Half Year Report 2022

DWS

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Investors for a new now

DWS Group with € 833 bn of assets under management (as of 30 June 2022) aspires to be one of the world's leading asset managers. Building on more than 60 years of experience, it has a reputation for excellence in Germany, Europe, the Americas and Asia. DWS is recognized by clients globally as a trusted source for integrated investment solutions, stability and innovation across a full spectrum of investment disciplines.

We offer individuals and institutions access to our strong investment capabilities across all major liquid and illiquid asset classes as well as solutions aligned to growth trends. Our diverse expertise in Active, Passive and Alternatives asset management – as well as our deep environmental, social and governance focus – complement each other when creating targeted solutions for our clients. Our expertise and on-the-ground knowledge of our economists, research analysts and investment professionals are brought together in one consistent global CIO View, giving strategic guidance to our investment approach.

DWS wants to innovate and shape the future of investing. We understand that, both as a corporate as well as a trusted advisor to our clients, we have a crucial role in helping navigate the transition to a more sustainable future. With approximately 3,600 employees in offices all over the world, we are local while being one global team. We are committed to acting on behalf of our clients and investing with their best interests at heart so that they can reach their financial goals, no matter what the future holds. With our entrepreneurial, collaborative spirit, we work every day to deliver outstanding investment results, in both good and challenging times to build the best foundation for our clients' financial future.

€ 833 bn Assets under Management

€ 502 bn Assets under Management in Active

€ 207 bn Assets under Management in Passive

€ 123 bn Assets under Management in Alternatives

As of 30 June 2022

The world changes. Constantly.

Today, markets still face a whole new set of pressures – but also a whole lot of opportunity too. Opportunity to innovate differently. Opportunity to invest responsibly. And opportunity to make change.

This is needed more than ever as we currently experience low interest rates, a once-in-a-lifetime health crisis, a shift in global demographics – and politics – as well as advances in digitalization and economies moving towards a more sustainable future.

While there is always uncertainty in markets, one thing remains clear: there is always a new situation that requires the right investment answers. We call it the new now.

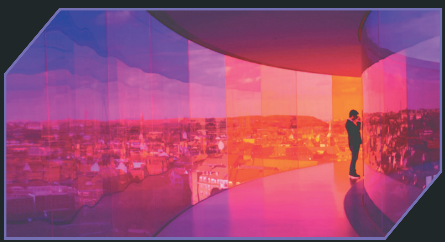
As investors on behalf of our clients, it is our role to find these investment solutions. Our goal is to ensure the best possible foundation for our clients' financial future.

That's why we are 'Investors for a new now'.

Our core values

Client commitment

The trust from our clients will always be one of our greatest assets. As investors, we are committed to acting on behalf of our clients and investing with their best interests at heart so that they can reach their financial goals, no matter what the future holds. We work every day to deliver outstanding investment results, in both good and challenging times. This is what defines us.



Entrepreneurial spirit

We continuously invest in our diverse mix of people, empowering them to make change and fostering their creativity, courage and long-term thinking. Our entrepreneurial, collaborative spirit empowers them to share their perspective and have their voice heard. We always question the status quo, make swift – yet considered –decisions, and strive to simplify and perfect how we do things – all for our common goal of serving our clients.

Sustainable action

Environmental, social and governance (ESG) themes are rapidly transforming businesses, society, and our planet. And while there are risks associated with any change, there are new opportunities for investments, too. We understand that, both as a corporate as well as a trusted advisor to our clients, we have a crucial role in helping navigate the transition to a more sustainable future.

Facts and Figures

Net flows (€ bn)
06.2021: 21
06.2022: (26)

Assets under Management (€ bn)
06.2021: 859
06.2022: 833

Adjusted Cost-Income Ratio (%)
06.2021: 60.6
06.2022: 59.4

Dividend per share (€)
2020: 1.81
As per AGM decision on 9 June 2021 with payment as of 14 June 2021.
2021: 2.00
As per AGM decision on 9 June 2022 with payment as of 14 June 2022.

Adjusted profit before tax (€ m)
06.2021: 496
06.2022: 552

CDP Rating
2020: C
2021: B

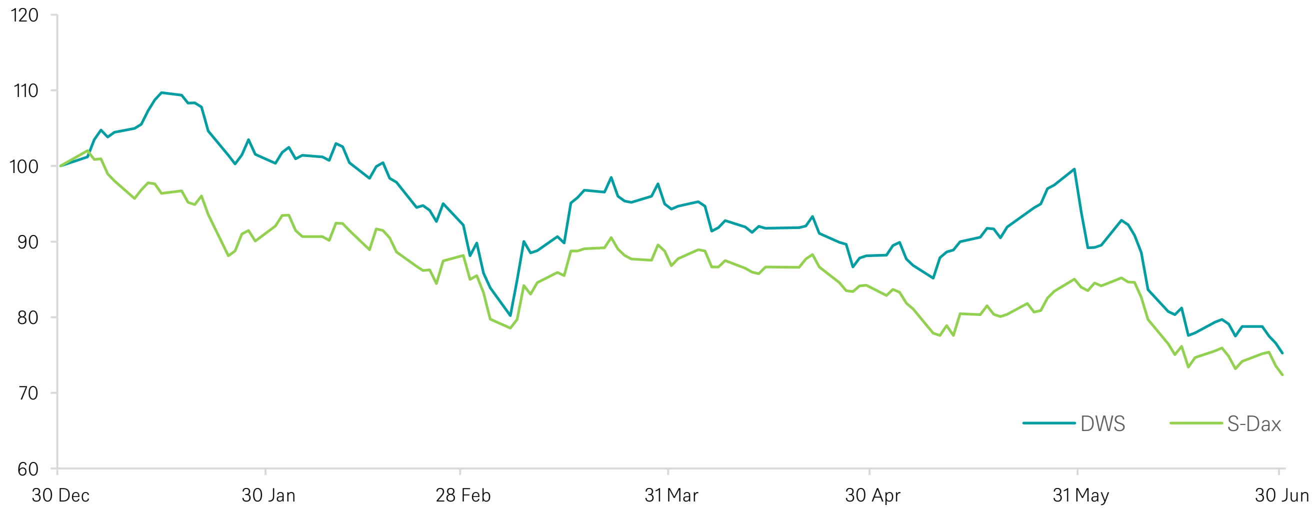
Our Shares

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 1.7%, DWS KGaA was ranked 18 in the German SDAX on 30 June 2022.

The highest Xetra closing price for DWS KGaA's shares in 2022 was € 38.92, reached on 14 January and 16 June 2022, while the lowest closing price was on 20 June 2022 at € 24.90. Over the first half of 2022, the share price posted a cumulative shareholder return of (24.75)% compared to a (27.62)% decrease at the SDAX in the same period.

Based on the 200 million outstanding bearer shares, the market capitalisation of DWS KGaA totalled € 5.0 billion on 30 June 2022.

Cumulative shareholder return in % during first half of 2022



Investor Relations Activity

Throughout the first half of 2022, Investor Relations continued to actively engage with analysts, institutional and private investors to provide the progress on our business strategy.

Even though COVID-19 related restrictions have been partially eased, the majority of Investor Relations events have been held in a virtual format in the first half of 2022. By using modern technology, we successfully dealt with this challenge and continued a proactive virtual dialogue with financial stakeholders.

However, this is expected to change going forward, as COVID-19 related restrictions and travel regulations have been once again lifted in Germany since the beginning of June 2022.

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.

In these meetings, a range of topics was covered including such as our mergers and acquisitions priorities, our ESG ambitions, financial targets and the second phase of our corporate journey – Transform, Grow and Lead. Implications of the geopolitical developments and our macroeconomic outlook have also been a popular topic of discussion.

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

In the first half of 2022, a total of 21 brokers covered DWS KGaA shares, publishing regular commentary about the company. As of 30 June 2022, 15 brokers recommend to buy DWS KGaA shares while four brokers recommend to hold the shares and two to sell them. The average target share price is € 41.40 as of 30 June 2022.

Target price and rating as of 30 June 2022

Rank	Broker	Target Price (in €)	Rating
1	Santander	57.0	Buy
2	Morningstar	56.0	Buy
3	Exane BNP Paribas	48.0	Buy
4	Kepler Cheuvreux	45.2	Buy
5	Barclays	45.0	Buy
6	AlphaValue	44.7	Buy
7	JP Morgan	44.0	Buy
8	Royal Bank of Canada	43.0	Buy
9	Morgan Stanley	41.8	Hold
	Average	**41.4**	
10	ING	41.0	Buy
11	Keefe, Bruyette & Woods	41.0	Hold
12	Oddo BHF	40.0	Buy
13	Societe Generale	40.0	Buy
14	Citi	39.5	Buy
15	Bank of America ML	39.0	Hold
16	Metzler	37.0	Buy
17	Jefferies	36.5	Buy
18	CIC Market Solutions	34.0	Buy
19	Autonomous	33.4	Sell
20	UBS	33.0	Hold
21	Credit Suisse	30.7	Sell

Annual General Meeting

DWS KGaA hosted its virtual Annual General Meeting on 9 June 2022. The decision to once again hold the Annual General Meeting in a virtual format enabled us to protect the health of our shareholders, employees and service providers.

The Executive and Supervisory Board recommended a dividend payment of € 2.00 per share for the financial year 2021, which was approved.

Financial Calendar 2022 and 2023

Date	Event
26 October 2022	Third quarter 2022 results with Investor & Analyst Conference Call
2 February 2023	Preliminary results for the 2022 financial year with Investor & Analyst Conference Call
17 March 2023	Annual Report 2022
27 April 2023	First quarter 2023 results with Investor & Analyst Conference Call
15 June 2023	Annual General Meeting
26 July 2023	Half-Year Report 2023 results with Investor & Analyst Conference Call
25 October 2023	Third quarter 2023 results with Investor & Analyst Conference Call

Shareholder Structure

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 30 June 2022. DWS KGaA's free float amounts to 15.51%.

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	3/23/2018 12:00:00 AM
Initial issue price in €	32.50
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 June 2022	200,000,000
Market capitalization as of 30 June 2022 (in € bn.)	5.0
Share price in € as of 30 June 2022[1]	24.90
Cumulative shareholder return (since 30 December 2021) in %	(24.75)
Period high (January - June 2022) in €[1]	38.92
Period low (January - June 2022) in €[1]	24.90
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.

Interim Management Report

About this Report

Content and Structure

Our half-yearly condensed consolidated financial statements combine the financial and non-financial information required to thoroughly evaluate our performance and as a German-listed asset manager, is primarily guided by the legal requirements of the German Commercial Code (Handelsgesetzbuch – HGB).

The report includes the consolidated statement of income, consolidated statement of comprehensive income, consolidated balance sheet, consolidated changes in equity, consolidated statement of cash flows, selected explanatory notes, and the Group's interim management report for the period from 1 January to 30 June 2022.

The presentation of this information is in compliance with IAS 34 "Interim financial reporting" and in accordance with Section 115 of the German Securities Trading Act (WpHG) in conjunction with Section 117 number 2 WpHG.

Data and Presentation

All information and bases for calculation in this report are founded on national and international standards for financial reporting. The data and information for the reporting period were sourced from experts using representative methods and internal control mechanisms are designed to ensure the reliability of the information presented in this report.

The reporting period is the first half of the 2022 business year, covering the period from 1 January 2022 to 30 June 2022.

The condensed consolidated financial statements are published at the half-year point in German and English, with the German version of the report being the binding and leading document.

Our scope of consolidation comprises DWS Group GmbH & Co. KGaA (DWS KGaA), with its headquarters in Frankfurt am Main, Germany, and all 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 condensed 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.

Except for the Cash Flow Statement, we apply for all numbers the "positive as normal" convention and all numbers are considered positive. The "direction of flow" is determined by the label, inflow numbers will include labels like fee and interest income. Outflow line items will have labels like fee expense, compensation and expenses.

Throughout the report, gender-specific terms may be used to ease the text and reading flow. Whenever a gender-specific term is used, it should be understood as referring to all genders and does not contain any judgment.

For an explanation of the abbreviations and technical terms used in this report, please refer to the section 'Glossary'.

External Audit and Evaluation

KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG) as independent auditor has reviewed our half-yearly condensed consolidated financial statements and interim group management report and nothing has come to their attention that causes them to believe that the half-yearly condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRS) on interim financial reporting as adopted by the European Union (EU) or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

The Independent Auditor's Review Report can be found in section 'Independent Auditor's Report'.

Information referred to as additional information, as well as references to DWS and external websites, indicated in this report is not part of the information audited by KPMG.

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.

Introduction to DWS Group

Corporate Profile

We aspire to be one of the world's leading asset managers with € 833 billion of assets under management (as of 30 June 2022). We are headquartered in Germany with approximately 3,600 employees globally and we provide access to liquid and illiquid asset classes and a range of active, passive and alternative investment capabilities to our 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 and sustainable investments. 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.

Our product offerings are distributed across EMEA, the Americas and 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

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.

Having successfully completed the first phase of our corporate journey, we will focus on our ambitions to transform, grow, and lead in the second phase.

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.

Secondly, our ambition to grow concentrates on delivering focused product strategies in targeted growth markets, expanding our range of sustainable investment solutions, and leveraging existing partnerships to capture new client opportunities, especially in APAC. In addition, we continue to 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.

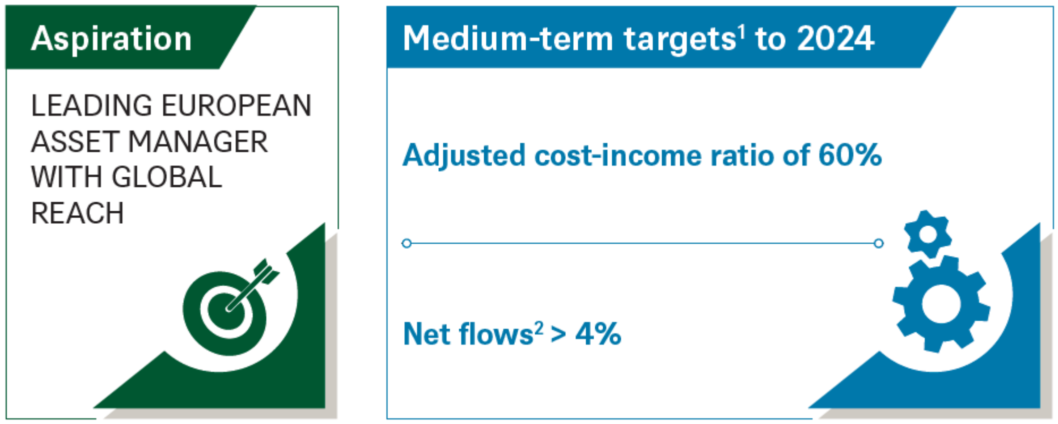
Thirdly, our ambition to lead builds on the first two points so that we can achieve our overall ambition to become a leading European asset manager with global reach. We aim to achieve this by keeping focus on the delivery of holistic solutions to meet our clients evolving needs and by becoming the go-to expert in sustainable investing, passive and high margin investments.

Our corporate journey as a listed company

Reflecting on our aim of playing a key role as an asset manager in the green industrialization - an economic transformation resulting from initiatives of governments, corporations, and investors towards climate neutrality -, climate action is a key theme and is considered across all four strategic priorities of our global sustainability strategy, namely:

_ Corporate transformation
_ ESG in the investment process
_ Innovative and sustainable investment solutions
_ Stakeholder engagement

Internal management system



[1] Depending on market circumstances and Euro/US-Dollar FX rate.
[2] As % of beginning of period AuM on average in the medium-term.

We will target an adjusted CIR of 60% and a net flow rate of >4% on average in the medium-term, by 2024, however, this is subject to the geopolitical uncertainty and the normalisation of economic conditions in this timeframe.

The way in which adjusted CIR and net flows are calculated and the respective results as of 30 June 2022 are presented in ‘Operating and Financial Review – DWS Performance’.

Our Sustainability Ambition

Sustainability KPI	Medium-term Ambition
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 on average per employee per annum 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 DWS Annual Report 2021, section ‘Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing’.
[2] As % of beginning of period 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 half-year 2022 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 the ‘Corporate Governance’ on our website.

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 section ‘Outlook – DWS Group’.

Progress Review in the First Half of 2022

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 the first half of 2022, we continued to maintain a strict cost discipline with targeted efficiency initiatives including vendor renegotiation and, driving dedicated initiatives and change projects to achieve process efficiencies and cost savings.

Our core platform transformation programme has now entered the execution phase and we are aiming to complete several of our IT build activities this year. In the first half of 2022, we further developed target operating models for all programme workstreams and continued our engagement with core vendors on our new systems design.

Building and implementing a robust people strategy allowing for fluid careers at DWS Group

Building on our Functional Role Framework, introduced in 2021, we have designed and implemented position-based workforce governance which links our financial and FTE planning for strategic business growth and is strongly connected to the way employees can plan, develop, and progress their career at DWS Group.

We have further evolved our career framework to support better employee job mobility and offering a pro-active, learning environment including access to training resources to allow for personal growth and individual career development.

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 strategic partners Nippon Life and Harvest Fund Management. In February 2022, we jointly with Nippon Life launched our flagship Concept Kaldemorgen Fund for Japanese pension fund investors. In March 2022, we and Nissay AM, the asset management unit for Nippon Life, jointly launched Nissay Metaverse World Equity Fund for retail investors in Japan. During the first half of 2022, we and Harvest Global Investments, the international unit of Harvest Fund Management, expanded the UCITS range of China ETF offerings with the launch of Xtrackers Harvest MSCI China Tech 100 UCITS ETF.

We entered a long-term strategic partnership with BlackFin Capital Partners in the second half of 2021 to jointly develop the digital investment platform into a platform ecosystem. The separation required for this is progressing, and the transaction closing is expected in 2022.

Digitalisation

We are committed to focus on new digital opportunities. Modern technologies, including blockchain, data science and artificial intelligence continue to impact the asset management industry.

We continue to grow internal capabilities and have recently set up a new data science team within our systematic investment solutions portfolio management team. We continue to invest into our data strategy to enable convenient self-service data access across teams. Besides growing internal capabilities, external opportunities are being assessed to identify possible fintech vendors or strategic partnership opportunities.

Brand awareness

In March 2022, we launched our new brand identity with the aim to further improve the visibility of DWS and build a well-known and leading asset manager brand in key markets across the globe. We will continue to invest into our brand awareness, with the particular focus on the appearance and the visibility in digital channels, as well as through the brand partnerships we have in place. We have extended our partnership with the Los Angeles Lakers to include several social projects.

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

Corporate transformation

In March 2022, we published our Climate Report 2021, aligning climate related disclosure with the key TCFD recommendations on Governance, Strategy, Risk Management and Metrics and Targets.

Following our net zero interim target disclosure end of 2021 we entered into an implementation phase. We have identified a list of investees that we aim to engage on specific net zero related topics. Furthermore, we are in the process of setting science-based targets that underpin our overall net zero interim target. We will be providing the first Net Zero Asset Manager initiative progress report by publishing an extract of the relevant 2022 CDP disclosures.

As part of our CSR activities, we made donations for humanitarian aid to Malteser International to ensure amongst others initial medical care of refugees from the war in Ukraine. Our employees have provided support and donations to various relief organizations. Given the removal of COVID-19 restrictions in some countries, we were able to offer volunteering opportunities for staff in EMEA and in the US, protecting our environment and supporting social engagement.

ESG in the investment process

In the first half of 2022, we continued our ESG related thematic research which included ESG topics in the CIO View. We received the Sustainable Investment Award 2022 by Environmental Finance in the section ESG research of the year, Europe for the joint report “Financial implications of Addressing Water Related externalities in the Apparel and Meat Sectors” published in collaboration with the sustainability non-profit organization Ceres and the data experts BlueRisk.

Innovative and sustainable investment solutions

In January 2022, we launched the DWS Invest ESG Women for Women Fund, being DWS Group’s first equity fund exclusively managed by women, that also uses social and diversity aspects as binding ESG selection criteria, and we are seeking to engage with companies to improve their diversity commitments. Furthermore, we launched two new Paris-aligned ETFs to implement practical recommendations of the Institutional Investors Group on Climate Change.

Stakeholder engagement

To strengthen our active ownership positioning, we published our Active Ownership Report for 2021 and our Corporate Governance and Proxy Voting Policy for 2022 which covers DWS Group pooled voting rights of the funds of DWS Investment GmbH and DWS Investment SA (including SICAVs and PLCs) as well as the mandates of DWS International GmbH where the voting rights have been delegated by the institutional client. To communicate the changes to our proxy voting policy before the proxy season, we sent our pre-season letter to more than 2,300 investee companies, and we submitted questions and statements to 63 AGMs in the 2022 proxy voting season.

We further enhanced our engagement framework with our revised Engagement Policy for EMEA based funds and operationalized the new DWS Engagement Council that was set-up in 2021. Responsibilities of the DWS Engagement Council include reviewing engagement reports of strategic engagements, monitoring engagement activities, managing focus and strategic engagement lists, and managing the escalation process.

Bolster investment capabilities

The real estate business remains central to our growth strategy. Continuous AuM growth and our commitment to execute our sustainability action plan remain important objectives. In March 2022, the successful landmark transaction of the Marienturm in Frankfurt for a new separately managed account mandate of a strategic client was announced. We launched a new European Residential Growth Fund and saw the first closing of our Junior European Property Debt Fund.

Operating and Financial Review

Economic and Competitive Environment

Global Economy

Policymakers and central bankers in the US have acknowledged that they got inflation wrong. It has proven more persistent than initially expected, with energy prices in particular and a tight labour market and ongoing supply chain disruptions generating price increases across a broad range of products. The Fed's reaction in June was to aggressively steepen its guidance for the likely trajectory of interest rates, implying significant monetary tightening by the end of this year. The US consumer is increasingly feeling the impact of higher prices and this seems to be switching away from goods consumption and into services. Holdings of liquid assets – a big cushion during the pandemic – started to shrink, especially among households with lower incomes. What remains supportive is a very tight labour market and fast growth in wages. But wage growth is losing pace. That might be reassuring for the Fed but the impact on real disposable income will be negative. Consumers may therefore start to return to their pre-pandemic behaviour and increase their borrowing to finance spending.

On the supply side, global supply chain disruptions, high energy prices and the labour shortage remain problematic, limiting the upside potential for growth. Industrial production has already started to lose some dynamism though demand appears robust for now.

The prospect of higher interest rates has started to affect the housing market, with residential investment set to level off. At the same time, imports surged in the first quarter, impacting GDP growth and resulting in a negative quarter-on-quarter growth of an annualized 1.65% and further bolstering high inventory levels. Less residential investment and a potential running down of inventories make a repeat of this performance quite probable in the second quarter, which means there could be a technical recession despite still robust domestic demand. However, the Fed are currently not deterred from their monetary tightening plans, even as recession risks prevail.

In the euro area, as in other countries, the rise in inflation is the dominant issue for capital markets, for consumers and for corporates. Even before the Russian invasion of Ukraine the cost of living had risen sharply. Since the start of the war, however, energy and food prices have continued to soar, pushing the inflation rate in the euro area to 8.6% in June 2022. Meanwhile, inflation is becoming broader. Consumer goods and services are rising with the core rate of inflation (excluding volatile food and energy prices) was 3.7% in June 2022.

The economy entered the year with some growth momentum with GDP increasing by 0.6% in the first quarter. However, the pace of growth has slowed since the Russian invasion of Ukraine. Consumer and business spending fell during the second quarter, so that overall GDP growth may well have been lower.

Since the beginning of the year the ECB has started to slowly tighten its monetary policy stance. In June 2022 it announced that bond purchases would cease on 1 July. This is a precondition for increases in interest rates. Rate hikes in July and September have already been pre-announced, and so an end to the zero-interest rate policy may be reached in the third quarter of 2022. At the same time, the ECB is planning a new instrument to prevent a widening of government bond spreads in some euro zone countries, such as Italy.

In Germany the inflation rate has risen fast in recent months and remained elevated at 7.6% in June 2022. Initially energy prices pushed up inflation, but supply chain bottlenecks and higher food prices have contributed to the upward pressure in recent months. Wage settlements in Germany have remained quite moderate and so far, there are no signs of a wage-price spiral. But important wage agreements must be reached in the metal industry and the public sector in the second half of 2022 and these will set the tone for wage increases in the coming year.

After decent growth at the beginning of the year, momentum in the UK is fading. The economy is being impacted by a cost-of-living crisis due to a dire mix of higher inflation, tax increases and interest rate rises. Real household incomes will probably fall in 2022. Fast rising prices prompted the UK Government to offer fiscal help on energy prices to support mostly lower income households. The Bank of England has shifted to a hawkish stance in June, having increased the policy rate five times already, it announced that it would act forcefully if necessary, to fulfil its price stability remit over the medium-term.

The Japanese economy is still lagging its peers. Its recovery has been held back by several waves of COVID-19 and weaker external demand. After slightly negative growth in the first quarter of 2022, it is likely that the easing of COVID-19 restrictions has helped the domestic economy; but lockdowns in China and supply chain disruptions continue to weigh on any recovery. The Japanese central bank is an outlier among big central banks as it has stuck to its highly expansive monetary stance. One impact of that policy is distinct Yen weakness as policy rates rise globally but remain negative in Japan.

For most of the Asian economies the first half of 2022 was marked by improvement in domestic drivers of growth thanks to reopening after COVID-19 lockdowns while the external environment deteriorated quickly. Global trade has been hampered increasingly by the repercussions from the war in Ukraine and the unprecedented sanctions on Russia. After GDP growth in the first quarter surprised to the upside in many Asian countries, including China, in the second quarter, new obstacles arose: global supply chain distortions emanating from the war in Ukraine and the Zero-COVID-19 policy in China. The higher energy and food prices that resulted from this has increased inflation up.

In China growth has been impacted in the first quarter by the combination of the lockdown measures that were part of the Zero-COVID-19 policy and ongoing weakness in the real estate sector. These weaknesses continued and even worsened in the second quarter and thus led to very low GDP growth in the second quarter. Policy stimulus has been increased substantially since March with the aim of fostering infrastructure investment and supporting small and medium firms in particular. Since May, policies on real estate, which were tightened last year to force de-leveraging in the sector, have been eased as well. Financing conditions have improved since May and in June credit growth improved visibly. Consumer spending is stuck at low levels, hampered by high unemployment, however retail sales returned to growth in June. Inflation, has remained low in China, as it follows its own country-specific drivers

Asset Management Industry

In sharp contrast to the record growth in 2021, the first half of 2022 has seen the asset management industry impacted by turbulent markets reflecting the war in Ukraine, a move away from ultra-loose monetary policy, higher inflation and the continuing spectre of COVID-19. Fund markets have reported outflows as investor confidence has declined and uncertainty prevailed.

While the mainstreaming of ESG has continued, the industry has been beset by concerns of greenwashing as managers and investors struggle with divergent terminology and data limitations. Nevertheless, inflows have largely remained positive particularly in the impact market thanks mainly to institutional investors with a long investment horizon and in the retail space millennials looking to influence outcomes.

Rising inflation has driven outflows from money market and fixed income strategies as investors review asset allocations and this has led to renewed interest in adding commodities to hedge against inflation risk. Investors seek market access via cost-effective liquid ETFs and higher returns from alternative and private market strategies.

While market volatility looks set to impact the industry in the short-term, we believe that the asset management industry will continue to adapt and grow to provide crucial investment solutions for both individuals and institutional investors.

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 professionals from 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 ETFs. Our passive platform displays a solid European market share as provider of ETFs and other Exchange Traded Products within the Top 3 European ETF provider (ETFGI, June 2022).
_ In line with the whole asset management industry, we recognize growing investor demand for product innovation in the area of ESG as well as Impact investment strategies, particularly as investors increasingly focus on issues such as climate change. 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

DWS Performance

Despite the challenging macro-economic environment resulting from the war in Ukraine and the continued impact of the COVID-19 pandemic we reported higher revenues and profit before tax in the first half of 2022 compared to prior year's period. The improvement in our revenues resulted in an adjusted cost-income ratio of 59.4%, in line with our targeted medium-term ratio of 60% by the end of 2024. Net outflows for the first half of 2022 were € (26) billion, however, due to our diversified business we achieved positive net flows excluding Cash of € 5 billion.

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 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.

Alternative performance measures

	Jan - Jun 2022	Jan - Jun 2021
Assets under management (AuM) (in € bn.) as of 30 June 2022	**833**	**859**
Net flows (in € bn.)	**(26)**	**21**
Management fee margin (in basis points)	28.0	28.0
Adjusted revenues (in € m.)	1,360	1,259
Adjusted costs (in € m.)	808	764
Cost-income ratio (CIR) (in %)	63.6	62.2
Adjusted cost-income ratio (in %)	**59.4**	**60.6**
Adjusted profit before tax (in € m.)	**552**	**496**

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, 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, severance costs as well as for transformational charges and other material non-recurring expenses that are clearly identifiable one-off items.

Reconciliation of non-interest expenses to adjusted costs

in € m.	Jan - Jun 2022	Jan - Jun 2021
Non-interest expenses	**865**	**783**
Litigation	(12)	(1)
Restructuring activities	(0)	(2)
Severance payments	(8)	(5)
Transformational charges	(22)	(13)
Other non-recurring expenses	(14)	0
Adjusted costs	**808**	**764**

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

Adjusted cost-income ratio is the 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 2021	
in € m. (unless stated otherwise)	Jan - Jun 2022	Jan - Jun 2021	in € m.	in %
Management fees income	1,876	1,707	169	10
Management fees expense	638	575	63	11
Net management fees	**1,238**	**1,132**	**106**	**9**
Performance and transaction fees income	63	59	4	7
Performance and transaction fees expense	6	1	5	N/M
Net performance and transaction fees	**58**	**58**	**(1)**	**(1)**
Net commissions and fees from asset management	**1,296**	**1,190**	**105**	**9**
Interest and similar income[1]	13	12	1	8
Interest expense	12	9	2	24
Net interest income	**1**	**3**	**(1)**	**(46)**
Net gains (losses) on financial assets/liabilities at fair value through profit or loss[2]	(117)	128	(245)	N/M
Net income (loss) from equity method investments	34	48	(13)	(28)
Provision for credit losses	(0)	1	(1)	N/M
Other income (loss)[2]	146	(108)	254	N/M
Total net interest and non-interest income	**1,360**	**1,259**	**101**	**8**
Compensation and benefits	430	407	23	6
General and administrative expenses	434	376	58	15
Impairment of goodwill and other intangible assets	0	0	0	N/M
Total non-interest expenses	**865**	**783**	**81**	**10**
Profit (loss) before tax	**496**	**476**	**20**	**4**
Income tax expense	154	136	19	14
Net income (loss)	**341**	**340**	**1**	**0**
Attributable to:				
Non-controlling interests	(0)	1	(1)	N/M
DWS Group shareholders	342	340	2	1

[1] Interest and similar income includes € 5 million for the first half of 2022 and € 4 million for the first half of 2021, calculated based on effective interest method.
[2] Valuation impacts of trading assets held by guaranteed funds of € (140) million for first half of 2022 (€ 114 million for the first half of 2021) are included in net gains (losses) on financial assets/liabilities at fair value through profit or loss 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.

For the first half of 2022, we reported a slightly higher profit before tax of € 496 million, an increase of € 20 million, or 4% compared to prior year's period. Our net interest and non-interest income was higher than in 2021 from higher management fees. Non-interest expenses were higher than in the first half of 2021.

Total net interest and non-interest income was € 1,360 million, an increase of € 101 million, or 8%, compared to the first half of 2021. Revenues from management fees were higher due to net inflows throughout 2021 and an increase in the average assets under management compared to the same period last year (average assets under management for the first six months of 2022 were € 891 billion compared to € 816 billion in the first half of 2021). Performance and transaction fees of € 58 million were essentially flat compared to the first half of 2021. Remaining revenues amounted to € 65 million, a slight decrease compared to the first six months of 2021. A lower contribution from our investment in Harvest Fund Management Co., Ltd and an unfavourable impact from the deferred compensation hedge were partially compensated by the favourable change in fair value of guarantees and an increase in investment income for illiquid products.

Non-interest expenses of € 865 million were € 81 million or 10% higher compared to the first half of 2021. The increase in compensation and benefits was mainly driven by higher carried interest related to a future Alternative performance fees and an increase in the number of employees, partly offset by lower deferred compensation. General and administrative expenses increased mainly due to transformational charges, professional services fees, increased marketing expenses and higher servicing costs as a result of increasing average assets under management, as well as other non-recurring expenses.

AuM development in the first half of 2022

	31 Dec 2021				Jan - Jun 2022	30 Jun 2022
in € bn.	AuM	Net flows	FX impact	Performance	Other	AuM
Product:						
Active Equity	116	1	2	(17)	0	102
Active Multi Asset	70	7	0	(8)	0	69
Active Systematic and quantitative investments	77	0	0	(11)	(0)	66
Active Fixed Income	227	(3)	8	(24)	(0)	208
Active Cash	84	(32)	4	(0)	0	56
Passive	238	(3)	10	(38)	0	207
Alternatives	115	3	5	0	1	123
Total	**928**	**(26)**	**29**	**(98)**	**1**	**833**

AuM were € 833 billion, a decrease of € 94 billion compared to 31 December 2021. The decrease was driven by a negative market performance of € (98) billion, the unfavourable net flow development of € (26) billion and a positive foreign exchange (FX) impact of € 29 billion.

The level of AuM and the asset product mix are key factors affecting the results of operations because management fees are predominantly charged as a proportion of AuM. Assuming management fee margins and asset product mix 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 the first half of 2022 we recognized net outflows of € (26) billion primarily due to net outflows in Active Cash as well as Active Fixed Income and Passive, partly offset by net inflows in Alternatives, Active Multi Asset and Active Equity.

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 a decrease in AuM of € (98) billion particularly in our Fixed Income, Equity and Passive products.

Sustainability KPIs

KPI	Medium-term Ambition	Half Year 2022	Full Year 2021
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	€ 104.3 bn	€ 115.2 bn
ESG net flows[1,3]	Grow ESG net flows at the same, or at a faster rate, than our overall flow target of >4% of AuM[2]	€ 0.3 bn	€ 18.9 bn
Operational emissions:			
Energy	Reduce our total energy consumption by 20% by 2025 compared to 2019	Data available at year-end.	(17)%
Electricity from renewable sources	Source 100% renewable electricity by 2025, with an interim ambition of 85% by 2022	Data available at year-end.	91 %
Travel (air and rail)	Reduce our travel emissions by 25% by 2022 compared to 2019	Data available at year-end.	(88)%
Sustainability rating	Maintain or improve our Carbon Disclosure Project (CDP) B rating by 2024	CDP rating to be released in the fourth quarter of 2022	B
Proportion of women[4]	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	28.6% – 1st level 30.3% – 2nd level	29.9% – 1st level 30.0% – 2nd level
Volunteer hours per employee[3]	Perform 1.5 hours of volunteering on average per employee per annum by 2024	36 minutes	38 minutes
Corporate engagements[3]	Participate in 475 or more corporate engagements per annum by 2024	235	581

[1] For details on ESG product classification, please refer to our DWS Annual Report 2021, section 'Our Responsibilities – ESG Products, Sustainable Finance and Responsible Investing'.
[2] % of beginning of period 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] These KPIs show performance over the respective period which needs to be considered when comparing half year 2022 to full year 2021.
[4] Full year 2021 results have been updated due to implementation of the Functional Role Framework.

We have continued to make progress towards our sustainability KPI ambitions during the first half of 2022 although the challenging market environment has negatively impacted our ESG AuM and ESG Net Flows. We remain committed to achieving our medium-term ambition for proportion of women despite a small decrease at the first management level below the Executive Board. Corporate volunteering has benefited significantly from the resumption of physical volunteering opportunities, particularly in the second quarter of 2022 and is already close to the full year 2021 result. The Corporate engagements result is in line with the first half of 2021 and remains on track to meet our medium-term ambition.

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 30 June 2022, we held cash and bank balances, money market funds, government, sub-sovereign and corporate bonds and other debt instruments totalling € 3,497 million (€ 3,535 million as of 31 December 2021). To further diversify our funding capabilities, we have a € 500 million revolving credit facility in place, under which there were no drawings as of 30 June 2022.

Capital Management

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

In the first half of 2022, the Group made no material capital expenditures in intangible assets and property and equipment. The amount for contingent liabilities is stable with € 120 million as of 31 December 2021 and as of 30 June 2022.

Net Assets

Selected items within our financial position

in € m. (unless stated otherwise)	30 Jun 2022	31 Dec 2021	Change from 2021 in € m.	Change from 2021 in %
Assets:				
Cash and bank balances	2,129	2,191	(63)	(3)
Financial assets at fair value through profit or loss	3,693	3,838	(145)	(4)
Goodwill and other intangible assets	3,873	3,652	221	6
Remaining assets[1]	2,068	1,929	138	7
Total assets	**11,764**	**11,611**	**152**	**1**
Liabilities and equity:				
Financial liabilities at fair value through profit or loss	618	750	(132)	(18)
Remaining liabilities[2]	3,469	3,416	53	2
Total liabilities	**4,087**	**4,166**	**(79)**	**(2)**
Equity	**7,676**	**7,445**	**231**	**3**
Total liabilities and equity	**11,764**	**11,611**	**152**	**1**

[1] Sum of financial assets at fair value through other comprehensive income, 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 30 June 2022, total assets increased by € 152 million (1%) compared to year-end 2021. Cash and bank balances decreased by € 63 million driven by dividend payment of € 400 million partially offset by a net increase of receipts from regular business activities of € 337 million. The decrease in financial assets at fair value through profit or loss of € 145 million is mainly driven by decreased trading assets held by consolidated funds and investment contract assets of € 286 million partially offset by an increase in co-investments and net investments in liquidity positions of € 150 million. Goodwill and other intangible assets increased by € 221 million mainly driven the appreciation of the USD against the EUR. Remaining assets were € 138 million higher due to an increase in assets held for sale of € 241 million partially offset by a decrease in financial assets at fair value through other comprehensive income of € 63 million and a net decrease in other receivables and other items of € 40 million.

As of 30 June 2022, total liabilities decreased by € 79 million (2%) compared to year-end 2021. Financial liabilities at fair value through profit or loss decreased by € 132 million mainly driven by investment contract liabilities designated at fair value through profit or loss of € 68 million and a decrease in negative market values from derivative financial instruments related to guaranteed products of € 61 million. The remaining liabilities increase is mainly driven by an increase in liabilities held for sale of € 238 million partially offset by a decrease in other liabilities held by consolidated funds of € 164 million and other payables and other items of € 21 million.

Equity

The total equity as of 30 June 2022 was € 7,676 million compared to € 7,445 million as of 31 December 2021. The increase of € 231 million is mainly driven by the net income after tax for the first half year 2022 of € 342 million and positive impact from foreign exchange rate movements on capital denominated in currencies other than the Euro of € 304 million partly offset by a dividend payment of € 400 million.

Regulatory Own Funds

We report our regulatory own funds in accordance with the prudential rules of the IFR and IFD. We qualify as a "Class 2" investment firm group under IFR.

We are required to hold minimum regulatory own funds to satisfy the higher of:

_ The permanent minimum own funds requirement, which equals our 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 for us, K-AuM, K-ASA and K-COH in respect of Risk-to-Client and K-NPR 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.

The composition of regulatory own funds is defined in Article 9 of the IFR and equals our CET 1 as there are no additional Tier 1 or Tier 2 instruments issued. In the first half of 2022 our CET 1 increased by € 388 million to € 2,993 million as of 30 June 2022. The increase was mainly driven by profit recognition, net of dividend.

The own funds requirement based on K-factors according to IFR was € 610 million as of 30 June 2022, increased by € 50 million compared with € 560 million as of 31 December 2021. The increase was due to higher net position risk and higher AuM. The own funds excess over own funds requirements was € 2,383 million as of 30 June 2022, compared with € 2,045 million as of 31 December 2021, as shown in the table below. The fixed overheads requirement as of 30 June 2022 was € 377 million compared to € 358 million as of 31 December 2021. With that we comply with the overall regulatory own funds 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.

Regulatory own funds

in € m.	30 Jun 2022	31 Dec 2021
Regulatory own funds:		
Common Equity Tier 1 capital (CET1)	2,993	2,605
Tier 1 capital (CET1 + AT1)	2,993	2,605
Tier 2 capital	0	0
Total regulatory own funds	**2,993**	**2,605**
K-factor requirement:		
K-AuM (assets under management)	176	164
K-ASA (assets safeguarded and administered)	51	49
K-COH (client orders handled)	0	0
K-NPR (net position risk)	383	347
Total own funds requirement based on k-factors	**610**	**560**
Own funds excess (shortfall)	**2,383**	**2,045**

Reconciliation of IFRS equity to regulatory own funds

in € m.	30 Jun 2022	31 Dec 2021
Shareholders' equity, as defined by IFRS, regulatory basis of consolidation	7,651	7,398[1]
Elimination of net income, net of profit recognition	342	668
Deduction of:		
Goodwill and intangible assets (net of related deferred tax liabilities)	3,648	3,448
Deferred tax assets	126	163
Financial sector entities	456	440
Other	86	76
Regulatory own funds	**2,993**	**2,605**

[1] Adjusted by prudentially unrecognized retained earnings of € 23 million.

Executive Board and Supervisory Board

Managing Directors of the General Partner (Executive Board)

Effective 10 June 2022, Dr Stefan Hoops was appointed as Managing Director of the General Partner, Chief Executive Officer and Chairman of the Executive Board. He succeeded Dr Asoka Woehrmann, who decided to step down from this position effective 9 June 2022.

The Managing Directors of the General Partner, collectively referred to as the Executive Board, are jointly responsible for managing the business activities of the General Partner and – with regard to the position of DWS Management GmbH as the General Partner of DWS KGaA – of DWS KGaA. However, the business allocation plan (Geschäftsverteilungsplan) of the Executive Board assigns each Managing Director specific areas of functional responsibility. Effective 10 June 2022, Dr Hoops took over the responsibilities previously allocated to Dr Woehrmann.

Supervisory Board

There were no changes in the Supervisory Board in the first half of 2022.

Outlook

Economic and Competitive Outlook

Global Economic Outlook

The steep path the Fed has set out for interest rate hikes means the brakes are going to be applied hard on the US economy. In our view there is a high risk of a mild recession in 2023. The Fed might take its Federal Funds rate up as high as 4% in early 2023 but the slowing economic momentum could lead it to lowering rates a little in the second half of 2023, even if inflation remains on the high side. The unemployment rate might increase slightly to above the neutral rate and growth will be below potential and so the Fed may act opportunistically, easing back policy when it sees scope to do so.

For the euro area we expect prices to rise by an annual rate of 8% this year. In 2023 higher wage increases are likely to sustain the inflationary pressure. With an inflation forecast of 3.5% for 2023, the ECB expects to miss its 2% target by a wide margin again. It nonetheless intends to stick to a gradual path of interest rate increases. But whether it can sustain this policy in the face of high inflation and concerns about de-anchoring inflation expectations seems questionable. We expect faster and more aggressive rate rises from the ECB in coming months. On the growth side, we expect the euro area economy to expand at a slower rate in 2023 but our baseline assumption is that the euro area can avoid a recession. However, there are considerable concerns that the euro area will enter into a severe recession in case it is cut off completely from Russian natural gas supply.

Expected annual growth of 3.5% in the UK this year masks the fact that the economy is likely to stagnate from the second quarter onwards. Fiscal support can mitigate the energy price crisis but not compensate for income losses. At the same time, trade as well as investment are likely to continue to underperform despite attractive tax deduction incentives and strong inflation will keep the Bank of England on a tightening course.

In Japan, the domestic economy should gain momentum over the course of the year and be the main driver of growth. The Bank of Japan is still committed to its very expansive monetary policy, though the difference between Japanese and global yields is putting pressure on monetary policy as the Yen weakens considerably. The Bank of Japan is not yet convinced that the globally induced increase in inflation will be persistent and is willing to wait and see.

In the second half of 2022 economic growth in Asia's emerging markets will most likely be supported by strong domestic investment. Cyclical demand will be part of this as well as a structural push to upgrade and new technologies, from Artificial Intelligence to fresh sources of energy, require high investment. Pent-up consumer demand, as a result of the various waves of the pandemic and lockdowns, will add to strong domestic demand. Exports, however, will likely slow further than expected given the risk of recession in major trade partners such as the US and Europe. But an expected recovery in China could possibly compensate for part of the deterioration in the global economy.

Inflation in Asia's emerging markets has crept up in recent months, leading central banks to continue with normalisation by raising policy rates. But the absence of any strong demand push on inflation from wages and/or expansive fiscal policy means that the policy tightening in the region does not need to be bold.

In China we expect growth to pick up from a very low level in the second quarter as the impact of zero-COVID-19 policies fade and public sector support for infrastructure rises while restrictions ease in the real estate sector. The main worry is the outlook for consumer spending. Unemployment is high and likely to prove sticky. The easing of lockdowns might be of some help, however, though a couple of large tech companies have already indicated to cut staff.

So far, the government does not have a concrete plan to support consumers, but it could become an option if the economic indicators (consumer confidence, monthly retail sales data) continue to fail showing improvement in consumer demand in the near term. Inflation has remained very moderate so far, almost one percentage point below this year's target rate of 3.0%. Base effects on food prices, especially pork prices, however, suggest that inflation will jump temporarily to 3% in the second half of 2022.

Asset Management Industry

In 2021 asset managers reported record growth buoyed by rising markets and burgeoning confidence as businesses and borders reopened following the lockdowns necessitated by the pandemic. In contrast, the first half of 2022 has seen markets fall-back as geopolitical tension, economic headwinds, and the resurgence of COVID-19 in parts of the globe have increased uncertainty and diminished confidence. While markets are likely to remain turbulent in the near-term the longer-term outlook for the industry remains positive.

We believe several trends will continue to shape the asset management industry:

_ ESG: ESG has become increasingly central to investors and asset managers, as well as being important in the wider context of achieving the Paris Agreement target of limiting global warming to 1.5°C. However, significant challenges remain due to the absence of standardised terminology, the rising volume of regulation and access to consistent and meaningful data. While climate change continues to be a major theme, diversity and inclusion has gained prominence following the pandemic and there is also a growing focus on protecting biodiversity.

_ Digitalisation: The adoption of new technology including artificial intelligence and blockchain is driving wholesale change to back-office operations, distribution (robo-advisory) and product choice, including the emergence of crypto assets and the potential "democratisation" of some asset classes as managers look at tokenisation.

_ Customised solutions: growing investor sophistication and new technology is enabling asset managers to offer bespoke solutions to individuals previously only available to institutional investors. In the retirement space, there is growing demand for pension solutions, driven by the shift from defined benefit to defined contribution.

_ 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.

_ Market consolidation: Scale and the ability to offer diverse investment capabilities are increasingly central to asset managers ability to compete successfully in the marketplace. Industry consolidation has accelerated with bolt-on deals largely in alternative investments, ESG and technology.

_ Margin erosion: Pressure on fees and costs will persist, driven by heightened competition, particularly in passive products and growing regulatory and compliance requirements.

DWS Group

The political and economic uncertainty, resulting from the war in Ukraine, continues to have an impact on our forward-looking assumptions. Sanctions and countersanctions are also likely to have an impact on our growth forecast. With regards to uncertainty about 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 section should be read in conjunction with the aforementioned section on 'Economic and Competitive Outlook'.

In the face of these challenges as well as the ongoing COVID-19 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, the Executive Board is still committed to deliver on all aspirations for phase two of its corporate journey. Thereby, growth and efficiency will drive shareholder value creation.

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

_ In the medium-term, we target net inflows of above 4% on average to 2024, drivers will remain our targeted growth areas of passive and alternative investments, further enhanced by strategic alliances and product innovations, including further ESG products.
_ We expect continued investment into growth, which will be partly compensated by ongoing cost discipline with an adjusted CIR targeted to be around 60% in 2022.

Risks and Opportunities

Risks

As an asset manager, our 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

The global macroeconomic environment is facing significant challenges. The war in Ukraine has led to global shortages in oil, gas, fertilizer, wheat, palladium and other global commodities, leading both to supply chain disruptions and higher consumer and producer prices which weigh on global economic growth. A continuation or even escalation of the war and related sanctions would further increase these negative effects on global growth and inflation.

In addition to commodity shortages, inflation, which has been spurred by demand recovery supported by fiscal policy, might become entrenched as a result of rising capacity utilization, price-wage spirals and higher inflation expectations. Moreover, the transition from carbon-based to green energy might add to temporary price pressure. Also greater home-bias in global supply chains to decrease dependencies may contribute to rising prices in coming years.

Depending on the inflation level and inflation outlook, central banks may have to raise interest rates further to re-establish price stability. The risks are that central banks react too slow and having to catch up later by raising interest rates too fast, choking off economic activity. Both of which would increase the degree and likelihood of a global recession.

Debt sustainability becomes a greater concern in a lower growth and higher interest rate environment, given debt burdens rose to record levels after the pandemic and fiscal policy will become more constrained as among other things defence spending will be increased materially in many countries as a result of geopolitical risk.

The risks of a higher inflation and interest rate regime could mean further downside potential 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. Market participants or products with high leverage may face increased funding costs, margin calls 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 our assets under management 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.

At the same time, political uncertainty worldwide and geopolitical risk remain elevated and may become more serious. A primary concern is the war in Ukraine and the threat of long duration of the war or additional escalation both in Ukraine and Eastern Europe. Instability, uncertainty, destruction as well as more sanctions would extend human losses and suffering and further obstruct the development of the region, with globally adverse implications.

An additional threat is the cut of gas deliveries by Russia while the EU is not sufficiently prepared, leading to gas price increases which would increase recession likelihood significantly particularly for countries with large industrial sectors including Germany and Italy, as well as to spikes of inflation. 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 remain a potential danger, too.

Other examples of political uncertainty and geopolitical risk are US-China relations concerning new sanctions (in particular more non-tariff measures, and export restrictions), rising tensions between China and Taiwan, political backlash in US mid-term elections, or events in regional hotspots.

All of the above risks could contribute to high or rising market volatility and risk aversion. They could adversely affect assets exposed to the macroeconomic risks, conflicts, sanctions or sources of uncertainty; leading to negative performance and potentially outflows from our fiduciary business. There could be negative effects on the results of operations, our business with or in the countries concerned as well as our strategic plans.

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 targets 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 with the US Department of Justice. If Deutsche Bank or any member of the Deutsche Bank Group (including DWS) violates the deferred prosecution agreements, the terms of the deferred prosecution agreements 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, as well as concerning the use by DWS employees of off-platform communications channels. We are cooperating fully with the authorities. These investigations are ongoing and the outcome is still to be determined, for further information please refer to note 11 ‘Provisions’.
- On 31 May, the Public Prosecutor's office in Frankfurt implemented a search of DWS’s Frankfurt offices after it has launched an investigation into ESG related topics. We are fully cooperating in connection with this investigation, the outcome of which is yet also 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 we have failed to comply with applicable law, we 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, we had been required to seek an individual exemption to avoid disqualification from relying on the Qualified Professional Asset Manager exemption under the US Employee Retirement Income Security Act. In April 2021, the US 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 28 February 2022, following a finding by the Department of Justice that Deutsche Bank violated a deferred prosecution agreement based on untimely reporting by Deutsche Bank of the allegations made by a former employee of DWS Group in relation to ESG matters, Deutsche Bank agreed with the Department of Justice to extend an existing monitorship and abide by the terms of a prior deferred prosecution agreement 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 globally 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.

Digitalisation

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.

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 cost-income ratio as well as net flows. 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 us 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

Unforeseen and unidentified risks could lead to significant losses as our risk management policies, procedures and methods cannot guarantee they will be fully addressed.

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 earnings accretion and contribution to our medium-term targets for net flows and adjusted cost-income ratio.

Digitalisation

Digitalisation offers new competitors market entry opportunities and challenges existing business models. Examples include decentralised finance, robo-advice, digital currency or crowd funding. These offerings and underlying technologies have had the potential to create new products, attract additional client segments, and open alternative distribution channels. The regulatory and legal implications remain an uncertainty to an extent, for instance concerning customer protection, financial stability as well as the treatment of incumbent and new market players to have a level-playing field in financial supervision. In addition, digitalisation has remained a key factor determining competitive strength, including quality and speed of information processing, cost efficiency as well as "time-to-market".

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.

Risk Report

Our Risk

As an asset manager, we are continuously exposed to a variety of risks as a result of our business activities. These risks include non-financial risks and financial risks (market risk, credit risk, strategic risk and liquidity risk). Significantly, our fiduciary obligations are paramount and requires us to put the interests of our clients first at all times. We achieve this by risk managing the investment portfolios on behalf of our clients and by complying with regulatory requirements and contractual obligations.

Our risk governance approach employs two core principles: every employee is responsible for managing risk and is obligated to ensure that we act in the best interest of our clients and our franchise; and we have a strict segregation of duties enabling us to operate a control environment that is designed to protect the franchise, our clients and shareholders.

The integration of sustainability risks in our risk management processes continues to be an area of focus and we have integrated sustainability risk within the Risk Management Framework, Risk Appetite Statement and Business & Risk Strategy. In the first half of 2022, we developed an ESG Strategy which complements our existing risk management policies and procedures.

Risk and Capital Overview

Key Risk Metrics

We manage our own funds to satisfy the levels of regulatory own funds defined in articles 9 and 11 of the IFR, in articles 39 and 40 of the IFD, and as required by the relevant authority, BaFin. The group is required to cover the k-factor requirements for risk to client and risk to market.

We are also required to adhere to the liquidity requirement as per article 43 IFR. The Group is required to hold an amount of liquid assets such as cash, 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.

Key risk metrics

Own funds excess (shortfall)	
30 June 2022	€ 2,383 million
31 December 2021	€ 2,045 million

Own funds requirement based on k-factors	
30 June 2022	€ 610 million
31 December 2021	€ 560 million

IFR liquidity requirement	
30 June 2022	€ 484 million
31 December 2021	€ 495 million

Stressed net liquidity position	
30 June 2022	€ 2,011 million
31 December 2021	€ 2,289 million

Overall Risk Assessment

Material corporate risk categories include:

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

We manage the identification, assessment and mitigation of key risks through an internal governance process and the use of risk management tools and processes. 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.

External factors outside of our control can have significant effects on our financial profile and our strategic plans. Please refer to the section 'Outlook– Risks and Opportunities' for detailed information on these external factors.

In the first half of 2022 our risk governance structure, framework, risk appetite has been enhanced to better reflect both internal and external risk factors.

Risk Framework

Integrating Sustainability Risk into our Risk Management Framework

The risk management framework covers risk types spanning three main areas: non-financial risks (incl. 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 increased focus on assessing and monitoring the adverse impact of our corporate and investment activities on the environment and society.

In 2021 – and further during 2022, 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 actively managed Equity and Fixed Income European domiciled funds that measure and manage the sustainability risk profiles of the portfolios.
- We have identified the changing regulatory environment and changing ESG client preferences as important climate transition risk factors impacting our organization. We have assessed the resulting ESG related strategic risks and opportunities within an ESG scenario analysis focusing on the European retail product suite.

Further details on the sustainability risk integration program are described in the 'Sustainability Risk' section below.

Model Risk Management

We have instituted a Model Risk Management Framework to mitigate the risk of adverse consequences to both our clients and firm through the use of models. Model risk can materialize in different forms, however the underlying cause is often driven by a flawed model design, implementation and/or application. Processes in place for mitigating model risk include robust model governance requirements, a model inventory, approval and oversight as well as independent model validation requirements.

In the first half of 2022, we have continued to make progress in the administration of the Model Risk Management Framework, including the completion of independent model validations and refinement of the model risk rating methodology.

Update on Risk Management and Key Risk Drivers

Non-Financial Risk

Non-financial risk is comprised of operational risk and reputational risk.

In the first half of 2022, there have been no material changes to the governance structure, risk drivers or capacity and risks have been managed within risk appetite. The war in Ukraine has heightened the threats for Information Security Risk from cyber security attacks and this has been considered in our risk profile as well as the required business resilience measures. During the first half of 2022 we have not seen any material targeted cyber-attack against us.

Financial Risk

Market Risk

In the first half of 2022, there have been no changes to the processes governing the identification, measurement, mitigation, reporting and monitoring of our market risk exposure. Market risk has been managed within the approved risk appetite.

The first half of 2022 was characterised by pronounced volatility in the financial markets, marked by rising inflation, higher interest rates, a stronger US dollar and the war in Ukraine.

Co-investments were not directly affected by the increase in volatility in the first half of the year due to their illiquid nature. US dollar-denominated co-investments realised some currency-related increases in value. Should the economic environment deteriorate into next half year and interest rates rise or stay at elevated levels, fair value of co-investments may be impacted depending on the risk exposures to sectors, countries and currency areas concerned.

Higher long-term European interest rates helped to reduce the guaranteed products shortfall provision. 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.

Fiduciary Investment Risk in Traditional Asset Classes

Market Risk Management

The key objective of managing market risk for our fiduciary portfolios is to ensure that the portfolios are managed according to their respective market risk profile.

In the first half of 2022, an increase in market risk has been identified due to the impact of the war in Ukraine on global financial markets. Dedicated risk analyses have been conducted and specific portfolios and strategies were monitored more closely.

Despite the increased market risk levels, the market risk of our fiduciary portfolios was within the expected risk profiles, with no significant excessive risk taking identified.

Liquidity Risk Management

The key objective of managing liquidity risk of our fiduciary portfolios is to ensure that the portfolios can meet all liquidity demands, including investor redemptions, without diluting the interest of remaining investors.

In the first half of 2022, liquidity risk for fiduciary portfolios was low except for portfolios with significant holdings in Russian securities. For these portfolios we increased its liquidity management activities including heightened liquidity risk oversight. In response to the closure of Russian markets and resultant illiquid Russian securities, we suspended redemptions for retail portfolios with predominant investments in Russian securities to protect the interest of our investors.

No other fiduciary portfolios were suspended nor redemptions gated.

Valuation Risk Management

The key objective of managing valuation risk within our fiduciary investment funds is to ensure a fair valuation of the individual assets held in the funds, without any biased evaluations which may occur by using inaccurate models or methodologies, inputs and assumptions.

Overall, the valuation risk was low for our fiduciary investment funds in the first half of 2022, with the exception of investment funds with significant exposure to Russian securities. We increased our monitoring activities for Russian securities and applied alternative pricing methods in response to the closure of Russian markets and lack of liquidity for Russian securities. No other significant systematic increases in valuation risk were identified.

Counterparty Risk

Counterparty risks have been managed to safeguard our fiduciary portfolios from potential counterparty losses. Following the war in Ukraine, brokers headquartered in Russia have been removed from our eligible broker list.

Fiduciary Investment Risk in Alternative Asset Classes

Market Risk Management

In the first half of 2022, the continuation of the COVID-19 pandemic as well as the war in Ukraine had limited impact on the valuation of our illiquid products. Higher inflation and rising interest rates led to a shift in the market environment which, so far, has not materially impacted the risk profiles of our alternative funds.

Liquidity Risk Management

Our liquidity stress tests indicate sufficient liquidity across all our managed funds. Nevertheless, our framework will provide early warnings in case additional liquidity buffers are needed.

Sustainability Risk

Sustainability risk is defined as 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"). From our point of view, sustainability risk as well as the underlying sustainability factors cannot simply be considered to be a new and independent additional risk type, but sustainability factors are considered to be risk factors within existing risk types.

Corporate Risk Management

During the analysis of impacted corporate risk types, we identified several corporate financial and non-financial risk types that may be impacted by sustainability factors. As a consequence, Risk Management Framework components have been evolving during 2021 and 2022, a corporate ESG scenario analysis has been performed related to the changing ESG preferences of clients and sustainability factors have been introduced to be considered in Risk and Control Assessments.

Fiduciary Investment Risk Management

Sustainability risks and sustainability factors may 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 and performance of assets contained in a managed portfolio requires a diverse and customized set of risk indicators and measures to be considered. Within 2021, and further within 2022, the risk management policies and processes for UCITS and AIFs managed by the Group are evolving to reflect the integration of sustainability risks.

Interim Consolidated Financial Statements

Consolidated Statement of Income

in € m.	Notes	Jan - Jun 2022	Jan - Jun 2021
Management fees income		1,876	1,707
Management fees expense		638	575
Net management fees	5	**1,238**	**1,132**
Performance and transaction fee income		63	59
Performance and transaction fee expense		6	1
Net performance and transaction fees	5	**58**	**58**
Net commissions and fees from asset management	**5**	**1,296**	**1,190**
Interest and similar income[1]		13	12
Interest expense		12	9
Net interest income		**1**	**3**
Net gains (losses) on financial assets/liabilities at fair value through profit or loss[2]		(117)	128
Net income (loss) from equity method investments		34	48
Provision for credit losses		(0)	1
Other income (loss)[2]		146	(108)
Total net interest and non-interest income		**1,360**	**1,259**
Compensation and benefits		430	407
General and administrative expenses	6	434	376
Impairment of goodwill and other intangible assets	8	0	0
Total non-interest expenses		**865**	**783**
Profit (loss) before tax		**496**	**476**
Income tax expense	13	154	136
Net income (loss)		**341**	**340**
Attributable to:			
Non-controlling interests		(0)	1
DWS shareholders		342	340

1 Interest and similar income includes € 5 million and € 4 million for the first half of 2022 and 2021, 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 € 17 million for the first half of 2022 (€ (3) million for the first half of 2021) on derivatives mainly driven by guaranteed products and valuation adjustments of € (140) million for the first half of 2022 (€ 114 million for the first half of 2021) on guaranteed funds. Other income (loss) includes € 140 million for the first half of 2022 (€ (114) million for the first half of 2021) valuation adjustments on liabilities of guaranteed funds. DWS Group has no stake in these funds.

Consolidated Statement of Comprehensive Income

in € m.	Jan - Jun 2022	Jan - Jun 2021
Net income (loss) recognised in the income statement	**341**	**340**
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Remeasurement gains (losses) related to defined benefit plans, before tax	41	17
Income tax expense (benefit) related to items that will not be reclassified to profit or loss	13	6
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	(63)	(22)
Equity method investments		
Net gains (losses) arising during the period	0	0
Foreign currency translation		
Unrealized net gains (losses) arising during the period, before tax	304	123
Realized net gains (losses) arising during the period (reclassified to profit or loss), before tax	1	1
Income tax expense (benefit) related to items that are or may be reclassified to profit or loss	(20)	(7)
Total other comprehensive income (loss), net of tax	**290**	**120**
Total comprehensive income (loss), net of tax	**632**	**460**
Attributable to:		
Non-controlling interests	(0)	1
DWS shareholders	632	459

Earnings per Common Share

	Notes	Jan - Jun 2022	Jan - Jun 2021
Earnings per common share:			
Basic		€ 1.71	€ 1.70
Diluted		€ 1.71	€ 1.70
Number of common shares (in million)	12	200	200

Consolidated Balance Sheet

in € m.	Notes	30 Jun 2022	31 Dec 2021
ASSETS			
Cash and bank balances	7	2,129	2,191
Financial assets at fair value through profit or loss:	7		
Trading assets		1,287	1,505
Positive market values from derivative financial instruments		18	26
Non-trading financial assets mandatory at fair value through profit or loss		1,895	1,745
Investment contract assets mandatory at fair value through profit or loss		494	562
Total financial assets at fair value through profit or loss	**7**	**3,693**	**3,838**
Financial assets at fair value through other comprehensive income	7	91	154
Equity method investments		354	349
Loans at amortized cost	7	8	5
Property and equipment		26	26
Right-of-use assets		127	119
Goodwill and other intangible assets	8	3,873	3,652
Assets held for sale	9	565	324
Other assets	7,10	737	762
Assets for current tax		46	46
Deferred tax assets		115	145
Total assets		**11,764**	**11,611**
LIABILITIES AND EQUITY			
Financial liabilities at fair value through profit or loss:	7		
Trading liabilities		26	28
Negative market values from derivative financial instruments		99	160
Investment contract liabilities designated at fair value through profit or loss		494	562
Total financial liabilities at fair value through profit or loss	**7**	**618**	**750**
Other short-term borrowings	7	32	75
Lease liabilities		144	136
Liabilities held for sale	9	490	252
Other liabilities	7,10	2,434	2,623
Provisions	11	36	16
Liabilities for current tax		86	96
Deferred tax liabilities		247	218
Long-term debt	7	0	0
Total liabilities		**4,087**	**4,166**
Common shares, no par value, nominal value of € 1.00	12	200	200
Additional paid-in capital		3,447	3,448
Retained earnings		3,456	3,487
Accumulated other comprehensive income (loss), net of tax		548	286
Total shareholders' equity		**7,651**	**7,421**
Non-controlling interests		25	24
Total equity		**7,676**	**7,445**
Total liabilities and equity		**11,764**	**11,611**

Consolidated Changes in Equity

									Shareholders' equity	Non-controlling interest	Total equity
					Accumulated other comprehensive income, net of tax[1]						
					Unrealized net gains (losses)						
in € m.	Common Stock	Additional paid in capital	Share awards	Retained earnings	On financial assets mandatory at fair value through other comprehensive income, net of tax	From equity method investments	Foreign currency translation net of tax	Total	Total		
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	340	(15)	0	122	107	447	1	448
Remeasurement gains (losses) related to defined benefit plans, net of tax	0	0	0	12	0	0	0	0	12	0	12
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	(8)	0	0	0	0	0	(8)	0	(8)
Other	0	0	0	0	0	0	0	0	0	(10)	(10)
Balance as of 30 June 2021	**200**	**3,358**	**93**	**3,040**	**(13)**	**19**	**125**	**130**	**6,821**	**21**	**6,842**
Balance as of 1 January 2022	**200**	**3,358**	**91**	**3,487**	**(28)**	**19**	**295**	**286**	**7,421**	**24**	**7,445**
Total comprehensive income (loss), net of tax	0	0	0	342	(43)	0	304	262	603	(0)	603
Remeasurement gains (losses) related to defined benefit plans, net of tax	0	0	0	27	0	0	0	0	27	(0)	27
Cash dividends paid	0	0	0	400	0	0	0	0	400	0	400
Net change in share awards in the reporting period, net of tax	0	0	(2)	0	0	0	0	0	(2)	(0)	(2)
Other	0	0	0	0	0	0	0	0	0	2	2
Balance as of 30 June 2022	**200**	**3,358**	**89**	**3,456**	**(71)**	**19**	**600**	**548**	**7,651**	**25**	**7,676**

[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 mainly cover 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.

Statement of cash flows

in € m.	Jan - Jun 2022	Jan - Jun 2021
Cash flows from operating activities:		
Net income (loss)	**341**	**340**
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Restructuring activities	0	2
(Gain) loss on sale of financial assets from investing activity	(0)	(5)
Deferred taxes, net	48	19
Impairment, depreciation, other amortization and (accretion)	26	32
Share of net loss (income) from equity method investments	(34)	(48)
Other non-cash movements	41	(60)
Income (loss) adjusted for non-cash charges, credits and other items	**422**	**280**
Adjustments for net change in operating assets and liabilities:		
Interest-earning time deposits with banks	17	(18)
Other assets	(183)	(719)
Investment contract liabilities designated at fair value through profit or loss	(68)	34
Other liabilities	50	853
Trading assets and liabilities, positive and negative market values from derivative financial instruments, net[1]	163	(94)
Other, net	27	(22)
Net cash provided by (used in) operating activities	**429**	**316**
Thereof: Net cash provided by (used in) operating activities of guaranteed funds	71	2
Cash flows from investing activities:		
Proceeds from sale and maturities of:		
Non-trading financial assets mandatory at fair value through profit or loss[2]	578	1,070
Property and equipment	0	9
Purchase of:		
Non-trading financial assets mandatory at fair value through profit or loss[3]	(639)	(1,104)
Financial assets at fair value through other comprehensive income	0	0
Property and equipment	(1)	(6)
Additional intangible assets	(17)	(17)
Dividends received from equity method investments	44	6
Loans at amortized cost made to other parties	(3)	0
Net cash provided by (used in) investing activities	**(37)**	**(42)**

in € m.	Jan - Jun 2022	Jan - Jun 2021
Cash flows from financing activities:		
Cash dividends paid to DWS shareholders	(400)	(362)
Other borrowings	0	5
Repayment of other borrowings	(43)	0
Repayment of lease liabilities (principal)	(9)	(9)
Net change in non-controlling interests	1	(9)
Net cash provided by (used in) financing activities	**(451)**	**(375)**
Net effect of exchange rate changes on cash and cash equivalents	**15**	**17**
Net increase (decrease) in cash and cash equivalents	**(45)**	**(84)**
Cash and cash equivalents at beginning of period	2,055	2,060
Net increase (decrease) in cash and cash equivalents	(45)	(84)
Cash and cash equivalents at end of period	**2,010**	**1,976**

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 treasury liquidity funds in first half of 2022.
3 The outflows contain mainly investments in government bonds in first half of 2022.

Supplemental cash flow information:

in € m.	Jan - Jun 2022	Jan - Jun 2021
Net cash provided by (used in) operating activities includes:		
Income taxes paid (received), net	116	55
Interest paid	11	10
Interest received	7	5
Dividends received	4	8
Cash and cash equivalents comprise:		
Cash and bank balances (excluding time deposits)[1]	2,010	1,976
Total cash and cash equivalents	**2,010**	**1,976**

1 The balance sheet item cash and bank balances of € 2,129 million (30 June 2021: € 2,126 million) comprises time deposits of € 119 million (30 June 2021: € 150 million), bank balances on demand of € 2,010 million (30 June 2021: € 1,976 million) and cash of € 0 million (30 June 2021: € 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).

DWS KGaA together with all entities in which DWS KGaA has a controlling financial interest is a global asset manager covering a diverse offering that spans all major liquid and illiquid asset classes as well as solutions aligned to growth trends.

The Executive Board 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.

On 26 July 2022, the Executive Board prepared the half-yearly condensed consolidated financial statements and released them for publication.

02 – Significant Accounting Policies and Estimates

The accompanying half-yearly consolidated financial statements include DWS KGaA and its subsidiaries are stated in euro, which is 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 figure. "N/A" means "not applicable".

The half-yearly consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB and endorsed by the EU. The Group's application of IFRS results in no differences between IFRS as issued by the IASB and IFRS as endorsed by the EU. They comprise the reporting period from 1 January 2022 to 30 June 2022 with comparison period from 1 January 2021 to 30 June 2021 and as per 31 December 2021 where applicable. The presentation of this information is in compliance with IAS 34 "Interim financial reporting" and in accordance with Section 115 of the WpHG in conjunction with Section 117 number 2 WpHG.

Some IFRS disclosures incorporated in the Management Report are an integral part of the half-yearly consolidated financial statements. These include the results of operations which is presented in the 'Operating and Financial Review' and risk related information which is presented in the 'Risk Report'. The presentation of this information is in compliance with IFRS 8 "Operating segments".

The Group's half-yearly consolidated financial statements was subject to an auditor's review and include supplementary disclosures on income statement, balance sheet and other financial information. They should be read in conjunction with the audited consolidated financial statements of DWS Group for 2021, for which the same accounting policies and critical accounting estimates have been applied with the exception of the newly adopted accounting pronouncements outlined in note 3 'Recently Adopted and New Accounting Pronouncements'.

There are no material changes in the composition of the Group compared to the period ending 31 December 2021.

Adjustment of discount rate applied to the Group's pension obligations

In the second quarter of 2022, a recalibration of the discount curve methodology was applied to the Eurozone curve in order to better align to market data. This recalibration resulted in a decrease of the defined benefit obligation by € 11 million, that was recognised through other comprehensive income. The recalibration contributed, in addition to significant widening credit spreads in the Eurozone experienced during the second quarter, to the recognition of an overall decrease in the net defined benefit obligation.

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 of and for the year ended 31 December 2021.

The Group has adopted the following accounting pronouncements effective 1 January 2022.

IFRS 3 "Business combinations"

In May 2020, the 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 amendment is also available for interim reports. The amendments do not have any impact on the Group's consolidated financial statements. These amendments were endorsed by the EU on 28 June 2021.

IAS 37 "Provisions, contingent liabilities and contingent assets"

In May 2020, the 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 have no material impact on the Group's consolidated financial statements. These amendments were endorsed by the EU on 28 June 2021.

IAS 16 "Property, plant and equipment"

In May 2020, the 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 were endorsed by the EU on 28 June 2021.

Improvements to IFRS 2018-2020 Cycles

In May 2020, the 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 have no material impact on the Group's consolidated financial statements. These amendments were endorsed by the EU on 28 June 2021.

New Accounting Pronouncements

The following accounting pronouncements were not effective as of 30 June 2022 and therefore have not been applied as of 30 June 2022.

Classification of Liabilities as Current or Non-current (amendments to IAS 1 "Presentation of Financial Statements")

In January 2020, the 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 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 were endorsed by the EU on 2 March 2022.

IAS 1 "Presentation of Financial Statements"

On 12 February 2021 the 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 were endorsed by the EU on 2 March 2022.

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 1 January 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 were endorsed by the EU on 19 November 2021.

IAS 12 "Income Taxes"

In May 2021, the IASB issued amendments to IAS 12, "Income Taxes". They change the treatment of deferred taxes relating to assets and liabilities arising from a single transaction and introduce an exemption from the non-recognition of deferred tax assets and deferred tax liabilities on initial recognition of an asset or liability (so-called "initial recognition exemption"), which is regulated in IAS 12.15(b) and IAS 12.24. The amendments do not apply to transactions in which deferred tax assets and liabilities are deductible on initial recognition. Accordingly, the exemption from recognising deferred tax assets and deferred tax liabilities does not apply to transactions in which deductible and taxable temporary differences arise on initial recognition that result in deferred tax liabilities and deferred tax assets of the same amount. The amendments are effective for annual periods beginning on or after 1 January 2023. Early application is permitted. The implementation of the amendments will not have a material impact on the consolidated financial statements. These amendments have not yet been endorsed by the EU.

04 – 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.

The term "Chief Operating Decision Maker" identifies a function, not necessarily a manager with a specific title. Although an entity cannot have more than one Chief Operating Decision Maker, it 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 Chief Operating Decision Maker 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 Chief Operating Decision Maker 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 – in example 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.

Net interest and non-interest income by geographic area (based on the management approach of the Group)

in € m.	Jan - Jun 2022	Jan - Jun 2021
Germany	629	568
Europe (excluding Germany), Middle East and Africa	325	359
Americas	339	247
Asia/Pacific	67	85
Total net interest and non-interest income	**1,360**	**1,259**

Notes to the Consolidated Income Statement

05 – Net Commissions and Fees from Asset Management

Split of net commissions and fees from asset management by type and product

in € m.	Jan - Jun 2022	Jan - Jun 2021
Management fees:		
Management fee income	1,876	1,707
Management fee expense	638	575
Net management fees	**1,238**	**1,132**
Thereof:		
Active Equity	383	367
Active Multi Asset	107	99
Active Systematic & Quantitative Investments	103	96
Active Fixed Income	131	142
Active Cash	13	9
Passive	195	178
Alternatives	297	235
Other[1]	9	6
Performance and transaction fees:		
Performance and transaction fee income	63	59
Performance and transaction fee expense	6	1
Net performance and transaction fees	**58**	**58**
Thereof:		
Alternatives	51	49
Active and Other	7	9
Total net commissions and fees from asset management	**1,296**	**1,190**

[1] 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.	Jan - Jun 2022	Jan - Jun 2021
Commission and fee income from asset management:		
Germany	781	767
Europe (excluding Germany), Middle East and Africa	752	675
Americas	386	301
Asia/Pacific	21	25
Total commission and fee income from asset management	**1,940**	**1,767**
Commission and fee expense from asset management	**644**	**576**
Net commissions and fees from asset management	**1,296**	**1,190**

06 – General and Administrative Expenses

in € m.	Jan - Jun 2022	Jan - Jun 2021
Information technology	65	64
Professional services	40	34
Market data & research services	36	31
Occupancy, furniture and equipment expenses	23	26
Banking services and outsourced operations	114	103
Marketing expenses	16	10
Travel expenses	5	1
Charges from Deutsche Bank Group[1]	87	76
Other expenses	48	32
Total general and administrative expenses	**434**	**376**

[1] Thereof € 54 million related to infrastructure charges from Deutsche Bank Group for the first half of 2022 (€ 57 million for the first half of 2021) and € 33 million related to DWS functions in Deutsche Bank Group entities for the first half of 2022 (€ 19 million for the first half of 2021).

Notes to the Consolidated Balance Sheet

07 – 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 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 10 '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 9 'Non-Current Assets and

Disposal Groups Held for Sale'. All fair value measurements in the table below are recurring fair value measurements.

Financial instruments

					30 Jun 2022
	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	1,163	0	1,163	0	1,163
Debt instruments held by consolidated seed investments	36	10	25	0	36
Equity instruments held by consolidated guaranteed funds	66	66	0	0	66
Equity instruments held by consolidated seed investments	22	22	0	0	22
Total trading assets	**1,287**	**99**	**1,188**	**0**	**1,287**
Positive market values from derivative financial instruments	**18**	**0**	**18**	**0**	**18**
Non-trading financial assets mandatory at fair value through profit or loss:					
Debt instruments – co-investments	536	0	0	536	536
Debt instruments – seed investments	21	16	5	0	21
Debt instruments – money market funds	0	0	0	0	0
Debt instruments – government bonds	674	674	0	0	674
Debt instruments – corporate bonds	488	488	0	0	488
Debt instruments – other debt instruments	147	115	0	32	147
Thereof: liquidity positions	115	115	0	0	115
Equity instruments	29	0	0	29	29
Thereof: co-investments	2	0	0	2	2
Total non-trading financial assets mandatory at fair value through profit or loss	**1,895**	**1,294**	**5**	**597**	**1,895**
Debt instruments - investment contract assets mandatory at fair value through profit or loss	**494**	**0**	**494**	**0**	**494**
Total financial assets held at fair value through profit or loss	**3,693**	**1,393**	**1,704**	**597**	**3,693**
Debt instruments - sub-sovereign bond at fair value through other comprehensive income	91	0	91	0	91
Total financial assets at fair value through other comprehensive income	**91**	**0**	**91**	**0**	**91**
Total financial assets held at fair value	**3,784**	**1,393**	**1,795**	**597**	**3,784**
Financial assets held at amortized cost:					
Cash and bank balances	2,129				
Loans	8	0	8	0	8
Other financial assets	665				
Total financial assets held at amortized cost	**2,801**	**0**	**8**	**0**	**8**
Financial liabilities held at fair value:					
Trading liabilities:					
Investment funds (short position)	26	26	0	0	26
Total trading liabilities	**26**	**26**	**0**	**0**	**26**
Negative market values from derivative financial instruments	**99**	**0**	**13**	**86**	**99**
Investment contract liabilities designated at fair value through profit or loss	494	0	494	0	494
Total financial liabilities designated at fair value through profit or loss	**494**	**0**	**494**	**0**	**494**
Total financial liabilities held at fair value through profit or loss	**618**	**26**	**507**	**86**	**618**
Payables from guaranteed and other consolidated funds	**1,347**	**0**	**1,347**	**0**	**1,347**
Total financial liabilities held at fair value	**1,966**	**26**	**1,854**	**86**	**1,966**
Financial liabilities held at amortized cost:					
Other short-term borrowings	32				
Other financial liabilities	997				
Thereof: payables from performance related payments	250				
Long-term debt	0				
Total financial liabilities held at amortized cost	**1,030**				

					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**				

Trading assets decreased by € 219 million mainly driven by a decrease of assets held by guaranteed funds in the amount of € 245 million resulting mainly from mark-to-market valuation losses and net disposals. This impact was partially offset by an increase of assets held by consolidated seed investments in the amount of € 27 million mainly resulting from consolidation of funds. The corresponding payables held by guaranteed and other consolidated funds decreased respectively.

Non-trading financial assets mandatory at fair value through profit or loss increased by € 150 million primarily driven by an increase of US held sovereign bonds in the amount of € 146 million resulting mainly from net purchases and positive FX impact.

The decrease of investment contract assets and corresponding liabilities of € 68 million is mainly driven by mark-to-market valuation losses of the related investments as well as redemptions and maturities.

Positive market values from derivative financial instruments mainly include the equity compensation share price option which was decreased by € 8 million largely due to market valuation losses.

As of 30 June 2022, the carrying value of sub-sovereign bonds was € 91 million while the amortised cost value was € 194 million. The fair value decreased by € 63 million mainly resulting from higher interest rates affecting the unit price of the sub-sovereign bonds.

Negative market values from derivative financial instruments mainly include the guaranteed products (€ 87 million as of 30 June 2022, € 140 million as of 31 December 2021). The decrease is largely driven by shortfall risk decline resulting from higher interest rates.

For further details on other financial assets and liabilities, please refer to note 10 '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 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 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.

There were no transfers between level 1 and 2 in the first half of 2022 and in the first half of 2021 respectively.

There were transfer out of level 3 in the amount of € 1 million for the six months period ending 30 June 2021 due to observable parameters for the derivative valuation.

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

						30 Jun 2022
	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 2022	**474**	**29**	**30**	**533**	**140**	**140**
Changes in the group of consolidated companies	0	0	(0)	(0)	0	0
Unrealized gains (losses) through profit or loss	46	0	(0)	45	54	54
FX gains (losses)	19	2	(0)	20	0	0
Purchases	30	1	0	31	0	0
Sales	0	0	0	0	0	0
Settlements	32	0	0	32	0	0
Transfers into level 3	0	0	0	0	0	0
Transfers out of level 3	0	0	0	0	0	0
Balance as of 30 June 2022	**536**	**32**	**29**	**597**	**86**	**86**

in € m.	Debt instruments – co-investments	Debt instruments – other debt instruments	Equity instruments	Financial assets Total	Negative market values from derivative financial instruments	Financial liabilities Total
	30 Jun 2021					
Balance as of 1 January 2021	**389**	**19**	**7**	**415**	**155**	**155**
Changes in the group of consolidated companies	0	0	0	0	0	0
Unrealized gains (losses) through profit or loss	22	(0)	(0)	22	14	14
FX gains (losses)	7	0	0	8	0	0
Purchases	7	3	2	12	0	0
Sales	0	0	0	0	0	0
Settlements	25	0	0	26	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 30 June 2021	**401**	**22**	**8**	**431**	**140**	**140**

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 30 June 2022 it could have increased fair value by as much as € 12 million or decreased fair value by as much as € 96 million. 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.

The negative fair value increase is mainly driven by volatility in real estate funds in US. 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 would be applied as a deduction from regulatory own funds.

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.

Sensitivity analysis of unobservable parameters

in € m.	30 Jun 2022 Positive fair value movement from using reasonable possible alternatives	30 Jun 2022 Negative fair value movement from using reasonable possible alternatives	31 Dec 2021 Positive fair value movement from using reasonable possible alternatives	31 Dec 2021 Negative fair value movement from using reasonable possible alternatives
Debt instrument - co-investments	2	81	1	32
Debt instrument - other debt instrument	1	2	0	1
Equity instruments	0	3	2	3
Negative market values from derivative financial instruments	9	9	14	13
Total	**12**	**96**	**17**	**49**

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

						30 Jun 2022
	Fair value					
in € m. (unless stated otherwise)	Assets	Liabilities	Valuation technique(s)	Significant unobservable input(s) (level 3)		Range
Debt instrument – co-investments	533	0	Market approach	Price per net asset value	100%	100%
	2	0	Intex model	Credit Spread	16%	21%
				Recovery rate	75%	75%
				Default rate	1%	1%
				Pre-payment rate	25%	25%
Debt instrument – other debt instruments	15	0	Market approach	Price per net asset value	100%	100%
	17	0	Intex model	Credit Spread	2%	10%
				Recovery rate	75%	75%
				Default rate	1%	1%
				Pre-payment rate	25%	25%
Equity Instrument	29	0	Market approach	Price per net asset value	100%	100%
Negative market values from derivative financial instruments	0	86	Option pricing model	Cancellation rate	1%	15%
Total	**597**	**86**				

						31 Dec 2021
	Fair value					
in € m. (unless stated otherwise)	Assets	Liabilities	Valuation technique(s)	Significant unobservable input(s) (level 3)		Range
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**				

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. There are no significant changes compared to 31 December 2021.

The Group applied the IFRS 9 "Financial Instruments" requirement to recognize a loss allowance for ECLs on financial assets that are measured at amortised cost and fair value through other comprehensive income as well as unfunded commitments. The Group does not reflect significant changes compared to 31 December 2021.

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 structural foreign exchange resulting in currency translation adjustments that is part of accumulated other comprehensive income, please refer to 'Consolidated Changes in Equity'.

Seed capital – The seed investments are exposed to the daily volatility of the market prices. The risk is mitigated via typically short tenor and offsetting risk positions which are classified as derivates. 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 real estate sector represents the single largest contributor to the underlying assets of co-investments, hence the sensitivity analysis focuses on this market segment, applying blanket percentage value reductions to the component elements of our real estate fund portfolio. 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. The increase in sensitivity for potential changes in real estate value is mainly driven by appreciation in valuations of real estate funds in US.

Estimated net profit or loss impact from co-investments sensitivity for potential changes in real estate values

in € m.	30 Jun 2022	31 Dec 2021
Reduction in real estate value:		
20%	(81)	(64)
40%	(162)	(128)
Increase in real estate value:		
20%	81	64
40%	162	128

Guaranteed products – The guaranteed products shortfall is primarily exposed to changing long-term interest rates.

The guaranteed product shortfalls and sensitivities decreased compared to 31 December 2021 due to increased European long-term bond yields.

Estimated net profit or loss impact from guaranteed products sensitivity for potential changes in long-term interest rates

in € m.	30 Jun 2022	31 Dec 2021
Reduction in long-term interest rate:		
50 bp	(6)	(16)
100 bp	(15)	(37)
Increase in long-term interest rate:		
50 bp	5	12
100 bp	8	21

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. There were no significant changes compared to 31 December 2021.

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. There were no significant changes compared to 31 December 2021.

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.

There were no significant changes in the sensitivities compared to 31 December 2021.

08 – Goodwill and Other Intangible Assets

As of 30 June 2022, an analysis was performed to evaluate if an impairment loss had to be recognized for the Group's goodwill or the indefinite life intangible asset related to retail investment management agreements (shown under unamortized intangible assets). That analysis did not result in an impairment.

As part of the analysis, the assumptions and their sensitivities of the annual goodwill impairment test were reviewed and did not indicate an impairment. In addition, the analysis included review of the main input parameters for the retail investment management agreement intangible valuation and also did not indicate an impairment.

Accordingly, management will continue to monitor key assumptions (e. g. assets under management) and their sensitivities on a frequent basis as changes could cause an impairment loss in the future.

Goodwill

Changes in goodwill

in € m.	
Balance as of 1 January 2021	**2,739**
Disposals	0
Exchange rate changes	49
Balance as of 30 June 2021	**2,788**
Gross amount of goodwill	2,788
Accumulated impairment losses	0
Balance as of 1 January 2022	**2,822**
Disposals	0
Exchange rate changes	156
Balance as of 30 June 2022	**2,978**
Gross amount of goodwill	2,978
Accumulated impairment losses	0

As of 30 June 2022, changes relate to foreign exchange rate movements of € 156 million (30 June 2021: € 49 million).

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 2021	**945**	**0**	**945**	**104**	**20**	**89**	**213**	**242**	**1,401**
Additions	0	0	0	0	0	0	0	16	17
Exchange rate changes	30	0	30	3	0	0	3	3	36
Balance as of 30 June 2021	**975**	**0**	**975**	**108**	**20**	**89**	**217**	**262**	**1,453**
Balance as of 1 January 2022	**1,017**	**0**	**1,017**	**112**	**20**	**88**	**221**	**242**	**1,479**
Additions	0	0	0	0	0	0	0	17	17
Reclassifications from (to) held for sale	0	0	0	0	0	0	0	(28)	(28)
Exchange rate changes	90	0	90	10	0	(1)	9	1	100
Balance as of 30 June 2022	**1,106**	**0**	**1,106**	**122**	**20**	**88**	**230**	**232**	**1,568**
Accumulated amortization and impairment:									
Balance as of 1 January 2021	**239**	**0**	**239**	**104**	**20**	**89**	**213**	**137**	**590**
Amortization for the year	0	0	0	0	0	0	0	21	21
Impairment losses	0	0	0	0	0	0	0	0	0
Exchange rate changes	7	0	7	3	0	(0)	3	2	13
Balance as of 30 June 2021	**246**	**0**	**246**	**108**	**20**	**89**	**216**	**160**	**623**
Balance as of 1 January 2022	**257**	**0**	**257**	**112**	**20**	**88**	**221**	**172**	**650**
Amortization for the year	0	0	0	0	0	0	0	13	13
Reclassifications from (to) held for sale	0	0	0	0	0	0	0	(23)	(23)
Impairment losses	0	0	0	0	0	0	0	1	1
Exchange rate changes	23	0	23	10	0	(1)	9	1	32
Balance as of 30 June 2022	**279**	**0**	**279**	**122**	**20**	**88**	**230**	**163**	**673**
Carrying amount:									
As of 1 January 2021	**706**	**0**	**706**	**0**	**0**	**0**	**0**	**105**	**811**
As of 30 June 2021	**728**	**0**	**728**	**0**	**0**	**0**	**0**	**102**	**830**
As of 1 January 2022	**760**	**0**	**760**	**0**	**0**	**0**	**0**	**70**	**830**
As of 30 June 2022	**827**	**0**	**827**	**0**	**0**	**0**	**0**	**68**	**895**

As of 30 June 2022, there was an impairment loss on internally generated software amounting to € 1 million (30 June 2021: impairment loss of € 0 million) reflected under general and administrative expenses in the consolidated statement of income.

09 – Non-Current Assets and Disposal Groups Held for Sale

In September 2021, the Group and BlackFin Capital Partners 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 the Group will transfer its digital investment platform into a joint venture with BlackFin Capital Partners, maintaining a stake of 30%.

As of 30 June 2022 closing of the transaction is still expected for the second half of 2022. The valuation of the assets and liabilities did not result in the recognition of a loss.

Assets and liabilities held for sale

in € m.	30 Jun 2022	31 Dec 2021
Cash and bank balances	7	6
Goodwill and other intangible assets	75	71
Other financial assets	483	247
Total assets held for sale	**565**	**324**
Other financial liabilities	490	252
Total liabilities held for sale	**490**	**252**

10 – Other Assets and Other Liabilities

in € m.	30 Jun 2022	31 Dec 2021
Other assets:		
Other financial assets:		
Receivables from commissions/fees	216	187
Remaining other financial assets	448	527
Total other financial assets	**665**	**714**
Other non-financial assets:		
Other tax receivables	14	14
Remaining other non-financial assets	58	34
Total other non-financial assets	**72**	**47**
Total other assets	**737**	**762**
Other liabilities:		
Other financial liabilities:		
Payables from commissions/fees	159	158
Payables from performance related payments	250	306
Remaining other financial liabilities	588	508
Payables from guaranteed and other consolidated funds[1]	1,347	1,511
Total other financial liabilities	**2,345**	**2,483**
Other non-financial liabilities:		
Other tax payables	22	21
Remaining other non-financial liabilities	67	119
Total other non-financial liabilities	**89**	**140**
Total other liabilities	**2,434**	**2,623**

[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 7 'Financial Instruments').

As of 30 June 2022, the Group's balance of receivables from commission and fee income was € 216 million (€ 187 million as of 31 December 2021). As of 30 June 2022, the Group's balance of liabilities associated with commission and fee income was € 159 million (€ 158 million as of 31 December 2021). The Group has no contract liabilities as of 30 June 2022 and as of 31 December 2021 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.

11 – Provisions

Movements by class of provision

in € m.	Operational risk	Civil litigations	Restructuring - staff related	Other	Total
Balance as of 1 January 2021	**9**	**0**	**1**	**7**	**17**
New provisions	5	1	0	0	7
Amounts used	0	0	1	0	1
Unused amounts reversed	0	0	0	5	5
Effects from exchange rate fluctuations/unwind of discount	0	0	0	0	0
Transfers	0	0	0	0	0
Balance as of 30 June 2021	**14**	**1**	**0**	**2**	**17**
Balance as of 1 January 2022	**14**	**1**	**0**	**1**	**16**
New provisions	8	(0)	0	12	20
Amounts used	0	0	0	0	0
Unused amounts reversed	0	0	0	0	0
Effects from exchange rate fluctuations/unwind of discount	(0)	0	0	(0)	(0)
Balance as of 30 June 2022	**22**	**1**	**0**	**13**	**36**

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.

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.

Material individual proceedings are described below:

The Group has made a regulatory enforcement provision in the amount of € 12 million relating to regulatory investigations by the US Securities and Exchange Commission regarding employees' use of unapproved devices and record keeping requirements. In relation to certain matters for which the Group believes an outflow is probable, no provisions were recognized, as the Group could not reliably estimate the amount of the potential outflow.

12 – Equity

Common Shares

The company's share capital consists of common shares issued in registered form without par value. As of 30 June 2022 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.

Common shares

	Number of shares
Common shares as of 31 December 2021	**200,000,000**
Changes	-
Common shares as of 30 June 2022	**200,000,000**

Authorized Capital

Details on authorized capital are governed by Section 4 of the Articles of Association. On 9 June 2022 the Annual General Meeting voted for the cancellation of authorized capital pursuant to Section 4 (4) and Section 4 (5) of the Articles of Association (Authorized Capital 2018/I and Authorized Capital 2018/II) and the creation of new authorized capital. Under these new capital authorisations, the General Partner is authorized to increase the share capital of the company on or before 8 June 2025 once or more than once, by up to a total of € 20 million through the issuance of new shares against cash payment or contribution in kind (Authorized Capital 2022/I). The General Partner is further authorized to increase the share capital of the company on or before 8 June 2025 once or more than once, by up to a total of € 60 million through the issuance of new shares against cash payment (Authorized Capital 2022/II). The amendment will be effective with the entry in the commercial register.

Conditional Capital

Details on conditional capital are governed by Section 4 of the Articles of Association. On 9 June 2022 the Annual General Meeting voted for the cancellation of the conditional capital pursuant to Section 4 (6) of the Articles of Association (Conditional Capital 2019/I). The amendment will be effective with the entry in the commercial register.

Dividends

Amount of dividend declared for the year ended 31 December 2021

	2021
Cash dividend (in € m.)	400
Cash dividend per common share (in €)	2.00

The Annual General Meeting on 9 June 2022 agreed to the dividend proposal as recommended by the General Partner and the Supervisory Board.

Additional Notes

13 – Income Taxes

Income tax expense in the first half of 2022 was € 154 million (first half of 2021: € 136 million). The effective tax rate of 31.1% (first half of 2021: 28.5%) was mainly impacted by non-deductible expenses, partly offset by tax exempt income.

14 – 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 30 June 2022, transactions with related party persons were loans and commitments of € 14 million and deposits of € 4 million. As of 30 June 2021, transactions with key management personnel were loans and commitments of € 5 million and deposits of € 4 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

				Jan - Jun 2022
in € m.	Net interest and non-interest income	Non-interest expenses	Assets	Liabilities
Deutsche Bank AG	(152)	51	906	272
Other Deutsche Bank Group entities	(26)	50	95	97

				Jan - Jun 2021
in € m.	Net interest and non-interest income	Non-interest expenses	Assets	Liabilities
Deutsche Bank AG	(133)	61	875	354
Other Deutsche Bank Group entities	(21)	35	91	79

The increase in assets with Deutsche Bank AG is mainly related to bank balances driven by cash management initiatives. The decrease in liabilities is mainly driven by settlements.

DWS KGaA incurred expenses for key management personnel services to DWS Management GmbH, a wholly owned subsidiary of Deutsche Bank AG, of € 14 million for the first half year 2022 (€ 7 million for the first half year 2021).

On 14 June 2022, DWS KGaA paid a dividend of € 318 million for the fiscal year 2021 to DB Beteiligungs-Holding GmbH, a wholly owned subsidiary of Deutsche Bank AG (on 14 June 2021, € 288 million for the fiscal year 2020, respectively).

The Group has no transactions as of 30 June 2022 and 30 June 2021 respectively with joint ventures and associates of Deutsche Bank Group.

15 – Events after the Reporting Period

After 30 June 2022, there were no reportable events of particular significance for the net assets, financial positions and result of operations of the Group.

Confirmations

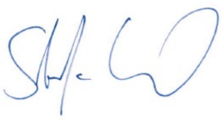
Responsibility Statement by the Executive Board

To the best of our knowledge, and in accordance with the applicable reporting principles for half-yearly financial reporting, the half-yearly consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Frankfurt am Main, 26 July 2022

DWS Group GmbH & Co. KGaA,
represented by:
DWS Management GmbH, its general partner

The Managing Directors (Executive Board)


Dr Stefan Hoops


Claire Peel


Manfred Bauer


Mark Cullen


Dirk Goergen


Stefan Kreuzkamp

Independent Auditor's Review 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.

To DWS Group GmbH & Co. KGaA, Frankfurt am Main

We have reviewed the condensed interim consolidated financial statements of the DWS Group GmbH & Co. KGaA, Frankfurt am Main – comprising the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated changes in equity, the consolidated statement of cashflows and the notes to the consolidated financial statements – together with the interim group management report of the DWS Group GmbH & Co. KGaA, Frankfurt am Main, for the period from January 1 to June 30, 2022 that are part of the semi annual (or quarterly financial report) according to § 115 WpHG ["Wertpapierhandelsgesetz": "German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Frankfurt am Main, 26 July 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft

Fox	Anders
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Glossary

Term	Meaning
AGM	Annual General Meeting
AIF	Alternative Investment Fund
APAC	Asia-Pacific
APM	Alternative performance measures
AuM	Assets under Management
BaFin	German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht)
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CET 1	Common Equity Tier 1
CIO	Chief Investment Officer
CIR	Cost-income ratio
Company	DWS Group GmbH & Co. KGaA, a German partnership limited by shares (Kommanditgesellschaft auf Aktien)
COVID-19	Corona Virus Disease 2019
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)
CSR	Corporate social responsibility
Deutsche Bank Group	Deutsche Bank AG and its subsidiaries
DWS Group	DWS Group GmbH & Co. KGaA and its subsidiaries
DWS KGaA	DWS Group GmbH & Co. KGaA
ECB	European Central Bank
ECL	Expected credit losses
EMEA	Europe, Middle East and Africa
ESG	Environmental, Social and Governance
ESG Framework	ESG Product Classification Framework
ETF	Exchange traded fund
EU	European Union
Fed	Federal Reserve Bank
FTE	Employee figure calculated on a full-time equivalent basis, meaning we include proportionate numbers of part-time employees.
FX	Foreign exchange
GAAP	Generally Accepted Accounting Principles
GDP	Gross domestic product
Group	DWS Group GmbH & Co. KGaA and its subsidiaries
HGB	German Commercial Code (Handelsgesetzbuch)
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
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)
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IT	Information Technology
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-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-NPR	K-factor related to net position risk
KPI	Key performance indicator
KPMG	KPMG AG Wirtschaftsprüfungsgesellschaft (Berlin)
N/A	Not applicable
N/M	Not meaningful (in the management report)
PLC	Public limited company
PVCC	Principal Valuation Control Council
SICAV	Société d'investissement à Capital Variable (Investment company with variable capital)
TCFD	Task Force on Climate-related Financial Disclosures
UCITS	Undertakings for Collective Investment in Transferable Securities

Glossary

Term	Meaning
UK	United Kingdom
US / USA	United States (of America)
WpHG	German Securities Trading Act (Wertpapierhandelsgesetz)
Xtrackers	Exchange Traded Funds offered by DWS

Imprint

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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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