

RESPONSIBLE INVESTING SUSTAINABILITY POLICY OF DJE



WERBEMITTEL

INVESTING RESPONSIBLY

The principles of responsible investing established by the UN are of great importance to DJE.

RESPONSIBLE INVESTING

The world will only get a grip on its problems – such as climate change – if everyone pulls together. However, the current political commitments are not yet sufficient to limit the increase of global warming to a maximum of 2°C. As investors we can do our part and only invest in companies that pay sufficient attention to environmental, social and governance (ESG) issues. After all, in the long run, the cost of capital and share prices are good arguments for companies.

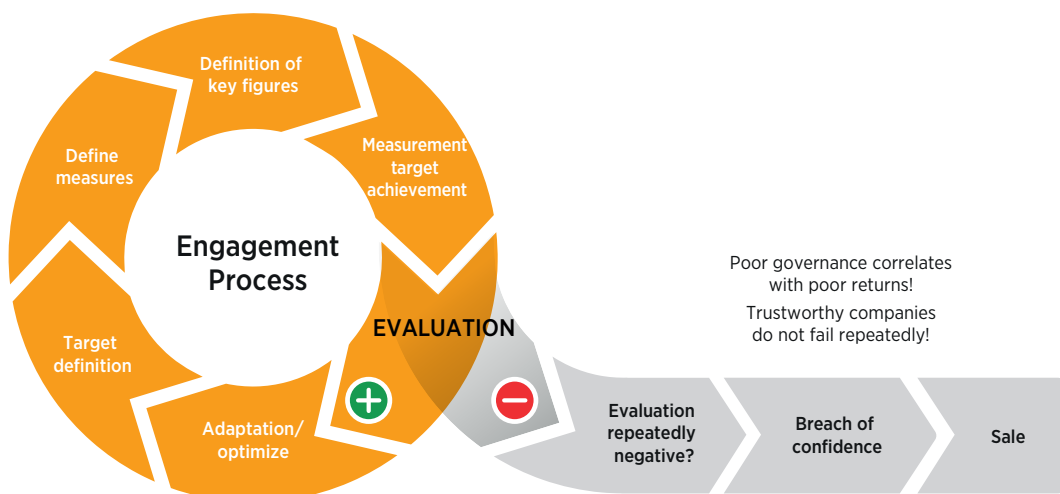
DJE TAKES RESPONSIBILITY

DJE is one of the signatories of the United Nations Principles for Responsible Investment (UNPRI). Since 2018 the entire range of funds as well as the asset management have been directed towards compliance with sustainability criteria such as environmental protection and respect for human rights as well as labor standards – we have firmly anchored these criteria in the investment process and follow them out of conviction.

COOPERATION WITH MSCI ESG RESEARCH

To ensure systematic compliance with sustainability criteria we cooperate with MSCI ESG Research, the leading international provider of environmental, social and corporate governance analysis and ratings. The entire stock universe is screened using MSCI ESG filters, including CO₂ emissions relative to sales, land and raw material consumption, water quality, biodiversity or corruption. This allows us to exclude companies that violate the UN Global Compact – a worldwide pact concluded between companies and the United Nations to make globalization more social and environmental responsible (see below). This reduces company-specific investment risk by avoiding risks triggered by violations of human and labor rights or environmental pollution.

DJE IS ENGAGED

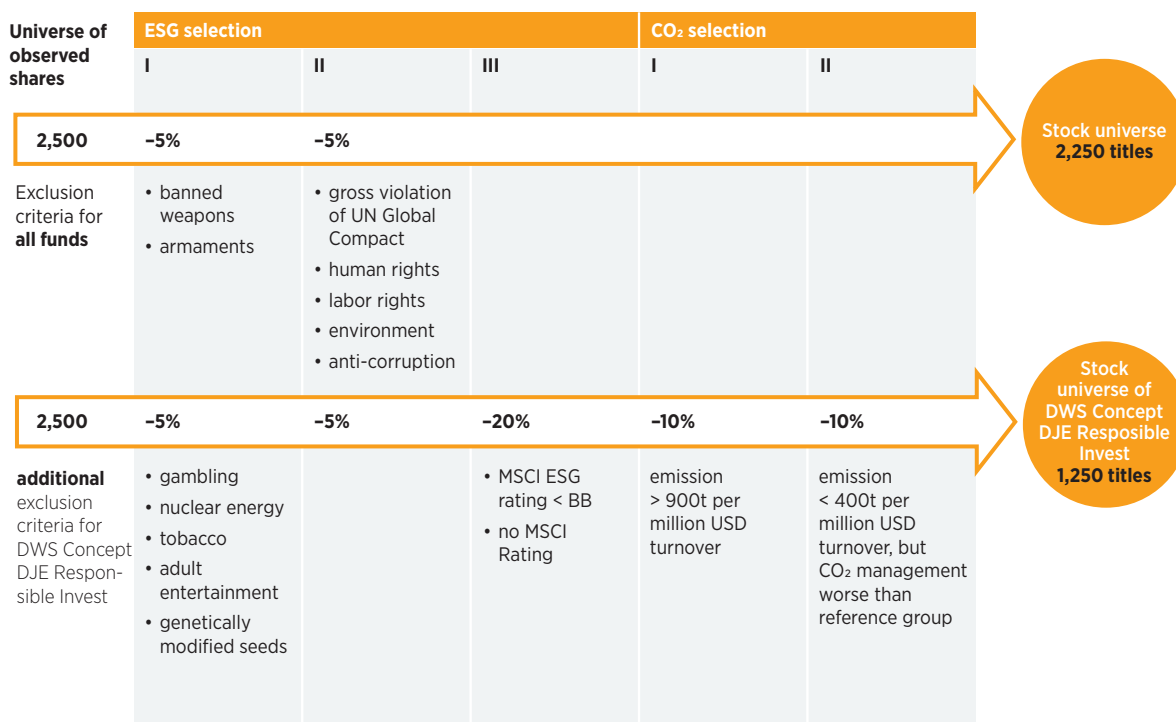


As part of their qualitative analysis fund managers and research experts have around 800 meetings per year with the management of companies and actively address the subject of ESG. Negatively rated stocks are sold.

EFFECTIVE FILTER

All DJE funds follow the sustainability criteria of the UN Global Compact and exclude armaments. The DWS Concept DJE Responsible Invest goes even further.

ESG und CO₂ filters precede the DJE investment process



DWS CONCEPT DJE RESPONSIBLE INVEST

The DWS Concept DJE Responsible Invest is a mixed fund with a focus on equities (min. 25%) and bonds with a decided environmental aspect from responsibly operating companies ("green bonds"). Companies are considered responsible if they have a positive impact on the society through products, processes or special commitment. In addition, the fund may only invest in companies whose CO₂ emissions are within very strict limits. This CO₂ filter is considered one of the strictest in the field of responsibly investing funds and manifests itself at the fund level in a very low carbon footprint. Green bonds are bonds whose returns go to pre-defined green projects – these may include reforestation projects, the establishment of recycling loops or the improvement of the treatment of drinking water.

Opportunities

- + Benefit from the long-term investment trend of responsible investing (social interest and the increase of regulatory requirements)
- + Continuous adjustment of the portfolio in accordance with expected market conditions for strategic risk diversification
- + Participation in the growth opportunities of the equity and bond markets; no commitment to one region or country
- + Experienced fund manager with an approach based on fundamental, monetary and market analysis (FMM), completed by filters from MSCI ESG Research

Risks

- Responsible companies do not necessarily outperform the market as a whole
- Equities carry the risk of sharper price declines
- Price risks of bonds in the event of rising interest rates
- Currency risks due to foreign share in the portfolio
- Country, creditworthiness and liquidity risks of issuers

EXPERIENCE-BASED RESPONSIBLE INVESTMENTS

FUND MANAGEMENT: RICHARD SCHMIDT



Richard Schmidt has been Head of Absolute Return in Fund Management & Trading division of DJE Kapital AG since March 2019. He is responsible for the strategic management and holistic support of absolute return mandates. In addition, he manages the DWS Concept DJE Responsible Invest as co-fund manager – together with Dr. Jens Ehrhardt. Richard Schmidt has many years of experience in the management of multi-asset funds. He also has been managing funds with responsible investment guidelines since 2014. Before joining DJE he was a portfolio manager at MEAG Munich Ergo Asset Management and at Lazard Asset Management.

RESEARCH & DATA BASE ANALYSIS: KILIAN STEMBERGER



Kilian Stemberger has been working in the Research & Portfolio Management division of DJE Kapital AG since October 2013. His focus is on data analysis with a priority on data validation and sustainability criteria. In addition, he develops quantitative portfolio approaches. Stemberger studied business administration with focusing on controlling, graduating with a Bachelor of Arts in September 2014. He completed his studies in General Management with focusing on Financial Management with a Master of Arts in August 2018.

The 10 principles of the UN Global Compact

Companies should ...

Human rights	1	Support and respect the protection of internationally proclaimed human rights.
	2	Ensure that they are not complicit in human rights abuses.
Labor conditions	3	Uphold the freedom of association and the effective recognition of the right to collective bargaining.
	4	Promote the elimination of all forms of forced labor.
	5	Support the abolition of child labor.
	6	Support the elimination of discrimination in respect of employment and occupation.
Environment	7	Support a precautionary approach to environmental challenges.
	8	Taking initiatives to promote greater environmental awareness.
	9	Encourage the development and diffusion of environmentally friendly technologies.
Anti-corruption	10	Work against corruption in all its forms, including extortion and bribery.

THIS IS “SUSTAINABILITY” **FOR US**



Dr. Jan and Dr. Jens Ehrhardt

“A development is sustainable if it meets the needs of the present generation without compromising the ability of future generations to meet their own needs and choose their own lifestyles.”

Source: World Commission on Environment and Development Brundtland report, 1987.

Independent capital market experts since 1974

DJE Kapital AG has been active in the capital market as an independent asset manager for over 45 years. The company from Pullach near Munich currently manages around 14.4 billion euros (as of 31 December 2020) in the areas of individual asset management, institutional asset management and mutual funds with approximately 150 employees (including around 25 fund managers and analysts). The Chairman of the Executive Board is Dr. Jens Ehrhardt, his deputy is Dr. Jan Ehrhardt. The core of the investment process and all investment decisions is the FMM method (fundamental, monetary, market), which is based on in-house, independent research. DJE follows sustainability criteria when selecting securities and is a signatory to the United Nations' "Principles for Responsible Investment". DJE Kapital AG's claim is to offer its clients foresighted capital market expertise in all market phases.

DJE Kapital AG

Pullacher Straße 24
82049 Pullach bei München
Germany

T +49 89 790453-0
F +49 89 790453-185
E info@dje.de

Signatory of:



LEGAL NOTES

All figures are subject to the auditor's review on the reporting dates. All published information does not constitute investment advice or any other recommendation, but merely provides a brief summary of key features of the fund. The sole basis for the purchase of securities is only the current sales documents (Key Investor Information Document (KID), sales prospectus, annual report and – if older than eight months – the semi-annual report) for the respective investment funds. The sales documents for the DWS Concept DJE Responsible Invest are available free of charge from DWS Investment GmbH, Mainzer Landstrasse 11-17, 60329 Frankfurt, from DWS Investment S.A., 2, Boulevard Konrad Adenauer, L-1115 Luxembourg, and from DJE Kapital AG, as well as electronically at www.dws.de and at www.dje.de. All information and assessments are indicative and may change at any time. These statements are based on our assessment of the current legal and tax situation. The information has been compiled with care. However, no guarantee can be given for the correctness of the information. Subject to change without notice. Performance calculated according to the BVI method, i.e. without taking the front-end load into account. Individual costs such as fees, commissions and other charges are not taken into account in the presentation and would have a negative impact on the performance if they were taken into account. Any front-end load incurred reduces the capital invested and the performance shown. Information on past performance is not a reliable indicator of future performance. Tax treatment depends on the investor's personal circumstances and may be subject to change. More detailed tax information is contained in the sales prospectus. When brokering fund units, the Dr. Jens Ehrhardt Group and its sales partners may receive reimbursements from costs charged to the funds by the capital management companies / investment companies in accordance with the respective sales prospectuses. The issued units of this fund may only be offered for sale or sold in those jurisdictions in which such an offer or sale is permitted. Thus, the units of this fund may not be offered for sale or sold within the USA or to or for the account of US taxable persons or US persons resident in the USA. This document and the information contained herein may not be distributed in the US. The distribution and publication of this document and the offer or sale of the units may also be subject to restrictions in other jurisdictions.

The management company of DWS Concept DJE Responsible Invest is DWS Investment S.A., the sales agents are DWS Investment GmbH and DJE Kapital AG.