

M. SFDR – RTS Annex

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

Product name: TCW High Yield Sustainable Bond Fund

Legal entity identifier: 5493006QIML761ORG77

Sustainable investment objective

Does this financial product have a sustainable investment objective?



Yes



No



It will make a minimum of **sustainable investments with an environmental objective**: 1%



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**: 1%



It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments



with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy



with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy



with a social objective



It promotes E/S characteristics, but **will not make any sustainable investments**

What is the sustainable investment objective of this financial product?

This Sub-Fund aims to achieve a sustainable investment objective, by targeting a lower carbon intensity than the reference benchmark (i.e., seek to reduce the carbon intensity of issuers by at least 30% under normal market conditions relative to its benchmark) in view of achieving the long-term global warming objectives of the Paris Agreement.

This Sub-Fund will invest in issuers that are managing ESG and sustainability risks, and that are meeting a minimum standard for sustainable investments, as defined by TCW. In addition, the portfolio manager will seek to engage proactively with portfolio companies to improve sustainability practices and outcomes.

Specific sustainability criteria include: (1) reducing the carbon intensity of the portfolio; (2) exclusions; (3) proactively engaging with issuers on ESG factors; (4) ESG scoring; and (5) meeting

a minimum threshold against various sustainability metrics (“TCW’s Sustainability Assessment Framework”) that are outlined in further detail below. These criteria complement existing due diligence and fundamental research processes across investment teams that integrates environmental, social, and governance factors into the investment process.

Additionally, this Sub-Fund aims to invest in companies that are contributing to the following sustainability themes: (i) climate change mitigation and adaptation (both related to climate physical risk and transition to a low carbon economy), (ii) water solutions, (iii) energy efficiency, (iv) pollution prevention, (v) circular economy; (vi) biodiversity and land use; (vii) healthcare, (viii) sanitation, (ix) access to education, (x) SME finance, (xi) access to basic services, and (xii) healthy living.

The Sub-Fund’s reference benchmark is the Bloomberg U.S. Corporate High Yield Index 2% Issuer Cap Index, a broad market index without any sustainability objectives. TCW considers that no EU Climate Transition Benchmark or EU Paris-aligned Benchmark adequately captures the investment universe of the Sub-Fund. However, the Sub-Fund complies with the methodological requirements applicable to the EU Climate Transition Benchmark or EU Paris-aligned Benchmark to a large extent by applying the process outlined in the investment policy of the Sub-Fund. While the portfolio manager may deviate from these methodological requirements in some respect, the portfolio manager will always ensure the alignment of the Sub-Fund's portfolio with achieving the long-term global warming objectives of the Paris Agreement.

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

This Sub-Fund has a sustainable investment objective by targeting a lower carbon intensity than its reference benchmark (i.e., seek to reduce the carbon intensity of issuers by at least 30% under normal market conditions relative to its benchmark). The attainment of the Sub-Fund’s sustainable investment objective will be measured by its ability to meet the above carbon intensity target.

- **Reducing Carbon Intensity:** The Sub-Fund will reduce the corporate carbon intensity of portfolio relative to the Sub-Fund’s benchmark, based on currently available information. TCW will evaluate carbon related metrics on a best-efforts basis dependent on third party and issuer-provider data.

ESG Scoring and TCW’s Sustainability Assessment Framework provide the key issuer/security specific metrics that are employed to measure the sustainability of the Sub-Fund’s investments. Specifically:

- **ESG Scoring:** Each investment by the Sub-Fund will be evaluated based on one or more of TCW’s ESG criteria and issuers considered by TCW to have average or higher ESG scores will be screened into the investment universe. The specific ESG scores, methodologies and thresholds used will vary by asset class and strategy and should generally result in a reduction of the corporate investment universe by 20%. Factors incorporated in the proprietary research score may include indicators such as factors related to physical and transition climate risk, lending standards and practices, deal terms and governance, and community impact among many other topics. In making such evaluations, TCW may rely on internal ESG ratings and/or ratings provided by third parties to evaluate potential and current investments. These ratings may utilize data from a variety of sources, including third-party providers as well as data that is culled from prospectuses, company filings, calls and meetings with issuers, and other sources.

- **TCW's Sustainability Assessment Framework:** TCW has developed a sustainability assessment framework based on the analysis of how issuers' business activities align with several identified sustainability objectives, which is integrated into the investment process. The goal of this analysis is to provide a common set of indicators which are used to screen investments. This methodology should not be viewed in isolation, and issuers will also be evaluated against TCW's broader evaluation of an issuer's ESG and sustainability related risks. TCW's sustainability objectives target metrics that specifically measure an issuer's contribution to i) GHG emissions intensity, ii) international standards for labor practices, iii) best practices for board governance, and iv) meet minimum expectations for tax compliance and workplace safety.

Sustainability Indicators	
Environmental Responsibility	The company is compliant with the UN Global Compact Environment Principles (7-9)
Carbon Emissions	The company's GHG Intensity does not exceed 1000 tCO ₂ e/ \$ million sales
Labour Relations	The company is compliant with the UN Global Compact Labor Principles (3-6)
Labour Relations	Total Severe/Very Severe Workplace Accidents
Tax Transparency	The company has no significant taxation controversies
Corporate Governance	The Board, if applicable, has at least one independent board member
Bribery and Corruption	The company is compliant with the UN Global Compact Anti-Corruption Principle (10)
Note 1 - Data to assess these indicators comes from third party data providers.	

All corporate issuers in the Sub-Fund are assessed against these criteria. Assessing issuers against TCW's sustainability objectives allows each investment team to address the sustainability profile of issuers in the Sub-Fund, as well as to identify candidates for proactive engagement. It is TCW's view that most issuers will exceed these minimum standards, however, should an issuer not meet this minimum, and they will be identified as candidates for further engagement.

In addition to the metrics on the issuer/security level, TCW utilizes a set of sustainability indicators at the portfolio level. These include:

- Number of issuers with a neutral or positive TCW ESG score based on an internal ESG scoring framework;
- The portfolio weighted average carbon intensity of companies;
- The number of issuers with a weighted average GHG emissions intensity above 1,000 tCO₂e/ \$ million sales;
- The % of companies that are in violation of the UN Global Compact, ILO Standards, UN Guiding Principles for Human Rights or OECD guidelines for Multinational Enterprises;
- The % of companies with severe or very severe workplace accidents;
- The % of companies with significant tax controversies or other severe controversies;
- The % of companies with at least one independent board member;
- The % contribution of the portfolio to various sustainability themes, including but not limited to: climate change solutions (mitigation and adaptation), water solutions, energy efficiency, pollution prevention, circular economy, biodiversity, health, access to education, and affordable and inclusive housing.

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

TCW applies the following binding criteria to the Sub-Fund's investment universe: (1) reducing the carbon intensity of the portfolio; (2) exclusions; (3) proactively engaging with issuers; (4) ESG scoring as determined by TCW; and (5) an assessment of good governance.

- (1) *Reducing Carbon Intensity* – The Sub-Fund will reduce the corporate carbon intensity of portfolio relative to its benchmark based on currently available information. TCW will

evaluate carbon related metrics on a best-efforts basis dependent on third party and issuer-provider data. Carbon intensity is measured, as per recommendations of the Task Force of Climate Financial Disclosures, as tonnes of CO₂ per \$1million revenue for each company and summed at the portfolio level as the weighted average.

(2) *Exclusions* – TCW continuously monitors and evaluates issuers as part of its ESG due diligence process and applies targeted exclusions where companies are exposed to industries, businesses, or sectors deemed incompatible with the investment objective and strategy of the Sub-Fund. The Sub-Fund shall not invest in the following sectors or industries as follows:

- Any company whose revenues from production, sales or distribution are related to the following areas exceeds 5% of its total net revenue: tobacco, unconventional oil and gas exploration and drilling (including, but not limited to, arctic drilling, oil sands, fracking, etc.), military weapons-related (including nuclear weapons), and non-military weapons;
- Any company who derives 10% or more of total net revenue from thermal coal power production, or any company engaged in or intending to receive revenue from activities related to thermal coal extraction;
- Any company that has violated one or more of the United Nations Global Compact principles, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights;
- Any company engaged in the production or sale of, or that otherwise received revenues related to, controversial weapons, including, but not limited to, landmines, chemical weapons, and biological weapons; and
- Any company that derives more than 5% of its total net revenue from conventional oil and gas activities, including production, exploration, distribution, or related services for such activities.
- Any company whose revenues exceed 5% from (i) the production or distribution of alcohol, (ii) the provision or promotion of gambling, or (iii) the production, presentation, or distribution of adult entertainment.
- Lowest rated issuers/companies according to TCW's ESG scoring scale.
- MSCI CCC rated issuers/companies.

The exception to the above is that the Sub-Fund may invest in green/social/sustainable bonds from issuers involved in energy-related sectors or industries, as such bonds may help support the global energy transition.

In determining whether a company engages in such business activities or receives revenue from them, TCW may rely on (a) assessments that are based on research analysis provided by institutions specializing in screening compliance with said conventions; (b) information provided by other vendors who provide relevant data feeds; (c) responses received from an issuer in the course of shareholder engagement activities; and/or (d) other publicly available information.

(3) *Proactively Engaging with Issuers* - The Sub-Fund's portfolio managers will directly engage companies and sovereigns as appropriate on a range of issues, such as balance sheet management, corporate strategy, financial performance, and risk, promoting the Sustainable Development Goals ("SDG's"), climate policy, governance, and sustainability themes. TCW's engagement efforts are used to encourage issuers to undertake actions that may promote better outcomes for environmental, social, and governance objectives as well as benefits to financial objectives. Engagement takes multiple forms and often includes meetings or calls with company management or other company representatives, direct contact with policymakers, participation in investor meetings, quarterly earnings calls, and roadshows, along with outreach at industry events. The specific focus and means of engagement will vary by asset classes and sectors.

(4) *ESG Scoring* - Each investment by the Sub-Fund will be evaluated based on one or more of TCW's ESG criteria and issuers considered by TCW to have average or higher ESG scores will be screened into the investment universe. The specific ESG scores, methodologies and thresholds used will vary by asset class and strategy and should generally result in a reduction of the corporate investment universe by 20%. Factors incorporated in the proprietary research score may include indicators such as factors related to physical and transition climate risk, lending standards and practices, deal terms and governance, and community impact among many other topics. In making such evaluations, TCW may rely on internal ESG ratings and/or ratings provided by third parties to evaluate potential and current investments. These ratings may utilize data from a variety of sources, including third-party providers as well as data that is culled from prospectuses, company filings, calls and meetings with issuers, and other sources.

(5) *Good Governance* - TCW will review that the investments in the Sub-Fund follow good governance practices such as with regards to sound management structures, employee relations, remuneration of staff and tax compliance.

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

The Sub-Fund considers and mitigates, to the extent reasonably practicable, the adverse impacts of its investments on sustainability factors. The investment team addresses these factors through several tools, including but not limited to, research and engagement with issuers that are found to have adverse impacts or potential impacts on sustainability, as well as a variety of investment exclusions targeting issuers that are engaged in sectors or industries that would be captured by the exclusions. Additionally, the Sub-Fund considers at least 14 indicators with regards to the principal adverse impacts of investment decisions on sustainability factors. The principal adverse impact indicators considered are:

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.

- (1) GHG emissions.
- (2) Carbon Footprint.
- (3) Weighted average GHG intensity of investee companies.
- (4) Exposure to companies active in the fossil fuel sector.
- (5) Share of non-renewable energy consumption and production.
- (6) Energy consumption intensity per high impact climate sector.
- (7) Activities negatively affecting biodiversity-sensitive areas.
- (8) Emissions to water.
- (9) Hazardous waste ratio.
- (10) Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises.
- (11) Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises.
- (12) Unadjusted gender pay gap.
- (13) Board gender diversity.
- (14) Exposure to controversial weapons.

The scope of adverse impacts may be wide and varied, and as a result, the data needed to assess these factors comprehensively and accurately is evolving. In addition, regulatory and industry standardization around the methodologies and tools needed for such an assessment is likely to materialize in the coming years. As this data and standardization improves, TCW will continue to make best efforts to assess the adverse impacts of its investment on sustainability factors and

engage to address and mitigate these impacts.

Further, TCW will monitor exclusions, issuer, and portfolio characteristics pre- and post-trade to ensure compliance with stated thresholds. Specific to the portfolio exclusions, upon notification of a change to excluded activities of an issuer resulting in a previously eligible security falling in scope of these exclusions, TCW will seek to sell the security expeditiously under normal market conditions in the best interests of shareholders, typically within 90 days of notification.

Engagement is also a key component of the investment process that is used to monitor status and progress against these indicators. Portfolio managers will directly engage companies and sovereigns as appropriate on a range of issues, such as balance sheet management, corporate strategy, financial performance, and risk, promoting SDGs, climate policy, governance, and sustainability themes. TCW's engagement efforts are used to encourage issuers to undertake actions that may promote better outcomes for environmental, social, and governance objectives as well as benefits to financial objectives. Engagement takes multiple forms and often includes meetings or calls with company management or other company representatives, direct contact with policymakers, participation in investor meetings, quarterly earnings calls, and roadshows, along with outreach at industry events. The specific focus and means of engagement will vary by asset classes and sector

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

TCW has implemented binding exclusions against any company that has violated one or more of the UN Global Compact principles, OECD Guidelines for Multinational Enterprises or the UN Guiding Principles on Business and Human Rights. TCW also evaluates issuers for compliance against the ILO Standards and UN Guiding Principles for Human Rights as part of the TCW's Sustainability Assessment Framework.



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



Yes, The Sub-Fund considers and mitigates, to the extent reasonably practicable, the adverse impacts of its investments on sustainability factors. The investment team addresses these factors through several tools, including but not limited to, research and engagement with issuers that are found to have adverse impacts or potential impacts on sustainability, as well as a variety of investment exclusions targeting issuers that are engaged in sectors or industries that would be captured by the exclusions. Additionally, the Sub-Fund considers at least 14 indicators with regards to the principal adverse impacts of investment decisions on sustainability factors. The principal adverse impact indicators considered are:

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- (2) Carbon Footprint.
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- (4) Exposure to companies active in the fossil fuel sector.
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Additional information regarding the principal adverse impacts on sustainability factors will be available in the TCW Funds Annual Report.

No



What investment strategy does this financial product follow?

The Sub-Fund's primary investment objective is to seek high total return provided by current income and capital appreciation through a sustainable investment framework, including the reduction of the Sub-Fund's carbon intensity relative to the high yield market.

To achieve this objective, the Sub-Fund invests (except when maintaining a temporary defensive position) at least 80% of its net assets in high yield bonds (commonly called "junk bonds") of U.S. issuers (which means issuers of securities traded on the U.S. domestic market, or issuers residing in the U.S. and/or whose main business and/or principal registered office are located in the U.S.), which are rated below investment grade or are unrated and determined by the Investment Manager to be of similar quality. The remainder of the Sub-Fund's assets may be invested in investment grade securities rated at time of investment BBB- or higher by S&P or the equivalent as determined by at least one nationally recognised credit rating agency, or, if unrated, deemed to be of comparable quality by the Investment Manager.

From an investment guideline perspective, TCW understands its role of fiduciary asset manager to its investors. The firm's role is to invest clients' funds in a manner that is prudent and in accord with the Sub-Fund's guidelines, as well as all applicable regulations.

All trades are handled directly by the portfolio management team, i.e., individuals who understand the Sub-Fund's guidelines. Each Sub-Fund's positions and trade allocations are verified against guideline rules through a multi-step process to ensure adherence to any restrictions. This multi-step process is supported through real-time linkages between TCW's trade order management systems and the compliance engine of the Charles River Compliance System (CRD), an automated investment limitation monitoring system used for pre- and post-trade compliance monitoring for marketable securities strategies.

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

The binding elements of the strategy that are used to select the investments to attain the sustainable investment objective, include:

- 1) **Portfolio Carbon Target:** The carbon target is a binding portfolio objective. The Sub-Fund is targeting a lower carbon intensity than the reference benchmark (i.e., seek to reduce the carbon intensity of issuers by at least 30% under normal market conditions relative to its benchmark) in view of achieving the long-term global warming objectives of the Paris Agreement.
- 2) **Sector and Issuer Exclusions:** The exclusions outlined in the TCW Exclusions and Value Based Exclusions are also binding. These sector and company exclusions are:
 - Any company whose revenues from production, sales or distribution related to the following areas exceed 5% of its total net revenue: thermal coal mining, tobacco, unconventional oil and gas exploration and drilling (including, but not limited to, arctic drilling, oil sands, fracking, etc.), military-weapons related (including nuclear weapons), and non-military weapons;
 - Any company who derives 10% or more of total net revenue from thermal coal power production, or any company engaged in or intending to receive revenue from activities related to thermal coal extraction;
 - Any company that has violated one or more of the UN Global Compact principles, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights;
 - Any company engaged in the production or sale of, or that otherwise received revenues related to, controversial weapons, including, but not limited to, landmines, chemical weapons, and biological weapons;
 - Any company that derives more than 5% of its total net revenue from conventional oil and gas activities, including production, exploration, distribution, or related services for such activities; and
 - Any company whose revenues exceed 5% from are derived from (i) the production or distribution of alcohol, (ii) the provision or promotion of gambling, or (iii) the production, presentation, or distribution of adult entertainment.
 - Lowest rated issuers/companies according to TCW's ESG scoring scale.
 - MSCI CCC rated issuers/companies.

The exception to the aforementioned is that the Sub-Fund may invest in green/social/sustainable bonds from issuers involved in energy-related sectors or industries, as such bonds may help support the global energy transition.

- 3) **TCW ESG Score:** Each investment by the Sub-Fund will be evaluated based on one or more of TCW's ESG criteria. Issuers TCW considers having average or higher ESG scores and sustainable characteristics will be screened into the investment universe. The specific ESG scores, methodologies, and thresholds used will vary by asset classes and strategy and should generally reduce the corporate investment universe by 20%. In making such evaluations, Sub-Fund managers may rely on internal ESG ratings and/or ratings provided by third parties to evaluate potential and current investments.

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

An assessment of governance plays a significant role in TCW's overall evaluation of ESG and sustainability related risks. Research analysts consider several factors to determine TCW's assessment of a company's governance, including:

- **Board Structure & Composition:** Boards that reflect a wide range of perspectives have been shown to create shareholder value. The selection and screening process for identifying qualified candidates for a company's board of directors requires the consideration of many critical factors, including relevant skills, talents, and background experience, in addition to a diversity of candidates and corresponding diversity of the broader Board. TCW believes strongly that the diversity of skills, abilities, backgrounds, experiences, and points of view can foster the development of a more creative, effective, and dynamic Board, which, in turn, helps support the sustainability of the company going forward.
- **Management Compensation & Incentive Structures:** TCW's evaluation focuses on the extent to which compensation incentives align with the interests of shareholders, the transparency of the decision-making process behind compensation plans, and the relationship of compensation to performance targets. In TCW's view, companies should align compensation for key officers and managers with performance, with reference to compensation paid by the company's peers, and compensation programs should be designed to promote sustainable shareholder returns while discouraging excessive risk taking.
- **Ownership & Control:** A firm's ownership structure should be transparent and provide for the alignment of shareholders' interests. TCW analysts also assess whether there are provisions impeding shareholder rights and any other voting restrictions and procedures.
- **Corporate Behaviour:** Corporate behaviour is of critical importance to the evaluation and includes an assessment of the overall business practices of the issuer (business ethics, anti-competitive practices, corruption, tax or accounting related practices) and any past or ongoing controversies. In addition, companies should have sound employee relations and policies. Companies with good governance as it pertains to labour management will have no high or severe conflict, controversies, or workplace accidents. Additionally, TCW analysts evaluate companies on their overall management of material ESG-related risk factors, such as their management of climate change risk and labour relations.

Investee companies where there are governance concerns or controversies are candidates for further engagement by TCW's research analysts. Several of TCW's sustainability criteria, outlined in the answers above, include governance metrics to assess aspects of these governance factors.

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

While governance considerations are a critical factor in our evaluation of securities issued by sovereigns and supranational entities, as well as securitized products, TCW's governance assessment for these assets relies on different qualitative and quantitative data. In addition to this good governance assessment, equity and credit research analysts integrate a consideration of material ESG factors, including governance practices into their overall assessment of a securities value and return potential.



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

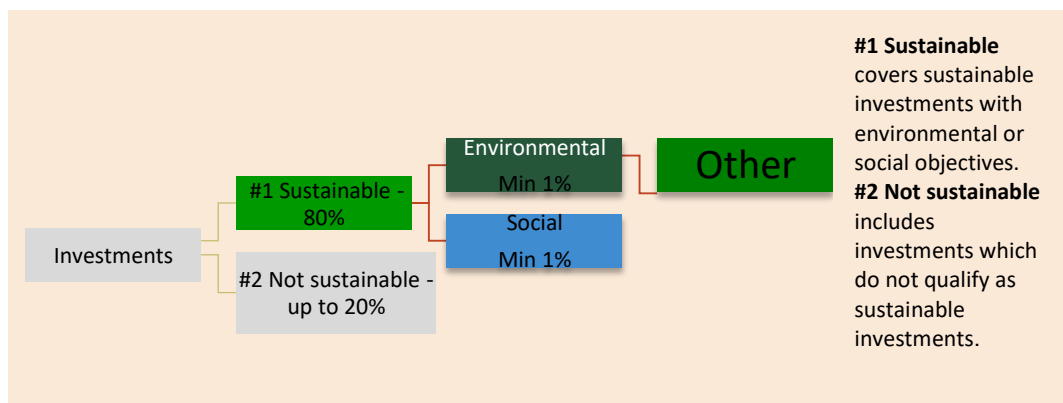
The Sub-Fund will invest a minimum of 80% of the Sub-Fund's NAV in securities that meet TCW's requirements for consideration as sustainable investments with social and/or environmental objectives. Within that category, the Sub-Fund aims to hold a minimum portion of 1% of its total net assets in sustainable investments with a social objective or with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy and in socially sustainable investments.

Asset allocation describes the share of investments in specific assets.

TCW is allowing for up to 20% of NAV to be comprised of securities that are specifically made for the purposes of hedging, duration management, or liquidity purposes or instruments that are not issuer specific, and where TCW's evaluation of sustainability does not currently apply or where these assets do not promote environmental or social characteristics. These include cash, Cash Equivalents, currency positions, particular types of derivatives and other non-issuer specific instruments, as presenting ESG or sustainability risks, opportunities and/or issues, and TCW believes it is not practicable to evaluate such risks.

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.



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

Derivatives are not used to attain the sustainable investment objective. TCW expresses the overwhelming majority of its equity strategies through the cash markets. As such, the use of derivatives is generally modest. Derivatives are most typically employed to hedge interest rate or other exposures in the portfolio to bring the portfolio into line with the team's macro view. Derivatives may also be used to selectively express views that are most efficiently and effectively implemented via use of a derivatives contract.



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

The Sub-Fund invests in economic activities eligible under the Taxonomy Regulation to support climate change mitigation and/or climate change adaptation, and it is intended that the Sub-Fund's investments should contribute positively to such climate change objectives and/or one or

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

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

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

more of the other environmental objectives outlined in the EU Taxonomy. However, TCW is not currently in a position to comment on an accurate and reliable basis on how and to what extent the Sub-Fund's investments technically qualify as 'environmentally sustainable' within the specific meaning of Taxonomy Regulation and as result, 0% of the Sub-Fund's investments are sustainable investments with an environmental objective aligned with the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**



Yes:



In fossil gas

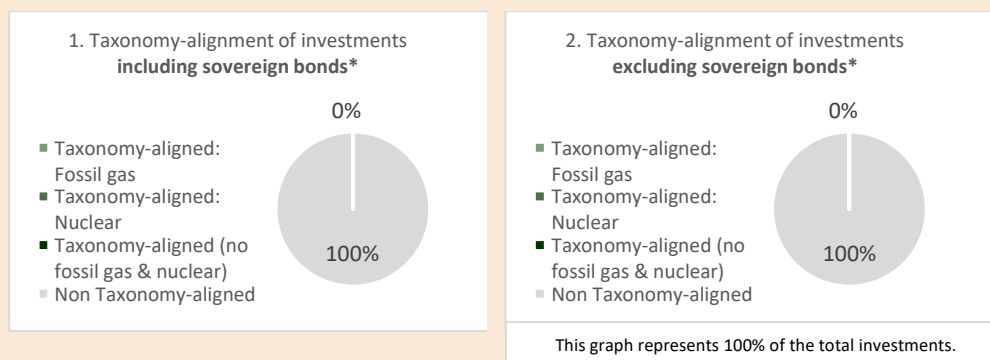


In nuclear energy



No

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.*



* 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?**

This Sub-Fund does not have a defined minimum share of investments in transitional and enabling activities.



are environmentally sustainable investments 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 aims to hold a minimum portion of 1% of its total net assets in sustainable investment with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy.

. The Sub-Fund provides a minimum without defining percentages in more detail primarily because TCW cannot reliably be certain that market conditions and issuance will allow TCW to consistently meet separate environmental or social thresholds.

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



What is the minimum share of sustainable investments with a social objective?

The Sub-Fund aims to hold a minimum portion of 1% of its total net assets in socially sustainable investments.

The Sub-Fund provides a minimum without defining percentages in more detail primarily because TCW cannot reliably be certain that market conditions and issuance will allow TCW to consistently meet separate environmental or social thresholds.



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

#2 Other represents up to 20% of the NAV, and is limited to securities where an evaluation of sustainability, or other environmental or social characteristics is not possible. These apply to investments that are made for the purposes of hedging, duration management, or liquidity proposes or instruments that are not issuer specific. These include cash, Cash Equivalents, currency positions, particular types of derivatives and other non-issuer specific instruments, as presenting ESG or sustainability risks, opportunities and/or issues, and TCW believes it is not practicable to evaluate such risks.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

The Bloomberg U.S. Corporate High Yield Index 2% Issuer Cap Index is a broad market index without any sustainability objectives.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

Not applicable

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Not applicable

How does the designated index differ from a relevant broad market index?

Not applicable

Where can the methodology used for the calculation of the designated index be found?

Not applicable



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.tcw.com/Products/Funds/UCITS-TCW-High-Yield-Sustainable-Bond-Fund/TCWHYIU-IU>

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.