

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 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 Concept Kaldemorgen

Legal entity identifier: 549300Q2LE5ES354XA11

ISIN: LU0599946893

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☒ ☒ ☐ **Yes**

☒ ☐ ☒ **No**

☐ It will make a minimum of **sustainable investments with an environmental objective**: __%

☐ 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**: __%

☒ **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 10% 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 environmental and/or social characteristics are promoted by this financial product?

This sub-fund promotes 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 further promotes a minimum proportion of sustainable investments with a positive contribution to one or several of the United Nations Sustainable Development Goals (UN SDGs). This sub-fund has not designated a reference benchmark for the purpose of attaining the environmental and/or social characteristics promoted.

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

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The attainment of the promoted environmental and social characteristics as well as the sustainable investment is assessed via the application of a proprietary ESG assessment methodology as further described in section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?". The methodology applies a variety of assessment categories that are used as sustainability indicators to assess the attainment of the promoted environmental and social characteristics, which are as follows:

- **DWS Climate and Transition Risk Assessment** is used as indicator for an issuer's exposure to climate and transition risks
- **DWS Norm Assessment** is used as indicator for an issuer's exposure to norm-related issues
- **DWS Sovereign Assessment** is used as indicator for a sovereign issuer's extent of controversies regarding governance, such as political and civil liberties
- **Exposure to controversial sectors** is used as indicator for an issuer's involvement in controversial sectors and controversial activities
- **Involvement in controversial weapons** is used as indicator for an issuer's involvement in controversial weapons
- **Sustainability Investment Assessment** is used as indicator to measure the proportion of sustainable investments

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?

The sub-fund will partially invest in sustainable investments according to article 2(17) SFDR. Such sustainable investments will contribute to at least one of the UN SDGs that relate to environmental and/or social objectives, such as the following (non-exhaustive list):

- Goal 1: No poverty
- Goal 2: Zero hunger
- Goal 3: Good health and well-being
- Goal 4: Quality education
- Goal 5: Gender equality
- Goal 6: Clean water and Sanitation
- Goal 7: Affordable and clean energy
- Goal 10: Reduced inequality
- Goal 11: Sustainable cities and communities
- Goal 12: Responsible consumption
- Goal 13: Climate action
- Goal 14: Life below water
- Goal 15: Life on land

The extent of contribution to individual UN SDGs will vary based on the actual investments in the portfolio.

DWS will measure the contribution to the UN SDGs via its sustainability investment assessment which evaluates potential investments in relation to different criteria to conclude that an economic activity can be considered as sustainable. Via this assessment, the sub-fund management evaluates (1) whether an economic activity contributes to one or several of the UN SDGs, (2) whether the economic activity or other economic activities of that company significantly harm any of these objectives (Do Not Significantly Harm (DNSH) assessment) and (3) whether the company as such is in line with the DWS safeguard assessment.

The sustainability investment assessment uses data from multiple data providers, public sources and internal assessments (based on a defined assessment and classification methodology) to determine if an activity is sustainable. Activities that contribute positively to the UN SDGs are measured in terms of revenues, capital expenditure (CapEx) and/or operational expenditure (OpEx). If a positive contribution is determined, the activity will be considered sustainable if the company passes the DNSH assessment and complies with the DWS safeguard assessment as detailed in the section "How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?".

The sub-fund will currently not commit to target a minimum proportion of sustainable investments with an environmental objective aligned with the EU Taxonomy.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

The DNSH assessment is integral part of the sustainability investment assessment and evaluates whether an economic activity with a contribution to an UN SDG causes significant harm to any of these objectives. In case that a significant harm is identified, the economic activity fails the DNSH assessment and cannot be considered as sustainable economic activity.

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

As part of the DNSH assessment under article 2(17) SFDR, the sustainability investment assessment systematically integrates all mandatory principal adverse indicators from Table 1 and relevant indicators from Tables 2 and 3 of Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Sustainable Finance Disclosure Regulation (SFDR). Taking into account these adverse impacts, DWS has established quantitative thresholds and/or qualitative values to determine if an investment significantly harms any of the environmental or social 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.

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

As part of its sustainability investment assessment, DWS further evaluates through its safeguard assessment the alignment of a company with international norms. This includes checks in relation to adherence to international norms, for example, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact and the standards of the International Labour Organization. Companies with assessed and reconfirmed highest violations of one of the international norms are considered as non-compliant to the safeguards and their economic activities cannot be considered sustainable.

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 EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU 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.

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

- X** Yes, the sub-fund management considers the following principle 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);
- Violation of UN Global Compact principles and OECD Guidelines for multinational enterprises (no. 10); and
- Exposure to controversial weapons (no. 14).

The above principal adverse impacts are considered at product level through the exclusion strategy for the sub-fund's assets that are aligned with environmental and social characteristics via the proprietary ESG assessment methodology as detailed in section "What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?".

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

Further information on principal adverse impacts will be provided in an annex to the sub-fund's annual report.

No



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

What investment strategy does this financial product follow?

This sub-fund pursues a strategy based on multiple asset classes as main investment strategy. The sub-fund may invest up to 100% of the sub-fund's assets globally in equities, bonds, certificates and money market instruments, deposits with credit institutions, including, but not limited to, equity certificates, index certificates, convertible bonds, inflation-linked bonds, warrant-linked bonds whose underlying warrants are for securities, warrants for securities, dividend-right and participation certificates as well as interest-bearing debt securities, short-term deposits, regularly traded money market instruments and liquid assets. In addition the fund may invest in derivatives for hedging and investment purposes. Up to 20% may be invested into asset backed securities. 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.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

ESG assessment methodology

The portfolio management of this sub-fund seeks 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 is based on the ESG database, which uses 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 is 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 derives "A" to "F" letter coded assessments within different categories as further detailed below. Within each category, issuers receive 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 is deemed insufficient, the portfolio management is prohibited from investing in that issuer, even if it is eligible according to other categories. For exclusion purposes, each letter score in a category is considered individually and may result in exclusion of an issuer.

The ESG database uses 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 evaluates issuers in relation to climate change and environmental changes, e.g. in respect to greenhouse gas reduction and water conservation. Issuers that contribute less to climate change and other negative environmental changes or are less exposed to such risks receive better evaluations. Issuers with excessive climate risk profile (i.e. a letter score of "F") are excluded as an investment.

- **DWS Norm Assessment**

The DWS Norm Assessment evaluates 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 examines, 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") are excluded as an investment.

- **DWS Sovereign Assessment**

The DWS Sovereign Assessment evaluates 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") are excluded as an investment.

- **Exposure to controversial sectors**

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

Issuers are evaluated according to the share of total revenues they generate 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 regards 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") are excluded as an investment.

As regards 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") are excluded as an investment.

As regards 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") are excluded as an investment.

- **Involvement in controversial weapons**

The ESG database assesses a company's involvement in the business of controversial weapons.

Controversial weapons include for example anti-personnel mines, cluster munitions, depleted uranium weapons, nuclear weapons, chemical and biological weapons.

Issuers are 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 generate 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") are excluded as an investment.

- **DWS Use of Proceed Bond Assessment**

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

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

In the first stage DWS assesses whether a bond qualifies as a Use of Proceeds Bond. A key element is checking for compliance with the ICMA Green Bond Principles, the ICMA Social Bond Principles or the ICMA Sustainability Bond Principles. The assessment focuses 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 complies 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 is based on the ESG assessment methodology as described above and excludes

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

Sustainability investment assessment methodology

Further, for the proportion of sustainable investments DWS will measure the contribution to one or several UN SDGs via its sustainability investment assessment which evaluates potential investments in relation to different criteria to conclude that an economic activity can be considered as sustainable as further detailed in section “What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?”

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

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

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

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

The procedure to assess the good governance practices of the investee companies is based on the DWS Norm Assessment, as further detailed in the dedicated section “What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?”. Accordingly, the assessed investee companies follow good governance practices.

Further, the management company considers active ownership as a strong driver to improve governance, policies and practices, and thus for a better long-term performance of investee companies. Active ownership means using the position as shareholders to influence the activities or behaviour of the investee companies. An engagement activity can be initiated with the investee companies regarding matters such as strategy, financial and non-financial performance, risk, capital structure, social and environmental impact as well as corporate governance including topics like disclosure, culture and remuneration. The engagement activity can be undertaken via, e.g., issuer meetings or engagement letters. Furthermore, for equity investments it could also be an interaction with the company resulting from proxy voting activities or participation at general meetings.



What is the asset allocation planned for this financial product?

This sub-fund invests at least 51% of its net assets in investments that are aligned with the promoted environmental and social characteristics (#1 Aligned with E/S characteristics). Within this category, at least 10% of the sub-fund's assets qualify as sustainable investments (#1A Sustainable).

Up to 49% of the investments are not aligned with these characteristics (#2 Other). 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**

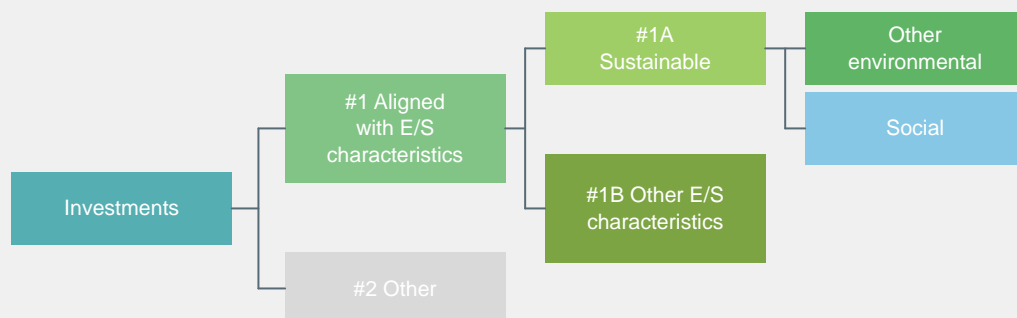
reflecting the share of revenue from green activities of investee companies

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

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

Derivatives are currently not used to attain the environmental or social characteristics promoted by the sub-fund.

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.

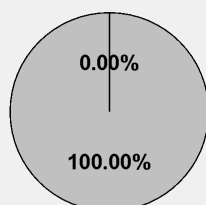


To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

Due to a lack of reliable data 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, it may occur that part of the investments' underlying economic activities are aligned with the EU Taxonomy.

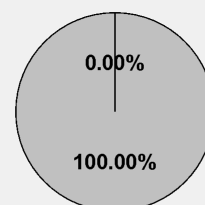
The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial 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 □ Other Investments

2. Taxonomy-alignment of investments excluding sovereign bonds*



■ Taxonomy-aligned □ Other 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 does not have a minimum share of investments in transitional and enabling activities, as it does not commit to a minimum proportion of environmentally sustainable investments aligned with the EU Taxonomy.



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 sub-fund does not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the minimum share of environmentally and socially sustainable investments shall in total be at least 10% of the net assets of the sub-fund.



What is the minimum share of socially sustainable investments?

The sub-fund does not intend to make a minimum allocation to environmentally or socially sustainable investments pursuant to Article 2(17) SFDR. However, the minimum share of environmentally and socially sustainable investments shall in total be at least 10% of the net assets of the sub-fund.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

This sub-fund promotes a predominant asset allocation in investments that are aligned with environmental and social characteristics (#1 Aligned with E/S characteristics). In addition, and on an ancillary basis, this sub-fund will invest into investments that are not considered aligned with the promoted characteristics (#2 Other). These remaining investments can include all asset classes as foreseen in the specific investment policy including cash and derivatives.

In line with the market positioning of this sub-fund, the purpose of these remaining investments is to provide investors with an exposure to non-ESG aligned investments while at the same time ensuring a predominant exposure to environmentally and socially aligned investments. Remaining investments can be used by the portfolio management for performance, diversification, liquidity and hedging purposes.

This sub-fund does not consider any minimum environmental or social safeguards on these remaining investments.



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 determine whether it is aligned with the environmental and/or social characteristics that it promotes.



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/total-return-strategies/LU0599946893/> as well as on your local country website www.dws.com/fundinformation.