Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: DWS Smart Industrial Technologies

Legal entity identifier: 549300R0IXYBVC6I8M78

ISIN: DE0005152482

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	**X No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** __%	**X** It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 5% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	**X** with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	X with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	☐ It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

Through this fund, the Company promotes environmental and social characteristics in the areas of climate protection, social norms, governance and Sovereigns Assessment, by applying an exclusion strategy taking into account the following exclusion criteria:

(1) Climate and transition risks;
(2) Norm issues with respect to compliance with international norms for governance, human rights, labor rights, customer safety, environmental safety and business ethics;
(3) Sovereign issuers with regard to political and civil liberties;
(4) Controversial sectors and controversial activities;
(5) Controversial weapons.
The above-mentioned exclusion criteria are described in more detail in the section entitled “What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?”.

Through this fund, the Company also promotes a minimum proportion of sustainable investments that make a positive contribution to one or more United Nations Sustainable Development Goals (UN SDGs).

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

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

A proprietary ESG database is used to measure the attainment of the promoted environmental and social characteristics. The following sustainability indicators are used:

• **The Climate and Transition Risk Assessment** serves as an indicator for the extent to which an issuer is exposed to climate and transition risks.
• **The Norm Assessment** serves as an indicator for the extent to which there are norm issues in connection with an issuer.
• **The Sovereigns Assessment** serves as an indicator for integrated government leadership for states while taking into account, among other things, political and civil liberties.
• **The Exclusion Assessment for controversial sectors** serves as an indicator for determining the extent of an issuer’s involvement in controversial sectors and controversial activities.
• **The Exclusion Assessment for the controversial weapons sector** serves as an indicator for determining the extent of an issuer’s involvement in controversial weapons.
• Measurement of the proportion of **sustainable investments**.

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

For the fund the Company shall invest a portion of the assets in sustainable investments as defined in article 2 (17) of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (“Disclosure Regulation”). These sustainable investments will contribute to at least one of the United Nations Sustainable Development Goals (UN SDGs) which have environmental and/or social objectives such as the following (non-exhaustive) list:

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

The Company uses data from multiple data providers, from public sources and internal assessments (based on a defined assessment methodology) to determine whether an economic activity is a sustainable investment as defined in article 2 (17) of the Disclosure Regulation. Economic activities that make a positive contribution to the UN SDGs are assessed based on turnover, capital expenditure (CapEx) and/or operational expenditure (OpEx).
Where a contribution is determined to be positive, the economic activity is deemed sustainable if the Does Not Significantly Harm (DNSH) and minimum safeguards assessments for the enterprise are positive.

The DNSH assessment evaluates whether an economic activity that contributes to a UN SDG significantly harms one or several other environmental or social objectives. Where significant harm is determined, the economic activity does not pass the DNSH assessment and an investment can therefore not be deemed sustainable.

The safeguard assessment examines the extent to which an enterprise meets international standards. This entails tests of compliance with international standards such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles of the United Nations Global Compact and the standards of the International Labour Organisation. Enterprises that have been found and confirmed to be in serious breach of any of these international standards do not pass the safeguard assessment and their economic activities do not qualify as sustainable.

The extent of the contribution to the individual UN SDGs will vary depending on the actual investments in the fund assets.

With the fund the Company does not currently pursue a minimum proportion of sustainable investments that are consistent with an environmental objective under the EU Taxonomy.

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

The DNSH assessment forms an integral part of determining whether an investment is a sustainable investment as defined in article 2 (17) of the Disclosure Regulation.

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

The DNSH assessment shall integrate all mandatory indicators for the principal adverse impacts from Table 1 and relevant indicators from Tables 2 and 3 in Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Disclosure Regulation. Taking these adverse impacts into account, the Company has set quantitative thresholds and/or defined qualitative values to determine whether an investment significantly harms the environmental or social objectives. These values are defined based on various external and internal factors, such as data availability, policy objectives or market trends, and may be adjusted over time.

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

The safeguard assessment forms an integral part of determining whether an investment is a sustainable investment as defined in article 2 (17) of the Disclosure Regulation. When performing the safeguard assessment, the Company determines whether enterprises comply with the OECD Guidelines and the UN Guiding Principles.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

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

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

X Yes, for the fund the Company considers the following principal adverse impacts on sustainability factors from Annex I of the Commission Delegated Regulation (EU) 2022/1288 supplementing the Disclosure Regulation:

• Carbon footprint (no. 2);
• GHG intensity of investee companies (no. 3);
• Exposure to companies active in the fossil fuel sector (no. 4);
• Violation of UN Global Compact principles and OECD Guidelines for Multinational Enterprises (no. 10) and
• Exposure to controversial weapons (antipersonnel mines, cluster munitions and chemical and biological weapons) (no. 14)

The principal adverse impacts listed above are considered through the exclusion strategy of the fund.

For sustainable investments, the principal adverse impacts are also considered in the DNSH assessment.

Further information on the principal adverse impacts will be disclosed in an annex to the annual report of the fund.

No

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

What investment strategy does this financial product follow?

This fund follows an equity strategy as the principal investment strategy. At least two-thirds of the fund’s assets must be invested in equities of domestic and foreign issuers that are active in the provision of pioneering infrastructure or the manufacture of future-oriented industrial goods and generate at least 20% of their revenues in these sectors. Up to one-third of the UCITS fund’s assets may be invested in money market instruments.
Please refer to the special section of the Sales Prospectus for further details of the principal investment strategy.
The net assets shall be primarily invested in assets that fulfill the defined standards for the promoted environmental or social characteristics, as set out in the following sections. The strategy of the fund in relation to the promoted environmental or social characteristics is an integral part of the ESG assessment methodology and is continuously monitored through the investment guidelines of the fund.

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

ESG assessment methodology
At least 51% of the assets of the UCITS fund must be invested in assets that meet the defined ESG standards in relation to environmental, social and governance criteria.

In order to determine whether and to what extent assets meet the defined ESG standards, a proprietary ESG database assesses assets according to ESG criteria independently of economic prospects.

The ESG database processes data from multiple ESG data providers and public sources and considers internal assessments based on a defined assessment and classification methodology. The ESG database is therefore based on the one hand on data and figures and, on the other hand, on assessments that take into account factors beyond the processed data and figures, such as future expected ESG developments, plausibility of the data with regard to past or future events, an issuer's willingness to engage in dialogue on ESG matters and corporate decisions of the issuer.

The assets receive one of six possible scores in the individual assessment categories, with "A" being the highest score and "F" being the lowest score.

The ESG database uses a variety of assessment categories to assess whether assets meet ESG standards, including:

• **Climate and Transition Risk Assessment**

The ESG database evaluates the behavior of issuers in relation to climate change and environmental changes, e.g., with respect to greenhouse gas reduction and water conservation. Issuers that contribute less to climate change and other negative environmental changes or that are less exposed to such risks receive a better score.

• Norm Assessment

The ESG database evaluates the behavior of issuers, for example, within the framework of the principles of the United Nations Global Compact and the standards of the International Labour Organization, and behavior within generally accepted international standards and principles. The Norm Assessment examines, for example, human rights violations, violations of workers' rights, child or forced labor, adverse environmental impacts and business ethics.

• **Sovereigns Assessment**

The ESG database assesses integrated government leadership for states while taking into account, among other things, the assessment of political and civil liberties.

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

When assessing issuers, the ESG database takes into consideration the share of total revenues that the issuers generate in the relevant business areas and business activities. The lower the percentage of revenues from the relevant business areas and business activities, the better the score.

• **Exclusion Assessment for the controversial weapons sector** The ESG database assesses a company's involvement in controversial weapons. Controversial weapons include, for example, antipersonnel mines, cluster munitions, depleted uranium weapons, nuclear weapons, and chemical and biological weapons.

Issuers are assessed by their level of exposure, including to the production of controversial weapons and their components.

• **Assessment of investment fund units**
The ESG database assesses investment fund units in accordance with the Climate and Transition Risk Assessment and Norm Assessment.

Green bonds, social bonds or similar bonds whose issuers do not comply with the ESG criteria may be acquired provided these bonds comply with the relevant Bond Principles of the ICMA (International Capital Market Association).

Bank balances are not assessed.

Derivatives are currently not used to attain the environmental and social characteristics promoted by the fund, which is why they are not taken into account in the calculation of the minimum proportion of assets that fulfill these characteristics. However, derivatives on individual issuers may be acquired for the fund if, and only if, the issuers of the underlyings meet ESG standards.

The respective scores for the assets are considered individually. If an asset in an assessment category has a score that is considered to be unsuitable in that assessment category, the asset cannot be acquired even if it has a score in another assessment category that would be suitable.

Assets that have a score of A-E in the Climate and Transition Risk Assessment and the Norm Assessment, a score of A-C in the Exclusion Assessment for controversial sectors of tobacco and civil firearms, a score of A-D in the Exclusion Assessment of the armaments industry as well as a score of A-C in the controversial weapons sector and a score of A-D in the Sovereigns Assessment meet ESG standards.

Assets that receive a letter score of D or E in the Exclusion Assessment for controversial sectors of tobacco and civil firearms are excluded as an investment. Assets that receive a letter score of E in the Exclusion Assessment for controversial sectors of the armaments industry are excluded as an investment.

Assets that receive a score of D or E in the Exclusion Assessment for the controversial weapons sector are excluded as an investment.

Assets that receive a letter score of E in the Sovereigns Assessment are excluded as an investment.

Assets that receive a letter score of F in an assessment category are excluded as an investment.

Up to 49% of the UCITS fund’s assets may be invested in assets that do not meet the ESG standards or are not assessed.

In addition, the Company shall determine whether an economic activity is a sustainable investment as defined in article 2 (17) of the Disclosure Regulation.
At least 5% of the fund’s assets shall be invested in sustainable investments as defined in article 2 (17) of the Disclosure Regulation that contribute to achieving an environmental or social objective, whereby the sustainable investments meet the aforementioned ESG standards.

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

The investment strategy does not provide for a mandatory minimum reduction.

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

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

Good governance is assessed with the Norm Assessment.

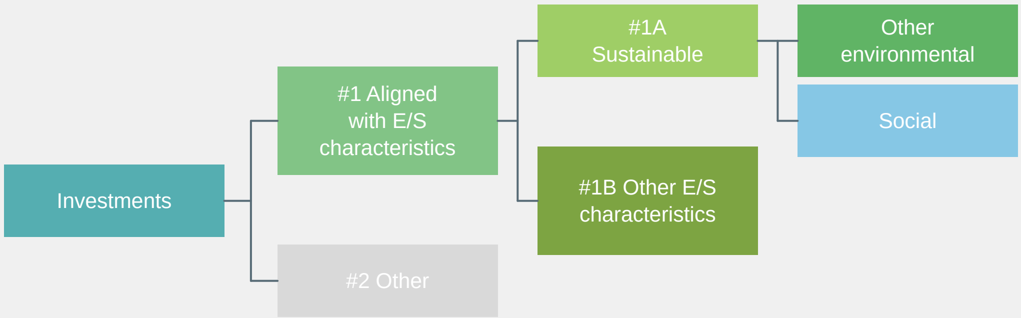
What is the asset allocation planned for this financial product?

This fund invests at least 51% in assets that meet ESG standards (#1 Focused on environmental or social characteristics). At least 5% shall be invested in sustainable investments (#1A Sustainable investments).

Up to 49% of the assets of the fund do not meet ESG standards (#2 Other investments).

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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

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

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

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

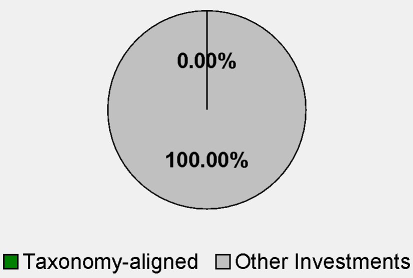
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

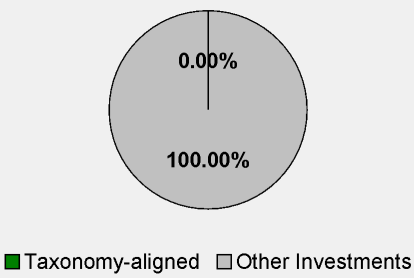
Due to a lack of reliable data, there is no minimum proportion for sustainable investments with an environmental objective that are consistent with the EU Taxonomy. For this reason, the current share of environmentally sustainable investments in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) is 0% of the fund's assets. It may, however, be the case that some sustainable investments are nevertheless compliant with the environmental objective of the Taxonomy Regulation.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments **including sovereign bonds***



2. Taxonomy-alignment of investments **excluding sovereign bonds***



**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

There is no minimum proportion of investments in transitional and enabling activities.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

There is no separate minimum proportion for sustainable investments with an environmental objective that are not consistent with the EU Taxonomy. It is not possible to make a separation when assessing whether sustainable investments are environmental or social investments. The total share of sustainable investments is at least 5% of the assets of the fund.

What is the minimum share of socially sustainable investments?

The Company has defined a minimum percentage for environmentally or socially sustainable investments in accordance with article 2 (17) of the Disclosure Regulation. As a separation in the assessment of sustainable investments is not possible, the total share of environmentally and socially sustainable investments shall therefore amount to at least 5% of the fund's assets.

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

All assets that do not meet ESG standards come under #2 Other investments. These may include all assets provided for in the investment policy, including bank balances and derivatives.

"Other investments" may be used to optimize the investment performance, as well as for diversification, liquidity and hedging purposes.

There are no environmental or social minimum safeguards for the "Other investments".

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

An index has not been defined as a benchmark.

Where can I find more product specific information online?

More product-specific information can be found on the website:
https://www.dws.de/aktienfonds/DE0005152482/ as well as on your local country website www.dws.com/fundinformation.