

Pre-contractual disclosure for the financial products referred to in article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: DWS Invest Sustainable Bonds

Legal entity identifier: 254900KO3XJKO0H7U940

Sustainable Investment objective

Does this financial product have a sustainable investment objective?	
☒ Yes	No
☒ It will make a minimum of sustainable investments with an environmental objective: 50% ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☒ It will make a minimum of sustainable investments with a social objective: 10%	☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective ☐ It promotes E/S characteristics, but will not make any sustainable investments



What is the sustainable investment objective of this financial product?

The sustainable investment objective of this sub-fund is to finance environmentally and/or socially beneficial projects or activities. The sub-fund invests at least 80% of its net assets in debt instruments where the use of proceeds is limited to projects with environmental, climate benefits and/or other sustainability or ESG themed projects (i.e., Green Bonds, Social Bonds, Sustainability Bonds) which typically contribute (i) to at least one of the Sustainable Development Goals of the United Nations (UN SDGs), such as no poverty, good health and well being, clean water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation, and infrastructure, reduced inequalities, sustainable cities and communities, climate action, and/or life on land and/or (ii) to at least one other environmental objective such as climate change adaption and/or climate change mitigation (as defined under the EU Taxonomy).

Use of proceeds bonds are devoted to (re)finance projects or activities with positive environmental and/or social impacts. The decisive difference to conventional bonds is that the issuers of use of proceeds bonds invest the issue proceeds in environmentally and/or socially beneficial projects or activities, and hereby, directly contribute to the sustainable objective of the sub-fund.

The sub-fund has not designated a reference benchmark for the purpose of attaining its sustainable investment objective.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

Sustainability

indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The attainment of the sustainable investment objective is assessed via the application of an in-house assessment methodology and ESG specific exclusion thresholds as further described in the section "What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?". The methodology applies different assessment approaches that are used as sustainability indicators, which are:

- **Use of Proceeds Bond Assessment** used as an indicator for qualifying a bond as use of proceeds bond that follows the Climate Bonds Standards, similar industry standards for green bonds, social bonds or sustainability bonds (such as ICMA Principles) or the EU Green Bond Standard or is subject to an independent review.
- **Norm Controversy Assessment** used as an indicator for a company's exposure to norm-related issues towards international standards.
- **Exposure to controversial sectors** used as an indicator for a company's involvement in controversial sectors.
- **Freedom House Status** used as an indicator for the political and civil liberties of a country.
- **Exposure to investments subject to the EU Paris-aligned Benchmark exclusion criteria** as set forth in article 12(1) of Commission Delegated Regulation 2020/1818, as amended (PAB-Exclusions) as described below.
- **Sustainability Investment Assessment** used as an indicator to measure the proportion of sustainable investments pursuant to article 2(17) of the regulation on sustainability-related disclosures in the financial services sector (SFDR).

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments in which the sub-fund invests are assessed to ensure they do not cause significant harm to any environmental or social investment objective. This is achieved by taking into account the indicators for principal adverse impacts on sustainability factors (dependent on relevance) as described below. If a significant harm is identified, the investment cannot be considered sustainable.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Sustainability Investment Assessment systematically integrates the mandatory principal adverse indicators on sustainability factors (dependent on relevance) from Table 1 and relevant indicators from Tables 2 and 3 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the SFDR. Taking into account these principal adverse impacts, DWS has established quantitative thresholds and/or qualitative values to assess a significant harm on any of the environmental or social sustainable investment objectives. These values are set based upon various external and internal factors, such as data availability or market developments and may be adapted going forward. These values may be set at issuer or use of proceeds bond level.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The alignment of sustainable investments with, amongst others, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights is evaluated through the Norm Controversy Assessment (as further described below). Companies with the worst Norm Controversy Assessment of "F" are excluded as an investment.

Does this financial product consider principal adverse impacts on sustainability factors?

X

Yes, the sub-fund considers the mandatory principal adverse impacts on sustainability factors (dependent on relevance) from Table 1 and relevant indicators from Tables 2 of Annex I of the Commission Delegated Regulation EU 2022/1288 supplementing the SFDR in relation to the sustainable investments in the portfolio of the sub-fund. Principal adverse impacts are considered as part of the DNSH assessment under article 2(17) SFDR as described above in section "How have the indicators for adverse impacts on sustainability factors been taken into account?". The investment strategy does not apply a dedicated steering mechanism of the values of principal adverse impact indicators at overall portfolio level. Further information on the consideration of principal adverse impacts on sustainability factors will be provided in a sub-fund specific annex to the annual report.

No



Principal adverse

impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



The Investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The investment objective of the Sub-Fund is to target outperformance relative to the performance benchmark. The Sub-Fund aims to achieve its objective by financing environmentally and/or socially beneficial projects or activities that typically contribute to at least one environmental and/or social objective. The Sub-Fund invests at least 80% of its net assets in debt instruments where the use of proceeds bonds is limited to projects with environmental, climate benefits and/or other sustainability or ESG themed projects (i.e. Green Bonds, Social Bonds, Sustainability Bonds) as further detailed in the prospectus.

The Sub-Fund invests at least 80% of its net assets globally in Investment-grade debt securities. Up to 20% of net assets may be invested in non-investment-grade debt securities (minimum credit rating B3/B-). Up to 40% of net assets may be invested in debt securities issued by corporate issuers (including financials). Up to 10% of net assets may be invested in unrated debt securities. The Sub-Fund's net assets are denominated in or hedged against the Euro. Within the limits set out in the prospectus, the Sub-Fund may also use other permitted instrument types or exposures, such as securitisation instruments, hybrid securities and emerging markets. The Sub-Fund may use derivatives for hedging purposes. The Sub-Fund intends to use securities financing transactions to the extent described in the prospectus.

At least 80% of the Sub-Fund's net assets are allocated to investments that meet the promoted environmental and social characteristics as described in the following sections. The alignment of the portfolio with the binding elements of the investment strategy used to attain the promoted environmental and social characteristics is continuously controlled via the Sub-Fund's investment guidelines monitoring.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The sub-fund aims to achieve its sustainable investment objective by assessing potential assets via an in-house ESG assessment methodology that is based on a proprietary software tool which sources data from one or several ESG data providers, public sources and/or internal assessments to derive overall assessments. The methodology applied to derive such overall assessments can be based on different methods, such as prioritizing one data vendor, worst-of or averaging approach. Internal assessments may take into account factors such as an issuer's future expected ESG developments, plausibility of data with regard to past or future events, the willingness to engage in dialogue on ESG matters and/or ESG-related decisions of a company. Further, internal ESG assessments for investee companies may consider the relevance of the exclusion criteria for the market sector of the investee company. The proprietary software tool uses, amongst others, the approaches described below to assess use of proceeds bonds and the ESG quality of an issuer including, for example, exclusions related to revenues generated from controversial sectors or the exposure to such controversial sectors. In some of the assessment approaches, issuers receive one of six possible assessments, with "A" representing the best and "F" the worst assessment. If an issuer is excluded based on one assessment approach, the sub-fund is prohibited from investing in that issuer. Depending on the investable universe, the portfolio allocation and the exposure to certain sectors, the assessment approaches described below may be more or less relevant which is reflected in the number of issuers being actually excluded.

• Use of Proceeds Bonds Assessment

The use of proceeds bonds financing environmentally and/or socially beneficial projects will be assessed in a two-stage process.

1. In a first stage, use of proceeds bonds are checked for compliance with the Climate Bonds Standards, similar industry standards for green bonds, social bonds or sustainability bonds (such as ICMA Principles) or the EU Green Bond Standard or whether bonds have been subject to an independent review. These standards focus, for example on the use of proceeds, the selection of the projects financed by these proceeds and the proceeds impact. Further, where sufficient data is available, use of proceeds bonds are checked for compliance with the below described PAB-Exclusions (except for c) at the level of projects or activities financed by such use of proceeds bonds.
2. In a second stage, and if a bond complies with the requirements described for the first stage, the ESG quality of the issuer is assessed in relation to defined minimum standards in respect to environmental and social factors with the following assessment approaches:

• PAB-Exclusions

The sub-fund excludes all of the following companies:

- a. companies involved in activities related to prohibited weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) as assessed as part of the assessment of the "Exposure to controversial weapons" described below;
- b. companies involved in the cultivation and production of tobacco;
- c. companies that are found in violation of the United Nations Global Compact principles or the OECD Guidelines for Multinational Enterprises (assessed as part of the "Norm Controversy Assessment" as described below);

Where no sufficient data is available for the evaluation of the PAB-Exclusions at use of proceeds bond level, the issuer will be in addition evaluated and excluded based on the following:

- d. companies that derive 1% or more of their revenues from exploration, mining, extraction, distribution or refining of hard coal and lignite;
- e. companies that derive 10% or more of their revenues from the exploration, extraction, distribution or refining of oil fuels;
- f. companies that derive 50% or more of their revenues from the exploration, extraction, manufacturing or distribution of gaseous fuels;
- g. companies that derive 50% or more of their revenues from electricity generation with a GHG intensity of more than 100 g CO₂ e/kWh.

Green bonds identified as issued under the EU Green Bond Standard will at least be assessed for the PAB-Exclusions a) to c) on issuer level.

• Norm Controversy Assessment

The Norm Controversy Assessment evaluates the behaviour of companies in relation to generally accepted international standards and principles of responsible business conduct within, amongst others, the framework of the principles of the United Nations Global Compact, the United Nations Guiding Principles, the standards of the International Labour Organization and the OECD Guidelines for Multinational Enterprises. Examples of topics covered within these standards and principles include, but are not limited to, human rights violations, violations of workers' rights, child or forced labour, negative environmental impacts and business ethics. The Norm Controversy Assessment evaluates reported violations of the aforementioned international standards. Companies with the worst Norm Controversy Assessment of "F" are excluded as an investment.

• Exposure to controversial sectors

Companies that are involved in certain business areas and business activities in controversial areas ("controversial sectors") are excluded according to their share of total revenues generated in such controversial sectors as follows:

- a. companies that derive more than 0% of their revenues from unconventional extraction of crude oil and/or natural gas (including oil sand, oil shale/shale gas, arctic drilling);
- b. companies that derive 5% or more of their revenues from nuclear power generation and/or uranium mining and/or uranium enrichment;
- c. Companies with thermal coal expansion plans, such as additional coal mining, coal production or coal usage. Companies with thermal coal expansion plans are excluded based on an internal identification methodology.

• Freedom House Status

Freedom House is an international non-governmental organization that classifies countries by their degree of political and civil liberties. Based on the Freedom House Status, countries that are classified as "not free" are excluded as an investment.

• Exposure to controversial weapons

Companies are excluded if they are identified as being involved in the manufacturing, selling and/or other specific activities related to controversial weapons (in particular anti-personnel mines, cluster munitions, chemical and biological weapons, blinding laser weapons, weapons with non-detectable fragments, depleted uranium weapons/munitions and/or incendiary weapons using white phosphorus) or key components thereof. In addition, the shareholdings within a group structure may be taken into consideration for the exclusions.

Sustainability Investment Assessment

Further, DWS measures the bonds via its Sustainability Investment Assessment which evaluates potential investments in relation to different criteria to determine whether an investment can be considered as sustainable. The Sustainability Investment Assessment is based on data from one or several data providers, public sources and/or internal assessments.

DWS determines whether the bond makes a positive contribution to a sustainable investment objective as described above. Where a positive contribution is determined, the investment is considered sustainable if no significant harm is identified and the company follows good governance practices.

The share of sustainable investment in the portfolio as defined in article 2(17) SFDR is calculated based on the value of the entire use of proceeds bonds that qualify are considered as sustainable investments.

What is the policy to assess good governance practices of the investee companies?

Good governance

practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The assessment of the good governance practices of the investee companies (including assessments related to sound management structures, employee relations, remuneration of staff and tax compliance) is part of the Norm Controversy Assessments, which evaluates a company's behavior within generally accepted international standards and principles of responsible business conduct. Further information can be found in the section "What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?". Companies with the worst Norm Controversy Assessment of "F" are excluded as an investment.



What is the asset allocation and the minimum share of sustainable investments?

This sub-fund invests at least 80% of its net assets in sustainable investments (#1 Sustainable). Thereof the minimum share of sustainable investments with an environmental objective that is not compliant with the EU Taxonomy is 50% of the sub-fund's net assets and the minimum share of socially sustainable investments is 10% of the sub-fund's net assets. The actual share of sustainable investments with an environmental objective that is not compliant with the EU Taxonomy, and of socially sustainable investments, depends on the market situation and the investable investment universe.

Up to 20% of the net assets of the sub-fund are invested in investments that do not qualify as sustainable investments (#2 Not sustainable) as further detailed in the section "What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?".

A more detailed description of the specific asset allocation of this sub-fund can be found in the Special Section of the Sales Prospectus.

Asset allocation

describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- turnover

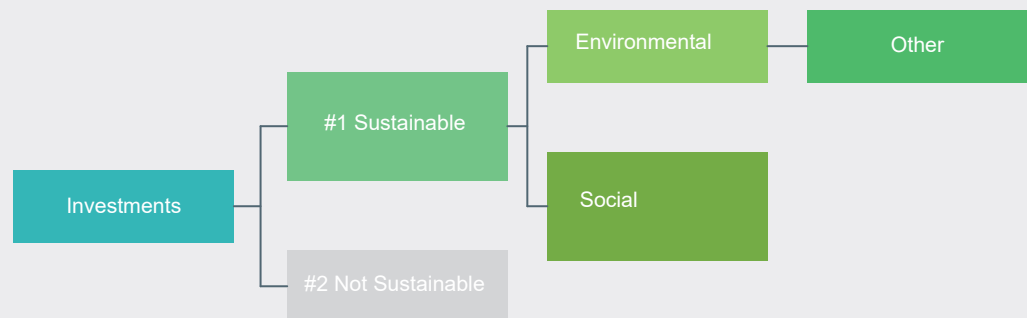
reflecting the share of revenue from green activities of investee companies

- capital expenditure

(CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.

- operational expenditure

(OpEx) reflecting green operational activities of investee companies.



#1 Sustainable covers sustainable investments with environmental or social objectives.

#2 Not Sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

Derivatives are currently not used to attain the sustainable investment objective of the sub-fund.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The sub-fund does not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy is 0% of the sub-fund's net assets. However, certain investments' underlying economic activities may be aligned with the EU Taxonomy.

Does the financial product invest in fossil gas and/or nuclear energy¹ related activities that comply with the EU Taxonomy?

☐ Yes:

☐ In fossil gas

☐ In nuclear energy

☒ No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

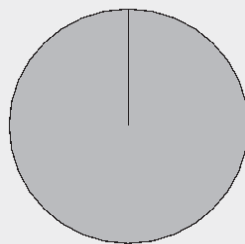
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The sub-fund does not take into account the Taxonomy alignment of companies active in the fossil gas and/or nuclear energy sectors. Further information on such investments, where relevant, will be disclosed in the annual report.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*

1. Taxonomy-alignment of investments including sovereign bonds*



Taxonomy-aligned:	0.00%
Fossil gas	
Taxonomy-aligned:	0.00%
Nuclear	
Taxonomy-aligned (no fossil gas and nuclear)	0.00%
Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

2. Taxonomy-alignment of investments excluding sovereign bonds*



Taxonomy-aligned:	0.00%
Fossil gas	
Taxonomy-aligned:	0.00%
Nuclear	
Taxonomy-aligned (no fossil gas and nuclear)	0.00%
Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

This graph represents 100% of the total investments.

*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

What is the minimum share of investments in transitional and enabling activities?

The sub-fund is not committed to a minimum share of investments in transitional and enabling activities.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 50% of the sub-fund's net assets.



What is the minimum share of socially sustainable investments?

The minimum share of socially sustainable investments is 10% of the sub-fund's net assets.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

At least 80% of the sub-fund's net assets are aligned with the sustainable investment objective. Up to 20% of the sub-fund's net assets may be invested in assets that are not considered sustainable (#2 Not sustainable). These assets can include all asset classes as foreseen in the specific investment policy and are used by the portfolio management for liquidity and/or hedging purposes.

The proportion and use of assets that are not considered sustainable does not affect the delivery of the sustainable investment objective, as these investments are neutral to such objective.

Minimum environmental or social safeguards, including amongst others the PAB-Exclusions, are at least considered for relevant investments in the context of liquidity management.

The PAB-Exclusions are, in particular, not applied for sight deposits with credit institutions and certain derivative instruments.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

This sub-fund has not designated a reference benchmark to meet the sustainable investment objective.



Where can I find more product specific information online?

More product-specific information can be found on the website: <https://funds.dws.com/en-lu/bondfunds/LU2708163634/> as well as on your local country website www.dws.com/fundinformation.