

DWS International GmbH

# Form ADV Part 2A

September 21, 2018



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This Brochure provides information about the qualifications and business practices of DWS International GmbH ("DWS International"). If you have any questions about the contents of this Brochure, please contact us at 00 49 69 910 12371.

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 DWS International is available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Note: The term registered investment adviser does not imply a certain level of skill or training.

## Item 2 – Summary of Material Changes

This disclosure document (“the Brochure”) for DWS International GmbH (“DWS International”) is dated September 21, 2018 and is an other-than-annual amendment to the last annual brochure dated March 29, 2018. The brochure is being amended to reflect that Deutsche Asset Management International GmbH has rebranded itself as DWS International GmbH. as of August 31, 2018.

This brochure was also updated on July 6, 2018 after the March 29, 2018 annual amendment to provide additional information about DWS International’s ownership change.

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## Item 4 – Advisory Business

DWS International has been registered with the Securities and Exchange Commission (“SEC”) as an investment adviser since December 1983. Until May 2017 it was an indirect wholly owned subsidiary of Deutsche Bank AG. Since May 2017 DWS International is directly owned by DWS Group GmbH & Co. KGaA, which is a wholly owned subsidiary of DB Beteiligungs-Holding GmbH. DB Beteiligungs-Holding GmbH is directly owned by Deutsche Bank AG. DWS International provides discretionary and/or non-discretionary services to a variety of types of clients, including one or more affiliated investment advisers, with respect to US-registered investment companies. In addition, its activities with respect to the non-US clients are subject generally to regulation by the Federal Financial Supervisory Authority, or such other regulatory organizations in Germany, as may have jurisdiction over such German activities.

DWS International is an asset manager providing global capabilities with local expertise to deliver a comprehensive line-up of investment products across a range of asset classes and investing styles. DWS International’s advisory services conform 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.

In December 2017 DWS International applied for a license extension with regards to placement business activities. The application has been granted by BaFin and Bundesbank on March 08, 2018 and DWS International is therefore classified as a CRR-Investment firm.

DWS International complies with the U.S. Investment Advisers Act of 1940 (the “Advisers Act”) only with respect to its U.S. clients. Non-U.S. clients will not be subject to the protections of the Advisers Act.

This brochure, including any brochure supplement, is intended for DWS International’s direct advisory clients. Investors in any DWS International -advised fund should rely solely on the fund’s prospectus or offering materials, and may therefore refer to this brochure, or any brochure supplement, for information purposes only.

### Types of Investments

DWS International provides investment advice concerning “financial instruments,” including without limitation, stocks (equity and fixed income), subscription rights, repurchase agreements, mortgage-backed and asset-backed securities, convertible securities, foreign debt securities (both sovereign and corporate), currencies, and derivatives. Derivatives include derivative contracts (e.g. futures, forwards, options and swaps) and derivative securities (e.g., Treasury Strips and “structured securities”). To the extent consistent with client guidelines, derivatives may be used to hedge various market or portfolio risks, to manage the effective maturity or duration of fixed-income portfolios, as a substitute for or alternative to the instruments available in the securities, currency, or other markets, or to enhance portfolio returns.

### Assets under Management

As of December 31, 2017, DWS International had a total of \$82,837,817,832 discretionary and \$20,074,961,702 <sup>1</sup>non-discretionary client assets under management.

<sup>1</sup> European Central Bank Euro Foreign Exchange Reference Rate as of 29 December 2017 applied (EUR 1 = USD 1.1993)

## Item 5 – Fees and Compensation

### Fees, account minimums and payment arrangements

The general policy of DWS International is to assess client fees according to those negotiated with such client. Actual fees, minimum fees and minimum accounts size are negotiated based on the particular circumstances of the client, additional or differing levels of servicing, or as otherwise agreed with specific clients. In some cases, performance fees are also charged subject to federal or local law and are negotiable.

The 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. DWS International may also enter into performance-based fee arrangements with eligible clients.

Typically, DWS International 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 DWS International and held in a separately managed account are excluded from the basis of DWS International's fee computation. However, when deemed legally permissible, DWS International 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 DWS International. Clients will incur additional fees and expenses relating to third party services, including, but not limited to administration, custodian, transfer and other similar fees.

### Registered Investment Companies/Commingled Vehicles/Structured Products

DWS International acts as sub-advisers and investment managers for certain registered investment companies and other commingled vehicles ("Funds"). For registered investment companies, the management fees paid by the Funds are subject to negotiation with the Board of Trustees/Directors of each Fund. DWS International's current investment management fees range up to 1.50% of aggregate net assets on an annual basis depending on the nature of the Fund, the advisory fee structure, and the size of the Fund's assets. DWS International may have arrangements with certain registered investment companies whereby the base annual investment management fee is subject to upward or downward adjustment on the basis of the investment performance of one or more classes of the Fund's shares as compared with the performance of the relevant benchmark, and DWS International may establish similar arrangements with other registered investment companies/or and commingled vehicles with respect to other market indices.

Certain funds may utilize fair valuation pricing, in accordance with internal control procedures and coordinated with the Fund's service providers should an event occur warranting fair valuation under the procedures.

DWS International may act as an investment adviser to U.S. and non-U.S. unregistered pooled investment vehicles and receive fees for such services at a negotiated rate based on each investment vehicle's particular circumstance. Fees for such services are generally set forth in the offering circular or other relevant offering document.

### Collateral Management of Structured Securities

The fee arrangements for CDOs and CLOs generally are described in the offering circular for each CDO/CLO. The fees are calculated as well as performance fees based on the total portfolio collateral and may include both senior and subordinated components.

### Termination

In general, DWS International's investment advisory relationship with its clients is terminable at will by either party. Certain agreements may require a notice period by DWS International before the termination becomes effective. In addition, some agreements (e.g., in the case of CDO/CLO advisory agreements) may require certain events to occur prior to the termination of the investment advisory relationship. Furthermore, certain agreements may also stipulate that DWS International may not resign as investment adviser 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. Under contractual agreements, either the adviser, DWS International or the investment company

client may terminate an investment advisory contract effective 60 days after receipt of written notice to the other party.

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

DWS International may charge performance based fees, and DWS International may manage accounts using similar investment strategies that charge a combination of both or either performance-based fees and asset based fees.

DWS International will not determine allocations based upon whether an account has performance-based or other incentive fee arrangements; however, allocations among such accounts and asset based fee paying-only accounts could be viewed as a potential conflict of interest. For example, DWS International may have an incentive to allocate attractive investments to performance-fee accounts over accounts not subject to a performance fee. Performance-based fees may also create an incentive to utilize riskier investments. In addition, due to the method of calculating the performance fees, such fees may be affected by the timing of dispositions and other factors within the Registrant's control. The performance fees are computed based on realized and appraised appreciation, and calculations based on appraised value may be higher or lower than the true value of the performance fees due to DWS International.

DWS Group has adopted policies and procedures designed to ensure, among other things, clients receive fair and equitable investment allocation over time.

## Item 7 – Types of Clients

DWS International may provide investment advice to many client types including: banks, corporations, government, international public authorities, foundations, endowments, financial institutions, insurance firms, US and non-US registered and unregistered funds, issuers of collateralized bond and loan obligations and other structured products in the US and abroad. The requirements for opening any account will vary depending on the type of product and type of client.



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

DWS International explores a variety of investment opportunities. The goal is to identify and analyse systematically the conditions and basic trends of economies, industries and companies. Decisions are made and applied appropriately to client portfolios regarding fundamental value and current market prices. Using various investment instruments and active portfolio management, DWS International seeks to achieve the specific objectives of each client. To be effective, DWS International must understand and analyse each client's circumstances in order to identify long-term objectives, priorities and the client's risk-bearing tolerance.

DWS International utilizes its own original research and the research it receives from a variety of sources, including Deutsche Bank and third-party research providers. Investing in securities involves risk of loss that clients should be prepared to bear.

### Active Equity

Equity security analysis is created for DWS International by Global Sector Teams, local and product specific research analysts.

Equity security analysis may include one or more of the following processes: economic, industry, and company analysis. Detailed company analysis is prepared outlining the attractiveness of investing in the security. An analyst's review may include, among other things, trips to headquarters, operating facilities, competitors, customers and suppliers of assigned companies. Macroeconomic research is produced highlighting economic forecasts and analyses, as well as data on industry profits and sales trends. Demographic, technological, and social trends studies are also conducted. Where applicable, the research team's analyses are fed into a proprietary web-based system that facilitates the publishing and dissemination of information in real time to other analysts and portfolio managers.

### Equity Strategy

European/Country-Specific Equity: The strategy seeks return through long-term capital appreciation by investment in equity securities of foreign issuers. The strategy can focus on a single country or sector such as middle-market German equities or equities represented by any market cap or issuer in the European Union.

U.S. Large Cap Value: The portfolio's managers use a contrarian value investment strategy to look for stocks from historically sound companies that are temporarily out of favor. Investments are screened based on low valuation ratios and high dividends, creating a portfolio of undervalued, large-company stocks representing many sectors and industries.

Particular investment strategies or investments in different types of securities or other investments involve specific risks that clients should be prepared to bear. The risks involved for different client accounts will vary based on each client's investment strategy and the type of securities or other investments held in the client's account. The following are descriptions of a number of the material risks related to the significant investment strategies used by DWS International. Not all possible risks are described below.

### Associated Material Risks Applicable to all Equity Strategies:

Stock market risk: When stock prices fall, the value of investments are expected to fall as well. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Stock prices can be hurt by poor management on the part of the stock's issuer, shrinking product demand and other business risks. These may affect single companies as well as groups of companies. In addition, movements in financial markets may adversely affect a stock's price, regardless of how well the company performs. Different parts of the market, including different market sectors, and different types of securities can react differently to these developments. To the extent that the Sub-Fund invests in a particular geographic region or market sector, performance will be affected by that region's general performance.

**Concentration risk:** Any account that concentrates in a particular segment of the market will generally be more volatile than an account that invests more broadly. Any market price movements, regulatory or technological changes, or economic conditions affecting the particular segment of the market in which the account concentrates may have a significant impact on the account's performance.

**Foreign investment risk:** Any account invested in foreign investment faces the risks inherent in foreign investing. Adverse political, economic or social developments could undermine the value of the account's investments or prevent the account from realising the full value of its investments. Financial reporting standards for companies based in foreign markets differ from those in developed markets. Additionally, foreign securities markets generally are smaller and less liquid than developed markets.

**Security selection risk:** The securities in the client's portfolio may decline in value. Portfolio management could be wrong in its analysis of industries, companies, economic trends and the relative attractiveness of different securities or other matters.

**Non-diversification risk:** The account may be invested in securities of relatively few issuers. Thus, the performance of one or a small number of portfolio holdings can affect overall performance.

**Liquidity risk:** Liquidity risks arise when a particular security is difficult to dispose of. In principle, acquisitions for an account must only consist of securities that can be sold again at any time. Nevertheless, it may be difficult to sell particular securities at the desired time during certain phases or in particular exchange segments. There is also the risk that securities traded in a rather narrow market segment will be subject to considerable price volatility.

**Securities lending risk:** If the other party to a securities lending transaction should default, the portfolio might suffer a loss to the extent that the proceeds from the sale of the underlying securities and/or other collateral held by portfolio in connection with the securities lending transaction are less than the value of the underlying securities. In addition, in the event of bankruptcy or similar proceedings of the party to a securities lending transaction or its failure otherwise to perform its obligations, the portfolio could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the securities lending transaction.

#### Derivatives risk:

DWS International may use derivative instruments as part of its investment strategy, for efficient portfolio management and hedging. When seeking to protect the value of the client's assets against changes in market prices due to changes in currency exchange rates, DWS International may (but is not required to) engage in a variety of investment techniques involving derivative instruments. Such investment may entail greater risks than direct investments. There is no guarantee that such products will be employed or that they will work, and their use could cause lower returns or even losses to the client's account.

**Counterparty risk:** - When DWS International conducts over-the-counter (OTC) transactions, it may be exposed to risks relating to the credit standing of its counterparties and to their ability to fulfil the conditions of the contracts it enters into with them. The respective account may consequently enter into futures, options and swap transactions or use other derivative techniques, for example total return swaps, which will expose that account to the risk of a counterparty not fulfilling its obligations under a particular contract. In the event of a bankruptcy or insolvency of a counterparty, the respective account could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the account seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

### Additional Associated Risks in connection with each Equity Strategy:

European/Country-Specific Equity: Foreign investment risk: The portfolio manager may invest its assets abroad. This involves the risk of detrimental international political developments, changes in government policy, taxation and other changes in the legal status. Focus risk: If investment is concentrated on particular assets or markets, the fund becomes particularly heavily dependent on the performance of these assets or markets.

U.S. Large Cap Value: Value investing risk: Different investment styles (growth versus value) tend to shift in and out of favour depending on market conditions and investor sentiment, and at times when the investment style used by the portfolio manager for a portfolio is out of favour, the portfolio may underperform other equity portfolios that uses other investment style, Focus risk: If investment is concentrated on particular assets or markets, the fund becomes particularly heavily dependent on the performance of these assets or markets.

### Strategic Asset Allocation Strategy

**Strategic Asset Allocation:** The strategy seeks to achieve as high a total return as is consistent with its allocation to one or more asset classes over a given period. The strategy will typically invest in other investment companies that in turn, invest in fixed income, equity, and other asset classes (which may include closed end funds, open end mutual funds, or exchange traded funds) some of which may be affiliated with the investment advisor.

Associated Material Risks: Asset allocation risk, Stock market risk, Small company risk, Growth investing risk, and Value investing risk, foreign investment risk. The portfolio manager may invest its assets abroad. This involves the risk of detrimental international political developments, changes in government policy, taxation and other changes in the legal status.

Credit risk: The issuer of a security may default on its obligation to pay principal and/or interest or may have its credit rating downgraded. Lower rated securities involve a greater risk of loss than higher rated securities and are more sensitive to changes in the issuer's capacity to pay.

Interest rate risk: Generally, the values of fixed-income securities vary inversely with changes in prevailing interest rates. The value of a portfolio's securities tends to decrease when interest rates rise and tends to increase when interest rates fall. Securities with longer duration held by a portfolio are generally more sensitive to interest rate changes. As such, securities with longer durations are usually more volatile than those with shorter durations. A portfolio's investment in variable rate securities will generally be less sensitive to interest rate changes, but such securities may decline in value if their interest rates do not rise as much, or as quickly as interest rates in general. It is likely there will be less governmental intervention in the near future to maintain low interest rates. The negative impact on fixed incomes securities from resulting rate increases for that and other reasons could be swift and significant and negatively impact the portfolio net asset value.

Focus risk: If investment is concentrated on particular assets or markets, the fund becomes particularly heavily dependent on the performance of these assets or markets, Security selection risk.

Liquidity Risk: Liquidity risks arise when a particular security is difficult to dispose of. In principle, acquisitions for a sub-fund must only consist of securities that can be sold again at any time. Nevertheless, it may be difficult to sell particular securities at the desired time during certain phases or in particular exchange segments. There is also the risk that securities traded in a rather narrow market segment will be subject to considerable price volatility.

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. With respect to broker-dealers in well-developed markets, these procedures generally involve analysing financial statements and, for certain transactions involving extended settlements, negotiating special agreements with certain broker-dealers.

## Fixed Income Strategy

**Active management:** The portfolio manager actively seeks attractive securities to invest in, rather than investing in a pre-determined basket of securities such as an index. This strategy may underperform relative to its relevant primary investment universe due to the securities choices and short-term variations in asset allocation away from the primary investment universe. The portfolio manager may seek to address this risk through the use of a disciplined investment management process with the support of global investment resources.

**Individual investment risk:** Individual fixed income securities can (and do) fall in value for many reasons such as short term market activities, changes in an entity's internal operations or management, or in its business environment. The portfolio manager aims to reduce these risks with careful analysis of research from many sources and by maintaining communications with company management who are responsible for changes which may impact on investments.

**Fixed income securities risk:** The portfolio manager may invest in government securities, corporate fixed income securities and obligations to repay borrowed money within a certain time, with or without interest. The value of these securities could rise when interest rates fall and decline when interest rates rise. The longer a bond's duration, the more its value typically falls when interest rates rise. Additionally the portfolio is subject to currency volatility as it invests into global securities markets with or without currency hedging.

**Credit risk:** The issuer of a security may default on its obligation to pay principal and/or interest or may have its credit rating downgraded. Lower rated securities involve a greater risk of loss than higher rated securities and are more sensitive to changes in the issuer's capacity to pay.

**Credit margin risk:** Corporate securities are issued with a risk premium/margin above a pre-determined benchmark. This margin will vary to reflect a corporation's risk profile. Deterioration in the financial position of a corporation will lead to an increased risk premium and an improving profile will lead to a reduction in the risk premium. The longer the duration of the security, the more its value typically falls when the risk margin rises. This is the case for both fixed rate and floating securities, although floating rate credit spreads tend to be less volatile.

**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. With respect to broker-dealers in well-developed markets, these procedures generally involve analysing financial statements and, for certain transactions involving extended settlements, negotiating special agreements with certain broker-dealers.

Furthermore, the below sets out a general description of the risks associated with the types of financial instruments which the DWS International may manage on the client's behalf. The precise extent to which these risks are relevant to the client will depend on the investment manager's authority under the investment guidelines as set out in the investment management agreement.

Investment activity undertaken by the investment manager will at all times be in accordance with the investment guidelines and nothing in this notice will alter or vary the investment guidelines.

The client should carefully consider the risks mentioned in this notice and in any other materials provided to it. The client should not regard anything in this notice as a personal recommendation or investment advice.

This notice cannot disclose all the risks and other significant aspects associated with financial instruments or the investment manager's investment strategy.

## 1. Securities - general

Any trading in securities will involve risks. The price or value of securities may undergo unforeseeable price fluctuations and may even become valueless. There is an inherent risk that losses may be incurred as opposed to profit made as a result of buying and selling securities. Price increases and decreases in the short-, medium- and long-term alternate without it being possible to determine the duration of those cycles.

General market risk should be distinguished from the specific risk attached to the issuer. Both risks may influence the value of securities.

#### (a) Convertible bonds

Convertible bonds are hybrid securities whose pricing relies on a set of complex interdependencies due to the sensitivity to interest rate risk, underlying (equity) risk and foreign exchange risk.

#### (b) Warrants

Warrants often involve a high degree of gearing, so that a relatively small movement in the price of the underlying security results in a disproportionately large movement, favorable or unfavorable, in the price of the warrant.

#### (c) Depository receipts

The key risks associated with an investment in a depository receipt or other types of instrument linked to securities are similar to those associated with a direct investment in the securities concerned.

#### (d) Equity-linked certificates of deposit (CDs)

There may be limited opportunities to redeem equity-linked CDs prior to maturity and no guaranteed secondary market. An equity-linked CD may be subject to stock market volatility and changes to the components of the relevant linked index. The principal sum invested may not be protected if the CD is redeemed before maturity. Because the return may be calculated by averaging the closing price of the underlying index over a specific period of time, the return on the equity-linked CD may be less than the index's gain during a rising market.

### 2. Debt instruments - general

Dealing in debt instruments may involve risks including but not limited to the following:

#### (a) Insolvency risk

The issuer may become temporarily or permanently insolvent, resulting in its incapacity to repay the interest on or redeem the instrument. The risk of an issuer's inability to meet its obligations is often described by reference to the credit ratings assigned by independent rating agencies. The solvency of an issuer may change due to one or more of a range of factors including the underlying business of the issuing entity, the issuer's economic sector and/or the political and economic status of the country where the issuer is based. Subordinated debt instruments will only be redeemed after repayment of all higher ranking creditors.

#### (b) Interest rate risk

Uncertainty concerning interest rate movements means that purchasers of fixed-rate debt instruments carry the risk of a fall in the prices of the securities if interest rates rise. The longer the maturity of the relevant debt instrument and the lower the interest rate, the higher a debt instruments sensitivity to a rise in the market rates.

#### (c) Credit risk

The value of a debt instrument will fall in the event of a default or reduced credit rating of the issuer. Credit ratings assigned by rating agencies are subject to suspension, reduction or withdrawal at any time, which may adversely affect the market price of a debt instrument.

Generally, the higher the relative rate of interest (that is, relative to the interest rate on a risk-free security of similar maturity and interest rate structure), the higher is the perceived credit risk of the issuer.

#### (d) Early redemption risk

The issuer of a debt instrument may include a provision allowing early redemption of the debt instrument if market interest rates fall. Such early redemption may result in a change to the expected yield.

### 3. Units in collective investment schemes

The full extent of risk associated with an investment in a collective investment scheme will depend upon the nature of the scheme's holdings and its investment objectives. Risks include manager risk, market risk, interest rate risk and credit risk. A scheme which invests in instruments such as derivatives is inherently more risky

than a scheme which invests in bonds or fixed-income securities. Investment strategies involving leveraging also give rise to particular risks. A small movement in the market may result in major gains for a highly leveraged fund but conversely losses will also be magnified sharply.

#### 4. Real property funds

Where the underlying investments of a fund consist wholly or substantially of real property, it may be difficult or impossible to realize an investment because the real property concerned may not be readily saleable. The value of real property is generally the opinion of a professional value, and will not be quoted on any market.

#### 5. Real estate derivatives

Investing in derivatives may involve liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that the portfolio may not be able to close out a position when it would be most advantageous to do so. An investment in derivatives may result in the loss of more than the principal amount invested. Derivatives linked to real estate may be subject to specific risks including changes in planning laws, regulatory limitations on rent, property taxes and operating expenses. Investment in a real estate-linked derivative that is linked to the value of a REIT is subject to risks such as under performance by the REIT manager and changes to tax laws.

#### 6. Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. They carry a high degree of risk. The 'gearing' or 'leverage' often obtainable in futures trading means that entering into such transactions can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of an investment, and this can work against as well as in favor of an investor.

Futures transactions have a contingent liability, and the implications of this, in particular the margining requirements, are set out in paragraph 8 below.

#### 7. Options

An option is a financial derivative which represents a contract sold by one party (the one writing the option) to another (the one buying the option). The option buyer has the right, but not the obligation, to buy or sell a security or other financial asset at an agreed-upon price during a certain period of time or on a specific date.

Buying options involves less risk than selling (or writing) options because, if the price of the underlying asset moves against the buyer, it can simply allow the option to lapse. The maximum loss is limited to the premium, plus any commission or other transaction charges.

However, the buyer of a call option on a futures contract who later exercises the option would acquire the future. This would expose the buyer to the risks described above and in paragraph 8.

#### 8. Contingent liability transactions

A contingent liability transaction is a transaction under the terms of which the investor will or may be liable to make further payments (other than charges) when the transaction fails to be completed or upon the earlier closing out of its position. These payments may or may not be secured by an amount in money (or represented by securities) deposited with a counterparty or a broker as a provision against loss on transactions made on account (a Margin).

Contingent liability investment transactions for which a Margin is deposited (in other words, which are margined) require an investor to make a series of payments against the purchase price, instead of paying the whole purchase price immediately.

Trading in futures or selling options may result in a total loss of the Margin deposited to establish or maintain a position. If the market moves against an investor, it may be called upon to pay substantial additional Margin at short notice to maintain the position. If it fails to do so within the time required, the position may be liquidated at a loss and the investor will be responsible for the resulting deficit.



Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when the investor entered the contract.

## 9. Over-the-counter derivatives

Over-the-counter derivatives include derivatives traded in “over-the-counter” or “interdealer” markets. These instruments may be illiquid and are sometimes subject to larger spreads than exchange-traded derivative transactions. The participants in such markets are typically not subject to credit evaluation and regulatory oversight, which would be the case with members of “exchange-based” markets. There is a risk that the counterparty will not settle a transaction in accordance with its terms and conditions because of a credit or liquidity problem with the counterparty. Delays in settlement may also result from disputes over the terms of the contract (whether or not bona fide) since such markets may lack the established rules and procedures for swift settlement of disputes among market participants found in “exchange-based” markets. These factors may cause an investor to suffer a loss due to adverse market movements while replacement transactions are executed or otherwise. Such “counterparty risk” is present in all swaps, and is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where transactions are concentrated with a single or small group of counterparties. The valuation of over-the-counter derivative transactions is also subject to greater uncertainty and variation than that of exchange-traded derivatives. The “replacement” value of a derivative transaction may differ from the “liquidation” value of such transaction. Under certain circumstances it may not be possible to obtain market quotations for the value of an over-the-counter derivatives transaction. It may also not be possible to close out or enter into an offsetting over-the-counter derivative transaction at any time, resulting in significant losses. In particular, the closing-out of an over the counter derivative transaction may usually only be effected with the consent of the counterparty to the transaction. If such consent is not obtained, it will not be possible to close out the transaction and this may result in losses being suffered.

## 10. Complex derivatives

Complex derivative instruments include instruments which seek to modify or replicate the investment performance of particular securities, commodities, currencies, interest rates, indices or markets on a leveraged or unleveraged basis. These instruments generally have counterparty risk and may not perform in the manner expected, thereby resulting in greater loss or gain. These investments are all subject to additional risks that can result in a loss of all or part of an investment, in particular, interest rate and credit risk, volatility, world and local market price and demand, and general economic factors and activity. Derivatives may have very high leverage embedded in them that can substantially magnify market movements, meaning that losses could in some cases exceed the value of the investment.

## 11. Issuer or counterparty risk

If an issuer of an investment instrument or trading counterparty is unable to meet its obligations then any such instrument may become worthless and any trading costs or profits irrecoverable.

## 12. Illiquid investments

Illiquid investments include investments which are subject to legal or other restrictions on transfer or for which no liquid market exists, such as private placements. The market prices, if any, of such investments tend to be more volatile and it may be impossible to sell such investments when desired or to realize their fair value in the event of a sale. As a result of the absence of a public trading market for these investments, they are likely to be less liquid than publicly traded securities. There may be substantial delays in attempting to sell non-publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized from these sales could be less than those originally paid. Furthermore, companies whose securities are not registered or publicly traded are not subject to the disclosure and other investor protection requirements which would be applicable if their securities were registered or publicly traded.

## 13. Currency risk

If an investment is denominated in a currency other than the portfolio's base currency it may be necessary to convert funds from the base currency to another currency prior to investing. Movements in the foreign exchange markets may adversely affect the value of an investment. Income and other proceeds may be significantly less than the equivalent figure on the date the investment was entered into. Any income or gains may be negated entirely.

#### 14. Foreign exchange

Trading in foreign exchange is entirely speculative in nature and carries risks not usually experienced in less volatile investment arrangements. Foreign exchange markets may move abruptly and unpredictably and substantial losses may be incurred.

#### 15. Hedging

Investment products or strategies may utilize warrants, futures, forward contracts, swaps, options and other derivative instruments to hedge against movements in the capital markets. Hedging against a decline in the value of a position may not eliminate fluctuations in the values of the position or prevent losses if the value of the position declines, but may establish other positions designed to gain from those same developments, thus moderating the decline in the position's value. Such hedging transactions may also limit the opportunity for gain if the value of the position should increase. Moreover, it may not always be possible to execute hedging transactions, or to do so at advantageous prices, rates or levels. The success of any hedging transactions will be subject to the movements in the direction of securities prices and currency and interest rates, and stability or predictability of pricing relationships. Therefore, where transactions are entered into to reduce currency exchange rate and interest rate risks, unanticipated changes in currency or interest rates may result in poorer overall performance than if it such transactions had not been entered into. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the position being hedged may vary. Moreover, for a variety of reasons, it may not be possible or desirable to establish a perfect correlation between such hedging instruments and the holdings being hedged. An imperfect correlation may prevent the intended hedge from being achieved or give rise to risk of loss.

#### 16. Overseas and emerging markets

The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts and securities will be affected by fluctuations in foreign exchange rates. Investments in securities of issuers in developing countries (Emerging Markets) involve certain special risks, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws, including, but not limited to, those relating to expropriation, nationalization and confiscation. Companies located in Emerging Markets are also not generally subject to uniform accounting, auditing and financial reporting standards, and auditing practices and requirements may not be comparable to those applicable to companies in developed countries. Further, securities traded in Emerging Markets tend to be less liquid and the prices of such securities more volatile. In addition, settlement of trades in Emerging Markets may be much slower and more subject to failure than in markets in developed countries. An investment in Emerging Markets could require additional costs. Brokerage commissions generally are higher in Emerging Markets and currency conversion costs could be incurred when you change investments from one country to another. Increased custodian costs as well as administrative difficulties (such as the applicability of the laws of the jurisdictions of emerging or developing countries to custodians in such jurisdictions in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalization and record access) may also arise from the maintenance of assets in such Emerging Markets.

#### 17. Distressed securities

Investments in issuers in weak financial condition, experiencing poor operating results, having substantial capital needs or negative net worth, facing special competitive or product obsolescence problems, or that are involved in bankruptcy or reorganization proceedings may involve substantial financial and business risks that can result in substantial or, at times, even total losses. Among the risks inherent in investments in troubled entities is that it frequently may be difficult to obtain information as to the true condition of such issuers. Such investments also may be adversely affected by laws relating to, among other things, fraudulent transfers and other voidable transfers or payments, lender liability and a court's power to disallow, reduce, subordinate or disenfranchise particular claims. The market prices of such securities are also subject to abrupt and erratic market movements and above-average price volatility, and the spread between the bid and asked prices of such securities may be greater than those prevailing in other securities markets. It may take a number of years for the market price of such securities to reflect their intrinsic value. In corporate reorganizations, there exists the risk that it will not be possible to effect the reorganization (due to, for example, failure to obtain requisite approvals) and in liquidations (both in and out of bankruptcy) and reorganizations there exists the risk that the liquidation or reorganization will be delayed (for example, until various liabilities, actual or contingent, have



been satisfied) or will result in a distribution to the hedge fund of cash or a new security the value of which will be less than the purchase price of the security in respect of which such distribution was made.

## 18. Suspension or restriction of trading

The operation of the rules of certain markets may bring about the suspension or restriction of trading increasing the risk of loss by making it difficult or impossible to effect transactions or to liquidate positions.

## 19. Taxation

Income or profit from trading in any investment may be subject to withholding tax, capital gains tax or other tax of the country of the issuer or the country in which such investments are traded. In such event, unless the issuer agrees to gross-up the income or profit received by investors, an investor will only receive the interest payment or proceeds of sale or redemption of the investment less the withholding tax or capital gains tax or other tax. Retention tax by operating and paying agents may be applied in certain jurisdiction.

### Further risks:

**Legal, Regulatory and Enforcement Risks**—DWS International and its global affiliates are regulated and supervised by the central banks and regulatory authorities in the jurisdictions in which they operate. In recent years, regulators and governmental bodies have sought to subject investment advisers to increasing regulation. This trend has accelerated markedly as a result of the global financial crisis and the European sovereign debt crisis. Any rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins and reduced investment and trading opportunities. Furthermore, DWS International and its affiliates may also be subject to increasing levels of supervision, liability and regulatory sanctions by law enforcement authorities and may be required to make greater expenditures and devote additional resources to addressing these liabilities and sanctions, which may include status changes to local licenses or orders to discontinue certain business or investment practices, which also may negatively impact performance.

DWS International has established the Frankfurt Risk Committee which administers policies and procedures designed to assess and monitor the broker-dealers selected to execute client transactions. It attempts to maintain (insofar as reasonably possible) clients' exposure to counterparty risk within levels that, in DWS International's judgment, are appropriate for their investment objectives.

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 DWS International will attempt to balance these factors when selecting a broker-dealer to execute client transactions.

**Cybersecurity risk:** The computer systems, networks and devices used by DWS International and its service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses; interference with DWS International's ability to calculate the value of an investment in a Client account; impediments to trading; inability to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a Client invests; counterparties with which a Client engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

## Item 9 – Disciplinary Information

DWS International has nothing to report.

## Item 10 – Other Financial Industry Activities and Affiliates

Described below are related persons that DWS International has arrangements with that may be considered material to its advisory business. Employees of DWS International may be authorized to act on behalf of one or more of these entities. Additionally, employees of DWS International's related persons may be authorized to act on behalf of DWS International. DWS International 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 DWS International and its affiliates may involve revenue sharing or joint compensation based upon each entity's activities for the client.

DWS International is directly owned by DWS Group GmbH & Co. KgaA, which is a wholly owned subsidiary of DB Beteiligungs-Holding GmbH. DB Beteiligungs-Holding GmbH is directly owned by Deutsche Bank AG, a multi-national financial services company. Therefore, DWS International 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 DWS International'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 DWS International 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 DWS International'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 DWS International's clients.

DWS Group 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 DWS Group's policy that DWS International 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 DWS Group'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.

DWS International acts as a fiduciary with respect to its asset management activities and owes its clients a duty of undivided loyalty. As a fiduciary, DWS International 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 DWS International's duty of loyalty. To minimize these conflicts, as a general matter, DWS International employees associated with the investment process (including portfolio managers, research analysts and traders) have no contact with employees of the Firm outside of DWS International regarding specific clients, business matters or initiatives, unless permissible by internal procedures, or approved by DWS International Compliance.

With respect to certain non-U.S. strategies, DWS International may delegate such services to affiliates. Apart from furnishing investment advice to clients, DWS International also provides various investment advisory, consulting, trading, and administrative and research support services to its affiliates pursuant to intercompany agreement.

## Broker Dealers

DWS International has material arrangements with the following related person that is a U.S.-registered broker dealer and may utilize their services to effect securities transactions for clients.

Deutsche Bank Securities Inc. ("DBSI"), New York, NY, is a registered broker dealer under the U.S. Securities Exchange Act of 1934 (the "Securities Exchange Act"), and is a member of the New York Stock Exchange and other principal exchanges in the United States as well as the Financial Industry Regulatory Authority ("FINRA").

## Investment Companies and Other Pooled Vehicles

DWS International acts in an advisory or sub-advisory capacity to a variety of U.S. investment companies and non-U.S. pooled vehicles for which DWS International or an affiliate acts as adviser, manager or distributor. In connection with these investment companies, certain DWS International employees are directors or officers of the registered investment companies. Arrangements with respect to the sale of U.S. registered investment companies are in each mutual fund's prospectus in accordance with the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"). The sale and distribution of other pooled investment vehicles not subject to the Investment Company Act, in accordance with applicable law.

## Investment Advisers

DWS International has material arrangements with the following related person that is an investment adviser:

DWS Investment Management Americas, Inc., ("DIMA") New York, NY is registered under the Investment Advisers Act of 1940, as amended ("Investment Advisers Act") and is a Delaware corporation. DIMA provides investment management services to separately managed accounts, registered investment companies, and certain other pooled funds.

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

The following DWS International investment advisory affiliates are not registered with the SEC as investment advisers: Deutsche Australia Limited, Deutsche Bank Trust Company Americas, Harvest Fund Management, Deutsche Asset Management (UK) Limited, Deutsche Asset Management (Korea) Company Limited, DWS Investment GmbH (Germany), DWS Investmentaktiengesellschaft (Germany), DWS Grundbesitz GmbH (Germany), DWS Alternatives GmbH (Germany), DB Advisors SICAV (Luxembourg), Deutsche Asset Management S.A. (Luxembourg), Sal. Oppenheim jr. & Cie AG & Co. KGaA (Germany).

DWS International may have co-advisory, sub-advisory, or participating affiliate relationships with each entity as required for proper management of particular client accounts and in accordance with applicable law. In addition, DWS International may participate in sub-advisory, co-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.

## Banking Institutions

The following banking institutions are related persons of DWS International:

DWS Trust Company ("DWS TC") is a New Hampshire trust company. DWS TC is the trustee as well as sponsor and/or investment adviser to privately offered investment funds including various funds exempt from the Investment Company Act of 1940, as amended (the "Investment Company Act"). DWS TC also provides trustee and/or custodial services to various IRAs, profit sharing plans, pension plans and other retirement plan clients of DWS International.

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 DWS International and its affiliates. Its various branches around the world, including without limitation its London, New York and Cayman branches.

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 DWS 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. DWS International may provide investment sub-advisory services to DBTCA,

### Sponsor or Syndicator of Limited Partnerships

From time to time, DWS International's affiliates may act as general partner, managing member or other controlling entity in private investment vehicles in which DWS International's clients may be solicited to invest, and DWS International's clients may also be solicited to invest in private investment vehicles for which DWS International acts as adviser or sub-adviser. Absent specific authority, DWS International does not exercise any discretionary authority with respect to client decisions to invest in such vehicles. Please see further discussion under the above section "Investment Companies and Other Pooled Vehicles."

### Placement Business

In December 2017 DWS International applied for a license extension with regards to placement business activities. The application has been granted by BaFin and Bundesbank on March 08, 2018 and DWS International is therefore classified as a CRR-Investment firm.

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

DWS Group has created certain global policies which apply to all of its investment management entities, including DWS International.

## Code of Ethics

The DWS Group Code of Ethics (the “Code”), which DWS International has adopted, imposes restrictions on the ability of DWS International’s employees who are “Access Persons” as defined in the Investment Advisers Act to invest in securities that may be recommended or traded in DWS International 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 DWS International’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 U.S. Government is not subject to the Code.

The Code imposes a thirty (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 DWS International 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 DWS International 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 ad hoc filings of any personal securities transactions (which provides information with regard to all securities and certain mutual fund transactions that are required to be reported, if any, 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 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.



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

### Gifts and Entertainment

DWS International has policies and procedures in place, including the DWS Group Code of Ethics, which prohibit DWS International 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, DWS International 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 DWS International Compliance approval of certain gifts and entertainment.

### 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 DWS International. DWS's policy also sets forth parameters with respect to entertainment-related expenses.

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

### 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 DWS International Compliance uses various monitoring systems to check for adherence to guidelines, restrictions and other regulatory requirements.

Traders perform daily trade reviews to ensure that records are accurate and complete. Daily trade reviews are also completed by the portfolio managers who review and verify that orders were executed in accordance with the trading instructions. DWS has policies and procedures in place to address trade errors and the Brokerage Practice Sub-Committee (as described under Item 12) receives monthly reports on all trading errors.

DWS Group has policies and procedures in place to address guideline breaches.

In addition to the aforementioned trade reviews, institutional account reviews are also performed at least annually by DWS International Client Service. DWS International may actively participate in a client's Board and Investment Committee presentations as well as provide regular performance reviews to the client.

### Reports to Clients

The nature and frequency of reports to clients is primarily determined by the particular needs of the client. Client account reports are generally sent to clients on at least a quarterly basis. Clients are also advised in writing or via telephone conversation of any material investment changes in their portfolio and per the individual client's requirements.

### Participation or Interest in Client Transactions

DWS International is owned by Deutsche Bank AG, a multi-national financial services company and therefore 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 its clients' investment advisory accounts, such other activities 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 DWS International's



Frankfurt-based trading platform. In providing these services, the Frankfurt location, and/or DWS International affiliate entities will have access to certain information about client accounts. DWS International, its affiliate or both, will be subject to European and German regulations in the local regulations of the adviser.

DWS International 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 U.S. or in non-U.S. jurisdictions. Accordingly, certain information about client accounts may be shared with such affiliates and third party service providers in connection with these functions. DWS International delegates middle and back office functions to an affiliate that delegates middle and back office functions to State Street Bank and Trust Company.

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 DWS International's advisory accounts directly and indirectly invest. As permitted by and in conformity with applicable laws and regulations, DWS International'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 DWS International's advisory accounts will undertake transactions in securities in which the Firm makes a market or otherwise has direct or indirect interests. DWS International 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 (including those undertaken by affiliates) may have a negative or detrimental effect on DWS International's advisory client accounts.

DWS International 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 DWS International 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 DWS International's clients may, as result, be less favourable. The investment results for DWS International's clients may differ from the results achieved by the Firm and other clients of the Firm. In addition, results among DWS International clients may differ.

For a summary of the restriction of the flow of certain information between DWS International and other parts of the Firm, please see "Information Barriers" below. As noted, DWS International 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 DWS 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 DWS International'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. DWS International 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 DWS International, would require aggregation of such client account positions with investments elsewhere in the Firm that would approach or exceed certain ownership thresholds.

DWS International may have portfolio managers who manage long/short accounts alongside long-only accounts. For example, DWS International may buy on behalf of a client account a security for which DWS International 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, DWS International 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.

DWS International may engage in security transactions with brokers who coincidentally sell shares of registered investment companies advised by DWS International, 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

Deutsche Bank Group may come into possession of confidential, material non-public information particularly in connection with its commercial and investment banking activities. Deutsche Bank Group, including DWS Group, has internal procedures in place intended to prevent the potential flow of any such non-public information.

Should DWS International come into possession of material, non-public information, DWS International has procedures that prohibit trading activities based on such information by DWS International for its clients and by DWS International employees. DWS International may not use material, non-public information when making investment decisions for its clients. These procedures and prohibitions may preclude client accounts 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 DWS International, 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 Deutsche Bank Group. 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 DWS Group involved in the investment process (e.g., portfolio managers, research analysts and traders) for use in investment activities. DWS International has developed policies and procedures to monitor such circumstances.

There may also be periods during which DWS International 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 for which Deutsche Bank Group is performing banking or other services, or companies in which Deutsche Bank Group 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 DWS International for effecting securities transactions for clients is its advisory fees. Related persons of DWS International may receive brokerage commissions, commission equivalents, spread and other fees in connection with brokerage services provided. See Item 12 for more details.

DWS International may purchase, on behalf of its clients, securities in which an affiliate of DWS International 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 DWS International, but DWS International's affiliate may nevertheless benefit from such transactions, including in circumstances where the syndicate of which DWS International's affiliate is a member is experiencing difficulty in effectuating the distribution of the new issues. While DWS International 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). DWS International may have a potentially conflicting, division of responsibilities to both parties to a cross transaction. Additionally, regulatory or other government requirements applicable to DWS International's related persons may restrict DWS International from investing in or disposing of certain securities for its clients on a temporary or on-going basis.

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

DWS International clients may utilize custodians unaffiliated with DWS International and such custodians may, in turn, hire affiliates of DWS International as sub-custodians in certain jurisdictions. In such circumstances,

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

### Agency Transactions

DWS International is a related person of various broker-dealers through which it may affect agency transactions. DWS International 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, DWS International can execute agency transactions on behalf of clients with related broker-dealers only if DWS International has determined in good faith that the client will receive best execution in the transaction, and only in compliance with applicable law and regulations, DWS International's policies and procedures, and in accordance with the consent of clients to these kinds of transactions. Executing transactions with affiliates of DWS International may present conflicts of interest, including that DWS International 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. Rule 17e-1 under the Investment Company Act provides that, when purchasing or selling securities as agent, an affiliate of the registered investment company may not accept any compensation, except in that person's role as an underwriter or broker. In addition, Rule 10f-3 under the Investment Company Act provides a limited exception to the prohibition on registered investment companies from knowingly purchasing or acquitting securities during the existence of an underwriting or selling syndicate when a principal underwriter of such security is an affiliate of the registered investment company.

### Principal Transactions

DWS International generally may not cause its clients to enter into principal transactions with related persons. Under limited circumstances, DWS International 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

Unless consistent with the anti-fraud provisions of the federal securities laws and its fiduciary duty, DWS International is prohibited from disclosing non-public portfolio holdings information.

DWS International may make non-public portfolio holdings information available to certain clients upon request provided certain conditions are satisfied including complying with DWS Group'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

In accordance with DWS Group policy, DWS International may invest and manage its own proprietary capital by investing in a variety of securities and other instruments. Proprietary capital investments will include investing in certain products and strategies managed by DWS International for its clients. The market risks of these investments may be hedged, while market risks of client assets may not be so hedged. Hedging activities may include purchasing instruments or using investment strategies such as short selling, futures (or options on futures) trading or employing other derivative techniques. Portfolio management and trading of the proprietary capital as well as any associated hedging activity is undertaken in accordance with DWS Group policies and procedures. Investments made with proprietary capital may not perform the same as similarly

managed client accounts for a variety of reasons, including regulatory restrictions on the type and amount of securities in which the proprietary capital may be invested, differential credit and financing terms, as well as any hedging transactions. While DWS International acts solely in the best interests of its clients, these circumstances may give rise to the appearance of a conflict of interest or could potentially disadvantage its clients.

# Item 12 – Brokerage Practices

## Broker Dealer Selection

When selecting a broker-dealer for client transactions, DWS International will take all sufficient steps to obtain the best possible result taking into account numerous factors including: 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 DWS International 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, DWS International will take into account the following criteria:

- \_ the characteristics of the client order;
- \_ the financial instruments or products that are subject of the order;
- \_ the characteristics of the execution venues to which the order can be directed
- \_ the current market circumstances.

Although DWS International 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 DWS International.

In conjunction with achieving best execution, DWS International has a Credit Department which is responsible for assessing and managing counterparty risk for all transactions undertaken on behalf of DWS International's clients. DWS International 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 DWS International'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 policies 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, the effort to attain best execution may also tend to increase counterparty risk, and DWS International will attempt to balance these factors when selecting a broker-dealer to execute client transactions.

## Commission rates

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

## Investment and Brokerage Discretion

Generally, DWS International is retained on a discretionary basis for client accounts and DWS International 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 DWS International on a non-discretionary basis, explicitly requiring that portfolio transactions be discussed in advance.

DWS International 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 DWS International 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.

DWS International 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 U.S. 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 DWS International for a copy of the affiliate's Form ADV for additional information.

### Allocation of Investments

DWS Group has policies and procedures, which DWS International has adopted, reasonably designed to ensure that all clients are treated fairly and equitably. Under these procedures DWS International will allocate securities purchased or sold among clients' accounts in a manner that DWS International determines appropriate. DWS International has a fiduciary duty to ensure that trades are allocated fairly and equitably among clients over time. DWS International may make allocations based upon a number of factors that may include, but not limited to, investment objectives and guidelines, risk tolerance, availability of other investment opportunities and available cash for investment. DWS International will not determine allocations based upon whether the account has performance-based or other incentive fee arrangements; however, allocations among such accounts and asset based fee paying-only accounts could be viewed as a potential conflict of interest. Transactions made among accounts, including those accounts that DWS International may receive a performance based fee or other incentive fee, are subject to the overall standard of DWS International seeking to achieve best execution.

### New Issue Allocation

DWS International 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 DWS International represent an investment opportunity that DWS International strives to make available to all eligible clients. However, due to the limited availability of new issues, DWS International 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, allocations for IPO's are performed 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 DWS International Compliance. Some strategies may participate in more IPO's due to the nature of the strategy. In addition, if an IPO reaches a pre-determined 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 DWS International Compliance.

### Research Unbundling

With the implementation of the revised EU Markets in Financial Instruments Directive (MiFID II) which went into force on January 3, 2018, all research received by DWS International or by funds managed by DWS International has to be separately priced and unbundled from execution. MiFID II states that asset managers can only receive research services that they pay for and cannot receive research for free.

For legal entities in-scope of MiFID II and domiciled in the EEA, it is DWS Group's policy to pay for all 'Research' received, whether from brokers/investment firms or from independent research providers, out of its own resources as an expense of the company. The requirements also apply to DWS Group entities outside of EEA, who manage portfolios that have been delegated from DWS International, including DWS Investment Management Americas, Inc. (America) and RREEF Americas L.L.C. (America).

When U.S. based brokers execute transactions for DWS International these are executed at an unbundled execution-only rate.



## Electronic Trading Platforms

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

## Trading- and Broker Restrictions

Clients may limit DWS International's authority by prohibiting or by limiting the purchasing of certain securities or industry groups. In addition, a client may further limit DWS International'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 DWS International 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 Brokerage"), because the client has placed limitations on the selection of broker-dealers to execute Directed/Restricted Brokerage, DWS International may be unable to obtain "best execution" for such trades. Similarly, where a client directs DWS International to use a particular counterparty for swaps, OTC options, etc., DWS International may be unable to obtain best execution for such trades. Furthermore, Directed/Restricted Brokerage 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 DWS International clients. As a result, such clients may have to pay higher commissions or receive less favourable net prices than would be the case if the clients had participated in the aggregated trading order. DWS International 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 DWS International remains subject to, DWS International may aggregate those directed trades along with trades executed for other client accounts through the broker-dealer DWS International 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, DWS International understands that it is the client's responsibility to ensure that: (i) all services provided by the Designated Brokers (a) will be provided 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 acting for the account may have to obtain the most favourable price and execution for the account and its beneficiaries; and (iv) persons acting 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

DWS International may affect agency cross transactions for advisory accounts in which a DWS International 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 DWS International affiliated broker. DWS International may have a potentially conflicting division of loyalties and responsibilities to both parties in an agency cross transaction.

DWS International 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 17e-1 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 DWS International. Cross transactions between managed accounts, however, may result in the incurrence by such accounts of custodial fees, taxes or other related expenses.

DWS International will only consider engaging in cross transactions 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

A trading error is defined as an error in the placement, execution, or settlement of a client's trade. Trade errors include improper trades resulting from incorrect information being given to, and fully accepted by, the executing broker; trades that are inconsistent with a client's or fund client's investment guidelines, DWS Group Policy or Procedure, applicable laws and regulations, and operational errors that cause trading or guideline breaches. A trading error does not include, for example, a situation where DWS International invests in a particular investment that does not perform as expected. Operational mistakes which can be promptly reversed so as not to affect the client account also are not considered operational errors. In accordance with its policy, any error that affects a DWS International client account must be resolved promptly and fairly, and in accordance with legal/regulatory restrictions and guidelines. All errors caused by DWS International which result in a loss to a client account must be reimbursed regardless of the amount. With respect to certain errors, DWS International may determine the amount of such reimbursement by offsetting losses against gains resulting from such errors to the extent permitted by DWS Group's policies and procedures and applicable law. All errors are reported on a regular basis to DWS International management and/or DWS International 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 DWS Group cannot guarantee the creditworthiness of brokers and counterparties, DWS has a Credit Department which is responsible for assessing and managing counterparty risk for all transactions undertaken on behalf of DWS International's clients. DWS Group 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 DWS Group'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 policies 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, the effort to attain best execution may also tend to increase counterparty risk, and DWS Group will attempt to balance these factors when selecting a broker-dealer to execute client transactions.

### Order Aggregation

DWS International 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 DWS International will close out the remainder of the aggregated order and place a new order.

Certain orders (e.g., small orders for exchanged traded equity securities) may be auto-routed to an electronic trading network for execution and as such may not be aggregated with other orders. There may be instances in which other DWS International client orders for the same security are being placed through a broker and, in those instances, the auto-routed and the direct orders may theoretically compete against each other in the market. Prices and availability of a security may differ depending on whether an order was auto-routed or aggregated, and this may result in certain client accounts receiving more or less favourable prices than the other client accounts in contemporaneous trades.

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

Certain affiliated advisers of DWS International may utilize the DWS Group trading desk to facilitate the routing and execution of their client orders. In such cases, the DWS Group trading desk will execute these client orders along with DWS International client orders in the manner described above so as to treat all client accounts in a fair and equitable manner.

Research generated internally by DWS International's shared research analysts are generally made available throughout DWS International through its proprietary research sharing system prior to dissemination to any particular portfolio management team. Research analysts' specific to particular portfolio management teams, however, may make their research available to their particular teams prior to disseminating the research through DWS International's proprietary research sharing system and those teams may have the opportunity to act upon that research prior to the rest of DWS Group.

## Item 13 – Review of Accounts

**Daily:** Every morning portfolio managers receive the updated database on their screens reflecting the latest transactions. In view of the current situation of respective markets, continued fine tuning of positions according to the agreed strategy is required. In addition, a daily review of markets through a set of quantitative instrument-based screening is done.

**Weekly:** Portfolio Construction Meeting: review of portfolio changes effected since previous meeting, review of economies, industries and markets, adjustment of strategy if necessary; review of cash position; detailed review of portfolios and performance; discussion of approved list, additions and deletions.

**Bi-Weekly:** Tactical CIO View Meetings: review of economies, industries, markets; review of current strategy, discussion of changes with respect to weightings of countries and currencies: defining tactical allocation (over- and underweights) for the asset classes.

On a monthly basis, clients receive a financial statement which sets forth both the historical cost and current market value of the portfolio, as well as a complete listing of all portfolio transactions. On a quarterly basis, clients receive a written analysis and review of the portfolio and an investment-strategy summary.

## Item 14 – Client Referrals and Other Compensation

DWS International may compensate affiliates or non-affiliates for client referrals in accordance with Rule 206(4)-3 under the Investment Advisers Act. The compensation paid to any such entity will typically consist of a payment stated as a percentage of the advisory fee. Employees of DWS International and/or its affiliates and/or third parties who refer or help solicit investment advisory clients may also be compensated based on a percentage of the investment advisory fee charged to that client. When required under the law, the policies and procedures require regulatory disclosure of the compensation arrangement between DWS International and the referring party.

DWS International may be referred advisory clients by unaffiliated consultants that are retained by existing or prospective clients. These consultants may advise existing or prospective clients whether to engage or retain the services of DWS International as investment adviser. Additionally, while payments are not made in connection with any advisory client referral such as these, DWS International may make payments to investment consultants in order to attend industry-wide conferences sponsored by these consultants.

## Item 15 – Custody

### Custodian Statements

Under Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), DWS International has custody of the assets contained in the portfolios of certain private fund clients, because DWS International or an affiliate serves as the general partner of, or in a similar capacity for, such funds. Accordingly, DWS International is subject to the relevant provisions of the Custody Rule. Investors in such funds do not receive account statements from the custodian; rather, the pertinent funds are subject to an annual audit and the audited financial statements are distributed to each fund investor within the required time period

## Item 16 – Investment Discretion

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

DWS International 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. These policies and guidelines, which may include imposed restriction on investing in certain securities or types of securities assist DWS International 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, DWS International 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

We at DWS International act as a responsible investor and take our fiduciary duties very seriously. We are obliged to exercise our client's voting rights in their best interest. This is achieved by our dedicated uniform and transparent Proxy Voting Process and centers around our detailed Corporate Governance expertise developed over the last 20+ years. Our understanding is outlined in our proprietary Corporate Governance and Proxy Voting Policy, which is annually reviewed. The primary responsibility for the conduct of governance related company dialogues and the application of our Corporate Governance and Proxy Voting Policy lies with the Corporate Governance Centre in the Chief Investment Office. All relevant items on the agenda of shareholder meetings are examined individually. We endeavour to vote across all markets where feasible and if the available voting infrastructure of each market permits so. Reflecting our fiduciary duty to our client investors, the exercise of our voting rights is made fully independent from any views or interests of our principal shareholder Deutsche Bank AG. For agenda items not covered in the Corporate Governance and Proxy Voting Policy, voting decisions of particular significance for a company (e.g., substantial transactions like mergers and acquisitions) and cases where the responsible portfolio manager or analyst proposes a vote recommendation different from our standard Policy, our Proxy Voting Group is the ultimate decision-making body where deviations from the policy are discussed and decided. This group is composed of senior managers from all relevant areas to ensure an effective, timely, and consistent voting process. If we hold a significant position and decide to vote against a management proposal, we may inform the company in advance. The Proxy Voting Group provides recommendations to the board members of DWS International, who then have the final discretion to vote proxy on behalf the company. The voting will be done in person or entrust a proxy voting agent with a clear mandate. The vote will be published in the appropriate form after the shareholders' meeting, in the case of mandate an individual reporting can be provided.

### Environmental, Social and Governance Issues

DWS International portfolio management may incorporate environmental, social and governance issues ("ESG") considerations into both investment decisions and proxy voting decisions (also see the attached Proxy Voting Policy and Guidelines) and may consider reputational impact to DWS International, DWS International's parents or affiliates, or DWS International's clients in the operation of its business.). DWS International may further consider how prospective clients might view these issues in making investment decisions.

Determinations regarding socially responsible investing are complex and will be made on a case-by-case basis, in accordance with investment mandates. The application of socially responsible investment considerations may differ greatly based on the region, and preferences of a particular client or account and business line (i.e., Retail, Institutional or Insurance). The relevant chief investment officers and/or business heads of DWS International may implement such controls regarding socially responsible investment as they may be deemed appropriate, and portfolio management will be responsible for the ultimate investment decision, with such approval as necessary. The application of socially responsible investment considerations may in some cases result in a lower return than clients might have received if such factors had not been considered.

In addition, DWS International may be required to comply with controls regarding socially responsible investment implemented by affiliates of DWS International representing other businesses within DWS Group with respect to certain prospective investments.

## Item 18 – Financial Information

This section is not applicable.

# Additional Disclosures

## Business Continuity

DWS International is committed to protecting its staff and ensuring the continuity of critical DWS International 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 DWS International's policy that every unit of DWS International 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.

## Class Action and Legal Proceedings

DWS International does not act on behalf of client separate 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 DWS International receives documentation relating to such a legal proceeding DWS International will forward the documentation to the client and/or its trustee/custodian of record.

## Know Your Customer ("KYC") and Customer Identification Program ("CIP") Policy

To help the government fight the funding of terrorism and money laundering activities, U.S. laws require all financial institutions to obtain, verify, and record information that identifies each person and verifies the identity of each person who opens an account. KYC duties also mandate the on-going monitoring of relevant customer information.

Deutsche Bank Group has established an Anti-Money Laundering Policy – DB Group and Know Your Client Policy, which includes DWS International.

KYC and CIP Policies are significant components of the Policy. DWS International is required to:

- Obtain at a minimum certain information such as an individual's name, address, date of birth and social security number and a driver's license, passport or other identity verification document. For Legal entities, it would include their formation documents and tax identification number. Information about the beneficial owners of legal entities may also be obtained
- Based upon its assessment of the level of risk, DWS International is allowed to collect as much information as it deems appropriate as well as request the source of funds and purpose of the investment
- KYC includes screening new and existing customers against Office of Foreign Assets Control ("OFAC") Embargo and Sanctions lists as well as the lists of persons and/or legal entities compiled by the U.S. Department of Treasury pursuant to the USA PATRIOT Act and other lists such as the European Union Embargo and Sanctions list and the UN Embargo and Sanctions list
- KYC includes identifying customers unlawfully engaged in the Internet gambling business under Regulation GG, the Unlawful Internet Gambling Enforcement Act of 2006.
- KYC requires periodic review and update of a customer's KYC information and screening against appropriate lists
- A customer's refusal to provide KYC information can result in a decision to decline entering into a new client relationship or a decision to exit an existing customer relationship



## Privacy Notice

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

DWS International will only share information about clients with those persons who will be working with it and its affiliates to provide products and services to clients and to manage DWS International's relationship. DWS International maintains physical, electronic, and procedural safeguards to protect our client's personal information.

DWS Group does not sell customer lists or individual client information. DWS Group considers privacy fundamental to its client relationships and adheres to the policies and practices described below to protect current and former clients' information. Internal policies are in place to protect confidentiality while also allowing client needs to be served. Only individuals who have a business need to know in carrying out their job responsibilities may access client information. DWS International maintains physical, electronic, and procedural safeguards that comply with federal and state standards to protect confidentiality. These safeguards extend to all forms of interaction with DWS Group, including the Internet.

In the normal course of business, clients give DWS Group non-public personal information on applications and other forms, on DWS Group websites, and through transactions with DWS Group or affiliates. Examples of the non-public personal information collected are: name, address, Social Security Number, and transaction and balance information. To be able to service client accounts, certain client information is shared with affiliated and non-affiliated third party service providers such as transfer agents, custodians, and broker-dealers to assist DWS Group in processing transactions and servicing client accounts with DWS Group. In addition, DWS Group may disclose all of the information it collects to companies that perform marketing services on its behalf or to other financial institutions with which DWS Group has joint marketing agreements. The organizations described above that receive client information may only use it for the purpose designated by the companies listed in the first paragraph of this Privacy Statement.

DWS Group may also disclose non-public personal information about clients to other parties as required or permitted by law. For example, DWS Group is required or it 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 at any time it believes it is necessary to protect the Firm.

Governmental rules have broadened the scope of DWS Group'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, DWS International 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 DWS International of the change(s) and provide DWS International with relevant documentation to verify these changes.



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