts in euro by the average share price of DWS share over the last ten trading days prior to 1 March 2022. € 4,710,024 (2020: € 4,221,579) DWS share-based components were granted by DWS Management GmbH, which equate to 138,547 units (2020: 121,429 units). € 1,184,771 (2020: € 768,998) DWS share-based components were granted by the Group, which equate to 34,851 units (2020: 22,120 units). Provisions for pension obligations to former members of the Executive Board amounted to € 1,483,315 at 31 December 2021 (2020: € 564,987).

The members of the Supervisory Board receive fixed annual compensation according to the provisions of the Articles of Association. The annual base compensation amounts to € 85,000 for each Supervisory Board member. The Supervisory Board Chairman receives twice that amount and the Deputy Chairperson one and a half times that amount. Members and chairs of the committees of the Supervisory Board are paid additional fixed annual compensation. The compensation determined is disbursed to each Supervisory Board member within the first three months of the following year. In case of a change in Supervisory Board membership during the year, compensation for the financial year will be paid on a pro rata basis, rounded up/down to full months. The members of the Supervisory Board received for the financial year 2021 a total remuneration of € 1,017,500 (excluding value added tax; 2020: € 1,017,500), which will be paid out in the first quarter of 2022. Deutsche Bank Group shareholder representatives and two independent shareholder representatives on the Supervisory Board have waived their Supervisory Board Compensation in line with applicable policies and procedures.

Declaration on the German Corporate Governance Code

The Managing Directors of DWS Management GmbH, representing the general partner of DWS Group GmbH & Co. KGaA, and the Supervisory Board issued the Declaration of Conformity in accordance with Section 161 of the German Stock Corporation Act (AktG). The declaration is published on DWS's website (https://group.dws.com/corporate-governance/).

Principal Accountant Fees and Services

Breakdown of the fees charged by the Group's auditor:

Fee category in € m	2021	2020
Audit fees	4	4
Thereof: to KPMG AG	2	2
Audit-related fees	0	1
Thereof: to KPMG AG	0	0
Tax-related fees	0	2
Thereof: to KPMG AG	0	1
All other fees	0	0
Thereof: to KPMG AG	0	0
Total fees	**5**	**7**

The audit fees include fees for auditing the annual financial statements and the consolidated financial statements of DWS KGaA and various audits of the annual financial statements of subsidiaries. The fees for audit-related services include fees for other certification services required by law or statutory regulations and fees for voluntary certification services, such as voluntary audits for internal management purposes and the issue of audit certificates. The fees for tax consultancy services include fees for support services in connection with the preparation and review of tax returns and for tax consultancy services to assess and comply with tax regulations.

Confirmations

Responsibility Statement by the Executive Board

The Executive Board of DWS Group GmbH & Co. KGaA, Frankfurt, is responsible for preparing the consolidated financial statements and the summarized management report of the Group.

The Group's consolidated financial statements for 2021 were prepared according to the International Financial Reporting Standards (IFRS), which are published by the International Accounting Standards Board (IASB), London, and have been endorsed by the European Union. The Group's application of IFRS results in no differences between IFRS as issued by the IASB and IFRS as endorsed by the EU.

The Group has established effective internal control and steering systems in order to ensure that our summarized management report and consolidated financial statements comply with applicable accounting rules and to ensure proper corporate reporting.

The risk management system set up is designed such that the Executive Board can identify material risks early on and take appropriate defensive measures as necessary. The reliability and effectiveness of the internal control and risk management system are continually audited throughout the Group by our internal audit department.

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the summarized management report includes a fair review of the development and performance of the business and the position of the Group and DWS Group GmbH & Co. KGaA, together with a description of the principal opportunities and risks associated with the expected development of the Group and DWS Group GmbH & Co. KGaA.

Frankfurt am Main, 4 March 2022

DWS Group GmbH & Co. KGaA,
represented by:
DWS Management GmbH, its general partner

The Managing Directors (Executive Board)

Dr Asoka Woehrmann

Claire Peel

Manfred Bauer

Mark Cullen

Dirk Goergen

Stefan Kreuzkamp

Independent Auditor's Report

The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

Based on the results of our audit, we have issued the following unqualified audit opinion:

To DWS Group GmbH & Co. KGaA, Frankfurt am Main

Report on the Audit of the Consolidated Financial Statements and of the Summarized Management Report

Opinions

We have audited the consolidated financial statements of DWS Group GmbH & Co. KGaA and its subsidiaries (the Group), which comprise the consolidated balance sheet as of December 31, 2021, the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated changes in equity and the consolidated statement of cash flows for the financial year from January 1, 2021 to December 31, 2021, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the summarized management report of DWS Group GmbH & Co. KGaA including the section "Compensation Report" which contains the remuneration report as part of the summarized management report for the financial year from January 1, 2021 to December 31, 2021.

In accordance with German legal requirements, we have not audited the content of those components of the summarized management report specified in the "Other Information" section of our auditor's report.

The summarized management report contains unaudited sections which are cross references that are not required by law. Those cross references as well as the information therein were in accordance with German legal requirements not audited.

In our opinion, on the basis of the knowledge obtained in the audit,

– the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2021, and of its financial performance for the financial year from January 1, 2021 to December 31, 2021, and

– the accompanying summarized management report as a whole provides an appropriate view of the Group's position. In all material respects, this summarized management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the summarized management report does not cover the content of those components of the summarized management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the summarized management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the summarized management report in accordance with Section 317 HGB and EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Summarized Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the summarized management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1, 2021 to December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Impairment testing of goodwill

Please refer to note 2 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of goodwill can be found under note 13 and information on the economic development of the asset management industry is presented in the section "Operating and Financial Review" in the summarized management report.

THE FINANCIAL STATEMENT RISK

As of December 31, 2021, goodwill amounted to EUR 2,822 million and, at 24% of total assets, accounts for a substantial share of assets.

Goodwill is tested for impairment annually at the level of the single operating segment. For this purpose, the carrying amount is compared with the recoverable amount of the business segment. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. The recoverable amount is the higher of fair value less costs to sell and the value in use of the business segment. The effective date for the impairment test is October 1, 2021.

Impairment testing of goodwill is complex and based on a range of assumptions that require judgment. These include the expected business and earnings development of the business segment for the next five years, the assumed long-term growth rates and the discount rate used.

Competition in the asset management industry continued to intensify in financial year 2021. Future business prospects continue to be negatively affected in particular by the continued compression of margins globally and rising costs of market entry. Nevertheless, DWS Group GmbH & Co. KGaA did not identify any need for impairment as a result of the impairment test carried out.

There is the risk for the consolidated financial statements that impairment existing as of the reporting date was not identified due to improper determination of the parameters relevant for the evaluation. This includes the risk that improper application of the factors used to identify a single business segment led to an existing need to recognize impairment losses not being identified. There is also the risk that the related disclosures in the notes are not appropriate.

Summarized Management Report
Consolidated Financial Statements
Corporate Governance Statement

OUR AUDIT APPROACH

Based on our risk assessment of material misstatements we have performed audit procedures to assess the design and implementation as well as test of operating effectiveness of the Company's processes and controls. Furthermore, we have performed substantive audit procedures. Hence, we have performed the following audit procedures:

We assessed the proper application of the factors used to identify the individual business segment, in particular with regard to the management and reporting structures of the Group, the structure of the variable remuneration components of all the members of the Executive Board as well as a peer group analysis of other listed asset managers. We also assessed, with the help of our valuation specialists, the appropriateness of the significant assumptions and the calculation method used by the Company. To this end, we discussed the expected development of business and earnings as well as the assumed long-term growth rates with those responsible for planning. In addition, we reconciled this information with other internally available forecasts, e.g. the budget prepared by the Executive Board and approved by the Supervisory Board. Furthermore, we evaluated the consistency of assumptions with external market assessments.

Further, we satisfied ourselves of the quality of the Company's forecasts to date by comparing the budgets from previous financial years with the actual results achieved and by analyzing deviations. Since even minor changes to the discount rate can have a material effect on the results of the impairment test, we compared the assumptions and parameters underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

We verified the computational accuracy of the valuation model used by the Company.

In order to take account of the existing forecast uncertainty and the earlier deadline selected for impairment testing, we examined the effects of possible changes in the discount rate, the earnings trend and the long-term growth rates on the recoverable amount (sensitivity analysis), by calculating alternative scenarios and comparing them with the values stated by the Company.

Furthermore, we scrutinized the final analysis of the measurement results made by the Company, including the assessment of the relation between the recoverable amount as well as the carrying amount of equity and the market capitalization.

Finally, we assessed whether the disclosures in the notes regarding impairment of goodwill are appropriate.

OUR OBSERVATIONS

The calculation method used for impairment testing of goodwill is appropriate and in line with the accounting policies to be applied. The Company's assumptions and parameters used for measurement are appropriately derived overall. The factors used to identify a single business segment were applied appropriately. The related disclosures in the notes are appropriate.

Impairment testing of the "Scudder" intangible asset

Please refer to note 2 in the notes to the consolidated financial statements for information on the accounting policies applied and the assumptions used. Disclosures on the amount of other intangible assets can be found under note 13 and information on the economic development of the asset management industry is presented in the section "Operating and Financial Review" in the summarized management report.

THE FINANCIAL STATEMENT RISK

As of December 31, 2021, other intangible assets of EUR 760 million consist of contractual agreements granting temporary exclusive rights to manage American mutual funds. In the course of the acquisition of Zurich Scudder Investments, Inc. concluded in 2002, this intangible asset was first recognized in the consolidated financial statements of Deutsche Bank AG. These contractual arrangements can be extended without significant costs and, moreover, have a long history of extensions. The Company therefore recognized an intangible asset with an indefinite useful life and reviews annually this assessment.

The "Scudder" intangible asset is tested for impairment annually. The test was performed as of September 30, 2021. For this purpose, the carrying amount is compared with the recoverable amount of the contractually agreed exclusive rights. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized. If the recoverable amount exceeds the carrying amount, an assessment if an indication that an impairment loss recognised may no longer exist or may have decreased and if that results from a change in the estimates used to determine the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use of the contractually agreed exclusive rights.

The impairment test of the "Scudder" intangible asset is complex and is based on a number of assumptions that require judgment. These include the asset mix, the expected net changes in cash flows of the managed mutual funds, the effective fee rate, the assumed long-term growth rates and the discount rate used.

As a result of the impairment test performed, the Company did not identify any impairment nor reversal of impairment. However, the Company's sensitivity calculations showed that, among other things, a reasonably possible negative development in the expected net changes in cash flows of the managed mutual funds or the effective fee rate would result in a write-down to the resulting recoverable amount.

There is the risk for the consolidated financial statements that an impairment or reversal of impairment existing at the reporting date was not identified because the valuation method was not implemented appropriately and in accordance with the applicable valuation principles and the assumptions and parameters underlying the valuation were not appropriately derived. There is also the risk that the related disclosures in the notes are not appropriate.

OUR AUDIT APPROACH

Based on our risk assessment of material misstatements we have performed audit procedures to assess the design and implementation as well as test of operating effectiveness of the Company’s processes and controls. Furthermore, we have performed substantive audit procedures. Hence, we have performed the following audit procedures:

We obtained an understanding of the Company's process for deriving assumptions requiring judgment, identifying indications of impairment or reversal of impairment and determining recoverable amounts based on explanations provided by DWS accounting staff.

With the help of our valuation specialists, we assessed, among other things, the appropriateness of the Company's calculation method. To this end, we discussed the assumed long-term growth rates with those responsible for planning and assessed the consistency of the assumptions with external market assessments.

Further, we satisfied ourselves of the quality of the Company's forecasts to date by comparing the budgets from previous financial years with the results actually achieved and by analyzing deviations. We compared the assumptions and parameters underlying the discount rate, in particular the risk-free rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

In order to take into account the existing forecasting uncertainty and the earlier date for the impairment test, we examined the effects of possible changes in expected net changes in cash flows of the managed mutual funds, the effective fee rate and the assumed long-term growth rates, or the discount rate used, on the recoverable amount by calculating alternative scenarios and comparing them with the Company's figures (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes on the recoverability of the "Scudder" intangible assets are appropriate.

OUR OBSERVATIONS

The valuation methodology underlying the impairment test of the "Scudder" intangible assets is appropriate and consistent with the accounting policies to be applied. The Company's assumptions and parameters on which the valuation is based are generally appropriate. The related disclosures in the notes are appropriate.

Other Information

Management respectively the supervisory board are responsible for the other information. The other information comprises the following components of the summarized management report, whose content was not audited:

- the corporate governance statement, to which reference is made in the summarized management report
- the integrated non-financial group statement, whose disclosures are marked as unaudited, and
- the information that is not typically included in management reports and marked as unaudited

The other information also includes the remaining parts of the annual report. The other information does not include the audited consolidated financial statements, the summarized management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the summarized management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the summarized management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If we conclude in the course of our audit that the information included in the other information contains a material misstatement, we are required to report on that. We have nothing to report in this regard.

Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Summarized Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the summarized management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the summarized management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the summarized management report.

Management and the Supervisory Board are responsible for the preparation of the remuneration report that is part of the summarized management report, including all requirements pursuant to Section 162 AktG. Furthermore, they are responsible for the necessary internal controls that are required for the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Summarized Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and whether the summarized management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the summarized management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this summarized management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the summarized management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the summarized management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the summarized management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

– Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the summarized management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

– Evaluate the consistency of the summarized management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.

– Perform audit procedures on the prospective information presented by management in the summarized management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Assurance in accordance with Section 317 (3b) HGB on the Electronic Reproduction of the Consolidated Financial Statements and the Summarized Management Report Prepared for Publication Purposes

We have performed assurance work in accordance with Section 317 (3b) HGB to obtain reasonable assurance about whether the reproduction of the consolidated financial statements and the summarized management report (hereinafter the "ESEF documents") contained in the file that can be downloaded by the issuer from the electronic client portal with access protection, „DWSGroup-2021-12-31-de.zip" (SHA256-Hashwert: 36602918545a31bf8f777014f5a6576c48d4e61867580663d5cc39eb946f772c) and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance only extends to the conversion of the information contained in the consolidated financial statements and the summarized management report into the ESEF format and therefore relates neither to the information contained in this reproduction nor any other information contained in the above-mentioned electronic file.

In our opinion, the reproduction of the consolidated financial statements and the summarized management report contained in the above-mentioned electronic file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. We do not express any opinion on the information contained in this reproduction nor on any other information contained in the above-mentioned file beyond this reasonable assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying summarized management report for the financial year from January 1, 2021 to December 31, 2021 contained in the "Report on the Audit of the Consolidated Financial Statements and the Summarized Management Report" above.

We conducted our assurance work on the reproduction of the consolidated financial statements and the summarized management report contained in the above-mentioned electronic file in accordance with Section 317 (3b) HGB and the Exposure Draft of the IDW Assurance Standard: Assurance in accordance with Section 317 (3b) HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (ED IDW AsS 410) and the International Standard on Assurance Engagements 3000 (Revised)]. Accordingly, our responsibilities are further described below. Our audit firm has applied the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The company's management is responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the summarized management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the company's management is responsible for the internal controls they consider necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The company's management is also responsible for the submission of the ESEF documents together with the auditor's report and the attached audited consolidated financial statements and audited summarized management report as well as other documents to be published to the operator of the German Federal Gazette [Bundesanzeiger].

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance of the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the electronic file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815 on the technical specification for this electronic file.

- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited summarized management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor at the annual general meeting on June 9, 2021, and engaged by the chairperson of the Audit Committee on October 13, 2021. We have audited DWS Group GmbH & Co. KGaA since its initial public offering in financial year 2018.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Miscellaneous – Use of this Auditor's Report

Our Auditor's Report must be read in connection with the audited annual financial statements and the audited summarized management report as well as the audited ESEF documents. The annual financial statements and summarized management report transferred to the ESEF format including the version for publishing in the German Federal Gazette are merely electronical reproductions of the audited annual financial statements and audited summarized management report and do not replace them. Especially the ESEF Report and the included opinion therein must be read in connection with the electronic ESEF documents.

German Public Auditor Responsible for the Engagement

The German public auditor responsible for the engagement is Markus Fox.

Frankfurt am Main, den 4. März 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft

[Signature] Fox	[Signature] Anders
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Limited Assurance Report of the Independent Auditor regarding the Integrated Nonfinancial Group Statement

To DWS Group GmbH & Co. KGaA, Frankfurt am Main

We have performed an independent limited assurance engagement on the integrated non-financial group statement of DWS Group GmbH & Co. KGaA, Frankfurt am Main (further "DWS" or "Company") for the period from January 1 to December 31, 2021.

References made to the Global Reporting Initiative ("GRI") within the integrated non-financial group statement are not subject to our assurance engagement.

Management's Responsibility

The legal representatives of the Company are responsible for the preparation of the integrated non-financial group statement accordance with §§ 315b, 315c in conjunction with 289c to 289e HGB and with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (further "EU Taxonomy Regulation") and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the Company as disclosed in Section "[Disclosures on Taxonomy Eligibility in Accordance with Article 8 Taxonomy Regulation and Delegated Act]" of the integrated non-financial group statement.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the integrated non-financial group statement and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the integrated non-financial group statement that is free of – intended or unintended – material misstatements.

The EU Taxonomy Regulation and the supplementing Delegated Acts contain wordings and terms that are still subject to substantial uncertainties regarding their interpretation and for which not all clarifications have been published yet. Therefore, the legal representatives have included a description of their interpretation in Section "[Disclosures on Taxonomy Eligibility in Accordance with Article 8 Taxonomy Regulation and Delegated Act]" of the integrated non-financial group statement. They are responsible for its tenability. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations is subject to uncertainty.

Independence and Quality Assurance on the Part of the Auditing Firm

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Practitioner's Responsibility

It is our responsibility to express a conclusion on the integrated non-financial group statement based on our work performed within a limited assurance engagement.

We conducted our work in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", published by IAASB.
Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the integrated non-financial group statement of the Company for the period from January 1 to December 31, 2021 has not been prepared, in all material respects, in accordance with §§ 315b and 315c in conjunction with 289cto 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the legal representatives as disclosed in Section "[Disclosures on Taxonomy Eligibility in Accordance with Article 8 Taxonomy Regulation and Delegated Act]" of the integrated non-financial group statement .

We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures for a selection of items:

_ Inquiries of group-level personnel who are responsible for the materiality analysis in order to understand the processes for determining material topics and respective reporting boundaries for DWS Group GmbH & Co. KGaA
_ A risk analysis, including media research, to identify relevant information on DWS Group GmbH & Co. KGaA's sustainability performance in the reporting period
_ Evaluation of the design of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights, and anti-corruption and bribery as well as on further reported matters
_ Inquiries of group-level personnel who are responsible for determining disclosures on concepts, due diligence processes, results and risks, performing internal control functions and consolidating disclosures
_ Inspection of selected internal and external documents
_ Analytical procedures for the evaluation of data and of the trends of quantitative disclosures as reported at group level by all sites
_ Assessment of the overall presentation of the disclosures
_ Evaluation of the process for the identification of taxonomy-eligible economic activities and the corresponding disclosures in the integrated non-financial group statement

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

The legal representatives have to interpret vague legal concepts in order to be able to compile the relevant disclosures according to Article 8 of the EU Taxonomy Regulation. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations and, correspondingly, our assurance thereof are subject to uncertainty.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the integrated non-financial group statement of DWS Group GmbH & Co. KGaA for the period from January 1 to December 31, 2021 has not been prepared, in all material respects, in accordance with §§ 315b and 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation disclosed in Section "[Disclosures on Taxonomy Eligibility in Accordance with Article 8 Taxonomy Regulation and Delegated Act]" of the integrated non-financial group statement.

References made to the Global Reporting Initiative ("GRI") within the integrated non-financial group statement are not covered by our conclusion.

Restriction of Use/General Engagement Terms

This assurance report is issued for purposes of the Supervisory Board of DWS Group GmbH & Co. KGaA, Frankfurt am Main, only. We assume no responsibility with regard to any third parties.

Our assignment for the Supervisory Board of DWS Group GmbH & Co. KGaA, Frankfurt am Main , and professional liability as described above was governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein including the limitation of our liability as stipulated in No. 9 and accepts the validity of the General Engagement Terms with respect to us.

Frankfurt am Main, March 4th 2022
KPMG AG
Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Fox
Wirtschaftsprüfer

ppa. Seidel

[German Public Auditor]

3

Corporate Governance Statement

Corporate Governance Statement

All information presented in this Corporate Governance Statement pursuant to Sections 289f, 315d of the German Commercial Code is shown as of 1 March 2022.

Corporate Bodies

GRI 102-22; 102-23; 102-24; 102-26
IFR Article 48(a)

Overview of the Corporate Bodies of DWS

GRI 102-18; 102-5

DWS KGaA is a German partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA) with a German-law limited liability company (Gesellschaft mit beschränkter Haftung – GmbH) as its general partner. The company is governed by its Articles of Association and the general provisions of German corporate law, particularly the German Stock Corporation Act (Aktiengesetz – AktG) and the German Commercial Code (Handelsgesetzbuch – HGB).

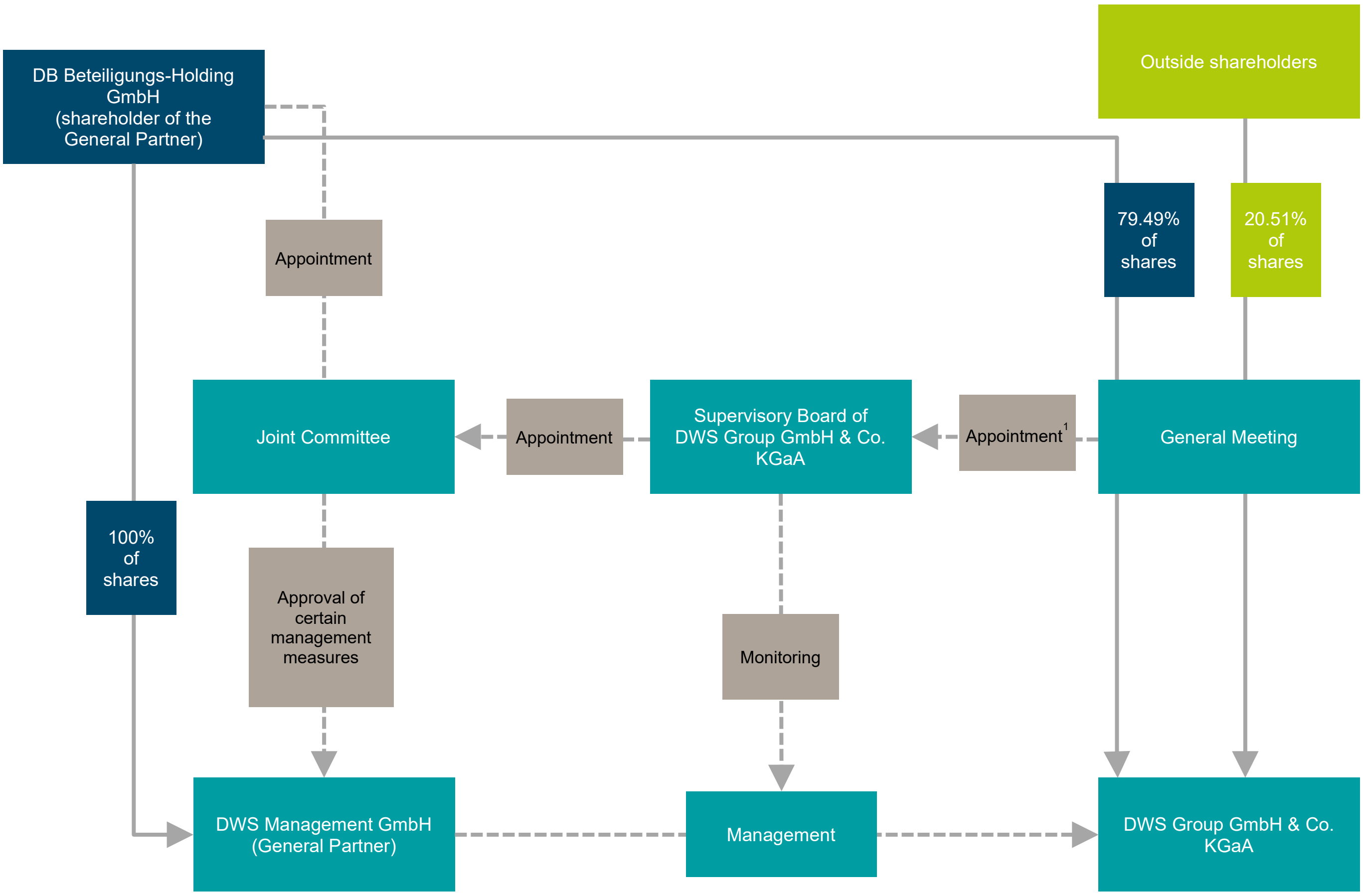
A KGaA is a hybrid legal form under German corporate law, which has elements of both a limited partnership and a stock corporation (Aktiengesellschaft – AG). Like a stock corporation, the share capital of a KGaA is held by its shareholders. Like a limited partnership, the KGaA is managed by a general partner which is subject to unlimited liability vis-à-vis third parties.

DWS KGaA's sole general partner, DWS Management GmbH (General Partner), is a wholly owned subsidiary of DB Beteiligungs-Holding GmbH, which is 100% owned by Deutsche Bank AG.

DWS KGaA's corporate bodies are its General Partner, acting through its Managing Directors (Geschäftsführer) who collectively are referred to as the Executive Board of DWS KGaA, its Supervisory Board, and the General Meeting of DWS KGaA's shareholders. In addition, DWS KGaA has a Joint Committee that consists of members of the Supervisory Board as well as delegates appointed by the shareholders' meeting of the General Partner.

Corporate Bodies

Overview of the Corporate Bodies of DWS



[1] Right of outside shareholders to appoint supervisory board members does not extend to employee representatives.

General Partner

The General Partner has the sole responsibility for the management of DWS KGaA, including all management measures. The General Partner is acting through its Managing Directors (Geschäftsführer), who collectively are referred to as the Executive Board of DWS KGaA. The Executive Board manages the day-to-day business and represents DWS KGaA vis-à-vis third parties. Any reference to Executive Board in this report refers to the collective Managing Directors of the General Partner.

The Managing Directors of the General Partner are appointed and dismissed by resolution of the shareholders' meeting of the General Partner, which also has the authority to appoint one of them as the chairman, i. e. the CEO.

Certain measures by the General Partner, acting through the Executive Board, require approval from the shareholders' meeting of the General Partner (e. g. the preparation of the annual financial plan of DWS Group, group reorganizations and related contracts, joint ventures, the acquisition and disposal of participations if the transaction value exceeds a certain threshold).

In addition, certain measures undertaken by the General Partner in the course of its management of DWS KGaA require the prior approval of the Joint Committee.

Supervisory Board

The Supervisory Board advises and monitors the General Partner, acting through the Executive Board, in its management of the company. Except for the employee representatives, the members of the Supervisory Board are elected by the shareholders of DWS KGaA at the General Meeting. Shares held by the General Partner or its affiliated companies are not entitled to vote for the election or removal of the members of the Supervisory Board.

In general, the authority and scope for influence of the Supervisory Board of a KGaA is limited as compared to a Supervisory Board of a stock corporation. In particular, the Supervisory Board is not entitled to appoint and dismiss the

Managing Directors of the general partner. Additionally, the Supervisory Board does not determine the remuneration for the Managing Directors of the general partner and the underlying remuneration system. Further, the Supervisory Board may not subject the management measures of the general partner to its consent, or issue rules of procedure for the general partner.

Joint Committee

Besides the Supervisory Board and the General Partner (acting through the Executive Board), DWS KGaA has established a Joint Committee as an additional corporate body. The Joint Committee consists of two members delegated by the shareholders' meeting of the General Partner and two members delegated by the shareholders' representatives on the Supervisory Board. The shareholders' meeting of the General Partner appoints one of its delegates as the Chairman of the Joint Committee; the Chairman has a casting vote with regard to decisions taken by the Joint Committee.

The Joint Committee has approval rights with regard to certain measures undertaken by the General Partner (e. g. group reorganizations and related contracts; the acquisition and disposal of real estate or participations if the transaction value exceeds a certain threshold). The Joint Committee also possesses a right of proposal with respect to the ratification of acts of management of the General Partner and with respect to the determination of the variable compensation of the Managing Directors of the General Partner. Nonetheless, these matters are legally subject to decisions of the shareholders' meeting of the General Partner. Therefore, the proposals of the Joint Committee are not legally binding, and the shareholders' meeting of the General Partner remains independent in its right to decide on these matters. The Joint Committee reports in text form to the General Meeting on its activities. The report for the reporting year can be found under 'Report of the Joint Committee'.

General Meeting

The General Meeting is the resolution body of the shareholders of DWS KGaA. Shareholders can exercise their voting rights at the General Meeting themselves, by proxy via a representative of their choice, or by a company-nominated proxy acting on their instructions. Among other matters, the General Meeting approves the annual financial statements of the company. The internal procedure of the General Meeting of a KGaA corresponds to that of the general meeting of a stock corporation.

Certain material matters requiring a resolution of the General Meeting also require the consent of the General Partner (which does not have a voting right in the General Meeting as it does not hold shares in DWS KGaA), such as amendments to the Articles of Association, dissolution of the company, mergers, a change in the legal form of DWS KGaA, enterprise agreements (Unternehmensverträge), such as domination agreements or profit and loss transfer agreements) and other fundamental changes as well as the approval of the annual financial statements. The General Partner therefore has a de facto veto right on these matters.

The members of the Supervisory Board – with the exception of the employee representatives – are elected by the General Meeting.

Managing Directors of the General Partner (Executive Board)

The General Partner fulfils its task of managing DWS KGaA through its Managing Directors (Geschäftsführer), who are collectively referred to as the Executive Board. The Managing Directors are appointed and dismissed by resolution of the shareholders' meeting of the General Partner. Pursuant to the Articles of Association of the General Partner, the General Partner shall have at least two Managing Directors. The General Partner shall be represented either jointly by two Managing Directors or by a Managing Director acting jointly with an authorized representative (Prokurist). The shareholders' meeting may, pursuant to the Articles of Association of the General Partner, vest Managing Directors with the authority to represent the General Partner solely. Furthermore, Managing Directors are exempted from the restrictions of entering into a legal transaction in the name of the principal with himself in his own name or as an agent of a third party pursuant to Section 181 2nd alternative German Civil Code (Bürgerliches Gesetzbuch – BGB).

The Managing Directors, i.e. the members of the Executive Board, manage the business activities of DWS Management GmbH and – with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – the business activities of DWS KGaA in accordance with the law, the respective Articles of Association, the Terms of Reference and, subject to statutory and regulatory restrictions, the instructions of the shareholders' meeting. The business activities are managed with the objective of creating sustainable value in the interests of the company, thus taking into account the needs and requirements of the shareholders, the employees, and the other groups affiliated with the company (stakeholders). The business allocation plan (Geschäftsverteilungsplan) assigns specific areas of functional and regional responsibility to each member of the Executive Board. The Executive Board is nevertheless jointly responsible for managing the General Partner and DWS KGaA.

The Executive Board steers DWS KGaA and its subsidiaries based on uniform policies and generally controls the Group entities within the limits of applicable laws. The Executive Board is responsible for ensuring the proper business organisation of the Group, which includes appropriate and efficient risk management as well as compliance with legal regulations and internal policies (Compliance) and takes the necessary measures to ensure that the adequate internal guidelines are developed and implemented. The full Executive Board resolves on appointments of first-level executives, in particular on the appointment of the global key function holders employed by DWS KGaA, and of Management Board members of its subsidiaries. In appointing employees to management functions in the Group, the Executive Board takes diversity into account. It strives, in particular, to achieve an appropriate representation of women. In addition, the Executive Board seeks to ensure that the employees in management functions have the knowledge and skills required for the proper performance of tasks and the necessary experience. In the context of succession management, the Executive Board has implemented a series of sophisticated leadership and board readiness assessments designed to identify and develop management talent for enhanced leadership responsibilities. The discipline applied to succession management in line with best practices has resulted in long-term succession plans.

The Executive Board closely collaborates with the Supervisory Board in a cooperative relationship of trust and for the benefit of the company. The Executive Board reports to the Supervisory Board at a minimum within the scope prescribed by law or administrative guidelines, in particular on all issues with relevance for the Group concerning strategy, the intended business policy, planning, business development, risk situation, risk management, staff and leadership team developments, reputation and compliance.

For the members of the Executive Board, the age limit is reached, in general, when a member reaches the retirement age according to the rules of the German statutory pension insurance scheme. The standard retirement age is regularly reached at the age of 67.

The following table shows the members of the Executive Board in 2021. The table includes their year of birth, the date on which they were first appointed, the date of their departure or the date when their appointment is scheduled to end as well as their position on the Executive Board.

Name	Year of birth	First appointment	Appointment until	Position
Dr Asoka Woehrmann	1965	25 October 2018	31 October 2024	Chief Executive Officer (CEO) and Head of Executive Division
Claire Peel	1974	1 March 2018	28 February 2024	Chief Financial Officer (CFO) and Head of CFO Division
Manfred Bauer	1969	1 July 2020	30 June 2023	Head of Product Division
Mark Cullen	1955	1 December 2018	30 November 2024	Chief Operating Officer (COO) and Head of COO Division
Dirk Goergen	1981	1 December 2018	30 November 2024	Head of Client Coverage Division
Stefan Kreuzkamp	1966	1 March 2018	28 February 2024	Chief Investment Officer (CIO) and Head of Investment Division

Dr Asoka Woehrmann, Claire Peel, Mark Cullen, Dirk Goergen and Stefan Kreuzkamp are appointed for a second term of three years as members of the Executive Board.

In the following, information is provided on the current members of the Executive Board. The information includes the current positions and area of responsibility according to the current Business Allocation Plan for the Executive Board. Also specified are other board mandates or directorships within and outside of the Group as well as all memberships in legally prescribed supervisory boards or other comparable domestic or foreign supervisory bodies of commercial enterprises. The members of the Executive Board have generally undertaken not to assume chairmanships of supervisory boards of companies outside the Group.

Current Members of the Executive Board

GRI 102-32

The areas of responsibility of the current members of the Executive Board are as follows:

Dr Asoka Woehrmann – Dr Woehrmann is the CEO and Chairman of the Executive Board. The Head of Audit, the Head of Human Resources, the Head of Communications and Marketing, the Head of Corporate Strategy & M&A and the

Regional Head for APAC report to Dr Woehrmann. Additionally, Dr Woehrmann is responsible for setting the DWS sustainability strategy and has the overall responsibility for the Group's positioning in relation to climate-related risks and opportunities. Nevertheless, the commitment to embed sustainability criteria in the Group's corporate DNA and put it at its core is shared across the Executive Board.

Dr Woehrmann chairs the Supervisory Boards of DWS Investment GmbH and DWS Grundbesitz GmbH.

Dr Woehrmann does not have any external directorships subject to disclosure.

Claire Peel – Ms Peel is the Chief Financial Officer and Head of the CFO Division. Her responsibilities include Finance, Financial Accounting, Strategic Financial Planning, Tax, Capital and Liquidity Management, Investor Relations, Risk Management and the EMEA region. Further, the CFO is responsible for the Group's climate-related disclosures, including information according to the recommendations of the "Task Force on Climate-related Financial Disclosures" (TCFD).

Ms Peel serves as the chairwoman of the Supervisory Board of DWS Investment S.A.

Ms Peel does not have any external directorships subject to disclosure.

Manfred Bauer – As the Head of the Product Division, Mr Bauer is responsible for the product value chain along its entire life-cycle, including product strategy and innovation, structuring and product management.

Mr Bauer is the speaker of the Management Board of DWS Investment GmbH and a member of the Management Board of DWS Beteiligungs GmbH. Further, Mr Bauer serves as a member of the Supervisory Board of DWS Alternatives GmbH and a member of the Supervisory Board of DWS Investment S.A.

Mr Bauer does not have any external directorships subject to disclosure.

Mark Cullen – Mr Cullen, the Chief Operating Officer and Head of the COO Division, is responsible for Information Technology, Operations, Corporate Services, Legal, Compliance, Anti Financial Crime and Data Protection. Mr Cullen is also the Regional Head of the Americas.

Mr Cullen is the Chief Executive Officer of DWS USA Corporation. He is also a member of the Management Board of Harvest Fund Management Co. Limited, in which DWS KGaA holds an indirect 30% stake through its subsidiary DWS Investments Singapore Limited.

Dirk Goergen – Mr Goergen is the Head of the Global Client Coverage Group, responsible for Sales Management and Sales Strategy, consolidating all global distribution teams and activities.

Mr Goergen is a member of the Management Board of DWS Investment GmbH and the Management Board of DWS Beteiligungs GmbH. In addition, he serves as the Chairman of the Supervisory Board of DWS Alternatives GmbH and is a member of the Supervisory Board of DWS Grundbesitz GmbH.

Mr Goergen stepped down from his role as member of the Board of Directors of Neo Strategic Holding Limited, Abu Dhabi, United Arab Emirates, effective 25 August 2021 when DWS sold its minority investment of 15% in the company.

Stefan Kreuzkamp – Mr Kreuzkamp is the Global Chief Investment Officer and heads the Investment Division. In this role he runs the Chief Investment Office and oversees all portfolio management activities, including Active, Passive and Alternatives strategies. Further, Mr Kreuzkamp is responsible for trading oversight.

Mr Kreuzkamp serves as a Management Board member of DWS Investment GmbH and DWS Beteiligungs GmbH. In addition, he is a member of the Supervisory Board of DWS Investment S.A.

Mr Kreuzkamp does not have any external directorships subject to disclosure.

Supervisory Board of DWS

The Supervisory Board monitors and advises the General Partner in its task of managing DWS KGaA and its subsidiaries. Between meetings, the Chairman of the Supervisory Board, and, to the extent relating to the responsibilities of the respective Supervisory Board committees, the Chairpersons of the Supervisory Board committees, maintain contact with the General Partner on a regular basis as far as this is necessary for the proper performance of their supervisory duties. The Chairman of the Supervisory Board, and – within their respective functional responsibility – the Chairpersons of the Supervisory Board committees, are informed without delay by the General Partner about important events of material significance for the assessment of the situation and the development as well as for the management of the Group. The Chairman of the Supervisory Board then notifies the Supervisory Board and, if necessary, convenes an extraordinary Supervisory Board meeting; this applies respectively to the Chairpersons of the Supervisory Board committees with regard to the respective committees.

The Chairman of the Supervisory Board plays a crucial role in the proper functioning of the Supervisory Board and has a leadership role in this regard. He shall ensure the Supervisory Board's effective overall functioning and a cooperative relationship of trust between the members of the Supervisory Board and the General Partner's Executive Board.

In 2021, a total of 22 meetings of the Supervisory Board and its committees took place. The Supervisory Board meets regularly without the Executive Board.

In the fourth quarter of 2021 the Supervisory Board performed the annual review of the efficiency of its activities. It conducted a questionnaire-based self-assessment, which was complemented by interviews with selected Supervisory Board members, including the Chairman, the Chairwoman of the Audit and Risk Committee, one independent Supervisory Board member and one employee representative. The assessment was supported by an external advisor who designed the questionnaire and conducted the interviews, using a previously coordinated interview guide. Both the questionnaire and the interview guide considered additional committee responsibilities and included a self-assessment of the knowledge, skills and experience of the Supervisory Board members. The individual feedback provided was consolidated in a report, which included a comparison with previous year's assessment results and with other Supervisory Boards where appropriate. The report was submitted – along with action items recommended by the Nomination Committee – to the Supervisory Board for its discussion and the adoption of measures.

Members of the Supervisory Board

The Supervisory Board is composed of eight shareholders' representatives and four employee representatives, as it is currently subject to the German One-Third Employee Participation Act (Drittelbeteiligungsgesetz), which requires that one third of the Supervisory Board members are employee representatives. The eight members representing the shareholders are appointed by the General Meeting of DWS KGaA, the four employee representatives are to be elected by the employees pursuant to the provisions of the One-Third Employee Participation Act (Drittelbeteiligungsgesetz).

The current four employee representatives were appointed by the responsible court on 29 May 2018. The employee representatives appointed by the court will remain on the Supervisory Board until employee elections to the Supervisory Board in accordance with the German One-Third Participation Act (Drittelbeteiligungsgesetz) have been conducted.

The shareholders' representatives on the Supervisory Board are elected for the period until conclusion of the General Meeting which adopts the resolutions concerning the ratification of acts of management for the fourth financial year following the beginning of the term of office. The financial year in which the term of office begins is not taken into account. The General Meeting may determine a shorter term of office upon such election. All shareholders' representatives on the Supervisory Board have been appointed before 2021 and remained in office throughout the year. Therefore, there were no changes amongst the eight members representing the shareholders in 2021.

The following table shows the members of the Supervisory Board through 2021, their year of birth, the year in which they were first elected or appointed, the year in which their term is scheduled to end, their position on the Supervisory Board, their principal occupation and supervisory board positions as well as directorships at other companies.

Name	Year of birth	First elected From	Until	Position on the Supervisory Board	Principal occupation	Other supervisory board positions and directorships
Karl von Rohr	1965	2018	2023	Chairman and shareholder representative	Deputy Chairman of the Management Board of Deutsche Bank AG	Deputy Chairman of the Management Board of Deutsche Bank AG
Ute Wolf	1968	2018	2023	Deputy Chairperson and shareholder representative	Chief Financial Officer of Evonik Industries AG	Member of the Management Board of Evonik Industries AG, Member of the Supervisory Board of Klöckner & Co. SE and Chairwoman of the Audit Committee, Member of the Supervisory Board of Pensionskasse Degussa VVaG
Stephan Accorsini	1969	2018		Employee representative appointed by court[1]	First Deputy Chairman of the Workers' Council of DWS Investment Group	None
Annabelle Bexiga	1962	2019	2023	Shareholders' representative	Founder and Principal, self-employed at Bay Harbour Consulting	Non-Executive Director of StoneX Group Inc., Non-Executive Director of Triton International Limited
Aldo Cardoso	1956	2018	2023	Shareholders' representative	Chairman of the Board of Bureau Veritas	Chairman of the Board of Bureau Veritas, Director of Imerys SA and Chairman of the Audit Committee, Director of Worldline SA and Chairman of the Audit Committee, Director of Ontex Group NV
Minoru Kimura	1967	2020	2023	Shareholders' representative	Executive Officer of Nippon Life Insurance Company and Regional CEO for the Americas and Europe	Non-Executive Director of Nippon Life Global Investors Europe Plc, Non-Executive Director of Nippon Life Schroders Asset Management Europe Limited, Non-Executive Director of Nippon Life Insurance Company of America, Non-Executive Director of Nippon Life Global Investors Americas, Inc, Director of Resolution Life Group Holdings Ltd. (since 1 April 2021), Chairman of the Board of Nippon Life Americas, Inc. (since 1 May 2021)
Bernd Leukert	1967	2020	2023	Shareholders' representative	Chief Technology, Data and Innovation Officer and member of the Management Board of Deutsche Bank AG	Member of the Management Board of Deutsche Bank AG, Member of the Supervisory Board of Bertelsmann SE & Co. KGaA, Member of the Supervisory Board of Bertelsmann Management SE
Angela Meurer	1962	2018		Employee representative appointed by court[1]	Chairwoman of the representative body for disabled employees of Deutsche Bank AG	None
Richard I. Morris, Jr.	1949	2018	2023	Shareholders' representative	Advisor to TA Associates Management LP	None
Erwin Stengele	1969	2018		Employee representative appointed by court[1]	Second Deputy Chairman of the Workers' Council of DWS Investment Group	None
Margret Suckale	1956	2018	2023	Shareholders' representative	Former member of the Management Board of BASF SE	Member of the Supervisory Board of Deutsche Telekom AG, Member of the Supervisory Board of HeidelbergCement AG, Member of the Supervisory Board of Infineon Technologies AG
Said Zanjani	1958	2018		Employee representative appointed by court[1]	Chairman of the Workers' Council of DWS Investment Group	None

[1] Appointed by the court until the end of the next elections of employee representatives to the Supervisory Board in accordance with the German One-Third Participation Act (Drittelbeteiligungsgesetz).

Objectives for the composition of the Supervisory Board, profile of requirements and status of implementation

Objectives for the composition of the Supervisory Board

In accordance with German law, the members of the Supervisory Board must be reliable, must have the expertise required to perform their control function and to assess and monitor the company's businesses, and must commit sufficient time to the performance of their tasks. The Supervisory Board first established objectives for its composition and adopted a profile of requirements for the Supervisory Board collectively as described below in its meeting on 29 January 2019 that were last updated on 21 October 2021, when the Supervisory Board determined that the Audit and Risk Committee must comprise at least two financial experts.

The Supervisory Board shall be composed in such a way that its members collectively possess the knowledge, abilities and expert experience to properly complete its tasks. The members of the Supervisory Board collectively and the members of its Audit and Risk Committee must be familiar with the financial industry in general and more specifically with the asset management industry. The composition of the Supervisory Board shall ensure qualified control of and advice to the Executive Board taking into account that the Group is an internationally operating, broadly positioned asset manager. The members of the Supervisory Board should preserve the public reputation of the Group and, in particular, attention should be placed on the integrity, personality, willingness to perform, professionalism and independence of the individuals proposed for election. The objective is for the Supervisory Board collectively to have all of the knowledge and experience considered to be essential, while taking into account the business activities of the Group. The current members of the Supervisory Board fulfil these objectives.

In addition, the Supervisory Board shall have what it considers to be an adequate number of independent members from the group of shareholders' representatives, thereby taking into account the shareholder structure. A Supervisory Board member is considered independent if he or she is independent from the company, its Executive Board and from the controlling shareholder. The Supervisory Board has determined that at least five of the shareholders' representatives shall be independent. Currently, the Supervisory Board has six independent shareholders' representatives: Ms Annabelle Bexiga, Mr Aldo Cardoso, Mr Minoru Kimura, Mr Richard I. Morris, Jr., Ms Margret Suckale and Ms Ute Wolf.

Mr von Rohr and Mr Leukert are members of the management board of Deutsche Bank AG. Deutsche Bank AG is the sole shareholder of DB Beteiligungs-Holding GmbH, which is the majority shareholder of DWS KGaA. They are, therefore, not considered independent from the controlling shareholder and thus not as independent as defined in Section C.6 of the German Corporate Governance Code. However, they are considered independent from the company and the Executive Board as they have no personal or business relationship with the company or its Executive Board that may cause a substantial structural and not merely temporary – conflict of interest. They are therefore considered independent for the purposes of Section C.7 of the German Corporate Governance Code. The members of the Supervisory Board may not exercise functions on a management body of or perform advisory duties at major competitors. Material conflicts of interest on the part of a member of the Supervisory Board that are not just temporary shall result in the termination of the mandate. As described in the Report of the Supervisory Board, none of the Supervisory Board members had any conflicts of interests in the reporting year.

There is a regular maximum age limit of 75. In exceptional cases, a Supervisory Board member can be elected or appointed for a period that extends no longer than until the end of the fourth Ordinary General Meeting that takes place after he/she has turned the age of 75. The regular length of each individual Supervisory Board membership is not to exceed 15 years. The age limit and the limit on the length of Supervisory Board membership are met by all current Supervisory Board members.

The Supervisory Board shall not comprise more than two former Managing Directors of the General Partner. Currently, there is no former Managing Director of the General Partner on the Supervisory Board.

The Supervisory Board respects diversity when proposing members for appointment to the Supervisory Board. In light of the international operations of the Group, attention should be paid to ensure that the Supervisory Board has an appropriate number of members with long-term international experience. As per today, the professional careers or private lives of four members of the Supervisory Board are centred outside Germany. Furthermore, all the shareholders' representatives on the Supervisory Board have several years of international experience from their current or former activities as management board members or a comparable executive function of corporations or organizations with international operations. In these two ways, the Supervisory Board believes the international activities of DWS are sufficiently taken into account. The objective is to retain the currently existing international profile.

For the election proposals of shareholders' representatives to the General Meeting of DWS KGaA, the Supervisory Board takes into account the recommendations of the Nomination Committee. In reviewing potential candidates for a new election or subsequent appointments to Supervisory Board positions, qualified women shall be included in the selection process and shall be appropriately considered in the election proposals. In accordance with Section 111 (5) of the German Stock Corporation Act (AktG), the Supervisory Board determined a target for the percentage of female members on the Supervisory Board of at least 30% of the members by 29 January 2024. Currently, four Supervisory Board members are women. This reflects a share of around 33.34% of all members and more than 30% of the shareholders' representatives. It should be taken into account that the Supervisory Board can only influence the composition of the Supervisory Board through its election proposals to the General Meeting.

The Supervisory Board profile of requirements includes, in particular, the knowledge, skills and professional expertise that are collectively required to perform the tasks of the Supervisory Board of DWS, taking into account the suitability and properness requirements of the European Banking Authority and the standards which are required under applicable laws (collective qualifications). The Supervisory Board as a whole shall have an understanding of the fields of expertise specified below that is appropriate for the size and complexity of DWS. This does not mean that each Supervisory Board member must have expertise in each of the fields listed below. Rather, the expertise contributed individually by each of the Supervisory Board members combined shall ensure that all fields of expertise are covered by the Supervisory Board as a whole.

The fields of expertise include, in particular:

- Supervisory Experience: Preferably, experience as a member in a supervisory capacity on dual-tiered board structures, and as such, performing a monitoring role over the management body.
- Asset Management: Clear understanding of fiduciary responsibilities, fund management and prudent investment processes of a bank-owned asset manager.
- Experience with client handling, financial markets and jurisdictional expertise with due consideration to be given to US representation.
- Technology, digitalisation, artificial intelligence and operational excellence.
- Financial expertise: The Audit and Risk Committee must comprise at least two financial experts, with one serving as the Committee's Chairperson. At least one committee member must have experience in the field of accounting and one further member in the field of auditing pursuant to Section 100 (5), Section 107 (4) of the German Stock Corporation Act (AktG). It would be advantageous to have that experience gained within asset management with some knowledge of credit and liquidity management. At least one independent member shall have specific knowledge and experience in applying internal control procedures.
- Risk management and controls which includes promoting a culture of individual accountability, knowledge and experience of risk governance and applicable control environment.
- Compensation and compensation systems as well as succession management.
- Corporate and social responsibility, including reporting.
- Strategic planning, business and risk strategies as well as their implementation.
- Governance and corporate culture.
- ESG and Sustainability: Expert knowledge of ESG standards and best practices and their implementation.

In addition, each member of the Supervisory Board should be able to weigh the short- and long-term benefits and risks of financial decisions (business judgement). He or she should act in accordance with stated values and principles and should encourage an environment of openness and challenge. Each member of the Supervisory Board should be able to build productive partnerships with key constituents including fellow Supervisory and Executive Board members. Furthermore, each member of the Supervisory Board should be free from substantial structural and not merely temporary conflict of interests and should not engage in any business activities that conflict, directly or indirectly, with regulated activities of DWS. The members of the Supervisory Board shall also have sufficient time to carry out their respective responsibilities taking into account all personal and professional commitments. Members of the Supervisory Board shall not hold more than the allowed number of Supervisory Board mandates in accordance with the applicable legal requirements. The current members of the Supervisory Board fulfil these requirements.

Standing Committees of the Supervisory Board

IFR Article 48(c)

The Supervisory Board has established the following three standing committees. The committees work closely together and, to the extent required, coordinate their activities with each other and with the Chairman of the Supervisory Board and consult each other on an ad-hoc basis. To increase efficiency and enhance the exchange of information, committees can also hold joint meetings.

The committee chairpersons report regularly to the Supervisory Board on the work of the committees. The Report of the Supervisory Board in the Annual Report 2021 provides information on the work of the committees over the reporting year.

Audit and Risk Committee

The Audit and Risk Committee consists of three members of the Supervisory Board representing shareholders and one member of the Supervisory Board representing employees. The committee is chaired by a representative of the shareholders. The Chairperson of the committee is elected by the Supervisory Board.

The Chairperson of the committee has expertise in accounting and auditing as well as specialist knowledge and experience in the application of accounting principles and internal control processes. In addition, at least one other member of the committee must have expertise in the field of accounting or in the field of auditing.

The Audit and Risk Committee generally supports the Supervisory Board in its monitoring activities, in particular, in monitoring the effectiveness of the risk management system, the auditing of the financial statements, especially with regard to the auditor's independence and the additional services provided by the auditor as well as the Executive Board's prompt remediation – through suitable measures – of any deficiencies that might be identified by the auditor and internal control functions based on internal and external audits, in particular any such deficiencies that might relate to any weaknesses that might be found in risk controls, non-compliance with policies, laws and regulatory requirements.

The committee is entitled to inspect all business documentation of DWS KGaA. The committee and each of its members are entitled to obtain, through the Chairperson, information in connection with its tasks directly from the auditor, the Executive Board and from the Heads of the central functions responsible for tasks relating to the committee. The committee's right to obtain information applies in particular towards the Head of Internal Audit, the Head of the Compliance function, the Head of the Risk function and the Group Controller. The Chairperson will inform all members of the Committee of the information received. The Executive Board is informed without undue delay when information is obtained from any central function Head. If required, the committee meets without representatives of the Executive Board. This applies in particular when the auditor is called in as an expert, unless the committee considers the participation of members of the Executive Board to be necessary.

The committee pre-reviews the annual and consolidated financial statements and management reports including the integrated non-financial group statement, as they are prepared. The committee discusses the audit reports with the auditor. The committee also prepares the decisions of the Supervisory Board on the proposal for a resolution to be submitted to the General Meeting with regard to the establishment of the annual financial statements and the approval of the consolidated financial statements as well as the resolution proposal on the appropriation of distributable profit and submits corresponding recommendations to the Supervisory Board. It discusses material changes to the audit and accounting methods.

The committee discusses the half-year financial reports and the report on the limited review of the quarterly financial statements with the Executive Board and the auditor. The committee also supports the Supervisory Board in monitoring the financial reporting process and can submit recommendations or suggestions to the Supervisory Board on ensuring the integrity of the financial reporting process.

The committee submits proposals to the Supervisory Board for the appointment of the auditor, which shall include at least two candidates when tendering the auditor mandate and complies with the requirements of Article 16 (2) Regulation (EU) No. 537/2014 to the extent applicable and it prepares the proposal of the Supervisory Board to the General Meeting for the election of the auditor. The committee advises the Supervisory Board on issuing, terminating and continuing the audit mandate to the auditor and submits proposals to the Supervisory Board for the auditor's remuneration. The committee supports the Supervisory Board in monitoring the independence, qualification and efficiency of the auditor as well as the rotation of the members of the audit team. Further, it regularly reviews the quality of the audit based on suitable criteria. Mandates for non-audit-related services given to the auditor or to companies to which the auditor is related in legal, economic or personnel terms need the prior consent of the Audit and Risk Committee. In this the committee is supported by the Group's Audit Independence Council.

The committee is appointed by the Supervisory Board to resolve on reserved matters in relation to material Related

Party Transactions pursuant to Section 111b of the German Stock Corporation Act (AktG). In this context, the Audit and Risk Committee is supported by the Related Party Transaction Council, which issues the Related Party Approval Report to the committee if required. The committee arranges to be informed regularly about the work performed by Internal Audit, the effectiveness of the internal audit system and in particular about the focal areas of its auditing activity and on the results of its audits. It is responsible, in particular, for receiving and handling the quarterly, annual and ad-hoc reports provided by Internal Audit. The Executive Board informs the committee about special audits, substantial complaints and other exceptional measures at DWS KGaA and its subsidiaries on the part of German and foreign regulatory authorities.

The committee regularly obtains reports on the receipt and handling of complaints from employees and its subsidiaries, from shareholders of DWS KGaA and from third parties. In particular complaints concerning accounting, internal accounting controls, auditing and other financial reporting matters must be submitted to the committee without undue delay.

Reports concerning compliance matters are presented in the meetings of the committee on a regular basis. The committee is responsible for taking receipt of and handling the report by the Head of Compliance on the implementation and effectiveness of the control environment for investment services and activities, on the risks that have been identified and on the complaints-handling reporting as well as remedies undertaken or to be undertaken (Compliance Report). The Compliance Report is issued at least once a year, i.e. within a 12 months period.

In addition, the committee advises the Supervisory Board on the overall risk appetite and risk strategy on a consolidated basis. It monitors the implementation of the stated risk appetite and risk strategy on a consolidated basis by senior management. The committee monitors material aspects of the rating and valuation processes. The committee receives reports from the Executive Board, which are appropriate to monitor whether the conditions in the client business are in line with the business model and risk structure of DWS KGaA. If this is not the case, the committee requests proposals from the Executive Board on how the conditions in the client business could be structured to align them with the business model and risk structure of DWS KGaA. The committee also monitors the implementation of such proposals. In addition, the committee reviews whether the incentives set by the compensation system take into account the risk, capital and liquidity structure of DWS KGaA as well as the likelihood and maturity of earnings. This is without prejudice to the tasks of the Remuneration Committee. The committee determines the nature, scope, format and frequency of the information which the General Partner is required to submit on strategy and risks.

The Audit and Risk Committee held eight meetings in 2021.

The current members of the Audit and Risk Committee are Ms Ute Wolf (Chairperson), Mr Stephan Accorsini, Mr Aldo Cardoso, and Mr Richard I. Morris, Jr.

Nomination Committee

The Nomination Committee consists of the three members of the Supervisory Board representing shareholders and one member of the Supervisory Board representing employees. The committee is chaired by a member of the Supervisory Board representing shareholders.

The tasks of the Nomination Committee of the Supervisory Board of DWS Group GmbH & Co. KGaA are based on Section 25d (11) of the German Banking Act (KWG) and should in substantial parts not solely be performed by the shareholders' representatives on the supervisory board. Against this background, the Nomination Committee of the Supervisory Board of DWS KGaA also comprises employee representatives. However, it is ensured that the candidate recommendations for the election proposals to the General Meeting are prepared exclusively by the committee's shareholder representatives.

The shareholders' representatives on the Nomination Committee prepare the Supervisory Board's proposals for the election or appointment of new shareholders' representatives to the Supervisory Board. In this context, they take into account the statutory requirements, guidelines from supervisory authorities and criteria specified by the Supervisory Board for its composition as well as the balance and diversity of the knowledge, skills and experience of all members of the Supervisory Board, prepare a job description with a candidate profile, and state the time commitment associated with the tasks.

The committee is responsible for drawing up an objective to promote the representation of the under-represented gender on the Supervisory Board as well as a strategy for achieving this and the regular assessment of the structure, size, composition and performance of the Supervisory Board and making recommendations to the Supervisory Board regarding this. The Nomination Committee supports the Supervisory Board in the regular assessment of the knowledge, skills and experience of the individual members of the Supervisory Board as well as of the body collectively, and in reviewing the principles of the Executive Board for selecting and appointing persons to the upper management levels and the recommendations made to the Executive Board in this respect.

The Nomination Committee held one meeting in 2021.

The current members of the Nomination Committee are Mr Karl von Rohr (Chairperson), Mr Richard I. Morris, Jr., Ms Margret Suckale and Mr Said Zanjani.

Remuneration Committee

The Remuneration Committee consists of three members of the Supervisory Board representing shareholders and one member of the Supervisory Board representing employees.

The committee should include a sufficient number of independent Supervisory Board members. At least one member of the committee must have sufficient expertise and professional experience in the field of risk management and risk controlling, in particular with regard to mechanisms used to align the compensation systems to DWS KGaA’s overall risk propensity and strategy and its capital base. The committee is chaired by a Chairperson who shall be a member of the Supervisory Board representing shareholders.

The Remuneration Committee monitors the appropriate structure of the compensation systems for the employees and, in particular, the appropriate structure of the compensation for the Head of Compliance and for the employees who have a material influence on the overall risk profile of DWS KGaA and its subsidiaries. The effects of the compensation systems on risk, capital and liquidity management shall be assessed and it shall be ensured that the compensation systems and the group-wide compensation strategy – in consideration of the corporate culture – are aligned to achieving the objectives set out in the business and risk strategies of the Group.

In addition, the committee supports the Supervisory Board in monitoring the process to identify Group Risk Takers in accordance with Section 27 (2) sentence 1 of the Regulation on Remuneration in Financial Institutions (InstVV) and in this context checks the appropriate structure of the compensation systems for the relevant employees.

The committee supports the Supervisory Board in monitoring whether the internal controls and other relevant areas are properly implemented in the structuring of the compensation systems. It also supports the Supervisory Board in preparing resolution proposals to the General Meeting on the structuring of variable and fixed compensation in accordance with Section 25a (5) sentence 6 of the German Banking Act (KWG) and in submitting the remuneration system for the member of the Executive Board to the General Meeting pursuant to Section 120a (1) of the German Stock Corporation Act (AktG).

The committee coordinates its work with the Audit and Risk Committee and works closely with it as required in order to properly perform its tasks.

The committee is authorized to obtain, via its Chairperson, information relating to the committee tasks from the Head of Internal Audit and from the Heads of the organizational units responsible for structuring the compensation systems. The Executive Board must be informed of this. In addition, the committee Chairperson is kept up to date by the Compensation Officer on his work and ensures close coordination of the monitoring activities as well as the submission of the Compensation Officer’s informative reports on the appropriateness and structure of the compensation system.

The Remuneration Committee held four meetings in 2021.

The current members of the Remuneration Committee are Ms Margret Suckale (Chairperson), Ms Annabelle Bexiga, Mr Aldo Cardoso and Mr Erwin Stengele.

Joint Committee of DWS

DWS KGaA has a Joint Committee as an additional corporate body. If the Joint Committee has met, it shall report to the General Meeting on its activities. The Joint Committee consists of two members delegated by the shareholders' meeting of the General Partner, and of two members delegated by the shareholders' representatives on the Supervisory Board from their midst. The shareholders' meeting of the General Partner appoints one of its delegates as Chairperson of the Joint Committee. The Chairperson has a casting vote with regard to decisions taken in the Joint Committee.

The shareholders' meeting of the General Partner and the Supervisory Board may at any time dismiss and replace the members they delegated. With respect the period of office of the members of the Joint Committee the regulations applicable to the shareholders' representatives on the Supervisory Board apply accordingly. ; For the members delegated by the Supervisory Board it ends no later than their respective term of office as a member of the Supervisory Board.

The following table shows the members of the Joint Committee through 2021, their year of birth, the date when they were first delegated to the Joint Committee and the year in which their term is scheduled to end, their position on the Joint Committee, their principal occupation and supervisory board positions as well as directorships at other companies.

Name	Year of birth	Appointed		Position on the Joint Committee	Principal occupation	Supervisory board positions and directorships
		From	Until			
Karl von Rohr	1965	2018	2023	Delegated by the shareholders' meeting of the General Partner	Deputy Chairman of the Management Board of Deutsche Bank AG	Deputy Chairman of the Management Board of Deutsche Bank AG
Minoru Kimura	1967	2020	2023	Delegated by the shareholders' representatives on the Supervisory Board	Executive Officer of Nippon Life Insurance Company and Regional CEO for the Americas and Europe	Non-Executive Director of Nippon Life Global Investors Europe Plc; Non-Executive Director of Nippon Life Schroders Asset Management Europe Limited; Non-Executive Director of Nippon Life Insurance Company of America; Non-Executive Director of Nippon Life Global Investors Americas, Inc; Director of Resolution Life Group Holdings Ltd. (since 1 April 2021); Chairman of the Board of Nippon Life Americas, Inc. (since 1 May 2021)
James von Moltke	1969	2018	2023	Delegated by the shareholders' meeting of the General Partner	Member of the Management Board of Deutsche Bank AG and Chief Financial Officer	Member of the Management Board of Deutsche Bank AG
Ute Wolf	1968	2018	2023	Delegated by the shareholders' representatives on the Supervisory Board	Chief Financial Officer of Evonik Industries AG	Member of the Management Board of Evonik Industries AG; Member of the Supervisory Board of Klöckner & Co. SE and Chairwoman of the Audit Committee; Member of the Supervisory Board of Pensionskasse Degussa VVaG

ESG Advisory Board

In November 2020, DWS Group established an advisory body to further advance our holistic group-wide sustainability strategy. The ESG Advisory Board consists of six internationally-recognized sustainability experts from diverse disciplines who actively advise our CEO and Executive Board on accelerating DWS's Sustainability Strategy and focus on climate-related issues. They act independently, are not bound by instructions and have extensive rights of information, consultation and initiative.

The ESG Advisory Board members include:

_ Georg Kell, Co-Chair: as Founding Executive Director of the UN Global Compact, the world's largest and most important initiative for sustainable business management, He is also Chairman of Arabesque, the parent company of the two DWS partners Arabesque AI and Arabesque S-Ray, in which DWS holds minority stakes. He is also Speaker of the Volkswagen Sustainability Council.

_ Roelfien Kuijpers, Co-Chair: in addition to her dual roles as Global ESG Client Officer and Head of Client Coverage UK, Ireland and Nordics for DWS, she is a member of the DWS Group Sustainability Council, the DWS Global Leadership Team, the DWS Investments UK Board, and the DWS Reputational Risk Committee. She is also a Board Member of the Institutional Investor Group on Climate Change

_ Peter Damgaard Jensen is Chairman of the Institutional Investor Group on Climate Change (IIGCC), the main European investor body focused on climate change. He represents the sustainability arena in the very relevant pension fund sector, namely as the former CEO of the Danish Pension Fund PKA, one of the largest pension funds in Denmark.

_ Marie Haga serves as CEO of the Norwegian Wind Energy Association, which aims to promote renewable wind energy in Norway. In her former roles at the International Fund for Agricultural Development and the Global Crop Diversity Trust, Marie has gained international recognition in the field of biodiversity and food security. She has also served as a Member of Parliament in Norway and held three ministerial positions.

_ Ioannis Ioannou is Associate Professor of Strategy and Entrepreneurship at London Business School. His award-winning and widely cited research focuses on sustainability leadership and corporate responsibility. Among other roles, he co-Chairs the Sustainability Advisory Panel of Merck KGaA, and he is a member of the World Economic Forum experts network.

_ Lisa P. Jackson is Vice President of Environment, Policy and Social Initiatives at Apple Inc. Leading the environmental, education policy and product accessibility strategy at Apple, she has a long track record of active engagement in all areas of ESG, having previously served as Head of the US Environmental Protection Agency appointed by former President Barack Obama.

Share Plans

For information on our employee share programs, please refer to the additional note 21 ‘Employee Benefits’ to the Consolidated Financial Statements.

Related Party Transactions

For information requirement regarding related party transactions please refer to note 23 ‘Related Party Transactions’ to the Consolidated Financial Statements.

Audit Committee Financial Expert

Pursuant to Sections 107 (4), 100 (5) of the German Stock Corporation Act (AktG) the Audit and Risk Committee shall comprise at least two financial experts, with at least one member having expertise in the field of accounting and one further member in the field of auditing. The Supervisory Board has appointed Ute Wolf (Chairwoman), Aldo Cardoso and Richard I. Morris, Jr. as shareholders’ representatives to the Audit and Risk Committee. The Chairwoman and the other shareholders’ representatives on the Audit and Risk Committee have the required expertise in both financial accounting and in auditing.

Summarized Management Report
Consolidated Financial Statements
Corporate Governance Statement

Values and Leadership Principles of DWS Group

Code of Conduct

DWS Group adheres to a Code of Conduct which describes the values and minimum standards for ethical business conduct that we expect all of our employees to follow. These values and standards govern employee interactions with our clients, competitors, business partners, government and regulatory authorities, and shareholders, as well as with other employees. The Code of Conduct is established by Deutsche Bank Group. Our Executive Board has adopted these Deutsche Bank Group values and beliefs and implemented DWS Group values in supplement. In addition, the Code of Business Conduct forms the cornerstone of DWS Group policies, which provide guidance on compliance with applicable laws and regulations.

The current versions of the Code of Conduct is available from Deutsche Bank's website: https://investor-relations.db.com/corporate-governance/documents/ .

Principal Accountant Fees and Services

For information regarding DWS Group's principal accountant fees and services please refer to note 27 'Supplementary Information' to the Consolidated Financial Statements.

Compliance with the German Corporate Governance Code

Declaration pursuant to Section 161 of the German Stock Corporation Act (AktG) (Declaration of Conformity 2021)

The Managing Directors of DWS Management GmbH, representing the general partner of DWS Group GmbH & Co. KGaA, and the Supervisory Board of DWS Group GmbH & Co. KGaA submit the following declaration pursuant to Section 161 of the German Stock Corporation Act (AktG):

The last Declaration of Conformity was issued on 11 December 2020. Since then and under consideration of the specific characteristics of a partnership limited by shares as outlined in Section I below, DWS Group GmbH & Co. KGaA (DWS KGaA) has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 16 December 2019, as published in the Federal Gazette on 4 March 2020, subject to the deviations as disclosed in Section II.

Section I: Specific characteristics of the legal form of a partnership limited by shares

_ Taking into account the specific features of the legal form of a partnership limited by shares (Kommanditgesellschaft auf Aktien or KGaA) several recommendations of the German Corporate Governance Code (GCGC) can only be applied in a modified way. The GCGC is geared towards the governance structure typical for a German stock corporation (Aktiengesellschaft or AG) and does not consider specific characteristics of a KGaA.

_ In the legal form of a KGaA, the tasks and duties performed by the management board of an AG are undertaken by the general partners, who are determined in the articles of association of the KGaA and not by the supervisory board.

The sole general partner of DWS KGaA is DWS Management GmbH (DWSM GmbH), who has the sole responsibility for the management of DWS KGaA, including all day-to-day management measures and representation of the company vis-à-vis third parties. The Managing Directors of DWSM GmbH jointly manage the business activities of DWSM GmbH and – with regard to the position of DWSM GmbH as the General Partner of DWS KGaA – the business activities of DWS KGaA.
The Supervisory Board of DWS KGaA has no authority to appoint and dismiss the Managing Directors of the General Partner, preside over associated contractual arrangements or determine the remuneration system and the fixed and variable compensation of the Managing Directors. Such decisions are taken by the shareholders' meeting of the General Partner. Certain management measures by the General Partner require prior approval from the shareholders' meeting of the General Partner.

_ In addition to the corporate bodies regulated by German law, the legal form of the KGaA allows for the establishment of additional governance bodies. DWS KGaA has put this in use and has set up the Joint Committee as an additional corporate body. Certain management measures require the approval from the Joint Committee as set forth in the Articles of Association of DWS KGaA. Accordingly, DWSM GmbH may only take such measures with the consent of the Joint Committee. The Joint Committee also possesses a right of proposal with respect to the ratification of acts of management of the Managing Directors of DWSM GmbH and with respect to the determination of their variable compensation. Nonetheless, these proposals are legally not binding for the shareholders' meeting of DWSM GmbH. The Joint Committee reports to the general meeting of DWS KGaA on its activities.

_ The authority and scope for influence of the supervisory board of a KGaA is limited as compared to the supervisory board of a stock corporation. In addition to the specifics above, the supervisory board of DWS KGaA as a mere supervisory and advisory body is not entitled to subject the management measures to its consent, or issue rules of procedure for DWSM GmbH. Such rights are reserved to the shareholders' meeting of DWSM GmbH which can take these measures for the Managing Directors of DWSM GmbH.

_ The general meeting of the shareholders of a KGaA has in principle the same rights and responsibilities as the general meeting of a German stock corporation. In particular this includes the ratification of the acts of management of the general partner and the supervisory board, the election of shareholders' representatives to the supervisory board, the voting on the appropriation of profits and the appointment of the external financial auditor. As defined by German law, the general meeting of a KGaA also approves the annual financial statements, which in the case of an AG is typically performed by the supervisory board and only subject to approval of the general meeting in exceptional cases if the management board and supervisory board decide that the general meeting shall approve, or the supervisory board refuses its approval. Certain material matters requiring a resolution of the general meeting, such as the approval of the annual financial statements but also measures aiming at structural changes such as mergers, a change in the legal form of the company or the conclusion of enterprise agreements, also require the consent of the general partner.

Section II: Deviations – Code in the version dated 16 December 2019:

_ Relating to recommendation C.4 of the Code, whereby a supervisory board member who is not a member of any management board of a listed company shall not accept more than five supervisory board mandates at non-group listed companies or comparable functions, with an appointment as chair of a supervisory board being counted twice. One member of the Supervisory Board of DWS KGaA, Mr Aldo Cardoso, currently holds five mandates in supervisory bodies of listed companies and in one case he chairs the respective board. Whether the number of mandates held by a member of a supervisory board seems appropriate should in the opinion of DWS KGaA, however, be assessed more appropriately on a case-by-case basis than with a rigid upper limit. The individual workload expected for a member of a supervisory board as a result of the total number of mandates held does not necessarily increase in proportion to their number. Moreover, Mr Cardoso has declared to the Supervisory Board of DWS KGaA that he has sufficient time to perform the duties associated to his position as a member of this body with the required due regularity and care. The Supervisory Board has determined that all members have sufficient time to exercise their mandate at DWS KGaA taking into account all personal and professional commitments.

_ Relating to recommendation D.5 of the Code, according to which the supervisory board shall form a nomination committee composed exclusively of shareholder representatives. The tasks of the Nomination Committee of the Supervisory Board of DWS KGaA are based on Section 25d (11) of the German Banking Act (KWG) and should in substantial parts not solely be performed by the shareholder representatives on the supervisory board.

Against this background, the Nomination Committee of the Supervisory Board of DWS KGaA also comprises employee representatives. However, it will be ensured that the candidate recommendations for the election proposals to the general meeting will be prepared exclusively by the committee's shareholder representatives.

_ Relating to recommendation G.10, sentence 2, whereby granted long-term variable remuneration components shall be accessible to management board members only after a period of four years. In accordance with the Remuneration Regulation for Institutions (Institutsvergütungsverordnung), the granted long-term variable amounts vest in annual tranches over a retention period of five years. If the tranches represent share-based remuneration elements, they are subject to an additional holding period of one year after they become due. The Managing Directors of DWSM GmbH can thus dispose of an initial small partial amount of the long-term grant amounts after one year and, taking into account the retention period and the holding period after six years, the last partial amount.

Frankfurt am Main, in December 2021

The Managing Directors
of DWS Management GmbH

The Supervisory Board
of DWS Group GmbH & Co. KGaA

Statement on the Suggestions of the German Corporate Governance Code

DWS KGaA complies with the suggestions of the Code in the version dated 16 December 2019, with the following exceptions:

_ Our whistleblowing arrangements are not external facing to all third parties (although the arrangements are available to contractors). For instance, we do not include details of how to access the Integrity Hotline on our website. However, if we receive a Whistleblowing notification from an external third party, we will log this as a whistleblowing matter if it contains an allegation of misconduct against a DWS Group staff member.

Targets for the Proportion of Women in Management Positions / Gender Quota

IFR Article 48(b)

As of the date of this Corporate Governance Statement, the percentage of women on our Supervisory Board is 33%. On 29 January 2019, the Supervisory Board set a target for the percentage of women on our Supervisory Board of at least 30% of the members by 29 January 2024.

Our Executive Board includes one woman as of the date of this Corporate Governance Statement which meets the requirements of the German Executives Positions Act II which was introduced in August 2021.

On 31 January 2019, the Executive Board set targets for the percentage of women at 26% for the first management level and 29% for the second management level, to be reached 31 December 2021. When the decision was made, the percentage of women at the first management level was 23%

and 26% at the second management level. As of year-end 2021, 28.1% of the executive positions at the first management level below the Executive Board were held by women (2020: 27%). At the second level below the Executive Board, this percentage stood at 29.0% (2020: 28.2%). As a result, DWS has achieved those targets. Looking forward, DWS has now set further targets for 31 December 2024. With the implementation of the Functional Role Framework and the removal of Corporate Titles, the methodology will be adjusted and executive positions will include all positions except administrative roles. On that basis, as of 31 December 2021, there were 29.9% women at the first management level below the Executive Board and 30.0% women at the second management level below the Executive Board. Targets for 31 December 2024 were set at 32% and 33% respectively.

Implementing German Gender Quota Legislation at DWS Group

	Target for 31 Dec 2021	Status as of 31 Dec 2021	Status as of 31 Dec 2020
Women on the Supervisory Board of DWS KGaA	30%[1]	33%	33%
First management level below the Executive Board	26%	28%	27%
Second level below the Executive Board	29%	29%	28%

[1] Supervisory Board set the target for 29 January 2024.

In accordance with our fundamental diversity concept, we also take into account the knowledge and skills required for the proper performance of tasks and the necessary experience of the employees in the composition of the two levels below management.

Diversity Concept

As a global company, the DWS Group is committed to creating a culture that embraces the diversity of its employees, customers. As a global organisation, DWS is committed to an inclusive culture that respects and embraces the diversity of our employees, clients, and communities. As diversity and inclusion are central to the firm's culture, our continuous focus is to:

_ Build talented and diverse teams to drive business results.
_ Create a respectful and inclusive environment where people can thrive.
_ Strengthen our relationship with clients, partners, regulators, communities, and potential employees.

We aim to attract, develop, and retain the best people from all cultures, countries, races, ethnicities, genders, sexual orientations, abilities, beliefs, backgrounds, and experiences. To this end, and to prepare for opportunities and challenges arising from changing demographics, digitalization, and the future of work, we follow an integrated and multi-dimensional approach to diversity and inclusion. We also aim to give equal opportunities to employees who work both full-time and part time. This year the percentage of employees globally who work part time stood at 8.7% (2020: 8.8%).

We are convinced that diversity and inclusion, for example, stimulate innovation and help to make more balanced decisions, and thus play a decisive role in the success of the DWS Group.

The Supervisory Board and Executive Board aim to serve as a role model for the DWS Group with regard to diversity and inclusion. In line with our above-mentioned conviction, a diverse composition of the committees also helps the Supervisory Board and the Executive Board to be able to properly perform the tasks and duties incumbent upon them under the law, the Articles of Association and the rules of procedure.

Diversity Concept for the Supervisory Board

The Supervisory Board is to be composed in such a way that its members, as a whole, possess the expertise, skills and professional experience required to effectively monitor and advise the Executive Board in its management and observance of the relevant supervisory regulations.

In light of the international operations of DWS, care shall be taken, in particular, that the Supervisory Board has an appropriate number of members with many years of international experience.

Also, in light of the legal requirements to be observed, the Supervisory Board shall be composed of at least 30% women (by 29 January 2024).

There is an age limit of 75, in principle, for members of the Supervisory Board and the maximum length of each individual Supervisory Board membership shall generally not exceed 15 years.

Implementation

It should be taken into account that the Supervisory Board can only influence the composition of the Supervisory Board through its proposals to the General Meeting for the election of the shareholder representatives.

Based on a proposal of the Nomination Committee, a profile of requirements was issued for the Supervisory Board. The profiles summarize the knowledge, abilities and experience required to properly complete the tasks of the Supervisory Board (collective suitability).

For the election proposals to the General Meeting, the Supervisory Board takes into account the objective to which the Supervisory Board shall be composed of at least 30% women (by 29 January 2024).

Results achieved in the 2021 financial year

At the end of the financial year, eight men and four women (33.34%) were members of the Supervisory Board.

The age structure is diverse, ranging from 52 to 72 years of age at the end of the financial year.

At the end of the financial year, the length of experience as member of the Supervisory Board of DWS Group GmbH & Co. KGaA, which was constituted first in 2018, ranged from under two years to below four years. The length of experience in comparable governance bodies was between three and seventeen years.

In accordance with our objectives specified above, all of the shareholder representatives on the Supervisory Board have several years of international experience from their current or former activities as management board members or a comparable executive function of corporations or organizations with international operations.

The diverse range of the members' educational and professional backgrounds includes banking, business administration, science, law, and Information Technology.

DWS transparently reports on Supervisory Board diversity, in addition to the information presented above, in this Corporate Governance Statement in the section 'Corporate Bodies - Supervisory Board of DWS'.

Diversity Concept for the Executive Board

Through the composition of the Executive Board, it is to be ensured that its members have, at all times, the required knowledge, skills and experience necessary to properly perform their tasks. Accordingly, when selecting members for the Executive Board, care is to be taken that they collectively have sufficient expertise and diversity within the meaning of our objectives specified above.

For the members of the Executive Board, the age limit is reached, in general, when a member reaches the retirement age according to the rules of the German statutory pension insurance scheme. The standard retirement age is regularly reached at the age of 67.

Implementation

The implementation of the Diversity Concept takes places in the course of selecting new members for the Executive Board of DWS Management GmbH which are appointed by the sole shareholder.

As part of the succession management, a series of sophisticated leadership and board readiness assessments to identify and develop management talent for enhanced leadership responsibilities have been implemented. The discipline applied to succession management in line with best practices has resulted in long-term succession plans.

Results achieved in the 2021 financial year

At the end of the financial year, the Executive Board was composed of five men and one woman (16.67% of this corporate body).

The age structure is diverse, ranging from 40 to 66 years of age at the end of the financial year.

The length of experience as member of the Executive Board of DWS, which was first established in March 2018 ranged from less than two to below four years. The length of experience in comparable management bodies ranged between four and around twelve years.

Also, with our strategy in mind of being a leading asset manager with headquarters in Germany and operating globally, four of the six Executive Board members, as of the end of the financial year, have a German background. The other two members come from Australia and England respectively.

However, the ethnic diversity of the Executive Board does not currently reflect the full diversity of the markets where we do business or the diversity of our employees.

The diverse range of the members' educational and professional backgrounds includes banking, business administration, social sciences.

DWS transparently reports on Executive Board diversity, in addition to the information presented above, in the Corporate Governance Statement.

GRI Index

GRI 102-54; GRI 102-55

Our Annual Report 2021 provides comprehensive disclosure of our material topics for our financial and non-financial performance. Disclosures included in the table below were selected based on the GRI core requirements and on a materiality analysis conducted in 2021. Please refer to the chapter 'Our Responsibility - Materiality Assessment for 2021' for further information.

In order to give a better overview, the Annual Report 2021 has been prepared partially in accordance with the GRI Standards – option core. Information can either be found in the referenced pages in the report or directly in this table.

Disclosure		Annual Report	Remarks / Omissions
ORGANISATION PROFILE			
102-1	Name of the organisation	DWS Group GmbH & Co. KGaA	
102-2	Activities, brands, products and services	Summarized Management Report – Introduction to DWS Group	
102-3	Location of headquarters	Frankfurt/Main, Germany	
102-4	Location of operations	Summarized Management Report – Introduction to DWS Group	
102-5	Ownership and legal form	Corporate Governance Statement – Corporate Bodies – Overview of the Corporate Bodies of DWS Our Shares – Shareholder Structure	
102-6	Markets served	Summarized Management Report – Introduction to DWS Group	
102-7	Scale of the organisation	Summarized Management Report – Introduction to DWS Group	
102-8	Information on employees and other workers	DWS Human Capital	Partially reported: Legal restrictions and data availability prevent a disclosure of external employees by gender.
102-9	Supply chain	Summarized Management Report – Introduction to DWS Group	
102-10	Significant changes to the organisation and its supply chain	N/A	
102-11	Precautionary principle or approach	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
102-12	External initiatives	Summarized Management Report – Our Responsibilities – Stakeholder Management	

Disclosure		Annual Report	Remarks / Omissions
102-13	Membership of associations	Summarized Management Report – Our Responsibilities – Stakeholder Management	
102-14	Statement from senior decision-maker	Interview with the Chairman of the Executive Board	
102-15	Key impacts, risks, and opportunities	Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021 Summarized Management Report – Outlook – DWS Group – Risks and Opportunities Summarized Management Report – Our Strategy – Introduction Summarized Management Report – Risk Report	
102-16	Values, principles, standards, and norms of behaviour	Summarized Management Report – Introduction to DWS Group Summarized Management Report – Our Strategy – Introduction	
102-17	Mechanisms for advice and concerns about ethics	Summarized Management Report – Compliance and Control – Business Ethics	
102-18	Governance structure	Corporate Governance Statement – Corporate Bodies – Overview of the Corporate Bodies of DWS	
102-20	Executive-level responsibility for economic, environmental, and social topics	Summarized Management Report – Our Strategy – Introduction	
102-21	Consulting stakeholders on economic, environmental, and social topics	Summarized Management Report – Our Responsibilities – Stakeholder Management	
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement – Corporate Bodies	
102-23	Chair of the highest governance body	Corporate Governance Statement – Corporate Bodies	
102-24	Nominating and selecting the highest governance body	Corporate Governance Statement – Corporate Bodies	
102-25	Conflicts of interest	Summarized Management Report – Compliance and Control – Anti-Financial Crime – Preventing Fraud, Bribery and Corruption Summarized Management Report – Compliance and Control – Business Ethics – Dealing with Conflicts of Interest	
102-26	Role of the highest governance body in setting	Corporate Governance Statement – Corporate Bodies	

Disclosure		Annual Report	Remarks / Omissions
	purpose, values, and strategy		
102-29	Identifying and managing economic, environmental, and social topics	Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021	
102-31	Review of economic, environmental, and social topics	Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021	
102-32	Highest governance body's role in sustainability reporting	Corporate Governance Statement – Corporate Bodies – Managing Directors of the General Partner (Executive Board) – Current Members of the Executive Board	
102-35	Remuneration policies	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace – Remuneration Strategy	
102-40	List of stakeholder groups	Summarized Management Report – Our Responsibilities – Stakeholder Management	
102-41	Collective bargaining agreement	All DWS employees in Germany, who are part of collective bargaining agreements are formally covered by the German "Bankentarif", which corresponds to 24% as of December 2021. According to local jurisdiction the percentage of employees covered by collective bargaining agreements ranges from 41% to 100% in Austria, France, Italy, Luxembourg, Spain and the Netherlands.	
102-42	Identifying and selecting stakeholders	Summarized Management Report – Our Responsibilities – Stakeholder Management	
102-43	Approach to stakeholder engagement	Summarized Management Report – Our Responsibilities – Stakeholder Management	
102-44	Key topics and concerns raised	Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021 Summarized Management Report – Our Responsibilities – Stakeholder Management	

Disclosure		Annual Report	Remarks / Omissions
REPORTING PRINCIPLES			
102-45	Entities included in the consolidated financial statements	Summarized Management Report – About this Report – Data and Presentation	
102-46	Defining report content and topic boundaries	Summarized Management Report – About this Report – Content and Structure Summarized Management Report – About this Report – Data and Presentation Summarized Management Report – Our Responsibilities – Stakeholder Management Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021	
102-47	List of material topics	Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021	
102-48	Restatement of information	N/A	
102-49	Changes in reporting	Summarized Management Report – About this Report	
102-50	Reporting period	Summarized Management Report – About this Report – Data and Presentation	
102-51	Date of most recent report	Annual Report and Climate Report 2020 were issued by DWS on 12 March 2021. This is the first integrated Annual Report.	
102-52	Reporting cycle	Summarized Management Report – About this Report	
102-53	Contact point for questions regarding the report	Imprint	
102-54	Claims of reporting in accordance with	GRI Index In order to give a better overview, the Annual Report 2021 has been prepared partially in accordance with the GRI Standards – option core.	
102-55	GRI content index	GRI Index Our GRI content index is part of this integrated Annual Report.	
102-56	External assurance	Summarized Management Report – About this Report – External Audit and Evaluation	
TOPIC-SPECIFIC STANDARD DISCLOSURES			
ECONOMIC			

Disclosure		Annual Report	Remarks / Omissions
COMPANY PERFORMANCE			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Introduction to DWS Group	
103-2	The management approach and its components	Summarized Management Report – Introduction to DWS Group Summarized Management Report – Our Strategy Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience	
103-3	Evaluation of the management approach	Summarized Management Report – Introduction to DWS Group Summarized Management Report – Our Strategy Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
201-1	Direct economic value generated and distributed	Summarized Management Report – Operating and Financial Review – DWS Performance	
CLIENT EXPERIENCE			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience	
CORPORATE GOVERNANCE AND BOARD GOVERNANCE			
103-1	Explanation of the material topic and its boundary	Corporate Governance Statement – Corporate Bodies – Overview of the Governance Bodies of DWS	
103-2	The management approach and its components	Corporate Governance Statement – Corporate Bodies – Overview of the Governance Bodies of DWS	

Disclosure		Annual Report	Remarks / Omissions
		Corporate Governance Statement – Corporate Bodies – Managing Directors of the General Partner (Executive Board)	
103-3	Evaluation of the management approach	Corporate Governance Statement – Corporate Bodies – Overview of the Governance Bodies of DWS	
ESG REGULATORY COMPLIANCE			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Compliance and Control – Public Policy and Regulation – ESG Regulatory Compliance	
103-2	The management approach and its components	Summarized Management Report – Compliance and Control – Public Policy and Regulation – ESG Regulatory Compliance	
103-3	Evaluation of the management approach	Summarized Management Report – Compliance and Control – Public Policy and Regulation – ESG Regulatory Compliance	
419-1	Socioeconomic compliance	Summarized Management Report – Compliance and Control – Public Policy and Regulation – ESG Regulatory Compliance	
SUSTAINABLE FINANCE AND RESPONSIBLE INVESTING			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
203-1	Infrastructure investments and services supported	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing – Our Investment Approach – ESG in Infrastructure Investments	
203-2	Significant indirect economic impacts	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing Summarized Management Report – Our Responsibilities – Materiality Assessment for 2021	

Disclosure		Annual Report	Remarks / Omissions
ANTI-FINANCIAL CRIME			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Compliance and Control – Compliance and Control in the Group Compliance and Control – Anti-Financial Crime – Preventing Fraud, Bribery and Corruption	
103-2	The management approach and its components	Summarized Management Report – Compliance and Control – Anti-Financial Crime – Preventing Fraud, Bribery and Corruption	
103-3	Evaluation of the management approach	Summarized Management Report – Compliance and Control – Anti-Financial Crime – Preventing Fraud, Bribery and Corruption	
205-2	Communication and training about anti-corruption policies and procedures	Summarized Management Report – Compliance and Control – Anti-Financial Crime – Preventing Fraud, Bribery and Corruption	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Summarized Management Report – Compliance and Control – Business Ethics – Anti-Competitive Behaviour	
ESG PRODUCT DESIGN			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing Summarized Management Report – Our Responsibilities – Serving our Clients – Client Experience	
COMPLIANCE AND RISK MANAGEMENT			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Compliance and Control Summarized Management Report – Risk Report	

Disclosure		Annual Report	Remarks / Omissions
103-2	The management approach and its components	Summarized Management Report – Risk report – Introduction Summarized Management Report – Risk report – Risk Framework	
103-3	Evaluation of the management approach	Summarized Management Report – Risk report - Risk Framework – Risk Governance – Risk Appetite and Capacity Summarized Management Report – Risk report - Risk Framework – Risk Governance – Risk Measurement and Monitoring	
SUSTAINABILITY STRATEGY			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Strategy	
103-2	The management approach and its components	Summarized Management Report – Our Strategy	
103-3	Evaluation of the management approach	Summarized Management Report – Our Strategy	
FIDUCIARY DUTY			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Risk Report – Fiduciary Investment Risk Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
103-2	The management approach and its components	Summarized Management Report – Risk Report – Fiduciary Investment Risk Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
103-3	Evaluation of the management approach	Summarized Management Report – Risk Report – Fiduciary Investment Risk Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing	
TAX POLICY			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Compliance and Control – Public Policy and Regulation – Tax Policy	
103-2	The management approach and its components	Summarized Management Report – Compliance and Control – Public Policy and Regulation – Tax Policy	
103-3	Evaluation of the management approach	Summarized Management Report – Compliance and Control – Public Policy and Regulation – Tax Policy	

Disclosure		Annual Report	Remarks / Omissions
207-1	Approach to tax	Summarized Management Report – Compliance and Control – Public Policy and Regulation – Tax Policy	
207-2	Tax governance, control, and risk management	Summarized Management Report – Compliance and Control – Public Policy and Regulation – Tax Policy	
207-3	Stakeholder engagement and management of concerns related to tax	Summarized Management Report – Compliance and Control – Public Policy and Regulation – Tax Policy	
BUSINESS ETHICS			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Compliance and Control – Business Ethics	
103-2	The management approach and its components	Summarized Management Report – Compliance and Control – Business Ethics	
103-3	Evaluation of the management approach	Summarized Management Report – Compliance and Control – Business Ethics	
BUSINESS CONTINUITY			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Risk Report – Business Continuity and Crisis Management	
103-2	The management approach and its components	Summarized Management Report – Risk Report – Business Continuity and Crisis Management	
103-3	Evaluation of the management approach	Summarized Management Report – Risk Report – Business Continuity and Crisis Management	
STAKEHOLDER MANAGEMENT			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – Stakeholder Management	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – Stakeholder Management	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – Stakeholder Management	
ENVIRONMENT			
CLIMATE CHANGE			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – Our Impact on Climate Change	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – Our Impact on Climate Change	

Disclosure		Annual Report	Remarks / Omissions
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – Our Impact on Climate Change	
201-2	Financial implications and other risks and opportunities due to climate change	Summarized Management Report – Our Responsibilities – Our Impact on Climate Change Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing – Our Investment Approach – Contributing to Action on Climate Change	
305-5	Reduction of GHG emissions	Summarized Management Report – Our Responsibilities – Our Impact on Climate Change	
SOCIAL			
HEALTH AND WELLBEING			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employee Wellbeing	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employee Wellbeing	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employee Wellbeing	
403-6	Promotion of worker health	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employee Wellbeing	
DIVERSITY AND EQUAL OPPORTUNITIES			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Diversity & Equal Opportunities	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Diversity & Equal Opportunities	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Diversity & Equal Opportunities	
405-1	Diversity of governance bodies and board members	Summarized Management Report – Our Responsibilities – People Strategy and	

Disclosure		Annual Report	Remarks / Omissions
		Attractive Employer – Diversity & Equal Opportunities	
HUMAN RIGHTS			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing – Our Investment Approach	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing – Our Investment Approach	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing – Our Investment Approach	
412-3	Significant investment agreements or contracts that include human rights clauses or that underwent human rights screening	Summarized Management Report – Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing – Our Investment Approach - Human Rights and Norm Assessment in the Investment Process	
EMPLOYEES AND WORKPLACE			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace	
SOCIAL ENGAGEMENT			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace – Social Engagement	
103-2	The management approach and its components	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace – Social Engagement	
103-3	Evaluation of the management approach	Summarized Management Report – Our Responsibilities – People Strategy and	

Disclosure		Annual Report	Remarks / Omissions
		Attractive Employer – Employees and Workplace – Social Engagement	
413-1	Operations with local community engagement, impact, assessments, and development programs	Summarized Management Report – Our Responsibilities – People Strategy and Attractive Employer – Employees and Workplace – Social Engagement	
DATA PROTECTION & CLIENT PRIVACY			
103-1	Explanation of the material topic and its boundary	Summarized Management Report – Compliance and Control – Data Protection and Client Privacy	
103-2	The management approach and its components	Summarized Management Report – Compliance and Control – Data Protection and Client Privacy	
103-3	Evaluation of the management approach	Summarized Management Report – Compliance and Control – Data Protection and Client Privacy	
418-1	Substantiated complaints concerning breaches of client privacy and losses of client data	Summarized Management Report – Compliance and Control – Data Protection and Client Privacy	

Materiality Assessment – Definition of Material Topics

Material Topic	Definition
Biodiversity (emerging material topic)	The existence of a wide variety of plant and animal species in their natural environments which is at danger by the destruction of rainforests and other habitats as consequence of changing consumption patterns and growing populations. This includes aspects such as ocean protection, blue economy, waste and water.
Climate Change	The long-term shift in global or regional patterns - such as temperature and rainfall - driven by emissions of greenhouse gases caused by human activity. The topic includes potential risk and opportunities stemming from it. This topic includes aspects such as air quality, air pollution, energy efficiency and the Path to Net Zero, while impacts of climate change on destruction of habitats is covered by biodiversity.
Company Performance	The financial and non-financial performance, which indicates the overall health and value creation of our company from its primary business activities over a given period. Please consider aspects like short term and long-term value creation abilities and sustainability strategy.
Compliance and Risk Management	The securing to meet the requirements of accepted practices, legislation, prescribed rules and regulations, specified standards, or the terms of a contract and the process of identifying, assessing and controlling threats to our organization's capital, earnings, reputation, etc. across all three lines of defence. This topic includes aspects such as data protection and client privacy, regulatory compliance and tax policy, business ethics, anti-financial crime, prevention of greenwashing or business continuity.
Corporate Governance and Board Governance	The mechanism in place and practices by which our board of directors and the organizational set-up ensures accountability, fairness and transparency in relationship with all stakeholders. Please note that corporate governance in this sense does not refer to our Corporate Governance Center which is responsible for engagement with invested companies. The later is covered by the material topic Sustainable Finance & Responsible Investing.
Diversity and Equal Opportunities	Commitment to create an inclusive culture and equal opportunities that respect and embrace the diversity of employees, clients, and communities regardless of gender, race, ethnic origin, age, level of education, sexual orientation, etc. Please consider also any impacts arising from social inequalites or consequences developments such as urbanization might have.
Employees and Workplace	Continuous creation of a working environment in which people can be innovative, work in partnership and are enabled to deliver long-term sustainable performance. This includes aspects such as health, wellbeing and resilience, mobility, employee satisfaction, employee development or attractiveness as employer.
Human Rights	Commitment to our responsibilities in relation to human rights in the form of company engagement and due diligence in our investment processes. This topic addresses rights such as freedom from slavery, torture and execution, which belong to all people without exception and also considers aspects like modern slavery, human trafficking, racism, child labour and poverty.
Stakeholder Management	The ongoing management by forming, monitoring and maintaining constructive (international) relationships and dialogue with our key stakeholders such as investors, clients, employees, shareholders and suppliers, non-governmental organisations (NGOs), governmental organisations as well as regulators, communities like trade union rights, media, civil society etc. Please note that stakeholder management does refer to DWS's relationship to all its stakeholders and does not refer to DWS's engagement with investees - this is covered by the material topic sustainable finance and responsible investing.
Sustainable Finance and Responsible Investing	The integration of environmental, social and governance (ESG) criteria into business or investment decisions and practices to encourage active ownership and engagement. This includes aspects such as innovation, ESG product design, engagement with and services provided to investees and clients as well as responsibilities arising from our fiduciary duty.

Stakeholder Management

DWS stakeholder management activities with a global scope, high materiality and/or significant impact

Name	Type of engagement	Events / developments 2021
Academic engagement		
Columbia University	Lecturer	A DWS employee has continued to teach financial inclusion and impact investing at Columbia University's School of International Public Affairs as adjunct professor.
Frankfurt School of Finance and Management	Guest lecturer	A DWS employee delivered a guest lecture on AGM-preparation, engagement and sustainability in DIRK's (Deutscher Investor Relations Verband) CIRO (Certified Investor Relations Officer)-course in cooperation with the Frankfurt School.
Hochschule St. Gallen	Key Note	A DWS employee gave a key note on "Why and how the G-Force matters?" at the university's Network for Innovative Corporate Governance (NICG).
University of Oxford	Informal partnership	A DWS employee discussed ESG and asset management industry developments with graduate students in the Environmental Change and Management course.
WHU	Guest lecturer	A DWS employee delivered a guest lecture on Corporate Governance.
Corporate Governance		
Berufsverband der Investment Professionals (DVFA) - Corporate Governance & Stewardship Commission and Sustainable Investment Commission	Member	DWS has continued to be an active supporter of the DVFA and DWS staff was invited to several conferences. Furthermore, DWS has remained an active promoter and co-initiator of the DVFA-Corporate Governance Scorecard.
Bundesverband Investment und Asset Management (BVI) - Sustainability Committee, Corporate Governance and Compliance working groups	Member	DWS has remained active in diverse political engagement groups of the BVI, providing consultations on several national and European legislative initiatives and collective comments regarding ESG issues, reviewing annually the Guidelines on German AGMs, and drafting and developing several position papers on virtual AGMs.
Corporate Governance Roundtable by Harvard Law School	Member	DWS was invited to the Roundtable which was focused on the topic executive compensation.
European Funds and Asset Management Association (EFAMA) - Responsible Investment and Corporate Governance working groups	Member	DWS has continued to be part of the workstreams regarding ESG & Stewardship Standing Committee as well as Sustainable Finance, and provided feedback to various consultations.
Global Institutional Governance Network (GIGN)	Member	DWS has continued to participate in an investor group focused on good corporate governance and improving long-term shareholder value.
International Corporate Governance Network (ICGN)	Committee Member	A DWS employee has been appointed as a member in the Global Governance Committee in September 2021.
UK Stewardship Code	Signatory	DWS Investment UK Ltd. has been recognized as one of the signatories to the Financial Reporting Council's UK Stewardship Code, which sets high standards of stewardship for those investing money on behalf of UK savers and pensioners.
UK The Investment Association (IA)	Member	A DWS employee acts as an Advisory Board member. Further activities of different DWS employees include being Chair of the IA Passive Investment Committee, being a member of the IA Stewardship & Governance Committee, contributing to a thought leadership working group focused on UK corporate governance best practices and providing input to IA climate position in the Sustainable and Responsible Investments Committee.
Corporate responsibility & sustainable finance		
Dutch Association of Investors for Sustainable Development (VBDO)	Member	VBDO and DWS hosted an online Expert Session on Water Risk across asset classes via DWS BrightTALK platform, accessible for a global audience.
European Financial Reporting Advisory Group (EFRAG)	In-kind donation	A DWS employee is a member of the Project Task Force on European Sustainability Reporting Standards (PTF-ESRS).
Forum Nachhaltige Geldanlagen (FNG)	Member	DWS contributed to the market report of Nachhaltige Geldanlagen with DWS data.
Global Impact Investing Network (GIIN)	Member	DWS gave input to GIIN working groups and initiatives, for instance, to the GIIN's Investors' Council which provided a forum for experienced impact investors to strengthen the practice of impact investing.
International Capital Markets Association (ICMA)	Member	DWS employees gave input to ICMA's working group and papers on ESG in asset backed securities.
Insurance Development Forum (IDF)	Member	A DWS employee is a member of the IDF Investment Committee.

Name	Type of engagement	Events / developments 2021
Pension for Purpose	Member	DWS employees held a seminar on measuring impact investing to UK pensions and trustees. DWS Research Institute received an award for the best Environmental Impact research for its paper on Water Risk.
Principles for Responsible Investment (PRI)	Signatory	DWS was again a Silver sponsor of the PRI Digital Conference and hosted a well attended event on water risk. A DWS employee is a member of the sub-sovereign advisory committee and participated in conference calls to edit the PRI's white paper on ESG Integration in Sub-Sovereign Debt and spoke on a live webinar to promote the paper. A DWS employee chairs the Structured Finance advisory group and contributed to the group's first report on this asset class. Another DWS employee held a lecture on integrating climate change considerations in the investment management process for PRI Latin American members.
Sustainable Finance Committee of the German Federal Government	Member	A DWS employee has continued to act as a member of the Sustainable Finance Committee of the German Federal Government.
World Economic Forum (WEF)	Member	DWS research participated in a working group focused on transformative investments and also gave input to WEF reports on circular cities and sustainable agriculture.
Climate		
CDP (former Carbon Disclosure Project)	Signatory, Member, Commitment, Reporter	DWS is an investor signatory of CDP. As a CDP reporter, DWS received a CDP score of B, reaching CDP "Management level". In addition, DWS is once again a signatory to CDP Science-Based Targets (SBTs) Campaign with the purpose to accelerate the adoption of science-based climate targets in the corporate sector, by collaboratively engaging companies on this matter.
Ceres Investor Network on Climate Risk and Sustainability	Member	DWS employees participated in working group update sessions including on net zero in private equity, attended presentations, and signed on to Ceres letter responding to the Securities and Exchange Commission (SEC) request for input on climate-related disclosures. Further, DWS research employees collaborated with Ceres to publish reports on water risk.
Climate Action 100+	Signatory	DWS has continued the engagement with an Italian utilities company via Climate Action 100+.
Climate Policy Initiative's (CPI) Global Innovation Lab for Climate Finance	Founding Member	DWS is member in the Climate Lab cycle and participated in conferences and workshops held by the Climate Policy Initiative.
Coalition for Climate Resilient Investments (CCRI)	Founding Member	DWS is a founding member of the Coalition for Climate Resilient Investment (CCRI) which aims to incorporate physical climate risk into infrastructure investment decisions. DWS spoke at CCRI's COP26 event and contributed to CCRI's first report as well as to the valuation working group.
EU Energy Efficiency Financial Institutions Group (EEFIG)	Founder and Steering Committee Member	A DWS employee is a member of the EEFIG steering committee. As such, the activities of the employee include providing advice to the EU Commission on energy efficiency policy and participating in a working group on financial risk in energy efficient loans.
Global Investor Statement on Climate Change	Signatory	DWS renewed its signatory for the Global Investor Statement on Climate Change and is one of the longest standing supporters since the statement was initiated in 2009.
Global Off-Grid Lighting Association (GOGLA)	Member	DWS participated in work streams which contributed to a briefing note on best practice for transparency in off-grid solar and to the launch of KPIs to increase transparency of pay-as-you-go companies towards investors and stakeholders.
Green Climate Fund (GCF)	Accredited Entity Status	At COP26, it was announced that DWS - through Deutsche Bank AG's Accredited Entity Status - entered into an agreement with the UN Green Climate Fund, to seed fund the Universal Green Energy Access Programme, an investment fund aimed at supplying clean electricity to businesses and households in selected African countries. The investment fund will be managed by the SI team as part of its African private debt business. The UN Green Climate Fund agreed to contribute USD78.4m in capital as anchor investor, while DWS will raise private sector capital.
Institutional Investors Group on Climate Change (IIGCC)	Board Member	A DWS employee is a board member of the IIGCC. DWS experts contributed to working groups regarding net zero, accounting for climate risks, physical climate risk and defining a net zero framework for banks with the help of investors. Further, DWS was invited to give input to IIGCC's policy advocacy and signed the annual Global Investor Statement to Government on the Climate Crisis.
Investment Adviser Association (IAA)	Member	DWS has continued to participate in the ESG Committee focused on ESG investing in the context of SEC-registered investment advisors.
Net Zero Asset Manager Initiative (NZAM)	Signatory	DWS joined the NZAM initiative in December 2020 as founding signatory. A DWS employee serves in the NZAM Advisory Group.

Name	Type of engagement	Events / developments 2021
Science Based Targets Initiative (SBTi)	Commitment	DWS has committed to the SBTi and to align its ambition with keeping warming to 1.5°C and reaching science-based net zero emissions by 2050. DWS's Research Institute responded to SBTi's consultation on a net zero standard.
Taskforce on Climate related Financial Disclosure (TCFD)	Supporter	DWS issued its first TCFD guided Climate Report 2020.
Social Comittments		
Diversity & Inclusion Working Group of the US Institute	Member	DWS has continued to be part of a think tank for leading investment management firms which allowed sharing and discussing successes in advancing Diversity practices in the firms' organizations.
Investing in a Just Transition	Signatory	DWS has continued to support the PRI Investor Statement on a Just Transition on Climate Change.
New Financial	Member	DWS has remained a member of a think tank and forum launched in 2014 with the view to rethinking how Diversity and Inclusion can be improved in capital markets in Europe, and to look at rebuilding trust and improving industry culture. Activities included publishing research papers, preparing for how aspects of Diversity and Inclusion can be brought into regulatory requirements, focusing on diversity data to understand the workforce and eliminate potential bias.
Non-Governmental Organisations (NGOs)		
Reclaim Finance	Stakeholder	DWS contributed to the 2021 Asset Manager's coal scorecard and had a regular exchange on diverse sustainability related topics with Reclaim Finance.
ShareAction	Stakeholder	DWS contributed to 2021 publication "Voting Matters"
Urgewald	Stakeholder	DWS had a regular exchange on diverse sustainability related topics with Urgewald.
WWF	Stakeholder	DWS has entered into a partnership with WWF in the context of DWS Concept ESG Blue Economy fund and on a multi-year marine conservation project in the second largest coral reef in the world. DWS research institute co-authored an article with WWF commenting on water risk within WEF's Global Risk Report.
Real Estate & Infrastructure		
Better Buildings Partnership (BBP)	Member / Signatory of Climate Commitment	DWS has committed to deliver net zero carbon real estate portfolios by 2050. Further, DWS has continued to participate in working groups focusing on net zero, embodied carbon and resilience, and supports the collective climate commitment.
Building Research Establishment (BRE)	Member	A DWS employee was active in a working group to support the development of BREEAM standards.
Carbon Risk Real Estate Monitor (CRREM)	Member	DWS has continued to participate in the Scientific & Investor Committee focused on accelerating the decarbonization and climate change resilience of the EU commercial real estate sector. Further, another DWS key activity comprised integrating CRREM into transaction ESG screenings, annual fund business planning and SFDR targets.
European Association for Investors in Non-Listed Real Estate Vehicles (INREV)	Member	DWS participated in various working groups, in particular focusing on developing ESG reporting standards and looking into regulatory requirements for real estate. A DWS employee is a member of the INREV ESG Committee and also provided a lecture on regulatory requirements in INREV's ESG training course.
Global Infrastructure Investors Association (GIIA)	Founding Member	As a founding member of the GIIA, DWS Infrastructure is working jointly with governments and other stakeholders to boost the role of private investment in providing infrastructure that improves national, regional and local economies. DWS employees participated in various working groups, for example, regarding UK water and ESG.
GRESB (Global Real Estate Sustainability Benchmark)	Member	DWS experts have continued to participate in the Real Estate and Infrastructure Benchmarking Committees, contributed to develop a GRESB roadmap for the future and submitted 15 real estate, 3 infrastructure funds and 9 infrastructure assets into the GRESB benchmark assessment.
Urban Land Institute (ULI)	Founding Member	A DWS employee contributed as a speaker in a number of panels and webinars. Further, DWS has continued to submit data to the ULI Greenprint Center Building Performance and participated in working groups focused on sustainable practices in the real estate asset management industry.
UN Environment Programme Finance Initiative (UNEP FI) - DWS participated via membership of parent company Deutsche Bank AG	Member	DWS participated in UNEP FI's real estate working group (which became part of PRI in 2022).
US Department of Energy Better Buildings Challenge	Member	DWS has committed to a 20% reduction in energy and water use by 2030 for portfolio of U.S. office properties, and had previously met a

Name	Type of engagement	Events / developments 2021
		2020 target three years early. The progress was published on the website of the US Department of the Energy Better Building Challenge.
Transparency & Reporting		
Operating Principles for Impact Management (OPIM)	Signatory	DWS has been a signatory of the Operating Principles for Impact Management since 2019 and published a DWS Disclosure Statement based on the Principles. There were 4 Sustainable Investments funds aligned with OPIM's guided impact principles.
Schmalenbach Gesellschaft für Betriebswirtschaft - working group Integrated Reporting	Member	A DWS employee is a permanent member in the working group focused on discussing and analyzing the implications of integrated thinking for corporate reporting (IR) and gathering and evaluating practical and scientific experience.
Value Reporting Foundation (VRF)	Business Network Member	DWS joined the VRF Integrated Reporting <IR> Business Network in 2021 to receive access to webinars, networking opportunities and online resources relating to Integrated Reporting. Further, DWS received a valuable gap analysis feedback on DWS Annual Report 2020 against the <IR> framework and attended the VRF Symposium in December 2021.

DWS Human Capital

GRI 102-8

Our Workforce - Numbers

Employees by region (Full-time Equivalent - FTE)

	31 Dec 2021	31 Dec 2020	Change in %
Germany	1,678	1,601	5
Europe (excluding Germany), Middle East and Africa	631	600	5
Americas	823	834	(1)
Asia/Pacific	289	285	1
Total	**3,422**	**3,321**	**3**

Note: We calculate our employee figures on a full-time equivalent (FTE) basis, meaning we include proportionate numbers of part-time employees. Region reflects legal entity location not physical location of staff.

Contingent workers by region (FTE)

	31 Dec 2021	31 Dec 2020	Change in %
Germany	564	344	64
Europe (excluding Germany), Middle East and Africa	325	301	8
Americas	104	142	(27)
Asia/Pacific	7	3	133
Total	**1,000**	**790**	**27**

Note: All workers having a temporary contract with Deutsche Bank vendor companies and who are not paid via Deutsche Bank payroll system.

Full-time employees by region

	31 Dec 2021	31 Dec 2020	Change in %
Germany	1,505	1,435	5
Europe (excluding Germany), Middle East and Africa	588	556	6
Americas	820	831	(1)
Asia/Pacific	288	284	1
Total	**3,201**	**3,106**	**3**

Part-time employees by region

	31 Dec 2021	31 Dec 2020	Change in %
Germany	241	232	4
Europe (excluding Germany), Middle East and Africa	59	60	(2)
Americas	5	5	0
Asia/Pacific	1	2	(50)
Total	**306**	**299**	**2**

Extended Workforce

The employee numbers stated above are based on the scope of DWS Group. There are also employees within the Deutsche Bank AG group of companies who are not within the scope of DWS Group but provide services for the Group and are aligned to DWS on a segment reporting basis (“Extended Workforce”). As at 31 December 2021 the Extended Workforce included 650 FTE, making the total combined FTE of DWS Group and the Extended Workforce: 4,072.

Human Capital Metrics

Diversity

Employees by gender

	31 Dec 2021	
FTE	Total	in %
Female	1,329	39%
Male	2,093	61%
Total	**3,422**	**100%**

Percentage of employees by age group

	31 Dec 2021
FTE	Total
Under 30	10%
30-50	61%
50+ years	30%
Total	**100%**

Note: DWS confirms it does not employ anyone between the ages of 0-14 years (children).

Please also note the presentation of diversity tables has been simplified following the implementation of the Functional Role Framework and the removal or Corporate Titles.

Our employees have a wide variety of life experiences and come from many backgrounds. DWS recognizes the importance of a diverse and inclusive work environment and understands that transparency is valuable in creating accountability. In an effort to continue to drive progress, DWS is voluntarily publishing our consolidated EEO-1 reports for its US workforce for the first time in 2021. The EEO-1 report is an annual data collection for the US workforce only that requires all private sector employers with 100 or more employees to submit demographic workforce data including data by race/ethnicity, sex and job categories to the US Equal Employment Opportunity Commission on an annual basis. This data is being voluntarily disclosed in our Annual Report to reflect our commitment to transparency and our focus on further progress.

US diversity statistics according to US Equal Employment Opportunities Commission

EEO-1 Level	White	Asian	Latinx	Black	Native Hawaiian or Pacific Islander	Native American or Alaska Native	Two or more races
Executive / Senior Level Officials and Managers	80.00%	10.00%	5.00%	5.00%	0.00%	0.00%	0.00%
First / Mid Level Officials and Managers	77.57%	14.64%	4.36%	2.49%	0.00%	0.31%	0.62%
Professionals	61.56%	22.81%	7.19%	6.25%	0.00%	0.31%	1.88%
Sales Workers	80.91%	8.18%	3.64%	5.45%	0.00%	0.00%	1.82%
Administrative Support Workers	60.34%	17.24%	3.45%	17.24%	0.00%	0.00%	1.72%
Total	**70.69%**	**17.01%**	**5.31%**	**5.43%**	**0.00%**	**0.24%**	**1.33%**

Note: Data as at 1 December 2021.

Percentage of employees reporting a disability

Headcount	31 Dec 2021	31 Dec 2020
Germany	3.16%	2.80%
United States	2.54%	3.10%
Total (for Germany and the United States)	**2.91%**	**2.90%**

Note: Disability data is not commonly obtained in other DWS locations due to legal and other reasons. However, given Germany and the US represent nearly three quarters (73%) of the global employee headcount we do not anticipate it would materially change the % if we obtained disability data from the other locations. US disability numbers may be marginally understated given any new joiners with disability since July 2019 are not included, due to HR system transition.

Note that all of the remaining data below is inclusive of the extended workforce.

Productivity, Costs, Sourcing Performance and Turnover

Productivity

	2021	2020
EBIT per employee (in t. €)	270	200
Human capital return on investment (ROI)	137%	108%

Note: EBIT per employee is calculated as profit before tax / FTE.

Workforce costs

	2021	2020
Total workforce costs (in € m.)	913.9	792.2

Note: Total workforce costs are calculated as total compensation & benefits plus external workforce costs, business consultancy and other outsourced operations.

Talent sourcing performance

	2021	2020
Time to fill vacant positions (job creation to start date) in days	122	113
Time to fill vacant critical business positions in days	112	73
Positions filled internally (internally from within Deutsche Bank Group)	38%	38%
Critical positions filled internally (roles filled internally from within Deutsche Bank Group)	50%	20%

Turnover

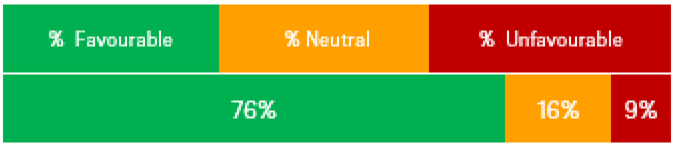
	2021	2020
Turnover	7.40%	7.80%

Leadership and Training

Leadership

The "Empowering and Effective Managers" index is part of the annual DWS people survey and measures the effectiveness of direct managers in areas such as performance recognition, development, ethics, integrity and consistent action.

Empowering and Effective Managers – 2021 Score



Favourable score -2% versus 2020

Total training and development costs

	2021	2020
Total expenses for training and development (in € m.)	2.7	1.2

Note: This includes all costs relating to the design and delivery of training, including Compliance Training. It does not include costs relating to the governance of training & development which are allocated to DWS.

Training on Compliance and Ethics

The Group maintains an annual mandatory Regulatory Training curriculum, which is a robust and risk-based training program designed to mitigate Compliance, Anti-Financial Crime (AFC) and other applicable non-financial risks. In 2021, 97,8% of employees completed training on compliance and ethics across a selection of training modules. The comparative value for 2020 was based on only one training module and has been amended based on updated information.

Training on compliance and ethics

	31 Dec 2021	31 Dec 2020
Percentage of employees who have completed training on compliance and ethics	97.8%	71.5%

Employee Incident Management

Grievances

The Group strives for high standards of workplace conduct and management of employment processes in relation to the hiring, management and organization of our employees.

The Group maintains clear and consistent processes in relation to handling employee complaints, including regular review of grievance cases at senior management levels to ensure we uphold our values and provide a diverse, inclusive and productive working environment. We do not regard employee complaints as a zero sum game, indeed we actively encourage a "speak up culture", and to that extent we accept that the number of grievance cases may fluctuate over time, although we use our best endeavours to create an optimal working environment for all employees.

The numbers below reflect formal complaints filed and not necessarily whether the complaint was upheld, partially or otherwise.

Grievance cases – formally recorded employee complaints

	2021	2020
Workplace conduct	8	4
Employment Processes	1	1
Other	–	–
Total	**9**	**5**

Note: Grievance case data for Germany is not included due to local arrangements and data protection requirements.

Disciplinary Actions

The Group maintains clear and consistent processes to manage situations where employee conduct may not meet the high standards expected of the organization. There are a range of internally governed disciplinary actions the Group may take depending on the circumstances and local country regulations. The type of actions may include formal verbal warnings, written or final written warnings or more serious outcomes that may include compensation impacts and/or termination.

The numbers below reflect those cases considered internally by the Group to warrant a formal disciplinary action in accordance with internally validated governance standards. As can be seen by calculating the % of cases to total employee numbers, the overall number of cases is very low, well less than 1%, highlighting our strong culture of integrity and ethical standards.

Internal Disciplinary Actions

	2021	2020
Number	12	10
As a % of total employees	0.29%	0.25%

Note: Two additional cases are pending outcome and may or may not result in a disciplinary action.

Safety Incidents: Disclaimer

Please note: International standards for Human resource management recommend disclosing metrics reflecting lost time injuries, number of occupational accidents and number of people killed during work. These types of serious incidents rarely occur in our operating environment and are more relevant to the safety related reporting of other industries.

Disclosures according to Part Six of the Investment Firm Regulation (EU) 2019/2033 (IFR)

IFR Articles 49(1)(a, c), 52(a-d)

To ensure consistency and comparability of own funds disclosures, the following tables are mandatory disclosures under the IFR. They should be read together with the disclosure note on regulatory own funds in the management report.

The first table provides the composition of our regulatory own funds and a cross reference to the relevant items of our balance sheet. As per our note on regulatory own funds, the Group's own funds equal Common Equity Tier 1 (CET1) and there are no additional Tier 1 or Tier 2 instruments issued. The second table comprises of two columns. The first column provides the balance sheet as published in our annual report, the second column provides the balance sheet as per the regulatory scope of consolidation.

Composition of regulatory own funds (Template EU IF CC1.01)

		(a)	(b)
		Amounts in € m.	Source based on reference numbers/letters of the balance sheet in the audited financial statements
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	OWN FUNDS	2,605	
2	TIER 1 CAPITAL	2,605	
3	COMMON EQUITY TIER 1 CAPITAL	2,605	
4	Fully paid up capital instruments	200	Consolidated Balance Sheet, shareholders' equity, item 1
5	Share premium	3,448	Consolidated Balance Sheet, shareholders' equity, item 2
6	Retained earnings	2,796	Consolidated Balance Sheet, shareholders' equity, item 3
7	Accumulated other comprehensive income	286	Consolidated Balance Sheet, shareholders' equity, item 4
8	Other reserves	0	
9	Minority interest given recognition in CET1 capital	0	
10	Adjustments to CET1 due to prudential filters	(32)	
11	Other funds	0	
12	(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(4,093)	
13	(-) Own CET1 instruments	(26)	
14	(-) Direct holdings of CET1 instruments	0	
15	(-) Indirect holdings of CET1 instruments	0	
16	(-) Synthetic holdings of CET1 instruments	(26)	
17	(-) Losses for the current financial year	0	
18	(-) Goodwill	(2,839)	Consolidated Balance Sheet, Assets, Item 8 (Goodwill and other intangible Assets)
19	(-) Other intangible assets	(608)	Consolidated Balance Sheet, Assets, Item 8 (Goodwill and other intangible Assets), Liabilities, Item 9 (Deferred Tax Liabilities)
20	(-) Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	(163)	
21	(-) Qualifying holding outside the financial sector which exceeds 15% of own funds	0	
22	(-) Total qualifying holdings in undertaking other than financial sector entities which exceeds 60% of its own funds	0	
23	(-) CET1 instruments of financial sector entites where the institution does not have a significant investment	(105)	
24	(-) CET1 instruments of financial sector entities where the institution has a significant investment	(335)	Consolidated Balance Sheet, Assets, Item 4 (Equity Method Investments)
25	(-) Defined benefit pension fund assets	(4)	
26	(-) Other deductions	(14)	
27	CET1: Other capital elements, deductions and adjustments	0	

Own funds: Reconciliation of regulatory own funds to our balance sheet (Template EU IF CC2)

		a	b	c
		Balance sheet as in published/audited financial statements	Under regulatory scope of consolidation	Cross reference to EU IF CC1
		As at period end in € m.	As at period end in € m.	
	Assets - Breakdown by asset classes according to the balance sheet in the published/audited financial statements			
1	Cash and bank balances	2,191	2,102	
2	Financial assets at fair value through profit or loss	3,838	1,819	
3	Financial assets at fair value through other comprehensive income	154	154	
4	Equity method investments	349	349	
5	Loans at amortized cost	5	10	
6	Property and equipment	26	26	
7	Right-of-use assets	119	119	
8	Goodwill and other intangible assets	3,652	3,652	Items 18, 19
9	Assets held for Sale	324	324	
10	Other assets	762	757	
11	Assets for current tax	46	46	
12	Deferred tax assets	145	142	
13	Total Assets	11,611	9,501	
	Liabilities - Breakdown by liability classes according to the balance sheet in the published/auditied financial statements			
1	Financial liabilities at fair value through profit or loss	750	187	
3	Other short-term borrowings	75	74	
4	Lease liabilities	136	136	
5	Liabilities held for sale	252	252	
6	Other liabilities	2,623	1,089	
7	Provisions	16	16	
8	Liabilities for current tax	96	96	
9	Deferred tax liabilities	218	218	item 19
10	Long-term debt	0	0	
11	Total Liabilities	4,166	2,068	
	Shareholders' Equity			
1	Common shares, no par value, nominal value of EUR 1	200	200	Item 4
2	Additional paid-in capital	3,448	3,448	Item 5
3	Retained earnings	3,487	3,492	Item 6
4	Accumulated other comprehensive income (loss), net of tax	286	286	Item 7
5	Total Shareholders' equity	7,421	7,426	
6	Non-controlling interests	24	11	
7	Total equity	7,445	7,438	

Article 52 IFR requires disclosures about our investment policy. The assigned regulatory technical standards (RTS) including disclosure templates have not yet been published in the Official Journal of the EU and hence have not yet come into effect. We will apply the RTS and the disclosure templates in our annual report once they are effective.

Article 52(1)(a) IFR asks for disclosure of the proportion of voting rights attached to shares of companies in EU member states we held at 31 December 2021. Shares in scope of the disclosure must be admitted to trading on a regulated market and the proportion of voting rights held must be greater than 5%.

At 31 December 2021 the Group held shares in Assets under Management with voting rights greater 5% but less than 10% in nine companies, respectively. Not all shares in the companies were held on their respective AGM date. Shares were admitted to trading on a regulated market and eight of the companies are listed in Germany, one is listed in Luxembourg. There was no concentration in a specific economic sector. Based on the ESCO framework[60], three companies belong to the economic sector Finance,

[60] European Skills, Competences, Qualifications and Occupations.

Insurance and Real Estate, two companies belong to Chemical Industry and to Manufacturing of electrical equipment, computer, electronic and optical products, respectively. One company belongs to the economic sector Personal service-, administrative support service- and security and investigation activities, another one to Wholesale and retail trade, renting and leasing.

Article 52(1)(b) IFR asks for a description of our voting behaviour related to these holdings.

In the general meetings of the companies where we held shares with voting rights greater 5% at 31 December 2021, we approved 69% of the resolutions. All resolutions were put forward by the administrative or management body of these companies. Most of the approvals and dissents were related to the board structure. If we hold a significant position and decide to vote against a management proposal, we may in principle inform the company in advance. We are with most of the companies in an ongoing active dialogue, sending them our pre-season letters including the voting policy.

Article 52(1)(c) IFR asks for an explanation why we make use of proxy advisor firms.

We utilize two service providers: Institutional Shareholder Services Europe Limited and IVOX Glass Lewis GmbH. Both service providers analyse in particular agendas, resolutions and voting behaviour at general meetings, based on our proprietary voting policy and provide us with voting recommendations and their rationale.

Article 52(1)(d) IFR asks for the disclosure of voting guidelines for our voting behaviour related to these holdings.

We will vote our shares in person or execute our voting rights via a centralized voting platform (proxy voting per passing our instructions to the relevant custodian). Our voting behaviour related to our holdings will be published after the shareholders' meeting on our websites. Unless specified otherwise, we shall apply our Corporate Governance and Proxy Voting Policy.

Glossary

Term	Meaning
AATIF	Africa Agriculture and Trade Investment Fund
AFC	Anti-Financial Crime
AG	German stock corporation (Aktiengesellschaft)
AGM	Annual General Meeting
AI	Artificial Intelligence
AIF	Alternative Investment Fund
AIFMD	Alternative Investment Fund Managers Directive
AktG	German Stock Corporation Act (Aktiengesetz)
APAC	Asia-Pacific
API	Application Programming Interface
APM	Alternative performance measures
ARUG II	Act for implementing the Second EU Shareholders' Rights Directive in German law (Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie)
ASA	Assets safeguarded and administered
ASEAN	Association of Southeast Asian Nations
AT1	Additional tier 1 capital
AuM	Assets under Management
AVAs	Additional valuation adjustments
B2B	Business to business
B2C	Business to client
BaFin	German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht)
BCM	Business Continuity Management
BCP	Business Continuity Plan
BGB	German Civil Code (Bürgerliches Gesetzbuch)
BlackFin	BlackFin Capital Partners
BoP	Beginning of period
BREEAM	Building Research Establishment Environmental Assessment Method
BRS	Business and risk strategy
BSCO	Business Selection and Conflicts Office
BVI	German Investment Fund Association (Bundesverband Investment und Asset Management e.V.)
BVV	BVV Insurance Association of the Banking Industry (BVV Versicherungsverein des Bankgewerbes a.G.)
CCD	Client Coverage Division
CDP	Carbon Disclosure Project
CEEF	Clean Energy and Environment Fund
CEO	Chief Executive Officer
Ceres	Coalition for Environmentally Responsible Economies
CESGA	Certified ESG Analyst
CET1	Common Equity Tier 1
CFO	Chief Financial Officer
CGU	Cash-generating unit
CIC	Capital Investment Committee
CIO	Chief Investment Officer
CIR	Cost-income ratio
CISO	Chief Information Security Officer
CJEU	Court of Justice of the European Union
CODM	Chief Operating Decision Maker
COH	Client orders handled
Company	DWS Group GmbH & Co. KGaA, a German partnership limited by shares (Kommanditgesellschaft auf Aktien)
COO	Chief Operating Officer
COP26	UN Climate Change Conference UK 2021
CPPI	Constant Proportion Portfolio Insurance
CRD IV	Capital Requirements Directive (IV)
CREF	China Renewable Energy Fund
CRI	Committee for Responsible Investments
CRO	Chief Risk Officer
CROCI	Cash Return on Capital Invested
CRR	Capital Requirements Regulation

Term	Meaning
CRR/CRD IV	Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation - CRR) and Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirement Directive IV - CRD IV)
CSDR	Central Securities Depositories Regulation
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
CTA	Currency Translation Adjustments
CTRR	Climate and Transition Risk Rating
CVA	Credit value adjustment
D&O insurance	Directors' and Officers' Liability Insurance
DAX	German Stock Index (Deutscher Aktienindex)
DB	Deutsche Bank
DCF	Discounted cash-flow method
Deutsche Bank Group	Deutsche Bank AG and its subsidiaries
GCGC	German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK)
DEI	Diversity, Equity and Inclusion
DIP	Digital Investment Platform
DNA	Desoxyribo Nucleic Acid - carrier of the genetic information of humans and almost all other organisms
DPA	Deferred Prosecution Agreement
DPO	Data Protection Officer
DR	Disaster Recovery
DRV	German Master Agreement (Deutscher Rahmenvertrag)
DVFA	German Association for Financial Analysis and Asset Management (Deutsche Vereinigung für Finanzanalyse und Asset Management)
DWS EUA	DWS Equity Upfront Award
DWS Group	DWS Group GmbH & Co. KGaA and its subsidiaries
DWS IHC	DWS Intermediate Holding Company
DWS KGaA	DWS Group GmbH & Co. KGaA
DWS REA	DWS Restricted Equity Award
DWS RIA	DWS Restricted Incentive Award
DWSM GmbH	DWS Management GmbH
ECB	European Central Bank
ECL	Expected Credit Losses
EEEF	The European Energy Efficiency Fund SA, SICAV-SIF
EEO-1	Employment Information Report that some companies are required to submit to the United States Equal Employment Opportunity Commission (EEOC)
EFAMA	European Fund and Asset Management Association
EIN	Employee Inclusion Network
EIP	Employee Investment Plan
EKPIs	ESG Key Performance Indicators
Elected EIP Award	Employee Investment Plan Award
EMEA	Europe, Middle East and Africa
EMIR	European Market Infrastructure Regulation
EONIA	Euro Overnight Index Average rate
ERISA	(U.S.) Employee Retirement Income Security Act
ESEF	European Single Electronic Format
ESG	Environmental, Social and Governance
ESG Framework	ESG Product Classification Framework
ESMA	European Securities and Markets Authority
ESMS	Environmental and Social Management System
ETF	Exchange traded fund
ETP	Exchange traded products
EU	European Union
DWS EUA	DWS Equity Upfront Award
EUR	Euro
FCO	Financial Control Oversight
Fed	Federal Reserve Bank
FISG	German Financial Market Integrity Strengthening Act (Finanzmarktintegritätsstärkungsgesetz)
FSB	Financial Stability Board
FTE	Full-time Equivalent
FTSE4GooD	The FTSE4Good Index Series is a series of ESG equity indexes that include companies with positive ESG reputations
FVC	Franchise Variable Compensation
FVOCI	Fair Value through Other Comprehensive Income

Glossary

Term	Meaning
FVTPL	Fair Value through Profit or Loss
FX	Foreign Exchange
GAAP	Generally Accepted Accounting Principles
GAS	German Accounting Standards (Deutscher Rechnungslegungs Standard – DRS)
GBP	Great Britain Pound
GCGC	German Corporate Governance Code
GDP	Group Data Privacy
GHG	Greenhouse Gas
GmbH	German company with limited liability (Gesellschaft mit beschränkter Haftung)
GMF III	Global Microfinance Funds III
GRESB	Global Real Estate Sustainability Benchmark
GRI	Global Reporting Initiative
Group	DWS Group GmbH & Co. KGaA and its subsidiaries
GSC	Group Sustainability Council
GSIA	Global Sustainable Investment Alliance
GSPP	Global Share Purchase Plan
GVC	Group Variable Compensation
HGB	German Commercial Code (Handelsgesetzbuch)
HR	Human Resources
HRB	Number in section B of the German Commercial Register; incorporated companies are covered in section B of the register
IAS	International Accounting Standard
IASB	International Accounting Standards Board
IBOR	Interbank Offered Rate
IC	Investment Committee
ID	Investment Division
IDD	Insurance Distribution Directive
IDW	Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer)
IFD	Directive (EU) 2019/2034 on the prudential supervision of investment firms (Investment Firm Directive)
IFR	Regulation (EU) 2019/2033 on the prudential requirements of investment firms (Investment Firm Regulation)
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
IIGCC	Institutional Investors Group on Climate Change
ILO	International Labour Organisation
InstVV	Institutional Compensation Ordinance (Institutsvergütungsverordnung)
IPO	Initial Public Offering
ISAE	International Standard on Assurance Engagements
ISDA	International Swaps and Derivatives Association
ISIN	International Securities Identification Number
ISS	Institutional Shareholder Services
IT	Information Technology
IVC	Individual Variable Compensation
iXBRL	Inline XBRL technology
K-ASA	K-factor related to assets safeguarded and administered
K-AuM	K-factor related to assets under management
K-COH	K-factor related to client orders handled
K-factor	K-factors means own funds requirements for risks that an investment firm poses to clients, markets and to itself (as set out in the IFR)
K-NPR	K-factor related to net position risk
KGaA	German partnership limited by shares (Kommanditgesellschaft auf Aktien)
KIIDs	Key Investor Information Documents
KPA	Key Position Award
KPI	Key Performance Indicator
KPMG	KPMG AG Wirtschaftsprüfungsgesellschaft (Berlin)
KWG	German Banking Act (Kreditwesengesetz)
LDI	Liability Driven Investment
LEED	Leadership in Energy and Environmental Design
LGBTQ	Lesbian, Gay, Bi, Trans and Queer
LGBTQI	Lesbian, Gay, Bi, Trans, Queer and Intersex
LIBOR	London Interbank Offered Rate
LoD	Line(s) of Defence
LRA	Liquid Real Assets
LTA	Long-Term Award

Term	Meaning
LTECL	Lifetime expected credit losses
LTPD	Lifetime probability of default
M&A	Mergers and Acquisitions
MDAX	Mid-Cap DAX ("Mid-Cap" Deutscher Aktienindex): Reflects the development of the 50 largest companies, which follow the 40 companies of the DAX in terms of market capitalisation and order book turnover. The MDAX is part of the wider DAX index family.
MESGS	Minimum ESG Standard
MHFAs	Mental Health First Aiders
MiFID	Markets in Financial Instruments Directive
MiFID II	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
MoRM	Model Risk Management
MRT	Material Risk Taker
MSCI	MSCI Inc.
N/A	Not applicable
N/M	Not meaningful (in the management report)
NAV	Net Asset Value
NCA	National Competent Authority
NFR	Non-Financial Risk
NFRD	Non-Financial Reporting Directive
NGO	Non-governmental Organisation
NPR	Net Position Risk
NZAM	Net Zero Asset Managers Initiative
OCI	Other Comprehensive Income
OECD	Organisation for Economic Co-operation and Development
OPIM	Operating Principles for Impact Management
ORMF	Operational Risk Management Framework
OTC	Over the Counter
PAI	Principal Adverse Impacts
PBT	Profit (loss) before tax
PD	Probability of default
PDCA	Plan-Do-Check-Act
PDF	Portable Document Format
PEIF	Pan-European Insurance Forum
PLC	Public limited company: A type of public company established under the company laws of England, some Commonwealth jurisdictions, and the Republic of Ireland.
PPT	Percentage points
PRI	Principles for Responsible Investment
PSU	Performance Share Unit
PSU Award	Performance Share Unit Award
PVCC	Principal Valuation Control Council
QPAM	Qualified Professional Asset Manager
RCC	Risk and Control Committee
RCP	Risk and Capital Profile
RFR	Risk-free rate
RI	Responsible Investment
RMF	Risk Management Framework
ROI	Return on Investment
RoTE	Return on tangible equity
RRC	Reputational Risk Committee
RTS	Regulatory Technical Standards
S&P	Standard & Poor's
SAR	Stock Appreciation Rights
SASB	Sustainability Accounting Standards Board
SAVC	Sustainability Assessment Validation Council
SBTi	Science Based Targets initiative
SCC	Standard Contractual Clauses
SDAX	German Small-Cap DAX ("Small-Cap" Deutscher Aktienindex): The German SDAX is a stock market index composed of 70 small and medium-sized companies in Germany in terms of order book volume and market capitalisation.
SDG	Sustainable Development Goal (overview of SDGs: https://sustainabledevelopment.un.org/sdgs)
SEC	Securities and Exchange Commission
SFDR	Sustainable Finance Disclosure Regulation
SI	Sustainable Investments

Glossary

Term	Meaning
SIC	Strategic Investment Committee
SICAV	Société d'investissement à Capital Variable (Investment company with variable capital)
SIWI	Stockholm International Water Institute
SNLP	Stressed net liquidity position
SPPI	Solely Payments of Principal and Interest
SQI	Systematic & Quantitative Investments
SRI	Sustainable and Responsible Investment
STA	Short-Term Award
TCFD	Task Force on Climate-related Financial Disclosures
TGL	Transform, Grow and Lead
TIA	Transfer Impact Assessments
TPI	Transition Pathway Initiative
UCITS	Undertakings for Collective Investments in Transferable Securities
UK	United Kingdom
UN	United Nations
UNGC	United Nations Global Compact
US / USA	United States (of America)
USD	US-Dollar
VAT	Value Added Tax
VBDO	Dutch Association of Investors for Sustainable Development
WACI adj.	Weighted Average inflation-adjusted financial Carbon Intensity
WEF	World Economic Forum
WHO	World Health Organisation
WKN	Securities identification number (Wertpapierkennnummer)
WWF	World Wide Fund For Nature
Xetra	Xetra is an all-electronic trading system operated by the Frankfurt Stock Exchange
Xtrackers (ETFs)	Exchange Traded Funds offered by DWS

Imprint

GRI 102-53

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Publication
Published on 11 March 2022

Cautionary statement regarding forward-looking statements

This report 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 publicly any of them 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.

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