

Media Information

Frankfurt/Main

March 12, 2021

DWS publishes 2020 Annual Report

In its Annual Report published today, DWS Group reports final and audited figures for the business year 2020. The key figures in the consolidated income statement are unchanged compared to the preliminary figures communicated on February 4, 2021.

“Last year, we realized the benefits of our clear corporate action and decision making that have epitomized our efforts over the last two years. We achieved record results across our key performance indicators and, at the same time, reached our ambitious medium-term targets that we set at our IPO, one year earlier than planned”, explains Asoka Woehrmann, Chairman of the Executive Board.

Woehrmann continues: “We achieved an adjusted cost-income ratio of 64.5 percent, our lowest level on record after reducing our cost base by 11 percent year-on-year, and hitting our target of below 65 percent already in 2020 ahead of schedule. Annual net inflows exceeded EUR 30 billion in 2020 – also a record – with inflows reported across all regions, including liquid and illiquid asset classes and from both retail and institutional clients. This translates to 4 percent net flows, which is in line with our target of between 3 to 5 percent. After tax, our net profit stood at EUR 558 million, a rise of 9 percent from 2019. Based on this, we propose to the Annual General Meeting an increased dividend of EUR 1.81 per share for the financial year 2020, delivering on another target set during our IPO of a dividend payout ratio of between 65 to 75 percent.”

We consolidated our financial and non-financial reporting in the integrated Annual Report to one single document providing a comprehensive overview of our performance over the past year as we believe that our overall value not only depends on our financial but also on our non-financial performance. The new report will help our stakeholders and us to better understand our impact on the economy, society and environment in which we operate, both as a fiduciary manager and as a corporate citizen.

In addition, we published today our first DWS Climate Report. It is available under the following link: <https://group.dws.com/responsibility>. Therein, we not only reflect on our climate-related business activities in 2020, but also outline our planned efforts and initiatives to take climate positive action in 2021 and beyond. In particular we aim for a strategy which is aligned with the key recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) centred on governance, strategy, risk management as well as metrics and targets. Our Climate Report is fundamental to enhancing DWS’ non-financial reporting

whilst also ensuring that we provide transparent disclosure on climate action on a regular basis going forward.

Outlook

We expect the revenue environment to remain challenging in 2021 amid ongoing margin pressure together with the low interest rate environment. These effects are likely to impact the broader asset management industry, as well as DWS. Full year 2021 adjusted revenues are expected to be slightly higher compared to the prior year. Moreover, we expect assets under management at the end of 2021 to be slightly higher compared to the end of 2020, driven by net inflows. In 2021, we expect sustained net inflows into targeted growth areas of passive and alternative investments, further enhanced by strategic alliances and product innovations, including further ESG offerings.

We remain on track regarding our cost efficiency initiatives, which supported us to achieve our medium-term target of an adjusted Cost-Income Ratio below 65 percent one year early in 2020. We further expect benefits from our cost savings initiatives in 2021, which will partly compensate for investments into growth and the platform transformation. We expect adjusted costs excluding transformation charges to be slightly higher compared to 2020. Compared to the previous year, the adjusted profit before tax for 2021 is expected to be essentially flat.

The 2020 Annual Report is to be found on the internet at go.dws.com/Annual_Report_2020.

Detailed information about the remuneration of the board members can be found in the Compensation Report (pages 112 to 124).

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About DWS Group

DWS Group (DWS) is one of the world's leading asset managers with EUR 793bn of assets under management (as of 31 December 2020). 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 asset classes and 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, which guides our investment approach strategically.

DWS wants to innovate and shape the future of investing: with approximately 3,500 employees in offices all over the world, we are local while being one global team. We are investors – entrusted to build the best foundation for our clients' future.

Important Note

This release 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.

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