

---

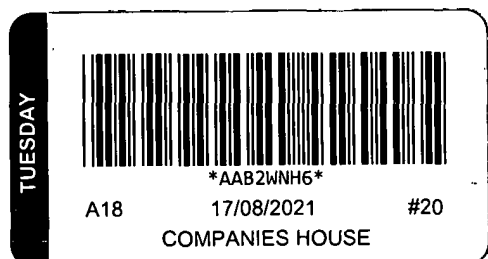
**Deutsche Alternative Asset Management (UK) Limited**

**Company number: 2478500**

**REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2020**

---



**REPORT OF THE DIRECTORS**For the year ended 31 December 2020

---

The Directors present their annual report and audited financial statements for the year ended 31 December 2020.

**ACTIVITIES AND REVIEW OF BUSINESS**

The Company acts as an investment management and advisory company. The Company is authorised and regulated by the Financial Conduct Authority.

On 8th April 2014, the Company was authorised by the Financial Conduct Authority as an Alternative Investment Fund Manager under the Alternative Investment Fund Manager Directive ("AIFMD").

The Company acts as investment adviser/manager for the Aggregator sub fund and DB Impact.

The position at the end of the year is reflected in the audited Statement of Financial Position set out on page 10.

**RESULTS AND DIVIDENDS**

The results of the Company for the year ended 31 December 2020, after providing for taxation, show a net loss of £275,589 (2019: £2,575,433 income).

The Directors confirmed that there are no dividends paid for 2020 year end (2019: £4,014,694).

We do not expect any further dividends to be made, as the capital will be returned as part of the wind up process.

**Going Concern**

As a result of a strategic review of the UK operations of Deutsche Alternative Asset Management (UK) Limited, the board has transferred majority of the entity's business to DWS Alternatives Global Limited and expects the remaining business to be transferred by end of 2021. As a result, the Company's activities as an investment management and advisory Company, will cease, and the directors intend to wind down the Company. However, the directors have not yet decided when the Company would be liquidated.

Accordingly, the financial statements of the Company have not been prepared on a going concern basis.

**DISCLOSURE OF INFORMATION TO AUDITOR**

The directors who held office at the date of approval of this directors' report confirm that, as far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**DIRECTORS**

The Directors of the Company who held office during the year and subsequent to the year ended 31 December 2020 were as follows:

M. McDonald	Appointed on 19 October 2020
H.M.M. Mackenzie	Appointed on 6 October 2016
S.J.T. Shaw	Appointed on 20 February 2006

Directors have confirmed that during the year they spent time appropriate to their responsibilities on the affairs of the Company.

A W Bartlett was reappointed as the Secretary of the company on 25 October 2017.

As at the date of approval, and during the year, the Company provided an indemnity to its Directors in the form of a qualifying third party indemnity provision.

**POLITICAL CONTRIBUTIONS**

The Company made no political donations or incurred any political expenditure during the year.

**REPORT OF THE DIRECTORS (Continued)**For the year ended 31 December 2020

---

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in the directors' report, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Directors this                      25th                      day of                      June                      2021



A. Bartlett  
Secretary

**Registered office**

Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

Company number: 2478500

**STRATEGIC REPORT**For the year ended 31 December 2020

---

**PRINCIPAL OBJECTIVES****Going Concern**

As a result of a strategic review of the UK operations of Deutsche Alternative Asset Management (UK) Limited, the board has transferred majority of the entity's business to DWS Alternatives Global Limited and expects the remaining business to be transferred by end of 2021. As a result, the Company's activities as an investment management and advisory Company, will cease, and the directors intend to wind down the Company. However, the directors have not yet decided when the Company would be liquidated.

Accordingly, the financial statements of the Company have not been prepared on a going concern basis.

**RISK AND UNCERTAINTIES**

The Company is a wholly owned by DWS Group GmbH & Co. KGaA following the IPO which was completed in March 2018, and therefore the risks it is subject to are managed within the risk and control functions of this Group.

The key risks facing the firm include operational and business risks.

**Operational Risk**

Due to the nature of the Company's businesses as well as the services and products it provides, operational risk (including Conduct risk) and Reputational risks are the main risks it is exposed to, which are monitored, together with all other risks, on an ongoing basis in the Business Risk Committee and reported to the Company's Board of Directors.

**Business Risk**

The business revenues are based on management fees, driven by AUM and performance fees driven by funds performance against an agreed benchmark. The valuation of the AUM, which impacts both management and performance fees, can be impacted by the underlying performance of the funds and also by external market risk conditions and factors, such as prevailing economic conditions, investor sentiment, foreign exchange rates and funds / products investment illiquidity. Finally, the Company primarily manages close ended funds only, limiting the risk of capital outflow during the life of the fund.

The Board of Directors is generally risk averse and oversees the mitigation of key risks through the Board Risk Committee.

**BREXIT**

In 2017, DWS Group GmbH & Co. KGaA and its direct and indirect subsidiaries ("DWS"), including Deutsche Alternative Asset Management (UK) Limited, established a comprehensive, dedicated Brexit program focused on the planning and implementation of its Brexit contingency plans, with the objective of ensuring that DWS is able to continue to conduct its business and service clients, compliant with a post-Brexit regulatory environment, irrespective of the outcome of the Brexit process.

As part of this program, extensive analysis of DWS's business operations, and how they may be impacted by Brexit, and a 'No-Deal' scenario in particular, was carried out, and measures were implemented to ensure DWS was ready, whatever the eventuality. As part of its preparations, DWS took steps to ensure that it could continue to leverage the capabilities of its geographical hubs and centres of excellence in the event that passport rights were lost following the UK's withdrawal from the European Union (EU) in a No-Deal scenario, or were lost at the end of the transition period on 31 December 2020. Likewise, DWS took appropriate mitigation measures with respect to internal and external data flows to ensure that the flow of information between the EEA and the UK would be able to continue uninterrupted after Brexit, whatever the final outcome.

While the EU-UK Trade and Cooperation Agreement struck between the UK and the EU in December 2020 contained limited provisions relating to financial services, and further negotiations are expected in relation to the financial services industry, DWS is confident that the steps taken as part of its Brexit program will enable DWS to continue to service its clients, meet their objectives, and look after their interests, regardless of the outcome of the ongoing negotiations.

**COVID-19**

The COVID-19 situation continues to be dynamic however given the entity is in wind-down with negligible AuM, it is not considered to have a material impact on this entity.

**STRATEGIC REPORT**

For the year ended 31 December 2020

**KEY PERFORMANCE INDICATORS**

The Company's Risk Appetite Statement ("RAS") is articulated taking into account both the strategy, the risk profile and the top-down integration of business planning and governance processes as well as the bottom-up risk assessment, risk monitoring and escalation processes applied in day-to-day management of business activities.

The overarching objective of the Company's risk appetite framework is to ensure it remains well capitalised and funded, operates in compliance with regulatory requirements, fulfils its obligations (in particular fiduciary obligations) and is able to meet the expectations of key stakeholders including clients, shareholders and employees. This involves balancing risk and return considerations effectively. The degree and types of risk the firm is willing to take in pursuit of its objectives are calibrated on this basis.

KPI Measure	Description	Green	Amber	Red	Actual KPI
Common Equity Tier 1 ratio	In line with the local regulatory definition. Buffer of 20% aligned with Group requirement.	>11.25 %	Between 7.75% - 11.25%	<7.75%	201%
Total capital requirement assessment	Aligned with Group risk appetite tolerances. Set up well above the regulatory minimum of 100% and include impact of orderly wind down.	>140%	Between 120% - 140%	<120%	2509%
Liquidity surplus	Short term liquidity tolerance enabling application of preventive measures and management tools within relevant time frame	>GBP 10m	Between GBP 0m - GBP 10m	<GBP 0m	51.3m

**CURRENT PERIOD PERFORMANCE**

GBP'000	2020	2019
Revenue	(96)	3,370
Expenses	181	(181)
Profit (loss) before tax	85	3,189
GBP (million)		
Surplus Capital	48.3 M	44.5 M
Liquidity	51.3 M	47.1 M
AUM	4.48 M	26.7 M

Revenues - Decrease in revenues is primarily due to transfer of the majority of its business to DWS Alternatives Global Limited.

Expenses - Expenses include a specific operational loss item offset by accrual releases mostly relating to legal fees and fund related expenses.

AUM - The fall in AUM was mainly driven by the termination of Aggregator funds.

GBP'000	2020	2019
Assets	56,233	70,892
Liabilities	(6,480)	(21,002)
Equity	49,753	49,890

Decrease in assets and liabilities is mainly due to the settlement of various intercompany charges.

**STRATEGIC REPORT**For the year ended 31 December 2020

---

**Section 172 (1) Statement**

Section 172 (1) of the Companies Act 2006 requires each director of a company to act in the way that they consider in good faith that would most likely promote the success for the benefit of its members as a whole and in to have regard to:

- the likely consequences of any decision in the long term;
- the need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company

To discharge their section 172 duties for this financial year, the directors had regard to the factors set out above in making principle decisions taken by the Company whilst maintaining high standards of business conduct to the benefit of all stakeholders.

An example of this would include the approval of the Company's Modern Slavery Statement.

The responsibility for managing macro financial risk, impact on climate change and corporate responsibility arising from climate and environment-related factors is set out at DWS Group level.

The DWS Group carefully manages its policies on business travel, leased assets, waste generated and purchased services. Unavoidable carbon emissions are offset by the purchase and retirement of high quality emission reduction certificates as part of the carbon neutrality activities undertaken by the Group.

The importance of ESG products are also recognised and a dedicated framework is in place to classify dedicated ESG funds.

By order of the Board of Directors this 25th day of June 2021



A. Bartlett  
Secretary

**Registered office**

Winchester House  
1 Great Winchester Street  
London  
EC2N 2DB

Company number: 2478500

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE ALTERNATIVE ASSET MANAGEMENT (UK) LIMITED**

---

**Opinion**

We have audited the financial statements of Deutsche Alternative Asset Management (UK) Limited ("the company") for the year ended 31 December 2020 which comprise the Income Statement, Statement of Financial Position, Other Comprehensive Income and Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Emphasis of Matter - non-going concern basis of preparation**

We draw attention to the disclosure made in the directors' report and note 2a to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

**Fraud and breaches of laws and regulations – ability to detect***Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors, internal audit and other relevant parties as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud. Obtained and inspected related policy documentation including the Company's channel for whistle blowing, and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.
- Considering remuneration incentive schemes and performance targets including the share based payment.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and, taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of the revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We also performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included all post year end closing journals.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE ALTERNATIVE ASSET MANAGEMENT (UK) LIMITED**

---

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's authority to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering, market abuse regulations and financial services regulations including Client Assets, and specific areas of regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the regulated entity's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DEUTSCHE ALTERNATIVE ASSET MANAGEMENT (UK) LIMITED**

---

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Neil Palmer (Senior Statutory Auditor)**  
**For and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
Canary Wharf  
London  
E14 5GL  
25 June 2021

**INCOME STATEMENT****For the year ended 31 December 2020**

	Note	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Turnover	2(d),4	(139)	3,086
Administrative expenses	5	181	(181)
<b>OPERATING PROFIT</b>		<b>42</b>	<b>2,905</b>
Other interest income and similar income	6	43	284
<b>PROFIT BEFORE TAXATION</b>		<b>85</b>	<b>3,189</b>
Tax (charge)/credit on profit	7	(360)	(613)
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>(275)</b>	<b>2,575</b>

The notes on pages 12 to 22 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2020**

	Note	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
<b>CURRENT ASSETS</b>			
Investment		24	24
Debtors	8	10,357	14,687
Cash at bank	9	45,852	56,181
		<u>56,233</u>	<u>70,892</u>
<b>CURRENT LIABILITIES</b>			
Creditors	10	(6,480)	(20,453)
Provision		-	(549)
		<u>(6,480)</u>	<u>(21,002)</u>
<b>NET CURRENT ASSETS</b>			
		49,753	49,890
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		49,753	49,890
<b>NET ASSETS</b>			
		49,753	49,890
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	42,422	42,422
Share-based reserve	13	1,010	872
Profit and loss account		6,321	6,596
<b>SHAREHOLDERS' FUNDS</b>			
		49,753	49,890

The notes on pages 12 to 22 form part of these accounts.

These financial statements were approved by the Board of Directors on 25th June 2021

*Hamish Mackenzie*

Signed by Hamish Mackenzie  
for and on behalf of the Board of Directors

Company number: 2478500

**OTHER COMPREHENSIVE INCOME**  
For the year ended 31 December 2020

	<u>2020</u>	<u>2019</u>
	<u>£000</u>	<u>£000</u>
Profit/(Loss) for the year	(275)	2,575
Share-based payment recharge	138	(108)
Total comprehensive income/(loss) for the year	<u>(137)</u>	<u>2,467</u>

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2020

	<u>Profit and Loss</u>	<u>Ordinary Share</u>	<u>Share Based</u>	<u>Total</u>
	<u>Account</u>	<u>Capital</u>	<u>Reserve</u>	
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Balance at 1 January 2020	6,596	42,422	872	49,890
Dividends	-	-	-	-
Share-based payment recharge	-	-	138	138
Profit/(Loss) for the financial year	(275)	-	-	(275)
Balance at 31 December 2020	<u>6,321</u>	<u>42,422</u>	<u>1,010</u>	<u>49,753</u>

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended 31 December 2019

	<u>Profit and Loss</u>	<u>Ordinary Share</u>	<u>Share Based</u>	<u>Total</u>
	<u>Account</u>	<u>Capital</u>	<u>Reserve</u>	
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Balance at 1 January 2019	8,034	42,422	980	51,436
Dividends	(4,014)	-	-	(4,014)
Share-based payment recharge	-	-	(108)	(108)
Profit/(Loss) for the financial year	2,575	-	-	2,575
Balance at 31 December 2019	<u>6,596</u>	<u>42,422</u>	<u>872</u>	<u>49,890</u>

The notes on pages 12 to 22 form part of these accounts.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2020

**1 AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101**

Deutsche Alternative Asset Management UK Limited (the "Company") is a Private company incorporated and domiciled in the UK. The registered number is 2478500 and the registered address is Winchester House, 1 Great Winchester Street, London, EC2N 2DB.

The financial statement for the year ended 31 December 2020 were authorized for issue and approved by the Board of Directors on 25 June 2021.

The date of transition to FRS 101 is 1 January 2015.

In the transition to FRS 101 from UK GAAP, the Company has made no material measurement and recognition adjustments.

**2 ACCOUNTING POLICIES*****Basis of preparation***

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101.

***Summary of disclosure exemptions***

These financial statements were prepared in accordance with FRS 101 Reduced Disclosure Framework. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- (i) the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64 (q)(ii), B66 and B67 of IFRS 3 Business Combinations which includes among other exemptions the requirement to include a comparative period reconciliation for goodwill;
- (ii) the requirements in paragraph 10(d) of IAS 1 Presentation of Financial Statements to prepare a Cash flow statement and the requirements in IAS 7 Statement of Cash Flows regarding the same;
- (iii) the requirements in paragraph 10(d), 10(f), 111 and 134-136 of IAS 1 Presentation of Financial Statements, which includes the need to provide details on capital management;
- (iv) the requirements of paragraphs 30 and 31 in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors regarding disclosure of new IFRS standards not yet effective at the reporting date and their potential impact;
- (v) the requirements of paragraphs 134(d) - 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets in respect of disclosure of assumptions on which projections used in the impairment review are based and sensitivity analysis.
- (vi) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (vii) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- (viii) the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- (ix) Disclosures in respect of compensation of Key Management Personnel;

Equivalent disclosures are included in the Group's consolidated financial statements as required by FRS 101 where exemptions have been applied.

The Company has adopted the following IFRSs in these financial statements

***IFRS 9 Financial Instruments***

The requirements of IFRS 9 represent a significant change from IAS 39 Financial Instruments: Recognition and Measurement. The new standard brings fundamental changes to the accounting for financial assets and to certain aspects of the accounting for financial liabilities.

The key changes to the Company's accounting policies resulting from its adoption of IFRS 9 are summarised below.

***Classification of financial assets and financial liabilities***

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL"). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows.

***Impairment of financial assets***

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an expected credit loss ("ECL") model. The new impairment model also applies to certain loan commitments and financial guarantee contracts, but not to equity investments.

Under IFRS 9, credit losses are recognised earlier than under IAS 39.

## NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

**2 ACCOUNTING POLICIES (continued)****IFRS 15 Revenue from contracts with customers**

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer

**IFRS 16 Leases**

IFRS 16 introduces a single, on-balance sheet accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying leased asset, and a lease liability representing its obligation to make lease payments. IFRS 16 replaces existing guidance including IAS 17 Leases. The standard is effective for accounting periods beginning on or after 1 January 2019.

**(a) GOING CONCERN**

The financial statements have not been prepared on the going concern basis due to reasons explained in the Directors' report. The financial statements have been prepared on a break up basis. No adjustments were necessary to the amounts at which the remaining net assets were included in these financial statements.

There were no material impacts, as a result of the accounts been prepared on a break up basis. The only non-material adjustment was in relation to classifying the Company's fixed investments as current investments and reclassifying non-current provisions as current provisions.

There are no costs arising from the wind down of the Company's business and the Directors are satisfied that no provision for additional costs is required as at 31 December 2020.

**(b) CONVENTION**

These financial statements are prepared in accordance with the historical cost convention.

**(c) INTEREST INCOME AND EXPENSE**

Interest income and expense is accounted for on an accrual basis.

**(d) TURNOVER**

Turnover represents management fees, commissions and other income receivable, exclusive of Value Added Taxation. Income has been recognised where services have been provided.

**(e) PROVISIONS**

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provision are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

**(f) TAXATION**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Statement of Financial Position date. For investment property that is measured at fair value deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the company's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2020

**2 ACCOUNTING POLICIES (continued)****(g) PENSION SCHEMES**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the Income Statement represents the contributions payable to the scheme in respect of the accounting period.

Directors and employees of the Company are members of the group defined benefit schemes operated by DB Group Services (UK) Limited, details of which are disclosed in the financial statements of that company.

The expected cost of pensions payable under the group's funded defined benefit schemes, and of other unfunded post-retirement benefits, is charged to the Company by the Principal Employer and is recognised in the Income Statement Account so as to spread this cost over the service lives of employees in schemes. Variations from the regular cost are spread over the expected remaining service lives of current employees in the schemes and are included in the recharge to the Company. The costs are assessed in accordance with the advice of qualified actuaries, the last formal actuarial valuation was carried out for pensions and for other post-retirement benefits as of 31 December 2018 and performed on a roll-forward basis for 31 December 2020.

The Company is unable to identify its share of the underlying assets and liabilities of the schemes and information regarding any surplus/deficit of the scheme is not currently available as of 31 December 2020 and as such adopts the IAS 19 exemption for the accounting of actuarial gains and losses which are borne by the Principal Employer. Further details of the schemes as required by IAS 19 are disclosed in the statutory financial statements of DB Group Services (UK) Limited.

**(h) FOREIGN EXCHANGE**

Transactions in foreign currencies are translated into Pounds Sterling (£) at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated at the rates ruling at that date. These translation differences are dealt with in the Income Statement.

**(i) SHARE-BASED COMPENSATION****DWS Share-Based Plans (cash-settled)**

The Group made grants of share-based compensation under the DWS Equity Plan. This plan represents a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified time period.

In September 2018, IPO related Awards were granted to selected employees within the Group. Both Awards (DWS Equity Plan and DWS Stock Appreciation Rights (SAR) Plan) are considered as share-based cash-settled awards.

**DB Equity Plan (equity-settled)**

The Group employees continue to participate in the DB Equity Plan under the rules established for Deutsche Bank Group as applicable.

Share-based payment transactions where Deutsche Bank AG as ultimate parent company grants Deutsche Bank AG shares to the employees of the Group are classified as equity-settled transactions reflected in the equity in the consolidated financial statements of the Group as Deutsche Bank AG has the obligation to settle the shares.

**(j) DIVIDENDS ON SHARES PRESENTED WITHIN SHAREHOLDER FUNDS**

Dividends are only recognised as a liability at that date to the extent that they are declared prior to the year-end. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

**(k) PERFORMANCE-BASED INCENTIVE PLAN**

Performance-based Incentive Plan (carry plan) expense is accounted based on IAS 19. If the company expects to earn performance fees, related expenses must be accrued over the vesting period on a pro-rata basis based on expected payout.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2020

**3 DIRECTORS' REMUNERATION**

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Directors' emoluments	47	112
Amounts receivable under long term schemes	54	21
Total	<u>101</u>	<u>133</u>
Company contributions to money purchase pension schemes	1	2
Compensation for loss of office	4	-

During the year, 2 directors received shares or payments under long term incentive schemes totalling £53,909.29.

(2019: 2 directors received shares or payments under long term incentive schemes totalling £20,653.01)

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £70,353.76 and the pension contributions were £316.47.

(2019: The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £102,231.75 and the pension contributions were £1,238.38.)

	<u>Directors</u> <u>2020</u>	<u>Directors</u> <u>2019</u>
Retirement benefits are accruing to the following number of Directors under:		
Money Purchase Pension Schemes	2	2
Defined Benefit Pension Schemes	0	0

No Directors exercised any share options under long term incentive schemes.

**4 TURNOVER**

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Investment Management Fees	407	3,086
Other Revenues	(546)	-
	<u>(139)</u>	<u>3,086</u>

Transaction fees are included within Investment management fees.

**5 ADMINISTRATIVE EXPENSES**

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Auditors' remuneration:		
Audit of these financial statements	<u>22</u>	<u>20</u>
Staff costs		
- Wages and salaries	1,266	8,406
- Social security costs	193	(141)
- Pension costs (gain)	-	3
- Share based-payment expense	36	(549)
- Other staff-related costs	(69)	7
	<u>1,426</u>	<u>7,726</u>
Other administrative expenses	<u>(1,629)</u>	<u>(7,565)</u>
Administrative Expenses	<u>(181)</u>	<u>181</u>
Average number of employees	-	-

Wages & salaries costs for 2020 include a £(2.3)m debit for the PEIF Carry Plan and a £1.1m credit for the Trajano Iberia Carry Plan. Payment of these costs occurred during 2020 and resulted in adjustments to the legal entity split of the original accruals for the period when the Company had the employees. These adjustments in Wages & salaries are offset in Other administrative expenses as they are recovered through transfer pricing agreements.

Other administrative expenses also include a specific operational loss item (see Note 10) offset by accrual releases mostly relating to legal fees and fund related expenses.



## NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

6	PROFIT BEFORE TAXATION	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
	Profit before taxation is arrived at after taking into account:		
	Other interest receivable and similar income	43	284
		<u>43</u>	<u>284</u>

7	TAXATION	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
	(a) Analysis of tax on profit/(loss)		
	<i>Current tax</i>		
	Group relief (charge)/credit for the year	(1,034)	(396)
	Adjustment in respect of prior periods	(4)	(92)
		<u>(1,038)</u>	<u>(488)</u>
	<i>Deferred tax</i>		
	Origination and reversal of timing differences	736	(182)
	Adjustment in respect of previous periods	16	35
	Effect of tax rate change	(74)	22
		<u>678</u>	<u>(125)</u>
	Total tax (charge)/credit on profit/(loss)	<u>(360)</u>	<u>(613)</u>
	(b) Current tax reconciliation		

The standard rate of tax for the year, based on the UK standard rate of corporation tax, is 19% (2019 - 19%). The actual tax (charge) / credit for the year differs from the standard rate for the reasons set out in the following reconciliation.

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Profit (loss) before taxation	85	3,189
Tax on profit (loss) at standard rate	(16)	(606)
<i>Effects of:</i>		
Non-deductible expenditure	(273)	-
Adjustment in respect of share-based compensation	(9)	28
Effect of tax rate change	(74)	22
Adjustment in respect of previous periods	12	(57)
Total tax (charge)/credit	<u>(360)</u>	<u>(613)</u>

The main corporation tax rate is 19%. Substantive enactment of the continuation of the 19% tax rate occurred on 17 March 2020.

In the Budget on 3 March 2021, the Government announced an increase in the main corporation tax rate to 25% from 1 April 2023. Substantive enactment is expected later in 2021. Should substantive enactment occur, this will increase the company's future current tax charge and deferred tax asset accordingly.

The deferred tax asset at 31 December 2020 has been calculated based on the rate of 19% substantively enacted at the balance sheet date.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2020

<b>8</b>	<b>DEBTORS</b>	<u>2020</u>	<u>2019</u>
		<u>£000</u>	<u>£000</u>
	Other debtors	6,774	9,593
	Amounts owed by group undertakings	3,559	5,094
	Deferred tax asset - see Note 11	24	-
		<u>10,357</u>	<u>14,687</u>
<b>9</b>	<b>CASH AT BANK</b>	<u>2020</u>	<u>2019</u>
		<u>£000</u>	<u>£000</u>
	Cash at bank	45,852	56,181
<b>10</b>	<b>CREDITORS: Amounts falling due within one year</b>	<u>2020</u>	<u>2019</u>
		<u>£000</u>	<u>£000</u>
	Other creditors	700	10,756
	Amounts owed to group undertakings	4,717	8,552
	Group relief payable	1,063	499
	Deferred tax liability - see Note 11	-	646
		<u>6,480</u>	<u>20,453</u>
The closing liability position reflects an adjustment during the period for a non-recoverable balance.			
<b>11</b>	<b>DEFERRED TAXATION</b>	<u>2020</u>	<u>2019</u>
		<u>£000</u>	<u>£000</u>
	Provision at 1 January	(646)	(553)
	Deferred tax charged in income statement for the period	678	(125)
	Other comprehensive income	(8)	32
	Provision at 31 December	<u>24</u>	<u>(646)</u>
Deferred tax assets are recognised and carried forward only to the extent that the realisation of the related tax benefit is probable.			
<b>12</b>	<b>SHARE CAPITAL</b>	<u>2020</u>	<u>2019</u>
		<u>£000</u>	<u>£000</u>
	Allotted, called up and fully paid:		
	Ordinary shares of £1 each	42,422	42,422
		<u>42,422</u>	<u>42,422</u>
		<u>2020</u>	<u>2019</u>
		<u>No</u>	<u>No</u>
	Allotted, called up and fully paid:		
	42,422,000 Ordinary shares of £1 each	42,422,000	42,422,000
	Ordinary shares of £1 each	<u>42,422,000</u>	<u>42,422,000</u>

**13 SHARE-BASED RESERVE**

The share-based reserve comprises the fair value of the actual of estimated number of unexercised shares and share options granted to the Company's employees recognized in accordance with the accounting policy adopted for equity-settled share-based compensation in Note 2 (i).

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2020**

**14 SHARE-BASED COMPENSATION**

There are two categories of share-based compensation plans, which are described below: DWS Share-Based Plans (cash-settled) and the DB Equity Plan (equity settled).

**DWS Share-Based Plans (cash-settled)**

The DWS Group made grants of share-based compensation under the DWS Equity Plan. This plan represents a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified time period.

In September 2018 one-off IPO related awards under the DWS Stock Appreciation Rights (SAR) Plan were granted to all DWS employees. A limited number of DWS senior managers were granted a one-off IPO related Performance Share Unit (PSU) under the DWS Equity Plan instead. For members of the Executive Board, one-off IPO related awards under the DWS Equity Plan were granted in January 2019.

The DWS SAR Plan represents a contingent right to receive a cash payment equal to any appreciation (or gain) in the value of a set number of notional DWS shares over a fixed period of time. This award does not provide any entitlement to receive DWS shares, voting rights or associated dividends.

The DWS Equity Plan is a phantom share plan representing a contingent right to receive a cash payment by referencing to the value of DWS shares during a specified period of time.

The award recipient for any share-based compensation plan is not entitled to receive dividends during the vesting period of the award.

The share awards granted under the terms and conditions of any share-based compensation plan are forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period (or the end of the retention period for Upfront Awards). Vesting usually continues after termination of employment in cases such as redundancy or retirement.

The following table outlines the basic terms of the DWS share-based plans:

Grant year/s	Award Type	Vesting Schedule	Eligibility
2019-2020 DWS Equity Plan	Annual Awards	1/3 : 12 months <sup>2</sup> 1/3 : 24 months <sup>2</sup> 1/3 : 36 months <sup>2</sup>	Select employees as annual performance-based compensation
	Annual Awards (Senior Management) <sup>1</sup>	1/5 : 12 months <sup>2</sup> 1/5 : 24 months <sup>2</sup> 1/5 : 36 months <sup>2</sup> 1/5 : 48 months <sup>2</sup> 1/5 : 60 months <sup>2</sup>	Members of the Executive Board
	Retention/New Hire	Individual Specification	Select employees to attract and retain the best talent
	Annual Award - Upfront	Vesting immediately at grant	Regulated employees
	Performance Share Unit (PSU) Award (one-off IPO related award granted in 2019) <sup>1</sup>	1/3 : March 2022 <sup>2</sup> 1/3 : March 2023 <sup>2</sup> 1/3 : March 2024 <sup>2</sup>	Members of the Executive Board
2018 DWS Equity Plan	Retention/New Hire	Individual specification	Select employees to attract and retain the best talent
	Performance Share Unit (PSU) Award (one-off IPO related award) <sup>1</sup>	1/3 : March 2022 <sup>2</sup> 1/3 : March 2023 <sup>2</sup> 1/3 : March 2024 <sup>2</sup>	Select Senior Managers
2018 DWS SAR Plan	SAR Award (one-off IPO related award)	For non-MRTs: June 1, 2021 <sup>4</sup> For MRTs: March 1, 2023 <sup>2</sup>	all DWS employees <sup>3</sup>

<sup>1</sup> The award and the number of units is subject to the achievement of pre-defined targets (Average Net flows (NNA) 2019-2020 and FY 2020 Adjusted CIR (Cost Income Ratio) measured December 2020)

<sup>2</sup> Depending on their individual regulatory status, a 6 months retention period (AIFMD/UCITS MRTs) or a 12-months retention period (InstVV MRTs) applies after vesting

<sup>3</sup> Unless the employee received PSU Award

<sup>4</sup> In 2020, two Early Exercise windows were offered to non-MRTs leading to accelerated vesting and exercise upon acceptance. For outstanding awards, a 4-year exercise period applies following vesting/retention period.

## NOTES TO THE ACCOUNTS

For the year ended 31 December 2020

## 14 SHARE-BASED COMPENSATION (continued)

The following table sets out the movements in share award units:

	DWS Equity Plan		DWS SAR Plan			
	2020	2019	2020		2019	
	Number of Awards	Number of Awards	Number of Awards	Weighted-average exercise price	Number of Awards	Weighted-average exercise price
Share Units (in thousands)						
Outstanding at beginning of year	0	0	0.2	€ 24.65	0.2	€ 24.65
Granted	0	0	0	€ 0.00	0	€ 0.00
Released or exercised	0	0	0	€ 0.00	0	€ 0.00
Forfeited	0	0	0	€ 0.00	-	€ 0.00
Expired	0	0	0	€ 0.00	0	€ 0.00
Other movements <sup>1</sup>	0	0	0	€ 0.00	0	€ 0.00
Outstanding at end of year	0	0	0.2	€ 24.65	0.2	€ 24.65
Of which, exercisable	0	0	0	€ 0.00	0	€ 0.00

<sup>1</sup> Comparative value for prior year 2019 within DWS SAR Plan has been amended based on updated information

The following table sets out key information regarding awards granted, released and remaining in the year:

	2020		2019	
	Weighted average fair value per award granted in year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years	Weighted average remaining contractual life in years
DWS Equity Plan	€ 0.00	€ 0.00	0	0
DWS SAR Plan	0	€ 0.00	4	5

As of December 31, 2020, the fair value of share-based awards made in 2020 and prior periods was approximately £1.6 thousand (as of December 31, 2019: £0.9 thousand).

The fair value of the DWS SAR Plan awards have been measured using the Black-Scholes formula. The liabilities incurred are re-measured at the end of each reporting period until settlement. The principal inputs being the market value on reporting date, discounted for any dividends foregone over the holding periods of the award, and adjustment for expected and actual levels of vesting which includes estimating the number of eligible employees leaving DB Group and number of employees eligible for early retirement.

The inputs used in the measurement of the fair values at grant date and measurement date of the DWS SAR Plan awards were as follows:

	Measurement date Dec 31, 2020	Measurement date Dec 31, 2019
	SAR	SAR
Units (in thousands)	0.2	0.2
Fair value (weighted average)	€ 10.99	€ 8.24
Share price	€ 34.80	€ 31.70
Exercise price	€ 24.65	€ 24.65
Expected volatility (weighted-average) in %	33	34
Expected life (weighted-average) in years	4	5
Expected dividends (% of income)	65	65

Given the limited years of DWS share price volatility and the absence of implied volatility actively traded in the market, the expected volatility of the DWS share price has been based on an evaluation of the historical volatility for a comparable peer group over the preceding 5-year period.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2020

**14 SHARE-BASED COMPENSATION (continued)**

During the year, DWS offered eligible employees to exercise their SAR Award as part of two distinct Early Exercise Offers. SAR Awards which were not exercised continue to be subject to the terms and conditions of the DWS SAR Plan Rules, including forfeiture provisions.

In addition, the PSU Award has performance conditions which will determine the nominal amount which can ultimately vest under the award. These performance conditions are linked to the Group strategy, specifically with regards to the target for net inflows and the adjusted cost income ratio. Based on the outcome of the performance conditions tested following the end of full year 2020, it was confirmed that 100% of the units originally granted remain subject to continued vesting.

**DB Equity Plan (equity-settled)**

The Group employees continue to participate in the DB Equity Plan under the rules established for Deutsche Bank Group as applicable.

DB Group made grants of share-based compensation under the DB Equity Plan. This plan represents a contingent right to receive Deutsche Bank AG common shares after a specified period of time. The award recipient is not entitled to receive dividends during the vesting period of the award.

The share awards granted under the terms and conditions of the DB Equity Plan may be forfeited fully or partly if the recipient voluntarily terminates employment before the end of the relevant vesting period. Vesting usually continues after termination of employment in cases such as redundancy or retirement.

In countries where legal or other restrictions hinder the delivery of shares, a cash plan variant of the DB Equity Plan was used for granting awards.

The following table sets forth the basic terms of these share plans of DB Group.

Grant year(s)	Deutsche Bank Equity Plan	Vesting Schedule	Eligibility
2019-2020	Annual Award	1/4 : 12 months <sup>1</sup>	Select employees as annual performance-based compensation CB/IB/CRU <sup>2</sup>
		1/4 : 24 months <sup>1</sup>	
		1/4 : 36 months <sup>1</sup>	
		1/4 : 48 months <sup>1</sup>	
	Annual Award	1/3 : 12 months <sup>1</sup>	Select employees as annual performance-based compensation (CB/IB/CRU) <sup>2</sup>
		1/3 : 24 months <sup>1</sup>	
		1/3 : 36 months <sup>1</sup>	
2017-2018	Annual Award	1/5 : 12 months <sup>1</sup>	Select employees as annual performance-based compensation (Senior Management)
		1/5 : 24 months <sup>1</sup>	
		1/5 : 36 months <sup>1</sup>	
		1/5 : 48 months <sup>1</sup>	
	Retention/New Hire	Individual Specification	Select employees to attract and retain the best talent
	Annual Award - Upfront	Vesting immediately at grant <sup>3</sup>	Regulated employees
	Annual Award <sup>1</sup>	1/4 : 12 months <sup>1</sup>	Select employees as annual performance-based compensation
		1/4 : 24 months <sup>1</sup>	
		1/4 : 36 months <sup>1</sup>	
		1/4 : 48 months <sup>1</sup>	
2016	Retention/New Hire	Or cliff vesting after 54 months <sup>1</sup>	Members of Senior Leadership Cadre
		Individual Specification	Select employees to attract and retain the best talent
	Key Retention Plan (KRP) <sup>4</sup>	1/2 : 50 months <sup>3</sup>	Material Risk Takers (MRTs)
		1/2 : 62 months <sup>3</sup>	
	Key Position Award (KPA) <sup>5</sup>	Cliff vesting after 43 months	Non-Material Risk Takers (non-MRTs)
		Cliff-vesting after 4 years <sup>3</sup>	Select employees as annual retention

<sup>1</sup> For InstVV-regulated employees (and Senior Management) a further retention period of twelve months applies (six months for awards granted from 2017 -2018).

<sup>2</sup> For grant year 2019 divisions were called CIB, for grant year 2020 CIB is split into CB/IB/CRU.

<sup>3</sup> Share delivery takes place after a further retention period of twelve months.

<sup>4</sup> Equity-based awards granted under this plan in January 2017 were subject to an additional share price condition and were forfeited as a result of this condition not being met.

<sup>5</sup> A predefined proportion of the individual's KPA was subject to an additional share price condition and was forfeited as a result of this condition not being met.

**NOTES TO THE ACCOUNTS**

For the year ended 31 December 2020

**14 SHARE-BASED COMPENSATION (continued)**

In addition, the Group participates in a broad-based employee share ownership plan offered by DB Group and known as the Global Share Purchase Plan (GSPP). The rules are the same as those established for DB Group. The GSPP offers employees in specific countries the opportunity to purchase Deutsche Bank shares in monthly instalments over one year. At the end of the purchase cycle, the acquired stock is matched in a ratio of one to one up to a maximum of ten free shares, provided that the employee remains at Deutsche Bank Group for another year. In total, 508 Group staff from 9 countries enrolled in the twelfth cycle that began in November 2020.

The following table sets out the movements in share award units, including grants under the cash plan variant of the DB Equity Plan:

	2020	2019
Share Units (in thousands)	Number of Awards	Number of Awards
Outstanding at beginning of year	51	74
Granted	0	0
Released or exercised	(8)	(12)
Forfeited	(43)	(10)
Expired	0	0
Other movements <sup>1</sup>	(1)	0
Outstanding at end of year	0	51
Of which, exercisable	0	0

The DB Equity Plan includes awards with share price hurdles under both the Key Position Award and the Key Retention Plan. The share price hurdle condition for both plans was measured during 2020 and was not met. As a result approximately 43 thousand share units were forfeited. In accordance with IFRS 2 the forfeiture due to a market performance condition did not result in a reversal to the recorded expense.

The following table sets out key information regarding awards granted, released and remaining in the year:

	2020			2019		
	Weighted average fair value per award granted in year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years	Weighted average fair value per award granted in year	Weighted average share price at exercise / release in year	Weighted average remaining contractual life in years
DB Equity Plan	€ 0.00	€ 7.75	0	€ 0.00	€ 7.70	2

As of December 31, 2020, the grant volume of outstanding share awards was approximately £0.0 thousand (December 31, 2019: £0.36 million).

In addition, approximately 8 thousand shares were issued to plan participants in 2020 following the vesting of DB Equity Plan awards granted in prior years.

**15 RETIREMENT BENEFITS (IAS 19)**

Directors and employees of the Company are members of group defined contribution and benefit schemes operated by DB Group Services (UK) Limited, details of which are disclosed in the financial statements of that company.

The Company is unable to identify its share of the underlying assets and liabilities of the defined benefit schemes due to the complexity of the scheme and as such has presented its defined benefit schemes as a defined contribution scheme.

The surplus of the Group defined benefit schemes recognised by DB Group Services (UK) Limited, the Principal Employer as at 31 December 2020, was £786,462,000 (2019: £911,826,000).

As detailed in the accounting policy note, the pension costs are recharged by the principal employer, DB Group Services (UK) Limited, in accordance with actuarial advice.

The financial statements of DB Group Services (UK) Limited show full details of the assumptions and valuation techniques applied by the actuaries in assessing the gains and losses at year end.

**NOTES TO THE ACCOUNTS**  
**For the year ended 31 December 2020**

---

**16 ULTIMATE PARENT COMPANY AND OTHER PARENT UNDERTAKINGS**

On the 14th December 2017, the Company was sold to DWS Group GmbH & Co. KGaA (formally Deutsche Asset Management Holding SE) in preparation for the partial IPO of Deutsche Asset Management which took place in March 2018. Prior to this, Deutsche Asset Management Group Limited, a company registered in England and Wales, was the Company's immediate controlling entity.

Deutsche Bank AG, a joint stock corporation with limited liability incorporated in the Federal Republic of Germany, is the Company's ultimate controlling entity, also being the ultimate parent company and the parent undertaking of the largest and smallest group for which group financial statements are drawn up.

Copies of the group financial statements prepared in respect of Deutsche Bank AG may be obtained from the Company Secretariat, Deutsche Bank AG, London branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB.

---

**17 SUBSEQUENT EVENT**

A capital repayment of £35m to the entity's parent company, Germany domiciled DWS Group GmbH & Co KGaA (DWS Group KGaA), was made on 20 January 2021. The capital reduction was done by way of cancelling and extinguishing shares equal to the value of £35 million. This capital repayment was a result of the 2020 capital requirements calculation that shows that the entity holds excess capital above the levels required to meet its future liabilities in baseline and adverse scenarios, taking into account the risks to which it is exposed. Due to progress in the novation of the entity's business activities to DWS Alternatives Global Limited, there has been a reduction in the capital requirement for the entity.

The Company performed an evaluation of subsequent events through 25 June 2021 which is the date the financial statements were made available to be issued. The Company determined that based on its evaluation there were no items that would affect the reported amounts in the financial statements as of 31 December 2020.

The COVID-19 situation continues to be dynamic however given the entity is in wind-down with negligible AuM, it is not considered to have a material impact on this entity.

---