

# Periodic disclosure for financial products referred to in Article 8, paragraph 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, 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 Fixed Maturity Diversified Bonds 2027

**Legal entity identifier:** 254900GH2MA8XNR3TK19

**ISIN:** LU2593633816

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?**

<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> it made <b>sustainable investments with an environmental objective</b> : ____%	<input type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of ____% of sustainable investments.
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It made <b>sustainable investments with a social objective</b> : ____%	<input type="checkbox"/> with a social objective
	<input checked="" type="checkbox"/> It promoted E/S characteristics, but did <b>not make any sustainable investments</b>



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

To what extent were the environmental and/or social characteristics promoted by this financial product met?

This sub-fund promoted environmental and social characteristics related to climate, governance and social norms as well as sovereign matters through the avoidance of:

- (1) issuers exposed to excessive climate and transition risks,
- (2) issuers exposed to highest severity of norm issues (i.e. as regards compliance with international standards of corporate governance, human rights and labour rights, customer and environment safety and business ethics),
- (3) sovereign issuers with high or excessive controversies regarding political and civil liberties,
- (4) issuers moderately, highly or excessively exposed to controversial sectors and controversial activities, and/or
- (5) issuers involved in controversial weapons.

This sub-fund had not designated a reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

## How did the sustainability indicators perform?

The attainment of the promoted environmental and social characteristics as well as the sustainable investment was assessed via the application of an in-house DWS ESG assessment methodology as further described in section "What actions have been taken to meet the environmental and/or social characteristics during the reference period? ". The methodology applied a variety of assessment approaches that were used as sustainability indicators to assess the attainment of the promoted environmental and social characteristics, which were as follows:

- **DWS Climate and Transition Risk Assessment** was used as indicator for an issuer's exposure to climate and transition risks  
Performance: No investments in suboptimal assets
- **DWS Norm Assessment** was used as indicator for an issuer's exposure to norm-related issues  
Performance: No investments in suboptimal assets
- **DWS Sovereign Assessment** was used as indicator for a sovereign issuer's extent of controversies regarding governance, such as political and civil liberties  
Performance: No investments in suboptimal assets
- **Exposure to controversial sectors** was used as indicator for an issuer's involvement in controversial sectors and controversial activities  
Performance: 0%
- **Involvement in controversial weapons** was used as indicator for an issuer's involvement in controversial weapons  
Performance: 0%

Please see the section entitled "What actions were taken to meet the environmental and/or social characteristics during the reference period?" for a description of the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted, including the exclusion criteria, and the assessment methodology for determining whether and to what extent assets met the defined environmental and/or social characteristics (including the turnover thresholds defined for the exclusions). This section contains further information on the sustainability indicators.

The values from the DWS front office system are used to calculate the sustainability indicators. This means that there may be minor deviations from the other market values that appear in the annual report, which are derived from the fund accounting system.

...and compared to previous periods?

Attainment of the promoted environmental and social characteristics at portfolio level was measured in the previous year on the basis of the following sustainability indicators:

## DWS Fixed Maturity Diversified Bonds 2027

Indicators	Description	Performance
<b>Sustainability indicators</b>		
Climate and Transition Risk Assessment A		6.77 % of assets
Climate and Transition Risk Assessment B		8.24 % of assets
Climate and Transition Risk Assessment C		43 % of assets
Climate and Transition Risk Assessment D		31.48 % of assets
Climate and Transition Risk Assessment E		8.54 % of assets
Climate and Transition Risk Assessment F		0 % of assets
Norm Assessment A		13.85 % of assets
Norm Assessment B		18.88 % of assets
Norm Assessment C		26.53 % of assets
Norm Assessment D		23.53 % of assets
Norm Assessment E		10.26 % of assets
Norm Assessment F		0 % of assets
Sovereign Freedom Assessment A		0 % of assets
Sovereign Freedom Assessment B		0 % of assets
Sovereign Freedom Assessment C		0 % of assets
Sovereign Freedom Assessment D		0 % of assets
Sovereign Freedom Assessment E		0 % of assets
Sovereign Freedom Assessment F		0 % of assets
<b>Involvement in controversial sectors</b>		
Civil firearms C		0 % of assets
Civil firearms D		0 % of assets
Civil firearms E		0 % of assets
Civil firearms F		0 % of assets
Coal C		3.58 % of assets
Coal D		1.88 % of assets
Coal E		0.93 % of assets
Coal F		0 % of assets
Military Defense C		6.38 % of assets
Military Defense D		0 % of assets
Military Defense E		0 % of assets
Military Defense F		0 % of assets
Oil sands C		1.82 % of assets
Oil sands D		0 % of assets
Oil sands E		0 % of assets
Oil sands F		0 % of assets
Tobacco C		0 % of assets
Tobacco D		0 % of assets
Tobacco E		0 % of assets
Tobacco F		0 % of assets
<b>Involvement in controversial weapons</b>		
Anti-personnel mines D		0 % of assets
Anti-personnel mines E		0 % of assets
Anti-personnel mines F		0 % of assets
Cluster munitions D		0 % of assets
Cluster munitions E		0 % of assets
Cluster munitions F		0 % of assets
Depleted uranium weapons D		0 % of assets
Depleted uranium weapons E		0 % of assets
Depleted uranium weapons F		0 % of assets
Nuclear weapons D		0 % of assets
Nuclear weapons E		0 % of assets
Nuclear weapons F		0 % of assets

The disclosure of the sustainability indicators has been revised compared with the prior-year report. The assessment methodology is unchanged. Additional information on the currently valid sustainability indicators is provided in the section entitled "What actions were taken to meet the environmental and/or social characteristics during the reference period?".

Information about taking into account the principal adverse impacts on sustainability factors is provided in the section entitled "How did this financial product consider principal adverse impacts on sustainability factors?".

#### DWS ESG-Assessment Scale

In the following assessment categories, the assets received one of six possible scores, with "A" being the best score and "F" being the worst score.

Criteria	Involvement in controversial sectors *(1)	Involvement in controversial weapons	Norm Assessment *(6)	ESG Quality Assessment	SDG- Assessment	Climat & Transition Risk Assessment
<b>A</b>	Non-involvement	Confirmed non-involvement	Confirmed no issues	True leader in ESG (>= 87.5 DWS ESG score)	True SDG contributor (>= 87.5 SDG score)	True climate leader (>= 87.5 score)
<b>B</b>	Remote involvement	Alleged	Violations of lesser degree	ESG leader (75-87.5 DWS ESG score)	SDG contributor (75-87.5 SDG score)	Climate solution provider(75-87.5 score)
<b>C</b>	0% - 5%	Dual-Purpose *(2)	Violations of lesser degree	ESG upper midfield (50-75 DWS ESG score)	SDG upper midfield (50-75 SDG score)	Low transition risk (50-75 score)
<b>D</b>	5% - 10% (coal: 5% - 10%)	Owning *(3)/ Owned *(4)	Violation of lesser degree	ESG lower midfield (25-50 DWS ESG score)	SDG lower midfield (25-50 SDG score)	Mod. transition risk (25-50 score)
<b>E</b>	10% - 25% (coal: 15% - 25%)	Component Producer *(5)	High severity or re-assessed highest violation *(7)	ESG laggard (12.5-25 DWS ESG score)	SDG obstructer (12.5-25 SDG score)	High transition risk (12.5-25 score)
<b>F</b>	>= 25%	Weapon producer	Highest severity / global compact violation *(8)	True laggard in ESG (0-12.5 DWS ESG score)	Significant SDG obstructer (0-12.5 SDG score)	Excessive transition risk (0-12.5 score)

\*(1) Revenue share thresholds as per standard scheme. Sub-Granularity available. Thresholds can be individually set.

\*(2) Encompasses e.g.. weapon-carrying systems such as combat aircraft that carry non-controversial weapons as well as controversial ones.

\*(3) Owning more than 20% equity.

\*(4) Being owned by more than 50% of company involved in grade E or F.

\*(5) Single purpose key component.

\*(6) Includes ILO controversies as well as corporate governance and product issues.

\*(7) In its ongoing assessment, DWS takes into account the violation(s) of international standards – observed via data from ESG data vendors – such as the UN Global Compact, but also possible ESG data vendor errors identified, future expected developments of these violations as well as the willingness of the issuer to engage in dialogue regarding corporate decisions in this regard.

\*(8) An F-grade can be considered a reconfirmed violation of the United Nations Global Compact rule framework for corporate behavior.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union Criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union Criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union Criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



**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.

#### How did this financial product consider principal adverse impacts on sustainability factors?

The sub-fund considered the following principal adverse impacts on sustainability factors from Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation:

- Carbon footprint (no. 2);
- GHG intensity of investee companies (no. 3);
- Exposure to companies active in the fossil fuel sector (no. 4);
- Violations of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
- Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons, and biological weapons) (no. 14).

For sustainable investments, the principal adverse impacts were also considered in the DNSH assessment as described above in the section "How were the indicators for adverse impacts on sustainability factors taken into account?".

#### DWS Fixed Maturity Diversified Bonds 2027

Indicators	Description	Performance
<b>Principal Adverse Impact</b>		
PAII - 02. Carbon Footprint - EUR	The carbon footprint is expressed as tonnes of CO2 emissions per million EUR invested. The CO2 emissions of an issuer are normalised by its enterprise value including cash (EVIC)	722.13 tCO2e / million EUR
PAII - 03. Carbon Intensity	Weighted average carbon intensity scope 1+2+3	968.69 tCO2e / million EUR
PAII - 04. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	19.65 % of assets
PAII - 10. Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0 % of assets
PAII - 14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0 % of assets

As of: June 28, 2024

The Principal Adverse Impact Indicators (PAIIs) are calculated on the basis of the data in the DWS back office and front office systems, which are primarily based on the data of external ESG data providers. If there is no data on individual PAIIs for individual securities or their issuers, either because no data is available or the PAII is not applicable to the particular issuer or security, these securities or issuers are not included in the calculation of the PAII. With target fund investments, a look-through of the target fund holdings is performed if appropriate data is available. The calculation method for the individual PAI indicators may change in subsequent reporting periods due to evolving market standards, a change in the treatment of securities of certain types of instruments (such as derivatives) or as a result of regulatory clarifications.

Moreover, improved data availability may have an effect on the reported PAIIs in subsequent reporting periods.



## What were the top investments of this financial product?

### DWS Fixed Maturity Diversified Bonds 2027

Largest investments	Breakdown by sector according to NACE Codes	in % of average portfolio volume	Breakdown by country
Barclays 22/28.01.28	K - Financial and insurance activities	1.3 %	United Kingdom
Intesa Sanpaolo 22/06.09.2027 MTN	K - Financial and insurance activities	1.3 %	Italy
UBS Group 20/14.01.2028 MTN	K - Financial and insurance activities	1.3 %	Switzerland
Cellnex Telecom 20/20.04.27 MTN	J - Information and communication	1.3 %	Spain
La Banque Postale 22/09.02.28 MTN	K - Financial and insurance activities	1.2 %	France
Morgan Stanley 21/29.10.27	K - Financial and insurance activities	1.2 %	United States
Crédit Agricole (London Br.) 22/12.01.28	K - Financial and insurance activities	1.2 %	France
Commerzbank 22/21.03.2028 MTN	K - Financial and insurance activities	1.2 %	Germany
Deutsche Bank 22/23.02.28 MTN	K - Financial and insurance activities	1.2 %	Germany
UniCredit 22/18.01.28 MTN	K - Financial and insurance activities	1.2 %	Italy
JYSKE Bank 21/17.02.28 MTN	K - Financial and insurance activities	1.2 %	Denmark
Autostrade per L'Italia 22/25.01.28 MTN	H - Transporting and storage	1.2 %	Italy
AIB Group 22/04.04.28 MTN	K - Financial and insurance activities	1.2 %	Ireland
BNP Paribas 20/19.02.28 MTN	K - Financial and insurance activities	1.2 %	France
Bank of America 18/25.04.28 MTN	K - Financial and insurance activities	1.2 %	United States

for the period from July 01, 2023, through June 28, 2024

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:  
for the period from July 01, 2023, through June 30, 2024



## What was the proportion of sustainability-related investments?

The proportion of sustainability-related investments as of the reporting date was 99.34% of portfolio assets.

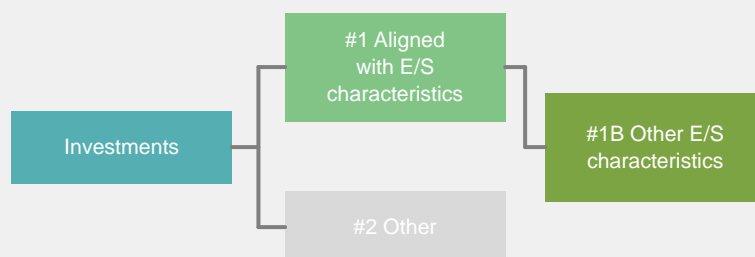
Proportion of sustainability-related investments for the previous year: 100%

**Asset allocation** describes the share of investments in specific assets.

## What was the asset allocation?

This sub-fund invested 99.34% of its net assets in investments that were aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics).

0.66% of the sub-fund's net assets were invested in all permissible assets for which either the DWS ESG assessment methodology was not applied or for which ESG data coverage was incomplete (#2 Other). Within this share, all investments could be invested in assets for which there was no complete data coverage with respect to the above described ESG assessment approaches and exclusions. Incomplete data was not tolerated in the assessment of good governance practices (by means of the DWS Norm Assessment).



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

#### DWS Fixed Maturity Diversified Bonds 2027

NACE-Code	Breakdown by sector according to NACE Codes	in % of portfolio volume
B	Mining and quarrying	1.3 %
C	Manufacturing	7.7 %
D	Electricity, gas, steam and air conditioning supply	2.3 %
H	Transporting and storage	4.8 %
J	Information and communication	8.3 %
K	Financial and insurance activities	45.9 %
M	Professional, scientific and technical activities	17.0 %
N	Administrative and support service activities	4.1 %
Q	Human health and social work activities	0.6 %
NA	Other	8.1 %
<b>Exposure to companies active in the fossil fuel sector</b>		<b>19.7 %</b>



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

Due to a lack of reliable data the sub-fund did not commit to invest a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy. Therefore, the promoted minimum percentage of environmentally sustainable investments aligned with the EU Taxonomy was 0% of the sub-fund's net assets. However, it may occur that part of the investments' underlying economic activities were aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?

Yes:

In fossil gas

In nuclear energy

No

The sub-fund did not take into account the taxonomy-conformity of investments in the fossil gas and/or nuclear energy sectors. Nevertheless, it might have occurred that as part of the investment strategy the sub-fund also invested in issuers that were also active in these areas.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully 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 economic activities for yet low-carbon alternatives are not yet available and that have greenhouse gas emission levels corresponding to the best performance.

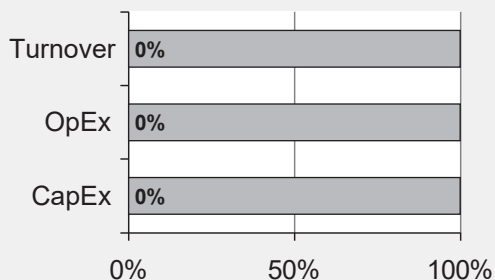
<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do no significant harm to any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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 the green operational activities of investee companies.

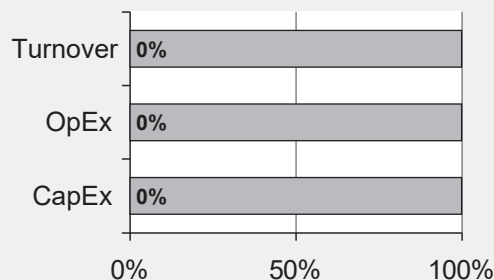
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product 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: Fossil gas	0.00%
Taxonomy-aligned: Nuclear	0.00%
Taxonomy-aligned (no gas and nuclear)	0.00%
Taxonomy-aligned	0.00%
Non Taxonomy-aligned	100.00%

2. Taxonomy-alignment of investments excluding sovereign bonds\*



Taxonomy-aligned: Fossil gas	0.00%
Taxonomy-aligned: Nuclear	0.00%
Taxonomy-aligned (no 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 was the share of investments made in transitional and enabling activities?

The sub-fund did not have a minimum share of investments in transitional or enabling activities, as it did not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.

How did the percentage of investments that are aligned with the EU Taxonomy compare with previous reference periods?

The promoted proportion of environmentally sustainable investments in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) was 0% of the fund's assets in the current as well as previous reference periods. It may, however, have been the case that some sustainable investments were nevertheless aligned with an environmental objective of the Taxonomy Regulation.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The sub-fund did not promote a minimum share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy. There was no minimum proportion for sustainable investments with an environmental objective not aligned with the EU Taxonomy in the previous year.

What was the share of socially sustainable investments?

The sub-fund did not promote a minimum share of socially sustainable investments. There was no minimum proportion for social sustainable investments with an environmental objective not aligned with the EU Taxonomy in the previous year.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

This sub-fund promoted a predominant asset allocation in investments that were aligned with environmental and social characteristics (#1 Aligned with E/S characteristics). In addition, this sub-fund invested 0.66% of the sub-fund's net assets into investments for which either the DWS ESG assessment methodology was not applied or for which ESG data coverage was incomplete (#2 Other). Within this share, all investments could be invested in assets for which there was no complete data coverage with respect to the above described ESG assessment approaches and exclusions. Incomplete data was tolerated in the assessment of good governance practices (by means of the DWS Norm Assessment).

These other investments could include all asset classes as foreseen in the specific investment policy, including deposits with credit institutions and derivatives.

Other investments could be used by the portfolio management for performance, diversification, liquidity and hedging purposes.

Minimum environmental or social safeguards were not or only partially considered for this sub-fund within the other investments.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

This sub-sub-fund pursues a strategy based on multiple asset classes and to pay out sustainable distributions and to preserve capital invested at the sub-fund's maturity in 2026 (no guarantee). Up to 100% may be invested in bonds, convertible bonds, bond funds, certificates on bonds or bond indices and warrant-linked bonds. Up to 45% will be invested in equities, equity funds, certificates on equity indices and equity warrants. A maximum of 25% of the directly purchased assets may have a high yield rating (equal and lower than BB+ or equivalent). Not more than 10% have a minimum rating of CCC+, CCC or CCC- or the equivalent rating of a different rating agency. Further details regarding the main investment strategy are specified in the Special Section of the Sales Prospectus. The sub-fund's assets are predominantly allocated into investments that comply with the defined standards in respect to the promoted environmental and social characteristics as described in the following sections. The sub-fund's strategy in relation to the promoted environmental or social characteristics is integral part of the ESG assessment methodology, which is continuously monitored via the sub-fund's investment guidelines.

#### **ESG assessment methodology**

The portfolio management of this sub-fund sought to attain the promoted environmental and social characteristics by assessing potential investments via a proprietary ESG assessment methodology irrespective of economic prospects of success. This methodology was based on the ESG database, which used data from multiple ESG data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to derive combined scores.

The ESG database was therefore constituted by data and figures as well as on internal assessments that take into account factors beyond the processed data and figures, such as an issuer's future expected ESG development, plausibility of the data with regard to past or future events, an issuer's willingness to engage in dialogues on ESG matters or corporate decisions.

The ESG database derived "A" to "F" letter coded assessments within different categories as further detailed below. Within each category, issuers received one of six possible scores, with "A" being the highest score and "F" being the lowest score. If an issuer's score in one category was deemed insufficient, the portfolio management was prohibited from investing in that issuer, even if it was eligible according to other categories. For exclusion purposes, each letter score in a category was considered individually and could result in exclusion of an issuer.

The ESG database used a variety of assessment categories to assess the attainment of the promoted environmental and social characteristics, including amongst others:

#### **DWS Climate and Transition Risk Assessment**

The DWS Climate and Transition Risk Assessment evaluated issuers in relation to climate change and environmental changes, e.g. in respect to greenhouse gas reduction and water conservation. Issuers that contributed less to climate change and other negative environmental changes or were less exposed to such risks received better evaluations. Issuers with excessive climate risk profile (i.e. a letter score of "F") were excluded as an investment. Issuers with high climate risk profile (i.e., a letter score of "E") were limited to 5% of the sub-fund's net assets.

#### **DWS Norm Assessment**

The DWS Norm Assessment evaluated the behaviour of issuers, for example, within the framework of the principles of the United Nations Global Compact, the standards of the International Labour Organization and behaviour within generally accepted international standards and principles. The Norm Assessment examined, for example, human rights violations, violations of workers' rights, child or forced labour, adverse environmental impacts and business ethics. Issuers with highest severity of norm issues (i.e. a letter score of "F") were excluded as an investment. Issuers with high severity of norm issues (i.e., a letter score of "E") were limited to 5% of the sub-fund's net assets.

#### **DWS Sovereign Assessment**

The DWS Sovereign Assessment evaluated the assessment of political and civil liberties. Sovereign issuers with high or excessive controversies regarding political and civil liberties (i.e. a letter score of "E" or "F") were excluded as an investment.

### **Exposure to controversial sectors**

The ESG database defined certain business areas and business activities as relevant. Business areas and business activities were defined as relevant if they involved the production or distribution of products in a controversial area ("controversial sectors"). Controversial sectors were defined, for example, as the civil firearms industry, military defence and tobacco. Other business sectors and business activities that affected the production or distribution of products in other sectors were defined as relevant. Other relevant sectors were, for example, coal mining and coal-based power generation.

Issuers were evaluated according to the share of total revenues they generated in controversial business areas and controversial business activities. The lower the percentage of revenues from the controversial business areas and controversial business activities, the better the score. As regarded the involvement in tobacco and civil firearms, issuers (excluding target funds) with a moderate, high or excessive exposure (i.e. a letter score of "D", "E" or "F") were excluded as an investment. As regarded the involvement in the military defence industry, issuers (excluding target funds) with high or excessive exposure (i.e. a letter score of "E" or "F") were excluded as an investment. As regarded the involvement in coal mining and coal-based power generation or other controversial sectors and controversial business practices, issuers (excluding target funds) with excessive exposure (i.e. a letter score "F") were excluded as an investment.

### **Involvement in controversial weapons**

The ESG database assessed a company's involvement in the business of controversial weapons. Controversial weapons included for example anti-personnel mines, cluster munitions, depleted uranium weapons, nuclear weapons, chemical and biological weapons.

Issuers were assessed based on their degree of involvement (production of controversial weapons, component production, etc) in the manufacturing of controversial weapons, regardless of total revenues they generated from controversial weapons. Issuers (with the exception of target funds) with medium, high or excessive involvement (i.e., a letter score of "D", "E" or "F") were excluded as an investment.

### **DWS Use of Proceeds Bond Assessment**

By way of derogation from the above, bonds that comply with DWS' Use-of-proceeds bond assessment were investable also in cases where the bond issuer did not fully comply with the ESG assessment methodology.

The financing of use of proceeds bonds was assessed via a two-stage process.

In the first stage DWS assessed whether a bond qualified as a Use of Proceeds Bond. A key element was checking for compliance with the ICMA Green Bond Principles, the ICMA Social Bond Principles or the ICMA Sustainability Bond Principles. The assessment focused on the use of proceeds, the selection of the projects financed by these proceeds, the management of the proceeds spending as well as the annual reporting on the use of proceeds to investors.

If a bond complied with these principles, the second stage assesses the ESG quality of the issuer of that bond in relation to defined minimum standards in respect to environmental, social, and corporate governance factors. This assessment was based on the ESG assessment methodology as described above and excluded:

- Corporate issuers with poor ESG quality compared to their peer group (i.e. a letter score of "E" or "F"),
- Sovereign issuers with high or excessive controversies regarding governance (i.e. a letter score of "E" or "F"),
- Issuers with highest severity of norm issues (i.e. a letter score "F"), or
- Issuers with excessive exposure to controversial weapons (i.e. a letter score of "D", "E" or "F").

To the extent that the sub-fund sought to attain the promoted environmental and social characteristics as well as corporate governance practices by means of an investment in target funds, the latter must meet the DWS standards on Climate and Transition Risk- and Norm Assessment outlined above.

Derivatives were not used to attain the environmental or social characteristics promoted by the sub-fund and were therefore not taken into account for the calculation of the minimum share of assets complying with these characteristics. However, derivatives on individual issuers could only be acquired for the sub-fund if the issuers of the underlying comply with the ESG assessment methodology.

Ancillary liquid assets were not evaluated via the ESG assessment methodology.

The applied ESG investment strategy did not pursue a committed minimum reduction of the scope of the investments.

The assessment of the good governance practices of the investee companies was based on the DWS Norm Assessment. Accordingly, the assessed investee companies followed good governance practices.



How did this financial product perform compared to the reference sustainable benchmark?

This sub-fund has not designated a specific reference benchmark to determine its alignment with the environmental and/or social characteristics it promotes.

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