



*Passion to Perform*

# Deutsche Investments Australia Limited

## Form ADV Part 2A March 31, 2014

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This Brochure provides information about the qualifications and business practices of Deutsche Investments Australia ("DIAL") Limited. If you have any questions about the contents of this Brochure, please contact us at the number listed above.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about DIAL is available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Note:** DIAL is a registered investment adviser. Registration of an investment advisor does not imply a certain level of skill or training.

## Item 2 – Summary of Material Changes

This Item is used as a placeholder for Deutsche Investments Australia Limited to discuss specific material changes that are made to the Brochure and provide clients with a summary of said changes.

As of 31 December 2013 DIAL closed its Fixed Income business and ceased providing Fixed Income investment management services to US Clients.

**Item 3 – Table of Contents**

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#### Item 4 – Advisory Business

Deutsche Investments Australia Limited (DIAL) is registered with the SEC since July, 2002 and is indirectly owned by Deutsche Bank AG and directly owned by Deutsche Australia Limited. DIAL is an investment adviser and manager active in managing real estate securities in Asia and Australasia. DIAL performs these services for its clients which are affiliated with the United States investment adviser RREEF America LLC ("RREEF"). DIAL acts in a co-advisory or sub-advisory capacity as delegated via the master agreement with RREEF.

DIAL is part of the global asset management division of Deutsche Bank AG that does business as Deutsche Asset & Wealth Management ("Deutsche AWM"). As a result, in performing its investment advisory activities, DIAL has access to the information and resources of RREEF and Deutsche AWM, in accordance with internal policies and procedures. Employees of Deutsche AWM and RREEF may be authorized to act on behalf of DIAL. Generally DIAL is retained on a discretionary basis and as at 31 December 2013 managed USD \$796,476,212 across 11 discretionary accounts. From time to time, a client may also retain DIAL on a non-discretionary basis. As at 31 December 2013, DIAL does not manage any money on a non-discretionary basis.

#### Item 5 – Fees and Compensation

The general policy of Deutsche AWM is to assess client fees according to the current fee schedule of the investment strategy in which they are invested. Actual fees, minimum fees and minimum accounts size may vary depending on the circumstances of a particular client, additional or differing levels of servicing, or as otherwise agreed with specific clients.

The standard fee schedules and basis of computation are given below for the principal types of products managed by Deutsche AWM. Fees are generally based on the combined market value of all securities and cash on the accounting date and are normally payable quarterly or monthly in arrears. Deutsche AWM may also enter into performance based fee arrangements with eligible clients. Existing client accounts may be paying higher or lower rates than outlined below. Deutsche AWM may also charge a lower fee depending on the entirety of its or Deutsche Bank's relationship with a particular client.

Our investment management fees are calculated based on the quarter end value of the account, in accordance with the appropriate schedule. Fees can be charged in advance or arrears based upon the frequency dictated in the client's Investment Management Agreement (IMA) and generally based on one-fourth of the annual amount. DIAL generally does not debit management fees directly from the client account; we render invoices in accordance with fee schedules.

Typically Deutsche AWM does not impose multiple advisory fees when an advisory client's assets are invested in an affiliated investment vehicle. Specifically, client holdings of investment companies advised or sub-advised by Deutsche AWM and held in a separately managed account are excluded from the basis of Deutsche AWM's fee computation. However, when deemed legally permissible, Deutsche AWM may charge multiple advisory fees to certain clients such as hedge fund of funds and separately managed accounts investing in Collateralized Debt Obligation Funds ("CDO"), hedge funds or other investment funds managed by Deutsche AWM. As a general rule, Deutsche AWM does not bill clients custodian charges. Clients will incur additional fees and expenses relating to third-party services, including, but not limited to administration, custodian, transfer agent, and other similar fees.

In addition to paying advisory fees, clients will pay brokerage commissions, mark-ups, mark-downs and/or other commission equivalents related to transactions in their advisory accounts. See item 12 for a discussion on Brokerage Practices.

For RREEF Global Securities Separate Accounts to which DIAL provides sub advisory services, the investment management fee will generally be 0.85% per annum or lower depending on the size of the account and

performance-based fees will generally be a combination of a base fee and a performance fee, with a maximum fee that is generally 1.10% per annum or lower. Management fees are billed in arrears on a monthly or quarterly basis by RREEF, a portion of which are paid to DIAL for sub advisory services. For a partial quarter, management fees are prorated according to the number of days remaining in the quarter and are based upon the ending net asset value of the portfolio of the quarter.

### **Termination arrangements**

In general DIAL's investment advisory relationship with its clients is terminable at will by either party. Certain agreements may require a notice period before the termination becomes effective. In addition, some agreements (e.g., in the case of collateral debt obligation fund advisory agreements) may require certain events to occur prior to the termination of the investment advisory relationship. Furthermore, certain agreements may also stipulate that DIAL may not resign as investment advisor until a successor has been appointed. In the event of termination, investment advisory fees are prorated to the date of termination and, to the extent they have been paid for periods beyond the date of termination, the fees are refunded.

## **Item 6 – Performance Based Fees and Side by Side Management**

DIAL does not charge performance-based fees, nor manage side-by-side.

## **Item 7 – Types of Clients**

Via sub advisory arrangements, DIAL may also provide investment advisory services to a range of institutional and private clients on a global basis, as follows:

- Pension and profit sharing plans, including those covered under the Employee Income Retirement Income Security Act of 1974 ("ERISA");
- Pooled investment vehicles
- Investment Companies

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

### **Listed Property Securities Investment**

In general, for property fund management undertaken for RREEF America LLC, the investment process combines a top-down regional allocation process with an active bottom-up approach to selecting securities. The top-down regional allocation process involves the analysis of both the economic environment (including GDP, consumption indicators and interest rates) in each region and the current dynamics (demand, supply and vacancy) in each property sector in each region. The security selection process is based primarily on fundamental stock research, coordinated by staff of DIAL and/or its affiliates. A range of analytical techniques are used, drawing on a range of teams within the RREEF division of Deutsche AWM globally. In making active stock selection decisions for the Fund, DIAL's objective is to identify and invest in securities that can deliver a combination of current income and capital appreciation that has the potential to exceed the relevant client benchmark.

Sources of information used in formulating investment advice include financial periodicals, inspections of corporate activities, third party research materials, annual reports, prospectuses, and filings with the SEC and other regulatory bodies, and company press releases. DIAL will also draw on the resources of RREEF and Deutsche AWM globally to make investment decisions for its clients. Real estate securities analysis is created for RREEF (and the

Deutsche AWM group) by specialist investment teams located in the US, Europe, Asia and Australia by the following teams:

- Public real estate securities investment teams located in the US, Asia, Australia and Europe.
- Private real estate investment teams, located globally.
- The RREEF Global Real Estate and Infrastructure Research team, located globally.

Deutsche AWM may also source information from research produced by Deutsche AWM's group economics and market research units.

The types of trading used to implement advice given to clients include long term purchases (securities held at least a year), short term purchases (securities sold within a year), and trading (securities sold within 30 days).

### **Types of Investments**

The Sub Advisory Accounts investment managed for RREEF America LLC will invest primarily in publicly traded equity securities listed on recognized stock exchanges in Asia and Australasia. Investment types include:

- Equity securities, real estate investment trusts ("REITs"), real estate operating companies ("REOCs") and other real estate related companies that as their primary business own, develop, operate or finance real estate;
- The equity of unlisted companies and trusts provided that the issuer of such securities has announced an intention to list the securities on a recognized stock exchange within six months of the date of the Funds' investment and
- Cash and cash-related securities in the Asia and Australasia region.

DIAL is permitted, but not required, to use various types of derivatives (contracts whose value is based on, for example, indexes, currencies or securities). In particular, DIAL may use futures and options. DIAL may use derivatives in circumstances where the managers believe they offer an economical means of gaining exposure to a particular asset class or to keep cash on hand to meet cash flow requirements or other needs while maintaining exposure to the market.

### **General Risk Factors to Consider When Investing in Real Estate Related Assets**

Investments in real estate related assets are subject to various risks, including without limitation:

- The cyclical nature of the real estate market and changes in national or local economic or market conditions;
- the financial condition of tenants, buyers, and sellers of properties;
- changes in supply of, or demand for, properties in an area;
- various forms of competition;
- fluctuations in lease rates;
- changes in interest rates and in the availability, cost, and terms of financing;
- promulgation and enforcement of governmental regulations, including rules relating to zoning, land use, and environmental protection;
- changes in real estate tax rates, energy prices, and other operating expenses;
- changes in applicable laws and increased governmental regulation; and
- various uninsured or uninsurable risks and losses.

The marketability and value of a client's investments, and the revenues generated by such properties, will depend on these and other factors, which are beyond the control of the client and the Registrant. Investing, including investing in real estate related assets, involves risk of loss that clients should be prepared to bear.

### **Specific Risk Factors that Apply to Listed Property Securities Investments**

Active management – DIAL actively seeks attractive securities to invest in, rather than investing in a predetermined basket of securities such as an index. This strategy may under-perform relative to its relevant primary investment universe due to securities choices and short-term variations in asset allocation away from the primary investment universe. DIAL seeks to address this risk through use of a disciplined investment management process with the support of our global investment resources.

Individual investment risk – Individual listed property securities can and do fall in value for many reasons such as changes in a company's internal operations or management, or in its business environment. DIAL aims to reduce these risks with careful analysis of research from many sources and by talking to those people who run companies and are responsible for changes which may impact on investments.

Market risk – Economic, technological, political, tax, regulatory or legal conditions, and even market sentiment, can (and do) change, and changes in the value of investment markets can affect the value of the listed property security investments. DIAL uses research and analysis to form a view on these matters and then rebalance the investment mix to reduce their impact.

Valuation risk – The market value of listed property securities and other property related securities will increase or decrease depending on market conditions.

#### **Item 9 – Disciplinary Information**

DIAL has no disciplinary issues to disclose.

#### **Item 10 - Other Financial Industry Activities and Affiliates**

Described below are related persons with whom DIAL has arrangements that may be considered material to its advisory business. Employees of DIAL may be authorized to act on behalf of one or more of these entities. Additionally, employees of DIAL's related persons may be authorized to act on behalf of DIAL. DIAL may utilize, suggest or recommend other services of any of its affiliates. The services involved will depend upon the services offered by the affiliate. The arrangements between DIAL and its affiliates may involve revenue sharing or joint compensation based upon each entity's activities for the client.

DIAL is owned by Deutsche Bank AG, a multi-national financial services company. Therefore, DIAL is affiliated with a variety of entities that provide, and/or engage in commercial banking, insurance, brokerage, investment banking, financial advisory, broker-dealer activities (including sales and trading), hedge funds, real estate and private equity investing, in addition to the provision of investment management services to institutional and individual investors. Since Deutsche Bank AG, its affiliates, directors, officers, and employees (the "Firm") are engaged in businesses and have interests other than managing asset management accounts, such other activities involve real, potential or apparent conflicts of interests in engaging in these activities outside of investment management, these parties may act in their own interest or in the interests of third parties other than DIAL's clients. These interests and activities include potential advisory, transactional and financial activities and other interests in securities and companies that may be directly or indirectly purchased or sold by DIAL for its clients' advisory accounts. These are considerations of which advisory clients should be aware and which may cause conflicts that could be to the disadvantage of DIAL's advisory clients. Present and future activities of the Firm in addition to those described herein may also result in conflicts of interest that may be disadvantageous to DIAL's clients.

DIAL has established a variety of policies, procedures and disclosures designed to address conflicts of interest arising between advisory accounts and the Firm's businesses. It is DIAL's policy that DIAL personnel involved in decision making for advisory accounts must act in the best interests of their advisory clients and generally (but not exclusively) without knowledge of the interests of proprietary trading and other operations of the Firm and/or

personnel of the Firm. Where advisory personnel do know of conflicts or potential conflicts among advisory accounts or between advisory accounts and the Firm and/or personnel of the Firm, it is DIAL's policy to disclose involving related persons, their existence in general form through this Form ADV or directly to clients. A discussion concerning additional conflicts of interest is set out in item 11 – Participation or Interest in Client Transactions.

DIAL acts as a fiduciary with respect to its asset management activities and owes its clients a duty of undivided loyalty. As a fiduciary, DIAL is required to act solely in the best interests of the clients whose assets it manages. On occasion, other entities within the Firm may have engagements and responsibilities which could give the appearance of a conflict with DIAL's duty of loyalty. To minimize these conflicts, as a general matter, DIAL employees associated with the investment process (including portfolio managers, research analysts and traders) have no contact with employees of the Firm outside of DIAL regarding specific clients, business matters or initiatives, unless permissible by internal procedures, or approved by DIAL Compliance.

### **Broker-Dealers**

DIAL does not have any material arrangements with any US broker-dealers.

### **Investment Companies**

DIAL may act in a co-advisory or sub-advisory capacity to a variety of US investment companies for which Deutsche AWM or an affiliate acts as adviser, manager or distributor. In connection with these investment companies, certain Deutsche AWM employees may serve as directors, trustees or officers. Arrangements with respect to the sale of US registered investment companies are disclosed in each mutual fund's prospectus in accordance with the disclosure requirements under the Investment Company Act of 1940, as amended (the "Investment Company Act").

### **Investment Advisors**

With respect to arrangements with a related person who is another investment adviser, Deutsche AWM has investment advisory affiliates in Australia, England, Germany, Hong Kong, Ireland, Italy, Japan, Singapore, Canada, Luxembourg, Poland and the United States. The following Deutsche AWM investment advisory affiliates are registered with the SEC as investment advisers: Deutsche Investment Management Americas Inc., Deutsche Asset Management (Japan) Limited, Deutsche Asset Management (Hong Kong) Limited, Deutsche Alternative Asset Management (Global) Limited, RREEF America LLC, DB Investment Managers Inc, Deutsche Bank Securities Inc and Deutsche Asset Management GmbH.

The following DeutscheAWM investment advisory affiliates are not registered with the SEC as investment advisers: Deutsche Australia Limited, Deutsche Asset Management Canada LTD, Deutsche Investments (Luxembourg) S.A., Deutsche Bank Trust Company Americas, Harvest Fund Management, Deutsche Asset Management (UK) Limited, Deutsche Asset Management (Korea) Company Limited.

DIAL may have co-advisory or sub-advisory relationships with RREEF America LLC & Deutsche Alternative Asset Management (Global ) Limited as required for proper management of particular client accounts and in accordance with applicable law. In addition, DIAL may participate in sub-advisory or other joint projects related to investment companies with institutions not a part of the Deutsche Bank group of affiliates provided such relationships comply with applicable law.

### **Commodity Pool Operator and Commodity Trading Advisor**

With respect to arrangements with a related person who is a commodity pool operator ("CPO"), commodity trading advisor ("CTA") or futures commission merchant ("FCM"), DIAL may have affiliates registered with the Commodity Futures Trading Commission as an FCM, and/or as a CPO and/or CTA including but not limited to DB Investment Managers, Inc, Deutsche Investment Management Americas Inc and Deutsche Bank Securities Inc.



## Banking Institutions

The following banking institutions are related persons of DIAL:

DWS Trust Company ("DWSTC") is a New Hampshire trust company. DWSTC is the trustee as well as sponsor and/or investment adviser to private investment funds including funds exempt from the Investment Company Act of 1940 under Sections 3(c)(1), 3(c)(3), 3(c)(7) and 3(c)(11). DWSTC also provides trustee and/or custodial services to various IRAs, profit sharing plans, pension plans and other retirement plans.

DB UK Bank Limited London, England, is a merchant bank whose business includes commercial banking, securities underwriting and corporate financial advice.

Deutsche Bank AG is a publicly traded international commercial and investment banking concern listed on the Frankfurt and New York Stock Exchanges and is the indirect parent of DIAL and its affiliates.

Deutsche Bank AG London Branch is a branch office of Deutsche Bank AG, a bank recognized by the Bank of England, and may be selected as a foreign custodian by the United States trustees of employee benefit plans in which DIAL or its related persons may act as investment adviser.

Deutsche Bank AG New York Branch, New York, NY is a branch office of Deutsche Bank AG.

Deutsche Bank Trust Company Americas ("DBTCA"), a New York chartered bank and member of the Federal Reserve, may act as a custodian of securities and it may be selected as custodian or securities lending agent by entities to which DIAL or its affiliates serves as investment adviser. In addition, DBTCA sponsors and acts as investment adviser to collective investment funds, including funds exempt from the Investment Company Act under Section 3(c) (11) thereof, and other private investment funds.

## Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading–

Within the following section, references to Deutsche AWM are inclusive of DIAL.

### Code of Ethics

The Code of Ethics ("Code") imposes restrictions on the ability of its employees who are "Access Persons" as defined in the Investment Advisers Act to invest in securities that may be recommended or traded in DIAL client accounts. The Code currently applies to most securities transactions (including transactions in equity or debt securities, municipal bonds, exchange-traded securities, securities indices, derivatives of securities and similar instruments) and certain mutual fund transactions (including transactions in open-end and closed end mutual funds, excluding money market funds and other mutual funds specifically designed for short-term investment). The Code applies to all securities and specified mutual fund transactions in which employees have direct or indirect beneficial interest, influence and/or control.

Generally, the Code classifies employees based on whether they are investment personnel involved in the investment management and trading activity of clients' assets (including portfolio managers, research analysts and traders) and imposes the greatest level of restriction on those most centrally involved in that process.

Pursuant to the Code, employees are required to pre-clear all of their personal securities transactions in securities that are not exempt from the Code. Employees must also receive prior approval before purchasing any securities in a private placement. Further, employees must receive prior approval to serve on a board of a publicly traded company or to engage in certain other outside activities that may conflict with DIAL's obligations to its clients. Finally, employees may not purchase a security pursuant to an initial public offering. The purchase or sale of securities of certain open-end mutual funds is not subject to pre-clearance. Trading in direct obligations of the US Government is not subject to the Code.

The Code imposes a 30-day holding period between purchases and sales, or sales and purchases in the same securities and certain mutual funds with certain exceptions (such as transactions in mutual funds subject to periodic purchase plans and other exceptions specifically granted by DIAL Compliance). The Code also imposes specific blackout period restrictions on securities that apply to certain employees. For example, as a general matter, Access Persons may not knowingly engage in a transaction of a security on the same day as it is known that DIAL is transacting that security for a client account, and Investment Personnel (defined as those involved in the investment decision-making and trading process) may not knowingly purchase or sell a security within five days before and after a transaction of that security in a client account if he/she manages or provides advice to that client account.

All employees are subject to reporting obligations, including filing a quarterly personal securities transaction report (which provides information with regard to all securities and certain mutual fund transactions that are required to be reported, if any, effected during the previous quarter for their own accounts and any accounts over which they have direct or indirect beneficial interest, influence and/or control). Employees are also required to disclose their securities and mutual fund accounts to the Firm upon hire and annually confirm the information.

Any employee who violates the Code may be subject to disciplinary actions, including possible dismissal. In addition, any securities transactions executed in violation of the Code, such as short-term trading or trading during blackout periods, may subject the employee to sanctions, ranging from warnings to trading privilege suspensions, including but not limited to, unwinding the trade and/or disgorging the profits as well as additional disciplinary action. Violations and suspected violations of criminal laws will be reported to the appropriate authorities as required by applicable laws and regulations.

DIAL's clients and/or prospective clients may obtain a copy of its Code of Ethics upon request by calling their client service representative.

### **Participation or Interest in Client Transactions**

DIAL is owned by Deutsche Bank AG ("the Firm"), a multi-national financial services company and therefore is affiliated with a variety of entities of the Firm disclosed in item 10 that provide multiple financial services in addition to the provisions of investment management services to institutional and individual investors. Such other activities as previously disclosed in item 10, involve real, potential or apparent conflicts of interests.

With respect to certain managed investment strategies, trade execution, as well as certain "downstream" functions including, but not limited to, trade matching and settlement, investment accounting, reconciliations, corporate actions, and performance measurement are provided through the Frankfurt location and performed by DIAL's Frankfurt-based trading platform. In providing these services, the Frankfurt location, and/or DIAL affiliate entities will have access to certain information about client accounts. DIAL, its affiliate or both, will be subject to European and German regulations in the local regulations of the adviser.

DIAL has entered into and may in the future enter into arrangements with affiliates and third party service providers to perform various compliance, administrative, back-office and other services on behalf of, and relating to client accounts. Such affiliates and service providers may be located in the US or in non-US jurisdictions. Accordingly, certain information about client accounts may be shared with such affiliates and third party service providers in connection with these functions.

The Firm is a major participant in global financial markets and it acts as an investor, investment banker, investment manager, financier, advisor, market maker, trader, prime broker, lender, agent and principal in the global fixed income, currency, commodity, equity and other markets in which DIAL's advisory accounts directly and indirectly invest. As permitted by and in conformity with applicable laws and regulations, DIAL's advisory accounts will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities for which the Firm performs or seeks to perform banking or other services. Additionally, it is likely that DIAL's advisory accounts will undertake transactions in securities in which the Firm makes a market or otherwise has direct or indirect interests. DIAL makes decisions for its clients in accordance with its fiduciary obligations as

manager of its advisory accounts. As noted below, however, certain activities of the Firm may have a negative or detrimental effect on advisory accounts of DIAL.

DIAL may take investment positions in securities in which other clients or related persons within the Firm have different investment positions. There may be instances in which DIAL is purchasing or selling for its client accounts, or pursuing an outcome in the context of a workout or restructuring with respect to, securities in which the Firm is undertaking the same or differing strategy in other businesses or other client accounts. Prices, availability, liquidity and terms of the investments may be negatively impacted by the Firm's activities and the transactions for DIAL's clients may, as result, be less favourable. The investment results for DIAL's clients may differ from the results achieved by the Firm and other clients of the Firm. In addition, results among DIAL clients may differ.

For a summary of the restriction of the flow of certain information between DIAL and other parts of the Firm, please see "Information Barriers" below. As noted, DIAL makes decisions for its clients in accordance with its fiduciary obligations as manager of its advisory accounts independent of what decisions may be made by or in other parts of the Firm. The DIAL Americas Investment Risk Oversight Committee is responsible for monitoring investment performance of client accounts on a regular basis and performing an annual product review. See Item 12 for more details.

The investment activities of the Firm may limit the investment opportunities for DIAL's client accounts. This may occur in certain regulated industries, private equity markets, emerging markets, and in certain futures and derivative transactions where restrictions may be imposed upon the aggregate amount of investment by affiliated investors. DIAL may voluntarily limit transactions for client accounts or limit the amount of voting securities purchased for client accounts, or waive voting rights for certain securities held in client accounts, which may limit positions, in order to avoid circumstances which, in the view of DIAL, would require aggregation of such client account positions with investments elsewhere in the Firm that would approach or exceed certain ownership thresholds.

DIAL may have portfolio managers who manage long/short accounts alongside long-only accounts. For example, DIAL may buy on behalf of a client account a security for which DIAL may establish a short position on behalf of another client account. The subsequent short sale may result in impairment of the price of the security held long in the client account. Conversely, DIAL may on behalf of a client account establish a short position in the same security which it may purchase on behalf of another client account. The subsequent purchase may result in an increase of the price of the underlying position in the short sale exposure.

DIAL may engage in security transactions with brokers who coincidentally sell shares of registered investment companies advised by DIAL, provided that it reasonably believes that the broker will provide best execution. However, there are no quid pro quo arrangements or agreements in place with these brokers. However, trading with these brokers may raise the appearance of a conflict of interest.

### **Information Barriers**

The Firm may come into possession of confidential, material non-public information particularly in connection with its commercial and investment banking activities. The Firm, including DIAL, has internal procedures in place intended to limit the potential flow of any such non-public information.

Should DIAL come into any material, non-public information, DIAL has procedures that prohibit trading activities based on such information by DIAL for its clients and by DIAL employees. DIAL may not use material, non-public information obtained from any division of the Firm when making investment decisions for its clients. As a result of these procedures and prohibitions, client accounts may be precluded from purchasing or selling certain securities, which could have a detrimental effect on one or more client accounts. There may be instances in which senior management of DIAL, not involved in the investment process, may be privy to material, non-public information about transactions or securities due to discussions with senior personnel from other departments within the Firm. However, when in possession of material, non-public information, senior management may not participate or use that information to influence trading decisions or securities; nor may they pass that information along to personnel

within DIAL involved in the investment process (e.g., portfolio managers, research analysts and traders) for use in investment activities.

There may also be periods during which DIAL may not initiate or recommend certain types of transactions, disseminate research or may otherwise restrict or limit its advice given to clients in certain securities issued by or related to companies that the Firm is performing banking or other services, or companies in which the Firm has a proprietary position. As a result, client accounts may be precluded from purchasing or selling certain securities, which could have a detrimental effect on one or more client accounts.

### **Trading with an Affiliate/New Issues**

The only compensation received by DIAL for effecting securities transactions for clients is its advisory fees. Related persons of DIAL may receive brokerage commissions, commission equivalents, spread and other fees in connection with brokerage services provided. See Item 12 for more details.

DIAL may purchase, on behalf of its clients, securities in which an affiliate of DIAL serves as lead underwriter or co-manager of an underwriting syndicate or member of an underwriting syndicate. In these cases, the purchase is generally made from a party unaffiliated with DIAL, but DIAL's affiliate may nevertheless benefit from such transactions, including in circumstances where the syndicate of which DIAL's affiliate is a member is experiencing difficulty in effectuating the distribution of the new issues. While DIAL acts solely in the best interests of its clients, these circumstances may give rise to the appearance of a conflict of interest, even though the transactions is effectuated in compliance with applicable regulations (see "Agency Transactions," "Investment Companies," and "Principal Transactions" below). DIAL may have a potentially conflicting, division of responsibilities to both parties to a cross transaction. Additionally, regulatory or other government requirements applicable to DIAL's related persons may restrict DIAL from investing in or disposing of certain securities for its clients on a temporary or on-going basis.

This may affect potential returns on clients' accounts and a client not advised by DIAL may not be subject to some of these restrictions.

DIAL clients may utilize custodians unaffiliated with DIAL and such custodians may, in turn, hire affiliates of DIAL as sub-custodians in certain jurisdictions. In such circumstances, DIAL affiliates may affect certain transactions on behalf of DIAL clients (e.g., foreign exchange transactions, corporate actions). These circumstances may give rise to the appearance of conflicts of interest. DIAL has developed policies and procedures to monitor such circumstances. In the event a DIAL client hires its own custodian, DIAL will work with such client to avoid conflicts of interest in connection with its custodian engaging DIAL affiliates as sub-custodians.

### **Agency Transactions**

DIAL is a related person of various broker-dealers through which it may affect agency transactions. DIAL has procedures reasonably designed to ensure that agency transactions executed with these related broker-dealers acting as agent comply with applicable law and regulations. If any client portfolio transaction is executed with related broker-dealers, the broker-dealers may charge a commission in connection with these transactions; however, the commissions do not exceed the usual and customary commission that the broker-dealers would charge their own customers. As a general matter, DIAL can execute agency transactions on behalf of clients with related broker-dealers only if DIAL has determined in good faith that the client will receive best execution in the transaction, and only in compliance with applicable law and regulations, DIAL's policies and procedures, and in accordance with the consent of clients to these kinds of transactions. Executing transactions with affiliates of DIAL may present conflicts of interest, including that DIAL affiliates will earn fees with regard to such transactions. See Item 12 Directed/Restricted Brokerage for a discussion of "Restricted Brokerage".

### **Investment Companies**

For registered investment company clients, agency and underwriting transactions with affiliated broker-dealers will be executed only pursuant to procedures adopted by the Boards of Directors of such companies under Rule 17e-1 and Rule 10f-3 under the Investment Company Act.

## Principal Transactions

DIAL generally may not cause its clients to enter into principal transactions with related persons. Under limited circumstances DIAL may enter into a principal transaction provided the transaction is in accordance with Section 206(3) of the Investment Advisers Act. All such transactions must receive client consent for each transaction, are effected on arms-length terms and, with respect to commissions paid, are generally competitive with those paid to non-related broker dealers.

## Portfolio Holdings Disclosure Policy

DIAL has a responsibility to its clients not to disclose non-public portfolio holdings information unless such disclosure is consistent with anti fraud provisions of the federal securities laws and its fiduciary duty.

DIAL makes non-public portfolio holdings information available to certain clients upon request provided certain customers are satisfied including complying with DIAL's portfolio holdings disclosure policy. Clients should contact their account representative in the event they would like more information regarding non-public portfolio holdings information.

## Proprietary Account Trading and Hedging Activities

**DIAL does not conduct proprietary trading or hedging activities.**

## Gifts and Entertainment

DIAL has policies and procedures in place, including the DIAL Code of Ethics, which prohibit DIAL employees from accepting gifts, entertainment and other things of material value that may create a conflict of interest or give the appearance of a conflict of interest. Additionally, DIAL employees may not offer gifts, entertainment or other things of material value that could be viewed as attempting to unduly influence the decision making or objectivity of any client or other business partner. In general, the policies dictate that giving and receiving of gifts or participating in entertainment cannot occur if the value and/or the frequency of the gift or entertainment is deemed excessive or extravagant. The policies impose specific restrictions and require DIAL Compliance approval of certain gifts and entertainment.

In general, the policy permits employees to accept gifts having a nominal value (e.g., promotional items) which must be logged. Reporting and approval requirements and restrictions apply in the case of entertainment offered to or to be provided by DIAL. DIAL's policy also sets forth parameters with respect to entertainment-related expenses.

Additional restrictions regarding gifts and entertainment apply to DIAL employees who are registered representatives or other associates of DIAL's affiliated broker-dealers.

## Item 12 – Brokerage Practices

Generally, DIAL is retained on a discretionary basis for clients accounts and DIAL determines which securities should be bought or sold, the total amount to be bought or sold for the account, the broker or dealer ("broker") through which the securities are executed, and the commission rates, if any, at which transactions are affected for those accounts. From time to time, a client may also retain DIAL on a non-discretionary basis, explicitly requiring that portfolio transactions be discussed in advance. See Best Execution and Broker Selection Factors below for a discussion of DIAL's best execution standards.

DIAL is guided by the investment policies and guidelines that are established at the inception of the adviser-client relationship (as amended from time to time) in cooperation with the client. These guidelines assist DIAL in

making investment decisions for the client as well as cover matters such as the degree of risk that the client wishes to assume, and the types and amounts of securities to make up the portfolio.

DIAL may delegate investment management authority and related services for all or a portion of a client's accounts to an affiliate, including affiliates that may be outside the US. The accounts that have been delegated will be managed in accordance with the investment and brokerage policies of the affiliate, which may be different from those outlined below. Clients may contact DIAL for a copy of the affiliate's Form ADV for additional information.

### **Half Yearly Brokers Review**

A Brokers Review is conducted twice a year. During the review process, weightings are assigned to brokers. At the end of the review, a Broker List is produced to review that the appropriate counterparty limits are in place for all the brokers on this List.

### **Allocation of Investments**

DIAL has policies and procedures reasonably designed to ensure that all clients are treated fairly and equitably. Under these procedures DIAL will allocate securities purchased or sold among clients' accounts on a pro-rata basis.

### **Best Execution and Broker Selection Factors**

To achieve best execution the factors DIAL will take into account when executing client orders will include price of the financial instrument, transaction costs, speed, likelihood of execution and settlement, size, nature and any other consideration relevant to the execution of that order. The best possible result for a particular transaction will be determined by the relative importance given by DIAL to these factors, which will in turn result in the choice of a specific benchmark, trading strategy, an executing broker or execution venue. In determining the relative importance of these factors, DIAL will take into account the following criteria:

- the characteristics of the client order;
- the characteristics of the financial instruments or products involved;
- the current market circumstances;
- the characteristics of the execution venues involved.

Although DIAL would ordinarily assume that the price of the financial instrument and the overall transaction cost to have a high degree of importance relative to the other specified factors, its precise importance in the context of any given order will depend upon the criteria specified above and may also be affected by any specific instructions or restriction given to DIAL.

Best execution is owed in all financial instruments, given that DIAL typically has full discretion of when, where and with whom DIAL chooses to execute. This applies to execution in asset classes listed and traded at regulated markets and multi-lateral trading facilities ("MTFs"). Under certain circumstances orders may be executed outside a regulated market or a multilateral trading facility to obtain the best possible result for the orders of Deutsche AWM's clients.

When trading OTC or in dealer market DIAL will request a quote or trade on quotes provided by market makers, brokers or other liquidity pools. The ability to apply the best execution obligation in these circumstances is limited to the availability of alternate liquidity provision and reference prices.

With respect to Swap and OTC option transactions, DIAL must maintain a written agreement with any counterparty that it selects to execute such transactions. DIAL will choose among multiple dealers for a client account to ensure best execution provided that the use of Swaps and/or OTC options is part of the respective client account's investment strategy and that the level of transactions is sizeable enough to warrant executing



multiple contracts. For client accounts that may engage in an occasional/strategic swap transaction, DIAL will select one counter-party to execute such transactions.

Each investment strategy of DIAL utilizes some of the numerous factors outlined above, when determining best execution. These factors may be weighed differently for each strategy; however, the objective to obtain the best execution for the client remains the same across strategies. Additionally, each investment strategy may utilize internal and/or external tools to determine the quality of the execution services received by brokers.

As noted above, DIAL periodically reviews and monitors its broker arrangements to determine whether those arrangements, based on developments in the market or changes to one or more of the factors listed above, continue to provide best execution.

### **Commission rates**

The trading desk utilizes a schedule of commission rates that have been negotiated with the broker-dealers utilized by DIAL. The schedule delineates the commission rates negotiated with the broker-dealer by country and by types of trades.

### **New Equity Issue Allocation**

DIAL seeks to achieve fair and equitable treatment of all client accounts with respect to the allocation of new issues. Shares of a new issue received by DIAL represent an investment opportunity that DIAL strives to make available to all eligible clients. However, due to the limited availability of new issues, DIAL has adopted procedures regarding the allocation of the new issues among clients. To ensure that client accounts are treated in a fair and equitable manner, and that allocations do not unfairly advantage or disadvantage any one client, allocation of new issues is usually done on a pro rata basis with consideration given to product suitability. All eligible participating accounts within a given strategy will receive an allocation based on assets under management. All participating accounts are pre-approved by DIAL Compliance. Some strategies may participate in more IPO's due to the nature of the strategy. In addition, if an IPO reaches a predetermined price level once it begins to trade, the strategy may decide to sell its shares regardless of the time period held. Any deviations to the applicable allocation methodologies must be approved by DIAL Compliance.

### **Aggregated and Combined Orders**

DIAL may, to the extent appropriate, permissible and/or feasible, aggregate multiple client orders for the purchase or sale of the same security on a trading desk in order to achieve best execution with the broker and allocate such transactions on a pro rata or other reasonable basis. Generally, the amount of securities to be purchased or sold for each account participating in the aggregate order is designated prior to trade execution, except in situations of simultaneous trades, where trade orders and trade execution occur simultaneously, then the allocation must be made immediately after purchase according to pre-determined methodologies or procedures.

Any aggregated order that is not completely filled will typically be allocated on a pro rata basis to all accounts participating in the order promptly following execution. When an aggregated order is executed at more than one price over the course of a day, the executed transactions are allocated so that each account receives the weighted average execution price per broker and bears its pro rata share of the commissions, fees and charges, to the extent reasonably practicable. In instances in which an additional order is received for the same security prior to the completion of the aggregated order, at the discretion of the trader DIAL will close out the remainder of the aggregated order and place a new order.

To the extent orders remain unfilled following allocation, the unfilled amount may be combined with subsequent orders in the security, if any, for allocation of subsequent transactions. If an order extends beyond a trading day, the same procedure is applied at the end of each trading day in respect of all trades entered into during the day.

When DIAL determines that pro rata allocation is not appropriate under a particular circumstance, the allocation may be made based on other factors that DIAL deems fair and equitable to all clients.

## **Directed / Restricted Brokerage**

Clients may limit DIAL's authority by prohibiting or by limiting the purchasing of certain securities or industry groups. In addition, a client may further limit DIAL's authority by (i) requiring that all or a portion of the client's transactions be executed through the client's designated broker-dealer ("Designated Broker") and/or (ii) restricting DIAL from executing the client's transactions through a particular broker-dealer.

In situations where a client directs or restricts brokerage for their accounts ("Directed/Restricted Trades"), because the client has placed limitations on the selection of broker-dealers to execute Directed/Restricted Trades, DIAL may be unable to obtain "best execution" for such trades. Similarly, where a client directs DIAL to use a particular counterparty for swaps, OTC options, etc., DIAL may be unable to obtain best execution for such trades. Furthermore, Directed/Restricted Trades may not be aggregated or "blocked" for execution with transactions in the same securities for other clients and may trade after the aggregated trades and/or directed trades for other DIAL clients. As a result, such clients may have to pay higher commissions or receive less favourable net prices than would be the case if DIAL were authorized to choose the broker through which to execute transactions for such client accounts.

Where clients have directed brokerage for their account and maintain that DIAL remains subject to best execution, DIAL may aggregate those directed trades along with trades executed for other client accounts through the broker-dealer DIAL believes to offer the best execution for such transaction and, thereafter, instruct such broker-dealer to "step-out" or allocate a portion of the trades to the client's Designated Broker for billing and settlement.

In agreeing to satisfy a client's directions to execute transactions for its account through Designated Brokers, DIAL understands that it is the client's responsibility to ensure that: (i) all services provided by the Designated Brokers (a) will inure solely to the client's account and any beneficiaries of the account, (b) are proper and permissible expenses of the account, and may properly be provided in consideration for brokerage commissions or other remuneration paid to the Designated Brokers, (ii) using the Designated Brokers in the manner directed is in the best interest of the client's account and any beneficiaries of the account, taking into consideration the services provided by the Designated Brokers, (iii) its directions will not conflict with any obligations persons acting for the client's account may have to the account, its beneficiaries or any third parties, including any fiduciary obligations persons action for the account may have to obtain the most favourable price and execution for the account and its beneficiaries; and (iv) persons action for the client's account have requisite power and authority to provide the directions on behalf of the account and have obtained all consents, approvals or authorizations from any beneficiaries of the account and third parties that may be required under applicable law or instruments governing the account.

## **Cross Trades**

DIAL generally may not affect agency cross transactions for advisory accounts in which a DIAL affiliated broker/dealer acts as broker for both the advisory account and other party to the transaction. Such transactions may result in commissions being paid to the DIAL affiliated broker. DIAL may have a potentially conflicting division of responsibilities to both parties in an agency cross transaction.

DIAL may affect cross transactions directly between advisory accounts, provided that: such transactions are consistent with the investment objectives and policies of such accounts (for mutual funds, consistent with the funds' Rule 17a-7 procedures); are, in the view of the respective portfolio managers, favorable to both sides of transactions; and are otherwise executed in accordance with applicable laws, rules and regulation. In addition, such transactions may only be undertaken if no commissions are paid to any affiliate of DIAL. Cross transactions between managed accounts, however, may result in the incurrence by such accounts of custodial fees, taxes or other related expenses.



DIAL will only consider engaging in cross transaction to the extent permitted by applicable law and will, to the extent required by law, obtain the necessary client consents. Clients may revoke their consent for agency cross transactions at any time.

### Errors and Corrections

In accordance with its policy, any error that affects a Deutsche AWM client account must be resolved promptly and fairly, and in accordance with legal/regulatory restrictions and guidelines. All errors caused by Deutsche AWM which result in a loss to a client account must be reimbursed regardless of the amount. With respect to certain errors, Deutsche AWM may determine the amount of such reimbursement by offsetting losses against gains resulting from such errors to the extent permitted by Deutsche AWM's policies and procedures and applicable law. All errors are reported on a regular basis to Deutsche AWM management and/or Deutsche AWM Compliance.

### Counterparty Risk

Counterparty risk is the risk that a broker-dealer will not be able to complete a client's transaction, whether due to financial difficulties or otherwise, which may result in opportunity cost and/or loss of principal. While DIAL cannot guarantee the creditworthiness of brokers and counterparties, DIAL has access to Deutsche Asset Management New York's Credit Department which is responsible for assessing and managing counterparty risk for all transactions undertaken on behalf of DIAL's clients. DIAL has established policies and procedures designed to assess and monitor the broker-dealers selected to execute client transactions. It attempts to maintain exposure, for both credit and settlement risk, within levels that, in DIAL's judgment, are prudent with regard to the counterparty's financial resources. For certain transactions involving extended settlements, the Credit Department is heavily involved in the negotiation of special agreements with certain broker-dealers.

In less-developed markets, there may well be a higher level of counterparty risk because broker-dealers may not be as well capitalized. In addition, there is often more limited and less reliable information about counterparties' financial condition, less regulatory supervision of securities markets, market practices that may require payment before delivery of securities, less automated clearance and settlement conditions, the uncertain enforceability of legal obligations, greater market volatility, and increased levels of sovereign and currency risk. In these markets, counterparty risk is generally managed by attempting to limit clients' exposure to a given counterparty at a given time, and by seeking to do business with well established counterparties. In these markets, the effort to attain best execution may also tend to increase counterparty risk, and DIAL will attempt to balance these factors when selecting a broker-dealer to execute client transactions.

### Risk Committee

The Risk Committee acts in an advisory capacity in the case of credit recommendations and is responsible for:

- Developing overall policies with regard to credit issues arising as a result of the management of our own and clients' funds, consulting or liaising as necessary, and if appropriate, with external custodians;
- Ensuring in Asia that limits are established with brokers, with bank deposit, foreign exchange, money market and derivatives counterparties, and with bank issuers of short term paper such as certificates of deposit; and
- Reviewing credit excesses identified from the credit risk monitoring process and ensures that any such credit excesses are properly documented and approved.

### Research Services/Soft Dollars

While DIAL seeks to achieve best execution, except when directed by a client to utilize a particular broker, DIAL at times pays commissions on behalf of its clients that may be higher than those obtainable from other brokers in reliance on Section 28(e) of the Securities Exchange Act. DIAL may pay a broker a brokerage commission in excess of that which another broker might have charged for effecting the same transactions, in recognition of the value of the brokerage and research services provided by the broker, and to the extent DIAL fails to execute

sufficient commissions to such a broker(s) then such broker(s) may terminate provision of the brokerage or research services. Therefore, DIAL has the incentive to execute transactions with, and pay commissions to, the broker(s) who provide it with brokerage and research services. In accordance with Section 28(e), DIAL will determine in good faith that the value of any services received is reasonable in relation to the commission paid, either in terms of the particular transaction or DIAL's overall responsibilities to its clients. In some cases, brokerage products or services obtained with client commissions may have a mixed use and thus, only partially eligible under Section 28(e). In such cases, DIAL will make a reasonable allocation of the cost of the product or services according to its usage. In making such determination, DIAL faces an inherent conflict of interest; however, DIAL shall use its good faith judgment in making mixed-use allocation decisions.

DIAL may enter into Commission Sharing Arrangements (CSA) for third-party research in order to obtain best execution and optimal research. In this regard, DIAL will direct client trades to a particular executing broker-dealer with the instruction that the broker dealer execute the transaction and allocate a portion of the commission to a research provider (either directly or through a CSA pool to be paid at a later time).

DIAL may also execute transactions with broker-dealers in order to obtain research and brokerage services from such broker-dealers that are provided by third parties (i.e., "third party research"). Additionally, DIAL will continue to execute transactions through broker-dealers in order to obtain research services provided by executing broker-dealers (i.e., "proprietary research") and to obtain proprietary brokerage services. With respect to brokerage service arrangements, DIAL will execute, in reliance on Section 28(e) of the Exchange Act, transactions through broker-dealers in order to obtain brokerage services in the form of software and/or hardware that is used in connection with executing trades. Typically, this computer software and/or hardware is used by DIAL to facilitate trading activity with certain broker-dealers. DIAL will monitor regulatory developments and market practice in the use of client commissions to obtain brokerage and research services, whether proprietary or third party.

Research provided by brokers may include, but is not limited to, information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and measurement and analysis of corporate responsibility issues. These research services are typically received in the form of written reports, telephone contacts and personal meetings with security analysts. Research services may also be provided in the form of access to various computer software and associated hardware, and meetings arranged with corporate and industry representatives.

If DIAL uses a particular broker (whether the broker was selected by DIAL or by a client that has directed DIAL to use that broker) to execute securities transactions for a client account that also provides research to DIAL, the research received by DIAL in this manner will from time to time be used in servicing any or all of DIAL's clients accounts, including client accounts that did not generate the credits used to obtain the research.

Deutsche AWM may enter into agreements with various vendors who provide platforms for Deutsche AWM to gain electronic access to various participating broker-dealers. These broker dealers may include certain affiliates of Deutsche AWM. Deutsche AWM will use these platforms to effect trades in equity and fixed income securities through such broker-dealers as well as to obtain data, research and other information provided by such broker-dealers. In general Deutsche AWM does not pay fees to the vendor in connection with the licensing agreement entered into between the vendor and Deutsche AWM. The various broker-dealers pay the vendors to participate on the platforms.

### Item 13 – Review of Accounts

Regular reviews of accounts in each strategy vary in frequency and are tailored to the specific facts and circumstances applicable to the various investment strategies. On an ongoing basis portfolio managers review accounts to ensure investments are appropriate and Compliance uses various monitoring systems to check for adherence to guidelines, restrictions and other regulatory requirements.

Traders perform daily trade reviews that verify the trade instructions. Daily trade reviews are also completed by the portfolio managers who review and verify that orders were executed in accordance with the trading instructions.

DIAL has policies and procedures in place to address guideline breaches.

For RREEF global securities accounts to which DIAL provides sub advisory services, no less than quarterly, clients receive written reports analyzing current portfolio holdings and account performance. These reports will also contain Registrant's investment outlook.

#### **Item 14 – Client Referrals and Other Referrals**

DIAL does not have any client referrals.

#### **Item 15 – Custody**

##### **Custodian Statements**

DIAL does not have custody of client accounts. Clients of advisor typically receive statements from their account custodians at least quarterly. Clients that are not receiving statements from their account custodians at least quarterly should contact their client service representative.

#### **Item 16 – Discretion**

Generally, Deutsche AWM is retained on a discretionary basis for client accounts; however, from time to time a client may retain Deutsche AWM on a non-discretionary basis, explicitly requiring that portfolio transactions be discussed in advance.

Deutsche AWM is typically authorized to supervise and direct the investment and reinvestment of assets in an account, with full authority and at its discretion, subject to Client's investment policy or guidelines. Deutsche AWM's advisory services are tailored according to investment policies and guidelines that are established at the inception of the adviser-client relationship (as amended from time to time) in cooperation with the client. These policies and guidelines, which may include imposed restriction on investing in certain securities or types of securities assist Deutsche AWM in making investment decisions for the client as well as cover matters such as the degree of risk that the client wishes to assume, and the types and amounts of securities to make up the portfolio.

As may be negotiated with each client, Deutsche AWM may delegate investment management authority for all or a portion of a client's accounts to an affiliate, including affiliates that may be outside the United States. The accounts that have been delegated will be managed in accordance with the investment policies of the affiliate. More information regarding the affiliated advisers, including fees applicable there to, is available in the affiliated advisers' disclosure documents.

#### **Item 17 – Voting Client Securities**

DIAL via the Sub-Advisor delegation Agreement with the Advisor - RREEF America LLC, does not have responsibility for Proxy Voting. All Proxy Voting is the responsibility of the Advisor - RREEF America LLC.

### **Environmental, Social and Governance Issues**

Deutsche AWM may incorporate environmental, social and governance issues (“ESG”) considerations into both investment decisions and proxy voting decisions – particularly if the financial performance of a company in which Deutsche AWM invests in on behalf of clients could be impacted. Companies or states in which Deutsche AWM is considering such investment that seriously contravene internationally accepted ethical principles may be subject to heightened scrutiny.

The relevant chief investment officers and/or business heads of Deutsche AWM may implement such controls regarding socially responsible investment as may be deemed appropriate with the ultimate investment decision being placed with portfolio management, with approval as necessary by the relevant chief investment officer, chief operating officer or its designee, as applicable. Portfolio management decisions must always be made in the first instance in the best interest of our clients. Determinations regarding socially responsible investing are complex and will be made on a case-by-case basis. Deutsche AWM Portfolio Management may consider such factors in accordance with investment mandates and must always act in the best interests of our clients.

Deutsche AWM portfolio management may consider reputational impact to our prospective clients, or how such prospective clients might view these issues in making investment decisions. AM Portfolio Management, however, may not consider reputational impact to Deutsche AWM or the Bank for existing mandates or clients. Furthermore, the application of socially responsible investment considerations may differ greatly based on the region, type and preferences of a particular client or account and business line (i.e., Retail, Institutional or Insurance).

In addition, Deutsche AWM may be required to comply with controls regarding socially responsible investment implemented by affiliates of Deutsche AWM representing other businesses within the Deutsche Bank Group with respect to certain prospective investments. Such controls or requirements implemented by Deutsche AWM's affiliates will apply solely to prospective investments and will not impact existing investments made by Deutsche AWM on behalf of its clients at the time such Deutsche Bank Group ESG-related controls or requirements are effective.

All ESG related materials that are made available to the public or communications to the press or/media must be approved in accordance with existing Deutsche AWM Policies and Procedures.

### **Item 18– Financial Information**

This section is not applicable.

### **Item 19 - Additional Disclosures**

#### **Business Continuity**

DIAL is committed to protecting its staff and ensuring the continuity of critical DIAL businesses and functions in order to protect the Deutsche Bank franchise, mitigate risk, safeguard revenues and sustain both stable financial markets and customer confidence.

It is DIAL's policy that every unit of DIAL develops, implements, tests and maintains appropriate, comprehensive and verifiable Business Continuity and Disaster Recovery strategies and plans in compliance with the goals and planning assumptions as defined by the policy.

#### **Customer Identification Program**

As part of our Customer Identification or "Know Your Customer" Program, before engaging in a transaction with a prospective customer, DIAL may request certain information and documentation from the prospective customer in

order to (a) confirm the identity of such customer (and such customer's beneficial owners or control persons, if any) and (b) ascertain whether applicable anti-money laundering or trade sanction laws, rules or regulations prohibit us from engaging in the proposed transaction with such customer. Among other things, DIAL may check lists maintained by governmental agencies, including the Department of the Treasury's Office of Foreign Assets Control ("OFAC"), to determine whether the prospective customer (or such customer's beneficial owners or control persons, if any) appear on such lists. DIAL will also take reasonable steps in accordance with applicable identity theft prevention laws to detect, prevent, and mitigate risks associated with identity theft in connection with the opening of certain accounts or certain existing accounts and information or documentation collected in relation to such accounts.

Similarly, as part of our Customer Identification or "Know Your Customer" Program, DIAL will take reasonable steps to prevent payments to gambling businesses in connection with applicable rules regarding unlawful Internet gambling through client relationships.

### **Class Action Proceedings**

Except as otherwise addressed in DIAL Policy or Procedure, or as specifically agreed to by DIAL (eg, DIAL-sponsored funds), DIAL does not act on behalf of client accounts (including sub-advised accounts) in any legal proceeding involving assets maintained in (and/or transactions effected for) the account. "Legal proceedings" include, but are not limited to, class actions, insolvency filings, SIPC filings and settlement filings. If DIAL receives documentation relating to such a legal proceeding DIAL will forward the documentation to the client and/or its trustee/custodian of record.

### **Privacy Notice**

DIAL collects information about clients from account application forms and other written and verbal information they provide to DIAL. DIAL uses this information to process the client's requests and transactions (for example, to provide them with additional information about services provided, to open an account for the client or to process a transaction). In order to service the client account and effect transactions, DIAL may provide the client personal information to firms that assist DIAL in servicing the client account, such as third party administrators, custodians and broker-dealers. DIAL also may provide the client name and address to one of its agents for the purpose of mailing account statement and other information about DIAL's products and services to the client. We require these outside firms, organizations and individuals to protect the confidentiality of the client information and to use the information only for the purpose for which the disclosure is made. We do not provide customer names and addresses to outside firms, organizations or individuals except in furtherance of our business relationship clients, or as otherwise required or permitted by the law.

DIAL will only share information about clients with those employees who will be working with us to provide our products and services to our clients. We maintain physical, electronic and procedural safeguards to protect our client's personal information.

We never sell customer lists or individual client information. We consider privacy fundamental to our client relationships and adhere to the policies and practices described below to protect current and former clients' information. Internal policies are in place to protect confidentiality, while allowing client needs to be served. Only individuals who need to do so in carrying out their job responsibilities may access client information. We maintain physical, electronic and procedural safeguards that comply with federal and state standards to protect confidentiality. These safeguards extend to all forms of interaction with us, including the Internet.

In the normal course of business, clients give us non-public personal information on applications and other forms, on our websites, and through transactions with us or our affiliates. Examples of the non-public personal information collected are name, address, Social Security number and transaction and balance information. To be able to serve our clients, certain of this client information is shared with affiliated and non-affiliated third party service providers such as transfer agents, custodians, and broker-dealers to assist us in processing transactions and servicing your account with us.

We may also disclose non-public personal information to other parties as required or permitted by law. For example, we are required or we may provide information to government entities or regulatory bodies in response to requests for information or subpoenas, to private litigants in certain circumstances, to law enforcement authorities, or any time we believe is necessary to protect the firm.

Governmental rules have broadened the scope of DIAL's obligations to aid in the fight against money laundering and terrorist financing; these rules call for an active involvement of both asset management firms and their clients.

For new and existing customer accounts, DIAL currently has a legal obligation to ask our customers questions regarding their identities, addresses, source of funds and, if necessary, legal representatives, authorized signatories, beneficial owners or control structures and collect requisite documentation to substantiate the information. Also, enhanced anti-money laundering requirements require that should any of the above personal or institutional information change, our clients would be obliged to immediately notify DIAL of the change(s) and provide DIAL with relevant documentation to verify these changes.

### **Conditions for Managing Accounts**

DIAL has a legal obligation to ask customers questions regarding their identities, addresses, source of funds and, if necessary, legal representatives, authorized signatories or companies/associations which they belong and collect requisite documentation to substantiate the information. Also, regulations require that should any of the above personal information change our clients would be obliged to immediately notify us of the change(s).