2022 Environmental, Social, Governance (ESG) Integration Policy for Active Investment Management for DWS Investment GmbH (Germany), DWS International GmbH (Germany) and DWS Investment S.A. (Luxembourg)

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ESG Integration Policy for Active Investment Management

As a global asset manager, DWS Group (and its legal entities DWS Investment GmbH (Germany), DWS International GmbH (Germany) and DWS Investment S.A. (Luxembourg)) act as a fiduciary for its clients. Their interests come first and we are guided by our obligation to preserve and grow our client´s money. The main consideration that DWS takes into account is to achieve sustainable risk-adjusted returns. The ESG Integration Policy for Active Investment Management (ESG Policy) implements DWS's Responsible Investment Framework and is part of our responsibility as an early signatory (since 2008) to the UN-supported Principles for Responsible Investment (PRI).

1. Policy Introduction

DWS reports on its approach towards ESG integration in the context of the annual reporting to the Principles for Responsible Investments (PRI) and DWS Group Annual Report. Under Sustainable Finance Disclosure Regulation (SFDR (EU) 2019-2088 Regulation), sustainability risks and principal adverse impacts (PAI) need to be incorporated into the investment decision-making process. This policy sets the framework to address this regulatory requirement. The ESG Policy describes how Active Investment Professionals (IPs, i.e. portfolio managers and analysts) are to incorporate ESG factors and sustainability risks into their investment analysis and investment decisions. The goal of the policy is to set out minimum standards for IPs on how to undertake a comprehensive assessment of investment risks and opportunities by incorporating ESG factors into their investment process, analysis and decisions. This includes the principal adverse impacts, regulatory sustainability assessment and EU Taxonomy eligibility / alignment.[1]

2. Scope and Definitions

The ESG Policy defines and regulates the incorporation of ESG factors and sustainability risk[2] into the Active Investment Management investment process and is applicable for all actively managed equities, fixed-income (sovereigns/ credit) and multi-asset portfolios:
ESG plays a role along the lines of the investment process:

— DWS CIO View
— Research
— Engagement
— Portfolio management
— Portfolio construction and monitoring
— Trading and sell-side broker evaluation of ESG Research
— Proxy Voting

It is supplemented by DWS Controversial Weapons Policy, Engagement Policy as well as Proxy Voting and Corporate Governance Policy. All can be found on the website of DWS[3].

3. Applicability

The ESG Policy sets the framework for the integration of ESG factors into the investment process for DWS (for legal entities, please refer to the appendix (10.1.2)).
This policy sets the framework for the processes of Active Investment Management in DWS, describing the key requirements, roles and responsibilities and applicable principles and associated policies as well as setting minimum standards. No single set of guidelines or procedures can address every situation, but every effort has been made to identify specific action steps where possible.

[1] Please see here for the Level 2 regulatory technical standards of Sustainable Finance Disclosure Regulation: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R1288&from=EN
[2] Note that both BaFin, ESMA and this policy define sustainability risks generically. Every issuer and portfolio will be affected by different sustainability risks and principal adverse impacts.
[3] https://www.dws.com/solutions/esg/information-on-sustainability/

Related policies or procedures are referenced in each section where applicable. This policy applies to the IPs of Active Investment Management globally..

4. Sustainability Risk and Principal Adverse Impact Concepts

In response to regulatory and strategic developments, applicable DWS legal entities have published internal policies on sustainability risk and external statements on the integration of sustainability risk into the investment process as well as a statement on principal adverse impacts.

4.1. Definitions

On 20 December 2019 the German financial regulator (BaFin) has issued a guidance notice on dealing with sustainability risks[4] as described below.
In addition, and in response to regulatory and strategic developments, applicable DWS legal entities have published internal policies on sustainability risk[5] and external statements[6] on the integration of sustainability risk into the investment process as well as a statement on principal adverse impacts.

4.1.1. Sustainability Risks

As per the Sustainability Finance Disclosure Regulation (SFDR) published in the end of 2019 and for the scope defined therein, sustainability risk shall generically be defined as any "environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment." On the other side, BaFin sees within its Guidance Notice sustainability risks as factors of the types of risk already known and managed.

Both definitions seem to differ at a first glance: While in the SFDR sustainability risk seems to be defined as a "stand-alone" risk, within the BaFin Guidance Notice sustainability risk is described as a subtype of existing risk types.
Within DWS Group our ambition is to establish a definition which covers both perspectives on sustainability risk simultaneously. This can be achieved by considering different types of "investments" when applying the definition suggested within the disclosure regulation.
Therefore, at DWS, sustainability risk shall be defined as: "The potential negative impact to the value of an investment induced by sustainability factors. Hereby, sustainability factors include environmental, social and governance events or conditions which could either be of an exogenous nature (such as physical climate or transition matters) but can also be in direct relation to the activity of any issuer or company related to the investment (such as environmental impacts of the company's activity)."

Considering this general definition of sustainability risk, DWS Group differentiates between "corporate sustainability risk" applicable for investors of shares of DWS Group and "portfolio sustainability risks" impacting investors of portfolios or products managed by DWS Group and "Adverse impact". "Adverse Impact" are defined as: "negative effects, material or likely to be material on sustainability factors that are caused, compounded by or directly linked to investment decisions and advice performed by the legal entity."
Within DWS Group, sustainability risk is not considered to be one individual risk type, but sustainability factors are considered to be risk drivers of existing risk types being managed. This is for example motivated by the fact that individual sustainability factors can have an effect on several of the already known risk types as well as corresponding risk management processes.

4.1.2. Sustainability Factors

[4] Sustainability Risk Management Policy (not available externally)

[5] Information on Policies on the Integration of Sustainability risk (external, link here for DWS Investment GmbH and link here for DWS International GmbH) pursuant to Article 3 of Sustainable Finance Disclosure Regulation (SFDR)

[6] Adverse sustainability impacts statement for financial market participant (link here for DWS Investment GmbH) pursuant to Article 4 of SFDR

Sustainability factors to be used at DWS Group are defined centrally in this policy and applied uniformly across all risk types. DWS Group distinguishes two main groups of sustainability factors, exogenous (outside-in) and endogenous (inside-out) factors. These two sets of factors differ by definition in one important aspect:

- Is the matter "exogenously" observed or induced, does it directly or indirectly affect simultaneously the market, the society or any actors therein, or
- Is the respective matter under consideration "endogenously" induced by an individual participant in the market?

Some factors belonging to these two groups can and might also be highly correlated (e.g.: an oil company has a significant carbon footprint (endogenous factor) which exposes itself naturally also to a climate transition risk due to regulatory changes expected (exogenous factor)).

4.1.2.1. Exogenous Sustainability Factors

Exogenous (outside-in) sustainability factors are physical climate matters and climate transition matters. None of these factors can be directly influenced by one individual or organization alone but still every individual or organization within the economy can be impacted by them.

Physical Climate Factors

Human-caused climate change causes a wide variety of physical impacts on the earth's climate system. Physical climate matters comprise individual extreme weather events as well as long-term climate changes. The following shall be a non-exhaustive list of physical climate factors being considered within DWS Group:

Individual extreme weather events

— Heatwaves
— Drought
— Floods
— Storms
— Hail
— Forest fires
— Avalanches

Long-term climate changes

— Decreasing amounts of snow
— Rainfall frequency and volume
— Volatile weather conditions
— Rising sea levels
— Changes in sea currents
— Changes in winds
— Changes in land and soil productivity
— Reduced water availability (water risk)
— Ocean acidification
— Global warming with regional extremes

Transition Climate Factors

Transition climate factors are factors which directly or indirectly caused by the transition to a low-carbon economy. DWS Group considers the following list as a non-exhaustive list of transition climate factors:
— Bans/ restrictions
— Exit from fossil fuels
— Other political measures related to the change to a low-carbon economy

— Technology Change related to the change to a low-carbon economy
— Changes in client preferences and behavior

4.1.2.2. Endogenous Sustainability Factors

Endogenous (inside-out) sustainability factors comprise Environmental, Social and Governance factors. They are directly influenced by a person or organization given its own activity and/or behavior.

Environmental Factors

The "E" in ESG focuses on environmental issues and especially the contribution to climate change by companies or actors. The following list shall be a non-exhaustive list of environmental factors to be considered:
— Failure to contribute to climate mitigation including reduction of greenhouse gas emissions
— Failure to adjust to climate change
— Failure to protect biodiversity
— Non-sustainable use and protection of water and maritime resources
— Failure to transition to a circular economy, to avoid waste, and use recycling
— Failure of avoidance and reduction of environmental pollution
— Failure of protection of healthy ecosystems
— Non-sustainable land use

Social Factors

The "S" in ESG refers to social aspects. At DWS Group, the following non-exhaustive list of social factors shall be considered:
— Incompliance with recognised labour standards (child labour, forced labour or discrimination)
— Incompliance with employment safety and health protection
— No reasonable remuneration
— Unfair working conditions
— Low level and no promotion of diversity
— Insufficient training and development opportunities
— Incompliance with trade union rights and freedom of assembly
— Failure to guarantee adequate product safety, including health protection
— Application of different requirements to entities in the supply chain
— No inclusiveness
— Disregard of the interests of communities and social minorities
— No accessibility of buildings to people with disabilities

Governance Factors

The "G" in ESG deals with corporate governance and everything related to it. The following list shall be a non-exhaustive list of governance factors to be considered:
— Tax fraud
— Insufficient anti-corruption measures
— Insufficient anti-fraud measures
— No sustainability management by the board
— Insufficient board diversity
— No sound risk management and compliance
— Board remuneration not based on sustainability criteria
— Failure to facilitate whistle blowing
— No guarantees of employee rights
— No guarantees of data protection
— Insufficient or wrong information disclosure

Litigation Factors

Litigation factors the third and much smaller group of factors are events or conditions which materialize as a result of an observation of a combination of exogenous and endogenous sustainability factors. More precisely, this can be the case when a company or actor is sued and penalized for damage caused by physical impacts of climate change (exogenous factor) in combination with the company's or actor's failure to avoid or minimize adverse impacts on the climate, or failure to adapt to climate change (endogenous factor). This implies for example also that within a risk factor identification process, such factors are also identified implicitly when looking at exogenous and endogenous factors individually.

If the sustainability risks were not already expected and taken into account in the valuations of the investments, they can have a significant negative impact on the expected/estimated market price and/or the liquidity of the investment and thus on the return of the investment.

4.1.3. Principal Adverse Impacts (PAI) Indicators

Adverse sustainability impacts or Principal Adverse Iimpacts (PAI) are broadly defined as impacts of investment decisions and advice that result in negative effects on sustainability factors. Sustainability factors' mean environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

At DWS, adverse impacts are defined as: Negative, material, or potentially material effects on sustainability factors that result from or are directly related to actions made by DWS group, its employees, investee companies within its portfolios or other related stakeholdersTo appropriately assess Adverse Impact related to the activity of DWS Group, the dimensions of risk assessments within the DWS Risk Management Framework (such as Reputational, Market or Regulatory) are not sufficient. Therefore, an additional corresponding dimension was added to the risk assessment grid, specifying various levels of impact severity and likelihood, in parallel to the existing risk grid dimension.

Identification and Prioritization of Principal Adverse Impacts in the Investment Decision Making Process

For the Active business of DWS, information on principal adverse impacts on sustainability factors are sourced from the external ESG data vendors that DWS subscribes to and combines these datapoints into a proprietary tool: our ESG Engine. The use of external ESG data helps to identify principal adverse impacts on sustainability factors even though this information may vary in accuracy and breadth across asset classes globally and is dependent on disclosure of the investees. This information is routed to DWS's system landscape and architecture and are available to DWS investmentprofessionals as part of their research, investment recommendation and may affect the investment decision as well. This integration of ESG data into DWS key systems enables investment professionals to have visibility on the overall sustainability profile of the respective portfolio – including information on principal adverse impacts on sustainability factors. Some external data vendors' assessments include "probability of occurrence and the severity of those principal adverse impacts, including their potentially irremediable character" (subject to data availability) as part of e.g. DWS overall Norm assessment (geared towards measuring and detecting companies' non-compliance with international norms with significant impact on communities / environment).

Investment professionals may prioritize certain PAIs in the research process or in the portfolio construction, subject to precontractual disclosures or investment guidelines. Additional identified principal adverse impacts on sustainability factors may be prioritized through the sector materiality matrix as required. The enhanced engagement framework of DWS foresees integration of principal adverse impacts on sustainability factors as part of the engagement process, objective / target setting with investees. Integration of ESG into research, engagement of ESG topics and the sustainability profile of funds are part of regular internal management reporting. For most of DWS's financial products which provide transparency pursuant to article 6/8/9 of the Regulation (EU) 2019/2088 a selected group of principal adverse impacts on sustainability factors constitute binding mitigations through investment limits in precontractual disclosures. For the Active business of DWS the Controversial Weapons Policy seeks to fully exclude manufacturers of controversial weapons (PAI14) as defined by Annex supplementing Regulation (EU) 2019/2088 of the European Parliament from 6 April 2022. DWS Investment GmbH's Corporate Governance and Proxy Voting Policy contains elements characterizing the voting behavior for board gender diversity (PAI13). Please refer to the latest Level 2 regulatory technical standards (RTS) of the European Commission for detailed explanation of the PAI.[7]

5. Requirements

Our investment process attempts to achieve consistent and sustainable returns with focus on conviction and accountability at each step of the process. Sustainability risks need to be identified, monitored, managed and communicated. Existing requirements (especially KAMaRisk) must be considered in any case.

5.1. DWS CIO View

At DWS our investment process starts with our CIO View, which is our in-house market view that underlies our investment decisions. By including ESG criteria, we intend to reduce our investment risks, explore business areas with growing demand and leverage our central role in the investment process to make important contributions to society. With the introduction of ESG into our sector allocation process, we have integrated an analysis of the global ESG trends that are material for various sectors. These are now a regular part of the CIO Day agenda and therefore the CIO View of DWS. The CIO for Responsible Investments together with the Head of ESG Integration Active assume this initiative based on feedback and assessments by the IPs. The analysis can be supplemented by data from the ESG Engine. The ESG Engine is DWS`s proprietary ESG tool, which consolidates and produces data. The ESG Engine takes a snapshot of latest ESG vendor data regularly, performs calculations and updates internal information systems. Currently, the following vendors provide data to the ESG Engine (subject to change): ISS-ESG, MSCI, Morningstar Sustainalytics, ESG Book and S&P TruCost.

Research analysts integrate the outcome of the CIO View in their respective sector analysis and investment recommendations and portfolio managers in their sector allocation decision and security preferences within the sector. This process is geared to identify risks and opportunities as well as identifying principal adverse impacts on a sector level. Additional associated policies, key operating documents, handbooks and framework apply for this step.

5.2. Research

The ESG Engine is DWS`s proprietary ESG database, which consolidates and produces data. The ESG integration team - in teamwork with DWS CIO for Responsible Investments - takes the ESG Engine data and analyses the performance reached in the market by high and low ESG quality companies and sectors. The result of this analysis is presented in the tactical allocation preparation meeting and during the CIO Day and is therefore available for analysts and portfolio managers for further integration.
In general, our responsible investment approach continues to be influenced by, for example, the EU's (non-binding) guidelines on reporting information, recommending an "outside in" (financial materiality) and an "inside out" (impact materiality) perspective[8]. In order to account for the required 'double materiality' principle, DWS assesses the business relevance of each global topic for us as well as the potential impact we, as providers of financial capital could have on the topic. Both our investment approach and engagement activities seek to embed double materiality.

Sustainability risk assessment is a central part in the fundamental analysis of companies and sovereigns. The integration of financially material ESG factors and possible risks and opportunities arising from sustainability factors starts with the identification of material global sustainability trends, and financially relevant ESG themes and issues (Key Performance Indicators analysis - KPI) and is continued with the assessment of sustainability risks & opportunities arising from those material ESG aspects. Each country, sector and company will be impacted by different ESG factors. For this reason, internally agreed sector materiality matrix should be applied for the identification and analysis process.

In this context, it is very critical to consider PAIs into our due diligence process. Investment professionals should pay special attention to PAI number 1-6 (focus on emissions, climate and fossil fuels), PAI number 8 (emissions to water), number 10 (severe norm violation) and 14 (Controversial Conventional Weapons – CCW – defined as landmines, cluster munitions, biological or chemical weapons). Additional identified principal adverse impacts on sustainability factors may be prioritized through the sector materiality matrix as

[7] See here: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022R1288&from=EN
[8] https://ec.europa.eu/finance/docs/policy/190618-climate-related-information-reporting-guidelines_en.pdf

required. Beyond the integration of "Principal Adverse Impacts” in our ESG integration approach, individual exclusions based on specific PAI levels will be further disclosed in pre-contractual documents of the respective financial products.

In addition, risks that may arise from the consequences of climate change or risks arising from the violation of internationally recognised guidelines are subject to special examination. The internationally recognised guidelines include, above all, the ten principles of the United Nations Global Compact, ILO core labour standards or UN guiding principles for business and human rights and the OECD guidelines for multinational companies.

Key sources of information for the analysis of PAI as well as exposure to regulatory sustainability (SFDR Art. 2, 17)[9] / taxonomy and for the ESG analysis are ESG Engine[10], issuer factsheets, ESG information from ESG vendors (narratives), company disclosure and ESG reports of external research houses. The risks and opportunities arising from that analysis (sustainability trends / ESG factors and ESG KPI analyses) and their impact on the sustainability of the business model and competitive advantage (on company analysis) should be explained in the research note. It should also feed into the valuation model (in the cash flow estimate or discount rate) and IP’s investment recommendation according to our Research Handbooks. The Research Handbooks also contain minimum requirements for further due diligence in case an issuers’ ESG profile is particularly poor (from an ESG Engine assessment perspective, i.e. E or F on the key assessments).

The Multi Asset team at DWS has a fund selection framework, which also applies to third party mutual funds. This framework contains requirements for evaluating the ESG profile of target fund composition and specifies best practices on engagement for the investment professional. Additional associated policies, key operating documents, handbooks and framework apply for this step.

5.3. Engagement

An engagement activity refers to purposeful interactions between the investor and current or potential issuers to influence OR identify the need to influence on matters such as strategy, financial and non-financial performance, risk, capital structure, social and environmental impact as well as corporate governance including disclosure, culture and remuneration.In order to avoid any acting-in-concert allegations and risks under the German market transparency regulation, engagement activity and/ or engagement strategy needs to be prepared and conducted on a legal entity basis only. This means that employees from different legal entities should not participate in the same engagement meeting given that engagement activity should not be agreed across legal entities. An exemption applies for DWS Investment GmbH, DWS International GmbH and DWS Investment SA and Investment SA including SICAVs, where position reporting is pooled. Therefore, in this case engagement meetings are allowed to be undertaken by employees of all three entities. The objective of the Engagement Policy (currently for DWS Investment GmbH, DWS International GmbH and DWS Investment SA and Investment SA and in the following referred to as ‘Policy’) is to establish a strategic framework to fulfil the fiduciary and stewardship duties acting in our clients’ best interests by engaging in a two-way dialogue with investee companies on strategy, financial performance, risk, capital structure and relevant corporate governance, environmental, social and impact topics. The Policy applies to our equity and fixed income assets we hold in funds offered and mandates managed, with delegated voting authority, by any of the above-mentioned entities. No single set of guidelines or procedures can address every situation, but every effort is made to identify specific action steps. Moreover, related and complementary policies or procedures are referenced in each section if required.

We outline in our Engagement Policy for DWS Investment GmbH, DWS International GmbH DWS Investment SA and Investment SA including SICAVs the overall engagement process, illustrating identification and prioritization criteria, the decision process for each engagement form, preparation, implementation, documentation, and respective escalation measures. In general, DWS (currently for DWS Investment GmbH, DWS International GmbH and DWS Investment SA and Investment SA including SICAVs) groups engagement activities with issuers into three categories: “core”, “focus” and “strategic” engagements based on our identification and prioritization process. There is a distinct framework for the selection of core for proxy voting activities as well as for focus and strategic companies. For each focus and strategic company, an engagement lead and an ESG specialist are allocated. The engagement lead is ultimately

[9] ‘sustainable investment’ means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance

[10] Please check the relevant legal disclosures for the explanation on the regulatory sustainability mechanisms in the ESG Engine

responsible for every step of the engagement process and is accountable for the achievement of sustainability outcomes. Once the key issues have been identified, the engagement lead decides which topics will be prioritized for engagement, linking them to a sub-area of engagement and appropriate KPI which, if available, will be linked to a specific target SDG and PAI. Timeline for the achievement of every targeted KPI need to be specified and documented in the engagement database. Changes to the priority topics for engagement may be made based on market and issuer developments. Additionally, it should be specified the value of those KPIs (if it is a qualitative or a quantitative KPI) at the time the first engagement activity takes place. With this approach, we aim to measure the impact of our engagements based on targeted financial and non-financial KPIs as well as SDGs/PAIs. In case we may have opposite targets for the engagement activity from the fixed income and equity side, the engagement lead will communicate it to our internal Engagement Council, who decides on the establishment of two engagement leads for the engagement with that specific issuer. The engagement activity will be conducted via a meeting (in person or virtual for the foreseen top engagement priorities) and if necessary, via an E-mail to the issuer´s representatives for additional issues and/ or to communicate additional disclosure.

Please refer to the latest Engagement Policy on dws.com. The Engagement Policy outlines the roles and responsibilities of the investment professionals of three EMEA legal entities mentioned above.

5.4. Portfolio Management for dedicated DWS mutual fund strategies

The investment guidelines of the respective products may contain detailed investment guidelines on the eligibility of certain securities from an ESG perspective. These investment guidelines determine whether an issuer may be part of the investment universe based on the current ESG Engine information/ assessment. For the avoidance of doubt: in institutional mandates, all agreed rules (ESG and beyond) with the client must be part of the respective investment guidelines. The respective investment policies of the product outline the investment guidelines in further detail.

5.5. Portfolio Construction & Monitoring

At DWS, the following obligations apply to IPs 1) the relevant information regarding any potential sustainability risks associated with an investment should be identified, analysed and included in the decision-making process at the start of the review process for the relevant investment, 2) integrate risks and opportunities as well as PAI, regulatory sustainability performance and Taxonomy exposure if available, 3) IPs have to be aware of the active exposure of their managed portfolios to critical ESG issues displayed in the “ESG Engine FactSheets,” in the portfolio analysis, other filters developed by the ESG Specialists and have to be aware of the impact of critical ESG issues on expected risk-adjusted return for that security, 5) to monitor and manage the ESG risks and opportunities of their portfolios.

5.6. Trading & Broker Evaluation

DWS IPs evaluate the quality of research and services that they receive from external research houses. We have integrated ESG within our broker review process in order to motivate brokers to integrate ESG information in their analysis and investment recommendations.
It is required, that IPs that receive valuable ESG research from external houses do specify this service in their broker assessments. For any trade-order based on ESG reasons only, IPs choose the adequate trade purpose. Additional associated policies, key operating documents, handbooks and framework apply for this step.

6. Roles and Responsibilities

This ESG Policy and the herein described processes apply to IPs of the Active Investment Management globally for legal entities in scope (10.1.2). We expect all IPs to integrate ESG criteria into their investment decision and engagement activities. However, jurisdictional differences as well as different regulatory requirements may lead to different implementation levels of this guideline. Exemptions to this policy must be approved by the Policy owner and by CIO for Responsible Investments and have to be registered.

Exemptions need to be regularly reviewed, taking into account supplemental ESG related policies (DWS Corporate Governance and Proxy Voting Policy, DWS Engagement Policy, DWS Controversial Weapon Policy) in their respective business units and supervisory procedures. Individual IPs must comply with the requirements of this ESG Policy and supervisors are responsible for ensuring compliance. Research Heads or portfolio management team heads shall monitor IP compliance with this policy along various defined aspects that are defined internally. ESG quality of IP`s funds according and reviewed by Asset Class Heads on a regular basis. This ESG quality is defined along various aspects. DWS is working on an additional process for oversight is currently under development and will be implemented subject to relevant approvals and technical feasibility.

7. Applicable Principles

Principles guiding our ESG Policy and therefore ESG integration in any step of the investment process are: the UN Global Compact, the OECD Guidelines for Multinational Corporations, Cluster Munitions Convention, amongst others are our guiding principles for our respective businesses. Within our engagement process we focus additionally on the IIRC Integrated Reporting Framework and CERES. Last but not least, we have been a signatory and abide by the UN supported Principles for Responsible Investment (PRI) since 2008.

8. Associated Policies

DWS's approach to responsible investing in general and ESG Integration in particular is outlined in our Responsible Investment Framework[11]. This framework introduces our position on central aspects, formulates corresponding principles that guide our investment, the engagement with companies, and provides a reference on how these principles influence DWS's voting decisions on the active business. Last but not least, it explains briefly how we implement our philosophy and where we stand on controversial issues. Apart from the ESG policy, we frame this philosophy through additional guidelines and policies.

[11] https://www.dws.com/solutions/esg/ri-statement/?elib-assetguid=f8a9a7299a2f4f419a0f0ccd47b54c2a&publishLoca-tionGuid=7ab16dd968f04010b0e8dcb72a61d17b

9. Glossary

Term	Definition
IPs	“investment professionals” defined as portfolio managers and analysts in Active Investment management
CIO	Chief Investment Officer
CTRR	Climate and Transition Risk assessment
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht
ESG	Environmental, Social, Governance
KPI	Key Performance Indicator
ESMA	European Securities and Markets Authority
ESG Policy	Short name for ESG Integration Policy for Active Investment Management
PAI	Principal Adverse Impact / Adverse Sustainability Impacts on Sustainability Factors
PRI	Principles for Responsible Investment
RIF	Responsible Investment Framework

10. List of Annexes

10.1. Applicability

10.1.1. Proxy voting

Legal entities in scope for proxy voting under the process for funds in Europe and Asia:

— DWS Investment GmbH (Germany),
— DWS International GmbH (Germany),
— DWS Investment S.A. (Luxembourg)

DWS Investment S.A. with the discretion to exercise the voting rights (with the corresponding agreement of the Management Boards and relevant internal agreements in place, for more information, please contact the COO in Luxembourg) also for: Luxembourg SICAVs (active and passive funds domiciled in Luxembourg) and Irish X-trackers (PLC funds domiciled in Ireland).

— DWS Investment Japan Limited (Japan)
— DWS Investment Hong Kong Ltd (Hong Kong)

10.1.2. ESG Integration policy

— DWS Investment GmbH (Germany),
— DWS International GmbH (Germany),
— DWS Investment S.A. (Luxembourg),

10.2. Principles guiding our ESG policy

— Net Zero Asset Manager Initiative (see here: https://www.netzeroassetmanagers.org/commitment/)
— Science Based Target Initiative (see here: https://sciencebasedtargets.org/)
— the UN Global Compact (https://www.unglobalcompact.org/what-is-gc/mission/principles)
— the OECD Guidelines for Multinational Corporations (http://www.oecd.org/corporate/mne/1922428.pdf)
— Cluster Munitions Convention (http://www.clusterconvention.org/the-convention/operative-commitments/)
— IIRC integrated Reporting Framework (http://integratedreporting.org/wp-content/uploads/2015/03/13-12-08-THE-INTERNATIONAL-IRFRAMEWORK-2-1.pdf)
— CERES (https://www.ceres.org/)
— Additionally since 2008 we have been a signatory and abide by the UN supported Principles for Responsible Investment (PRI). (https://www.unpri.org/about/the-six-principles)