



DWS Corporate Governance and Proxy Voting Policy 2024

DWS Investment GmbH

DWS Investment S.A. including SICAVs and PLCs

DWS International GmbH



This document gives a general overview of circumstances that we consider important when evaluating voting proposals. The application of the below guidelines may vary depending on the investee company's specific situation and the applicable geographic region.

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1 / Introduction

This document gives a general overview of facts and circumstances that we consider important when evaluating voting proposals when voting at shareholder meetings. Additionally, we have included our corporate governance understanding through our principles and core values that has been refined over the years and forms the basis for this policy.

2 / Scope and Applicability

This policy applies to voting rights that DWS Investment GmbH may exercise as a management company by law or where the exercise has been delegated to DWS Investment GmbH by clients. In addition, DWS Investment S.A. has delegated the voting rights of equity securities held in collective investment vehicles for which it acts as the management company to DWS Investment GmbH. Likewise, where institutional clients have delegated voting rights to DWS International GmbH, DWS International GmbH has sub-delegated these voting rights to DWS Investment GmbH.

In case this policy uses the words "DWS", "us", "we" and "our", this expresses likewise the perspective of DWS Investment GmbH.

Reflecting our fiduciary duty to our clients, the exercise of our voting rights is made fully independent from any views or interests of our principal shareholder Deutsche Bank AG and other DWS Group legal entities.

3 / Our Principles

It is our belief that robust corporate governance at every investee company serves as the foundation for long-term success by effectively managing strategy, financial performance, risk, capital structure and relevant environmental and social issues. This belief applies universally to all investee companies irrespective of the investment vehicle's type or strategy but may vary depending on the investee company's specific situation and the applicable geographic region. Therefore, DWS emphasises the importance of good corporate governance and our understanding has been developed over several years of activity and continuously evolves in the German as well as international markets. Additionally, our approach to corporate governance is based on relevant national and international legal frameworks and best practice codes, such as the German Corporate Governance Code, UK Corporate Governance Code, International Corporate Governance Network (ICGN) and the G20/OECD Principles of Corporate Governance as well. DWS actively participates in relevant global investor working groups, and regularly provides, where feasible our input on German and international consultations on regulation.

4 / Proxy Voting Framework

We have established a framework that implements our principles when we exercise voting rights. This document aims to give a general overview of circumstances that DWS considers important when evaluating voting proposals. DWS will generally apply this Corporate Governance and Proxy Voting Policy to our investee companies globally, but the application may vary depending on the investee company's specific situation and the applicable geographic region.

Use of Third Party Proxy Advisors

In general, DWS utilises the services of two service providers: Institutional Shareholder Services Europe Limited (ISS) and IVOX Glass Lewis GmbH. Both service providers analyse general meetings and the respective agendas based on our voting policy and provide us with voting recommendations and their rationales. IVOX Glass Lewis provides us with recommendations for the general meetings of German-listed companies only, while ISS covers international general meetings and also provides us with a sophisticated online platform to support our proxy voting process.

DWS Proxy Voting Universe and Process

Proxy voting is performed for companies that are part of the DWS Proxy Voting Core List (core list). The core list is prepared through a process to determine the voting scope before the proxy voting season every year and involves quantitative and qualitative screening of the equity positions for which DWS exercises voting rights. Criteria considered for screening investee companies include but are not limited to (a) size of investment; (b) percentage of position and (c) relevant Environmental, Social and Governance (ESG) grades and governance scores. Please note that the core list does not include all DWS equity positions.

All meeting agenda recommendations provided by third party proxy advisors based on this policy are reviewed individually and, where necessary, issues are decided on a case-by-case basis. DWS endeavours to vote across all markets where feasible and voting infrastructure permits. Our proxy voting activities do not differentiate between active and passive holdings. The voting process is overseen by DWS following a four-eye principle approach.

Divergence from Our DWS Corporate Governance and Proxy Voting Policy

A deviation from policy is reviewed on a case-by-case basis by the Proxy Voting Group ("PVG").

DWS as Proxy Advisor

Where DWS acts as proxy advisor for our clients, DWS will apply the proxy voting guidelines set forth in this policy for the proxy voting activities. In those cases, DWS submits voting recommendations based on the custom research received by third party proxy advisors to the owner of the voting rights to review and make a determination as they have the final say upon how to vote.

DWS as Proxy Voting Agent

Upon special client's request, due to their local legal or regulatory requirements, DWS may agree to act as Proxy Voting Agent for a particular portfolio. DWS will in such case draft and implement additional and separate proxy voting guidelines, which may deviate from the proxy voting guidelines laid out in this document. These separate proxy voting guidelines will only apply for the particular portfolio in scope.

Potential Conflicts of Interest

As a global asset manager and financial services provider, conflicts of interest are inherent to DWS's business. It is essential that DWS is able to identify actual or potential conflicts of interest and manage them fairly and appropriately, including preventing any conflict of interest which could adversely affect the interests of a client.

Whether internal or external, we strive to proactively address and mitigate any potential conflicts of interest. See below for two examples:

Exclusions from the Core List (voting activities): Deutsche Bank AG, DWS Group GmbH & Co KGaA, and any DWS funds.

Voting on DWS funds on an exceptional basis: Securities held by DWS funds will only be voted in exceptional circumstances (for example on grounds of business continuity).

5 / Our Core Governance Values and Expectations

DWS has developed this policy, refining its cornerstones over time to align with the best interest of our clients and investors in good faith and after appropriate review. Our commitment to good governance, informed by years of experience, underscores the importance of these core values for investee companies. When implemented, these values become the bedrock for guiding investee companies towards sustained long-term success:

- adequate board composition with sufficient levels of independence, diversity as well as sound ESG governance/oversight
- transparent, comprehensible, and ambitious executive remuneration
- adequate transparency and independence of auditors
- appropriate treatment of shareholder and stakeholder rights, in compliance with internationally recognised E, S or G standards (e.g., the UN Global Compact Principles and OECD Guidelines for Multinational Corporations)

The following describes our core governance values and summarizes our Proxy Voting Guidelines set forth.

Board Composition

Structure and special responsibilities

DWS acknowledges differing board structures, especially dualistic and monistic boards. However, we consider a clearly separated balance of powers through a distinction of control (supervisory board) and management (executive board) as superior. For monistic board structures this must be reflected in a separation of CEO and chairperson position as well as a majority of independent non-executive directors.

Where one person assumes a combined CEO/chair role, a qualified and strong lead independent director (LID) must ensure the proper work of the board and the communication with investors. The LIDs have to be equipped with certain powers in the by-laws or articles of association to effectively exercise their duties, i.e., convene meetings of the independent directors, set agendas, be a member or permanent guest of key committees.

Furthermore, we acknowledge that there are special roles within the board, i.e., the chairperson and the chairperson of the audit committee. Due to their extended responsibilities, we attribute an additional mandate to the members in question when calculating whether a member of the board might be overboarded.

Board and Committee Independence

DWS expects non-executive directors to be chosen based on their qualifications, experience, and knowledge. Their expertise and independence should enable them to challenge management and provide valuable oversight. As we recognise that increased scrutiny by the boards is needed to fulfill their oversight function and control role, we expect audit committees to be staffed with financial experts.

Regarding independence, we consider a majority of independent members serving on boards and committees, as well as respective independent chairs, especially important for an appropriate board culture, challenging board discussions and objective-driven decision making. In exceptional cases, we accept a less than majority independent board (33% independent board members) when an investee company has a controlling shareholder or according to regional best practice in emerging/developing markets. Nonetheless, we would still encourage a higher proportion of independent directors. Employee and union representatives are excluded from our independence calculation.

Board Diversity

DWS has a holistic understanding of diversity which encompasses age, gender, qualifications, internationalisation, cultural backgrounds, independence, sector experience and tenure. Boards should ensure that these factors reflect the structure and nature of the company in order to make better-informed decisions. We expect our investee companies to adhere to national best practices on gender representation and to integrate gender diversity into its board composition and director refreshment processes. As a minimum standard, we require boards to have at least one female member. For certain developed markets in Europe and North America, we established 30% female board representation as an appropriate expectation. Employee and union representatives are excluded from our Board gender diversity calculation.

Since 2022 we have been taking voting action if boards have no ethnic/racial diversity. Currently, this only covers the US and UK where data is reliable and best practice allows for enhanced diversity expectations, for example the Parker Review recommendations in the UK.

Executive Remuneration

DWS expects that our interests as shareholders are reflected in the incentivisation of executive management. Therefore, we place high scrutiny on the structure, components, and appropriateness of a company's remuneration system.

Transparency: We expect appropriate and comprehensible executive remuneration policies with ambitious, transparent and reasonable key performance criteria, which are aligned to appropriate peer groups. We also seek ex-ante disclosure on qualitative and quantitative key performance indicators and target levels. The remuneration report should provide sufficient transparency which allows investors to assess how the targets align with strategic goals, whether the targets were met and the level of awards that paid out, as well as any other commentary on how performance has been assessed by the remuneration committee. A rigorous remuneration system should align the interests of shareholders and management. To stress the importance of such alignment, we expect the board to regularly (at least every four years) allow the shareholders to vote on the remuneration system as well as in case material changes are proposed.

Long-Term Focus: We believe that extreme focus on short-term horizons within executive incentive plans is not in shareholders' best interest. As long-term investors, we expect an appropriate balance between short- and long-term targets. We deem a remuneration policy inappropriately structured if the annual bonus award is larger than the long-term award, whereby a minimum of three years is regarded as appropriately long-term. In addition, too much overlap of performance metrics across the annual bonus and long-term incentive plan can jeopardise a long-term focus as executives might strive to meet short-term targets which in turn satisfy the respective portion of the long-term incentive plan.

Misalignment with performance and holding the remuneration committee chair accountable: We emphasise alignment of pay with company performance, market conditions and best practice. A remuneration system should ensure the alignment of interests between shareholders and executive management. We regard relevant and adequate bonus-malus mechanisms (including clawbacks) and reasonable deferral periods for executives as key elements of a sustainable, long-term oriented compensation structure. A robust clawback mechanism sets out the scope of and defines the conditions under which parts of the remuneration are to be reclaimed by the board. This should include cash and equity-based elements and should cover not only restatements, compliance breaches or misconduct but also performance-related restatements that may also extend to sustainability aspects.

Inclusion of sustainability-related metrics: We expect investee companies to integrate material sustainability factors into their strategy and ask them to establish and clearly disclose how their sustainability strategic priorities are factored into their remuneration systems. The variable pay components should directly reflect strategic sustainability objectives in meaningful and ideally quantifiable performance metrics.

We acknowledge that companies are at different stages of their sustainability journey or may face specific challenges. We believe that some decisions can be based on a director's personal governance philosophy, which can sometimes differ from evolving shareholder expectations.

External Auditors

DWS places high value on the quality and the independence of the auditor. A strong degree of transparency regarding the audit fees, the proportionality between and limitations on audit and non-audit fees, the tenure of the audit firm and the lead audit partner is key for us to assess whether proposals relating to audit firms' appointments are responsible. We regard these as reasonable expectations to foster reliable, independent, and critical evaluation of a firm's accounts.

Shareholder Rights

A company's relationship with its stakeholders can have a significant impact on its ability to achieve its goals. The safeguarding of shareholder rights is crucial for effectively carrying out our stewardship goals. Therefore, the interests of (minority) shareholders must be respected and appropriately protected. DWS strongly supports the 'one-share, one-vote' principle as a means to treat shareholders equally. We are supportive of shareholder/management proposals that request stronger transparency or would otherwise enhance shareholder rights. We expect boards to respond to shareholder proposals in a timely manner and in adequate fashion. In case investee companies fail to demonstrate appropriate willingness to respond to criticism expressed through shareholder proposals, we may hold the board accountable.

ESG Controversies

DWS believes that the integration of ESG factors into a company's strategic planning is vital to remain competitive and create long-term sustainable value. We expect boards to address controversies and take measures to improve the ESG performance of their company in anticipation of preventing any controversies from becoming structural issues that compromise their long-term sustainability. For investee companies that are flagged for ongoing ESG controversies according to internationally recognised principles (e.g., the UN Global Compact Principles, International Labour Organization and OECD Guidelines for Multinationals), we will consider voting against the election of certain incumbent directors if there is reason to believe that the controversies are not being addressed.

ESG Risk Assessment

DWS expects boards to take sufficient action on material sustainability issues. Any shortcomings identified by third parties or rating agencies should be addressed by board members who are responsible for oversight of that particular issue. We utilize ESG grades from our proprietary DWS ESG Engine to provide an indication of a company's resilience to long-term ESG risks. Robust oversight and governance of material ESG issues can be beneficial to a company by reducing its operational and reputational risks, increase access to capital and improve its financial performance. Further, investee companies should regularly communicate to its shareholders about the actions taken to mitigate ESG risks and to explore opportunities. We prefer investee companies to utilise recognised frameworks such as Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and Task Force on Climate-Related Financial Disclosures (TCFD) for reporting.

General Climate Change Related Considerations and Net Zero

We believe climate change poses a material financial risk to our investee companies. These risks may include physical impacts and transition risks. Failures to assess and address such risks could lead to financial losses, decreased market value and increased costs. As a fiduciary investor, we seek to evaluate these risks and opportunities arising from efforts to mitigate climate change and to support the economy in the transformation as well as to express our expectations in the best interest of our clients. We strive to integrate these activities by utilizing our voting rights where feasible.

DWS expects that the boards and management of investee companies assess risks and impacts arising from or associated with environmental developments as climate change has emerged as a dominant cause for additional risks. Following the Financial Stability Board's Task Force on TCFD classification, the two primary categories are physical risks and transition risks.

Although the degree of exposure to such risks may vary across sectors and assets, we expect investee companies to have a proper oversight of climate-related risks and opportunities at management and board level and we expect boards to develop a robust understanding of the company specific risks and how to mitigate them. We ask investee companies to reflect on the concept of double materiality, including therefore their impact on the environment.

DWS expects investee companies to follow established standards for disclosure and transparency such as the TCFD recommendations and to comply with and report on frameworks such as the UN Global Compact Principles, CDP, the SDGs (Sustainable Development Goals) and Principles for Responsible Investment (PRI), if applicable.

DWS Group GmbH & Co. KGaA, is a signatory of the Net Zero Asset Managers initiative (NZAM). The NZAM initiative is committed to supporting the goal of net zero greenhouse gas (GHG) emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius; and to supporting investments aligned with net zero emissions by 2050 or sooner.

We expect our investee companies to commit to net zero by 2050 or sooner, set clear and ambitious greenhouse gas (GHG) reduction targets covering scope 1, 2 and material categories of scope 3 emissions, in line with the goals of the Paris Agreement and supported by a reliable science-based methodology. We also expect investee companies to align their capital and operational expenditure plans with their climate strategies and targets. Companies that face high carbon risks should accelerate their efforts in setting ambitious targets, supporting government climate policies and align lobbying activities with their climate strategy as well as the goals of the Paris Agreement. We also expect boards to consider climate risks when incorporating non-financial performance metrics into remuneration plans.

We may vote against certain directors in case investee companies fail to respond adequately to such risks or fail to provide the necessary disclosure. Voting on climate issues encompasses:

- Voting on climate-related shareholder proposals or management transition plans (Say on Climate)
- Holding directors accountable for lack of climate oversight by opposing their re-election
- Voting against executive remuneration policies and reports that do not sufficiently incentivise addressing material sustainability risks and opportunities

Shareholder Proposals

Voting on shareholder proposals is a means to convey shareholder sentiment particularly on environmental and social issues. DWS employs a principle-based approach as broadly outlined in this policy. We support reasonable proposals that promote, for example, enhanced shareholder rights or improved disclosure. Additionally, we generally support proposals that seek to align an investee company's practices with internationally recognised standards.

6 / Proxy Voting Guidelines

1. Board

1.1. Appointment or Reappointment of Executive and Non-Executive Directors

DWS will generally vote AGAINST if:

1.1.1. There are concerns that the candidate has not adequately addressed issues pertaining to:

- Finances, conflicts of interests, abuses against minority shareholder interests
- Climate change related matters
- The investee company is involved in very severe ESG controversies (e.g., violations against UN Global Compact norms)
- The investee company fails to address ESG risks and is significantly lagging its peers
- The investee company failed to adequately respond to DWS's thematic engagement requests

DWS will vote on a CASE-BY-CASE basis if there are concerns that the candidate has not adequately addressed issues pertaining to:

- A "vote no" campaign
- The investee company is involved in severe ESG controversies
- The investee company fails to address ESG risks and is lagging its peers

DWS will generally vote AGAINST if one of the following applies:

- 1.1.2. There is no comprehensive disclosure on the qualifications and suitability (through a competence profile and qualifications matrix) of the candidate.
- 1.1.3. The election of a candidate leads to an insufficient qualification structure of the board.
- 1.1.4. Director elections are carried out on a block basis and the qualification or suitability of at least one of the candidates is called into question.
- 1.1.5. The discharge has been called into question as per the DWS Corporate Governance and Proxy Voting policy.
- 1.1.6. The election includes a proposal that would lengthen the term of office for directors. We are generally supportive of staggered boards as the perpetual renewal of an appropriate proportion of the board members secures an active succession planning.
- 1.1.7. DWS will generally vote AGAINST the election of a candidate in the role of combined chair/CEO when there is no lead independent director, and the board/key committees are not sufficiently independent (independence as per the DWS Corporate Governance and Proxy Voting policy). DWS will vote on a CASE-BY-CASE basis when the combined role is on an interim basis or the company has committed to split the roles.
- 1.1.8. DWS will generally vote AGAINST a former executive board member (incl. the CEO) who is proposed to be elected for the first time as a supervisory board member without a reasonable cooling-off period as defined by local market best practice. DWS will vote on a CASE-BY-CASE basis for subsequent elections within the cooling-off period.

- 1.1.9. If the election causes the candidate to hold more than two (2) external non-executive mandates in case the candidate assumes any executive (3 overall maximum) role or more than five (5) mandates (incl. the nominated position) in total in case the candidate assumes non-executive roles only. An executive position of CEO and also any positions of chair of the board as well as chair of an audit committee will be counted as double seats. (We note that a director's service on multiple fund boards within related fund platforms are treated as service on a single board for this purpose.)
- 1.1.10. If a candidate for the chair of the board and the non-executive members if proposed to be elected where the board does not have a nomination, remuneration, or audit committee, although national best practices for corporate governance would require such committees.
- 1.1.11. If the election of a candidate causes the board to become insufficiently:
- a. Independent (less than majority or less than 33% for controlled companies or emerging markets; excluding employee representatives)
 - b. Gender diverse (30% for developed markets ex. Japan (25%) and UK (33%); at least one female board member for other markets) or ethnically diverse in the US and UK (at least one director from an ethnic/racial minority)
- 1.1.12. If the independent directors do not constitute at least 50% in the key committees (i.e., audit/remuneration/nomination committee), DWS will generally vote AGAINST non-independent directors serving on these committees, the chair of the board and the chair of the nomination committee.
- 1.1.13. If the investee company fails to identify financial experts DWS will generally vote AGAINST the chair of the audit committee and nomination committee and board chair.
- 1.1.14. If shareholders have not been given the ability to express their consent regarding a strategically and volume-wise significant transaction, takeover or merger, especially if this transaction was decided without allowing shareholders to give their consent at an AGM or EGM where the matter was discussed and appropriate corporate action should have been decided, DWS will generally vote AGAINST all directors involved.

Appointment or Reappointment of Executive Directors

DWS will generally vote AGAINST if one of the following applies:

- 1.1.15. Serious and permanent conflicts of interest exist, including any executives sitting on the key board committees.
- 1.1.16. The candidate has attended less than 75% of eligible board and committee meetings for the year under review without a satisfactory explanation.

Appointment or Reappointment of Non-Executive Directors

Non-executive members of the board should be sufficiently and objectively independent. They should be able to exercise their judgment independently and free from external influence. Factors that deny or can at least compromise the independence of non-executive directors include:

- Employment by the company within the last 5 years (this includes also former executive directors)
- Receipt of substantial payments from the company within the last 5 years that are unrelated to his/her board activities (subject to availability of information)
- Cumulative ownership or representation of 10% or more of the equity capital or voting rights. This may be aggregated if voting power is distributed among more than one member of a defined group (e.g., family members who collectively own more than 10%)
- Board membership for more than 10 years (i.e., from year 11 onwards)

- Representation of a government, ministry, state, municipality or city that holds 10 % or more of the equity capital or voting rights
- Representation of a significant business partner and cross-directorships
- Relationships with the external auditor

DWS will generally vote AGAINST if one of the following applies:

- 1.1.17. The candidate has potential conflicts of interest that have not been sufficiently disclosed by the investee company.
- 1.1.18. The candidate does not fulfill our independence criteria and is intended to become chair of the audit or the remuneration committee.
- 1.1.19. If the last say-on-pay received less than 80% support, was not supported by DWS, and the board fails to respond to the issues raised we will generally vote AGAINST the re-election of the chair of the remuneration committee. In addition, if there are no ESG/extra-financial key performance indicators in the executive remuneration system DWS will generally vote AGAINST the re-election of the chair of the remuneration committee.
- 1.1.20. DWS will generally vote AGAINST a former executive board member (incl. the CEO) who is proposed to be elected for the first time as a supervisory board member without a reasonable cooling-off period as defined by local market best practice. DWS will take a CASE-BY-CASE decision in particular cases (e.g., due to a merger) if the executive director has a proven track record. In such cases we would support the candidate to become a regular non-executive director (not chair of the board) if this change is in line with the national best practice for corporate governance.
- 1.1.21. A former executive director is nominated for membership on the supervisory board when two or more former executive directors already serve on the same board.
- 1.1.22. The candidate is a member of the audit, remuneration, or nomination committee, and the respective committee has made important decisions that contradict the best practice rules for corporate governance or interests of shareholders.
- 1.1.23. Nomination rights or special rights are exercised for the election proposal resulting in a disproportionate board representation of substantial shareholder, government, or founding family representatives.
- 1.1.24. The election of a candidate results in them holding more than five board mandates. The role of a chair and of an audit committee chair is counted double. For non-executive directors holding one or more mandates for affiliated companies, we may count such mandates within a group as one seat.
- 1.1.25. Director attendance at board and committee meetings is not disclosed on an individual basis in the annual report or on the investee company's website.
- 1.1.26. The director attended less than 75% of the board and committee meetings for the year under review without a satisfactory explanation for his/her absence disclosed in a clear and comprehensible form in the relevant proxy filings (e.g., health issues or emergency situations).
- 1.1.27. DWS will vote on a CASE-BY-CASE basis on the election of the chair of the board in case the board fails to respond to shareholder criticism; the Say on Climate received less than 80% support and was not supported by DWS.

1.2. Discharge From Liability of Executive and Non-Executive Directors

DWS will generally vote AGAINST if one of the following applies:

- 1.2.1. There are pending legal proceedings or investigation against a director, such as:
 - Appeal against financial statements
 - Insider trading
 - Bribery
 - Fraud
- 1.2.2. A director has been criminally convicted or is facing civil charges.
- 1.2.3. There are doubts surrounding the accuracy of the investee company's disclosure of material information.
- 1.2.4. Well-founded shareholder proposals for the dismissal of a director are on the same agenda.
- 1.2.5. There are records of abuses against minority shareholders' interests.
- 1.2.6. DWS will generally vote AGAINST if the investee company is facing very severe ESG controversies (e.g., violations against UN Global Compact norms) and/or the investee company fails to address ESG risks and is significantly lagging its peers. We will take a CASE-BY-CASE voting decision for investee companies involved in severe ESG controversies or the investee company fails to address ESG risks and is lagging its peers.
- 1.2.7. The investee company fails to adequately and timely respond to thematic engagement requests.
- 1.2.8. If the discharge of directors is carried out on a block basis and the discharge of at least one of the directors is called into question.
- 1.2.9. If a strategically and volume-wise significant transaction, takeover or merger was decided without allowing shareholders to give their consent at an AGM or EGM where the matter was discussed and appropriate corporate action should have been decided.

Discharge from Liability of Executive Directors

DWS will generally vote AGAINST if one of the following applies:

- 1.2.10. There are serious deficiencies in the management of the investee company, such as:
 - Deficient risk control and internal auditing procedures
 - Due diligence violations or willful misconduct
 - Insufficient actions taken regarding climate change
 - The investee company is involved in very severe ESG controversies
 - The investee company fails to adequately address ESG risks and significantly lags its peers
- 1.2.11. The investee company delivers sustained poor performance relative to industry peers respectively competitors:
 - Negative company results for three consecutive years, where exceptions for early stage (up to five years) companies will be considered
 - Significant misjudgment in large-scale investments
 - Repeated failure to achieve stated company targets, also in comparison to peer group
- 1.2.12. Executive management refuses to implement a shareholder proposal that has been approved in a previous general meeting.

Discharge from Liability of Non-Executive Directors

DWS will generally, vote AGAINST if one of the following applies:

- 1.2.13. There are clear deficiencies in the monitoring of the investee company through neglect of the obligatory supervisory duties of management.
- 1.2.14. There are concerns that the board has not acted in the best interest of shareholders.
- 1.2.15. Following DWS's standards, the board and its key committees are either not established or not sufficiently independent and at the same time, the chairs of the audit and the remuneration committee are not considered independent.
- 1.2.16. Attendance at board and committee meetings is not disclosed on an individual basis in the annual report or on the investee company's website.
- 1.2.17. No information is made available in the annual report or on the investee company's website regarding who is responsible for ESG matters.
- 1.2.18. Executive as well as non-executive remuneration is not disclosed on an individual basis.
- 1.2.19. No reasonable age limits are set and disclosed in the annual report or the investee company's website for executive and non-executive directors.
- 1.2.20. The resume/CV of each executive and non-executive director is not permanently published on the investee company's website, is not annually updated and does not state the year the individual was first appointed, information about the qualification, the year of birth and any mandates (incl. external listed companies, internal mandates, mandates also related to other than commercially oriented organisations, i.e., NGOs). In addition to this, external mandates in listed companies should be clearly indicated.
- 1.2.21. The articles of association are not available on the investee company's website.
- 1.2.22. Additional board mandates acquired during the term that then result in a total number of mandates exceeding five.
- 1.2.23. The remuneration system for the executive management includes disproportionate/excessive special payment mechanisms, i.e., golden parachutes, golden handshakes, sign-on bonuses or is not regularly (at least every four years or in case of major changes) put to shareholder vote at the AGM.
- 1.2.24. DWS will generally vote AGAINST the discharge of the chair of the remuneration committee in case the board fails to respond to shareholder criticism, i.e., the last say-on-pay received less than 80% support and was not supported by DWS.

2. Management and Board Remuneration

DWS expects that our interests as shareholders are reflected in the incentivisation of the executive management of an investee company which we are invested in. We place high scrutiny on the structure, elements and appropriateness of the remuneration system. Furthermore, we expect transparent and comprehensive disclosure on remuneration paid. In case an investee company faces ESG controversies and ESG risks (as highlighted under the sections for director elections and director discharge) DWS may also vote AGAINST the remuneration report.

2.1. Remuneration Structure

DWS will generally vote AGAINST if one of the following applies:

- 2.1.1. The structure of the compensation scheme does not comply with internationally recognised best practice, including any non-executive director receives more than an executive without any proper justification.

- 2.1.2. No system is in place that entitles the investee company to recover any sums already paid (e.g., clawback system). Deviations are possible wherever the company provides a reasonable explanation why a clawback was not implemented.
- 2.1.3. No convincing bonus malus system is in place that entitles the investee company to withhold or reduce the payment of variable compensation or the system does not affect the respective board members for at least three years after their retirement.
- 2.1.4. The system of performance measurement and remuneration is not transparent, comprehensible and does not demonstrate how strategic objectives are factored in. There are no financial and sector-specific extra-financial key performance indicators within the short-term and/or long-term variable compensation schemes.
- 2.1.5. The remuneration policy does not include a cap on the maximum amount of remuneration set by the board, or there is no cap for the annual bonus and long-term incentive plan.
- 2.1.6. The proposals bundle compensation for both non-executive and executive directors into a single resolution.

2.2. Transparency

DWS will generally vote AGAINST if one of the following applies:

- 2.2.1. The information provided to shareholders on the ratification of compensation schemes or compensation reports is neither sufficient nor comprehensible enough to allow shareholders to easily assess and evaluate the principles, structure and various components of the compensation scheme.
- 2.2.2. The individual directors' remuneration components are not disclosed in detail and by name (salary, short- and long-term bonuses, options and pension programs, other benefits including hiring bonuses or severance payments as well as payments from allied companies). The disclosures do not provide sufficient transparency on the short-term and long-term target achievement levels and remuneration paid, granted and/or vested is not individually disclosed.
- 2.2.3. The financial and sector-specific extra-financial key performance indicators that influence and are used to calculate short-term and long-term variable compensation are not included. DWS will take a CASE-BY-CASE voting decision if they are not clearly disclosed.
- 2.2.4. The report does not provide transparency regarding chosen indices, benchmarks or peer groups.

2.3. Alignment with Performance and Shareholders' Interests

DWS will generally vote AGAINST if one of the following applies:

- 2.3.1. Remuneration paid to management is not in line with performance, disproportionate, or incommensurate in relation to that of comparable businesses.
- 2.3.2. The fixed elements of the executive remuneration system disproportionately exceed the variable components. If there are mitigating circumstances, DWS will take a CASE-BY-CASE decision (e.g., companies with major shareholders at state level).
- 2.3.3. Variable compensation is not geared to the long-term success of the company: long-term variable awards are measured over a period of less than three years and/or the annual bonus is larger than the long-term incentive plan.
- 2.3.4. The performance criteria for reaching the exercise target of equity-linked variable performance plans are solely tied to the development of the share price (only for markets where application is feasible, e.g., Germany).
- 2.3.5. Equity incentive plans result in dilution of more than 10% of the actual issued share capital.
- 2.3.6. There is no meaningful shareholding requirement for executive directors, i.e., no share ownership guidelines are in place.

2.4. Discretion & Excessiveness

DWS will generally vote AGAINST if one of the following applies:

- 2.4.1. The remuneration system is changed without an appropriate and notable improvement of its success-related components.
- 2.4.2. Key performance indicators or parameters that influence variable compensation can be retrospectively adjusted. If special circumstances are highlighted, DWS will vote on a CASE-BY-CASE basis.
- 2.4.3. The remuneration includes any disproportionate/excessive special payment clauses that are inappropriate compared to the executives' performance, such as golden parachutes, golden handshakes, sign-on bonuses, severance and non-compete clauses, change in control clauses.
- 2.4.4. The remuneration committee has discretion for substantially altering the compensation schemes without approval via a general shareholder meeting. Likewise, if the remuneration committee has exercised discretion and no reasonable explanation is provided.
- 2.4.5. In case the fixed pay has been increased by more than 10% in a year without a convincing rationale (e.g., benchmarking/inflation adjustment that is out of line with the rest of the workforce), DWS will vote on a CASE-BY-CASE-basis.

Non-Executive Directors

DWS will generally vote AGAINST if one of the following applies:

- 2.4.6. The remuneration is inadequate or disproportionate in relation to that of a relevant peer group.
- 2.4.7. The remuneration is not comprehensively disclosed with its constituent components.
- 2.4.8. The supplementary compensation component (for committee membership or for chair/vice chair) accounts for more than 50% of total remuneration.
- 2.4.9. Members receive any variable/additional compensation (i.e., fees for consulting services, performance-based), which is not already covered by their existing remuneration plan.

3. Audit-Related Agenda Items

3.1. Ratification of Audit Reports

DWS will generally vote AGAINST if one of the following applies:

- 3.1.1. The investee company faces serious legal action, i.e., investigation by prosecutors or regulators regarding the correctness of the accounts or other illegal activities.
- 3.1.2. The information provided to shareholders is insufficient according to generally accepted accounting principles and international best practice for corporate governance:
 - There are material doubts concerning the quality, credibility and completeness of the available information
 - The investee company does not respond appropriately to legitimate claims for additional information on the accounts
- 3.1.3. There are substantial concerns about key audit procedures.

3.2. Appointment and Remuneration of the Auditor

DWS will generally vote AGAINST if one of the following applies:

- 3.2.1. There are material doubts concerning the accuracy of the audit report (e.g., lawsuits or investigations) or concerns about the procedures applied by the auditor.
- 3.2.2. The name and the term of appointment of the audit firm and the responsible lead audit partner is not made public.

- 3.2.3. The disclosure of any advisory services performed by the auditor is insufficient to assess the auditor's independence.
- 3.2.4. External auditors have previously served the investee company in an executive capacity or can otherwise be considered affiliated.
- 3.2.5. The auditing fees have not been published separately, in particular the advisory fees and other non-audit fees.
- 3.2.6. The fees for non-audit services exceed reasonable standards for annual audit-related fees and the investee company does not provide a satisfactory reason for this case. This rule does generally not apply for services related to initial public offerings and mergers & acquisitions. Furthermore, it only applies to investee companies listed on any main country index and/or the MSCI EAFE (Europe Australasia and Far East) Index.
- 3.2.7. The same person signing the audit report as the responsible lead audit partner has been appointed for more than five years.
- 3.2.8. The audit firm that has audited the investee company for more than ten years is re-appointed without a reasonable/satisfactory explanation and transparency regarding the nominating process.
- 3.2.9. The investee company does not publish the name of its lead audit partner and the duration for which they have been in this role.
- 3.2.10. The auditors are unexpectedly changed without detailed explanation.

4. Financial Accounts, Use of Profits and Share Capital-Related Items

Capital measures, such as equity issuances and share repurchases, are in the interest of shareholders as long as they strengthen the long-term success of the company. To evaluate this, companies need to provide adequate information to shareholders about their financing strategies.

4.1. Financial Accounts, Statements and Reports, Incl. Non-Financial Reports

DWS will vote on a CASE-BY-CASE basis if one of the following applies:

- 4.1.1. The investee company fails to provide financial and non-financial accounts or reports on time, i.e., within the respective timeframe given by the regulators or stock exchange.

DWS will generally vote AGAINST if one of the following applies:

- 4.1.2. The investee company faces serious legal action regarding the accuracy of the accounts or other illegal activities.
- 4.1.3. The information provided to shareholders is insufficient according to generally accepted accounting principles and international best practice for corporate governance:
 - There are material doubts concerning the quality, credibility and completeness of the available information
 - The investee company does not respond appropriately to legitimate claims for additional information on the accounts
- 4.1.4. There are substantial concerns about key audit procedures.

4.2. Equity Issuances & Other Financing Instruments

Comprised in this definition are the issuance of common stock with or without subscription rights and the issuance of convertible securities or securities with warrants.

- 4.2.1. DWS will generally vote AGAINST if the investee company issues stock with multiple voting rights or other control enhancing rights.

DWS will vote on a CASE-BY-CASE basis for the following cases:

- 4.2.2. The investee company issues preferred shares without voting rights, considering:
 - a. The need for additional share capital to carry out the investee company's business has not been concluded by the non-executive board
 - b. Whether there is a clear statement on the anticipated use of the capital and how this promotes the interests of existing shareholders has been published
 - c. The preferred shareholders do not receive a meaningfully higher dividend rate (i.e., 10 %)
- 4.2.3. The investee company issues participation rights.
- 4.2.4. Requests for the issuance of preferred shares considering the investee company's history of capital increases as well as its corporate governance profile.
- 4.2.5. The equity issuance has the purpose of defending against takeover threats (e.g., poison pills).
- 4.2.6. DWS will generally vote AGAINST, if the cumulative equity issuances without subscription rights (historical and across instruments) exceed the maximum level specified in a respective country's best practices for corporate governance or 10% of the investee company's outstanding share capital.

For Germany, vote against equity issuances with-out subscription rights with:

- a. Cash contribution (at or near market price) that exceed 10%
- b. Contributions in kind that exceed 10% of outstanding share capital

DWS will take a CASE-BY-CASE decision if the company has disclosed a compelling rationale to issue shares without pre-emptive above 10% of the investee company's outstanding share capital.

- 4.2.7. DWS will generally vote on a CASE-BY-CASE basis if the combined authorisation for equity issuance of all equity instruments with subscription rights exceeds 40% of the outstanding share capital or the prevailing maximum- threshold as stipulated by best practice rules for corporate governance in the respective country or exceeds three years.

4.3. Share Repurchases

DWS will generally vote AGAINST if one of the following applies:

- 4.3.1. The share repurchase does not ensure equal treatment of all shareholders.
- 4.3.2. The investee company is in financial distress and the repurchase programme is not adequately reasoned.
- 4.3.3. The share repurchase has the purpose of defending against a takeover threat.
- 4.3.4. The maximum offer premium exceeds 10%.
- 4.3.5. The share repurchase programme exceeds 10% of the daily trading volume.

5. Say on Climate/Shareholder Decarbonisation Proposals

In evaluating climate related management (Say on Climate) resolutions that seek shareholder approval, as well as shareholder proposals, DWS will generally vote on a CASE-BY-CASE basis, where we consider the following criteria:

- 5.1.1. The investee company has established formal and clear oversight for climate change risks and opportunities at management and board levels (identified and appointed an accountable director and/or the board has assigned formal oversight of climate risks to one or more standing committees).

- 5.1.2. The investee company regularly provides transparency to investors and other stakeholders by reporting on climate governance, strategy, risk management, metrics and targets in line with the TCFD recommendations.
- 5.1.3. The investee company discloses all relevant GHG emission (scopes 1, 2 and to the extent possible, material categories of scope 3) and the GHG emission data is assured by third-party (e.g., assurance report following the standard ISAE 3000).
- 5.1.4. The investee company is committed to achieve net zero by 2050 to meet the goals of the Paris Agreement to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.
- 5.1.5. The investee company has set short-, medium-, and long-term reduction GHG emission targets (scopes 1, 2 and to the extent possible, material categories of scope 3), supported by a credible science-based methodology (e.g., SBTi) and disclosed the baseline scenario used to set reduction GHG emission targets.
- 5.1.6. The investee company is committed to disclose and align capital and operational expenditure plans with their respective GHG emission reduction targets.

We consider further criteria for companies facing high carbon risks:

- 5.1.7. Fossil fuel companies (oil and gas as well as thermal coal mining companies) commit to set ambitious absolute emissions reduction targets, including scope 3 rather than only carbon intensity targets in order to be aligned with limiting warming to 1.5°C.
- 5.1.8. Mining and utility companies commit to phasing out their thermal coal activities by 2030 (for companies headquartered in the EU/OECD) and by 2040 for the rest of the world.
- 5.1.9. Climate/GHG reduction targets are integrated meaningfully as a performance metric into executive and top management remuneration.
- 5.1.10. The investee company commits to support government climate policies and align lobbying activities via memberships in industry associations with their climate strategy as well as the goals of the Paris Agreement.
- 5.1.11. There is a commitment to consult shareholders on the implementation of the climate transition strategy. In addition, any changes should be put to a shareholder vote.

6. Statutes & Legal Structure Agenda Items of the Investee Company

6.1. Amendments of the Articles

DWS will generally vote AGAINST if one of the following applies:

- 6.1.1. The amendment negatively impacts the rights and interests of shareholders.
- 6.1.2. The investee company has not provided sufficient information in order to assess the consequences of changes in the corporate bylaws with respect to the rights of shareholders.
- 6.1.3. The amendment is not in line with the long-term sustainable development of the investee company or endangers the continuity of the business.
- 6.1.4. The proposal seeks to establish multiple voting rights.
- 6.1.5. The proposal seeks to introduce package/block voting (i.e., bundled resolutions).
- 6.1.6. The amendment would lengthen the term of office for non-executive directors to more than three years or is not in line with best practice or laws of the relevant country.
- 6.1.7. The proposal seeks to set a shareholding threshold exceeding 10% in order to call a special meeting.

- 6.1.8. The proposal seeks to adjust the board size outside of a 5 - 16 member range for markets without employee representatives.

7. Market for Corporate Control

7.1. Anti-Takeover Mechanisms

DWS will generally vote AGAINST, if one of the following applies:

- 7.1.1. The anti-takeover proposal does not require shareholder approval.
- 7.1.2. The proposal strengthens the takeover defenses of the investee company. An exception can be considered, if the investee company issues a convincing explanation why the proposed measure is necessary for the continuity of the business and in line with the sustainable development of the company.
- 7.1.3. The proposal gives the government or other bodies a direct or an implicit "golden share" in the investee company.

7.2. Mergers & Acquisitions

DWS will generally vote AGAINST, if one of the following applies:

- 7.2.1. The investee company is an acquisition target and an appropriate takeover premium is not offered.
- 7.2.2. The annual general meeting has not been provided with sufficient information on the transaction.
- 7.2.3. The fairness opinion has neither been issued by an independent source, nor has it been presented to the annual general meeting and/or contains major concerns.
- 7.2.4. DWS will generally vote on a CASE-BY-CASE basis if the investee company is the target or targets another business for a merger or acquisition, in order to check if there are significant concerns surrounding the deal (e.g., strategy, synergies, reasoning, reputation, valuation, governance, involvement in severe ESG-controversies) or the risk-profile or business model is significantly altered.
- 7.2.5. DWS will generally vote on a CASE-BY-CASE basis if potential conflicts of interest exist, such as incumbents with access to non-public information inappropriately benefit from the transaction compared to shareholders who have no access to such information. DWS will also consider whether any special interests have influenced directors and officers to support or recommend the merger or acquisition.
- 7.2.6. DWS will generally vote AGAINST if the prevailing legislation and rules at the place of business or corporate governance of the newly combined entity significantly diminish the rights of shareholders or impacts their interests negatively (e.g., high exit-taxes, lower or infrequent reporting standards).
- 7.2.7. DWS will generally vote on a CASE-BY-CASE basis if an investee company engages in an acquisition and its management does not have a favorable track record of successfully integrating acquisitions.

8. Related-Party Transactions

8.1. Evaluation of Related-Party Transactions (RPT)

In evaluating resolutions that seek shareholder approval for related party transactions (RPTs), DWS will generally vote on a CASE-BY-CASE basis, for which we consider the following factors:

- 8.1.1. The parties on both sides of the transaction, the value of the proposed transaction and the stated rationale, including discussions of the respective timeline.
- 8.1.2. The size and the nature of the asset to be transferred or services to be provided. If the transaction relates to any loans, inter-corporate deposits or advances made or given by the listed entity or its subsidiary, check if the company is funding the transaction with a loan.

- 8.1.3. The applicable thresholds following the implementation of SRD II, i.e., 1.5% of assets.
- 8.1.4. The pricing/valuation of the transaction (and any associated professional valuation) and the views of an independent financial adviser and the auditor regarding the financial health of the involved entities.
- 8.1.5. The views/consent of the board (independent directors) and the audit committee.
- 8.1.6. The views of an independent financial adviser and the auditor regarding the financial health of the entities involved.
- 8.1.7. Whether any entities party to the transaction, (including advisers) are conflicted.

DWS will generally, AGAINST if one of the following applies:

- 8.1.8. The board does not report on the formal process of identification, mitigation, documentation and information on RPTs.
- 8.1.9. The board does not disclose an absolute cap/value on the transaction.

9. Shareholder Proposals

DWS is generally supportive of shareholder proposals that enhance shareholder rights (i.e., proxy access but also board-related) and increase transparency. The review of shareholder proposals are conducted on a CASE-BY-CASE basis and should be guided by, but not limited to, the following principles.

9.1. Board-Related Proposals

- 9.1.1. Generally supportive of proposals to separate the chair and CEO positions.
- 9.1.2. Generally not supportive of proposals to stagger the board in investee companies where an annual re-election is already in place.
- 9.1.3. Generally supportive of proposals to revoke staggered boards and elect all directors annually.
- 9.1.4. Generally supportive of proposals asking for at least a majority of the board to be independent.
- 9.1.5. Generally supportive of proposals requiring the chair of the board to be independent.
- 9.1.6. Generally supportive of proposals that require the establishment of key committees.
- 9.1.7. Generally supportive of proposals to restrict a supervisory board member from serving on more than five supervisory boards (where chair and chair of the audit committee count double).
- 9.1.8. Generally supportive of proposals that require to nominate at least one board member as expert on sustainability and/or to establish a dedicated sustainability committee.
- 9.1.9. Generally supportive of proposals that require the board to enhance its diversity to bring it in line with the DWS policy.
- 9.1.10. Generally supportive of proposals to include workforce representation at board level but subject to individual assessment.

9.2. Other Governance-Related Proposals

The review of shareholder proposals are conducted on a CASE-BY-CASE basis and should be guided by, but not limited to, the following principles:

- 9.2.1. Generally supportive of shareholder proposals for proxy access, which have an appropriate ownership requirement (not more than 3% of voting power), duration (not longer than three years of continuous ownership for each of the nominating members), accumulation (very small or no restrictions on the number of shareholders allowed to create a nominating group) and cap on candidates of 25% of the board.
- 9.2.2. Generally not supportive of proposals to require a supermajority vote to amend the bylaws.

- 9.2.3. Generally supportive of proposals to amend or cancel existing supermajority requirements.
- 9.2.4. Generally supportive of proposals asking for the right to act on written consent in cases where investee companies do not provide sufficient measures for shareholders to act in such a manner, i.e., the right to call for a special meeting by shareholder requires a threshold exceeding 10%.
- 9.2.5. Generally supportive of proposals that ask for increased transparency on lobbying expenditures, political donations and comparable payments.
- 9.2.6. Generally supportive of proposals that call for a special audit when there are reasonable doubts about the accounting practices and the presentation of financial statements.
- 9.2.7. Generally supportive of proposals that enhance the exercise of shareholder rights during the meetings (AGM, EGM, etc.) incl. participation in virtual formats.

9.3. Environmental and Social Proposals

DWS is generally supportive of ESG-related shareholder proposals while considering recognised standards, including but not limited to the Ceres Roadmap 2030, the Sustainability Development Goals, the UN Global Compact, and the goals of the Paris Agreement. The review of shareholder proposals is conducted on a CASE-BY-CASE basis and should be guided by, but not limited to, the following principles:

- 9.3.1. Generally supportive of proposals asking investee companies to prepare sustainability reports, including those requesting disclosure consistent with TCFD, SASB, GRI, CDP questionnaires, or other internationally recognised sets of guidelines.
- 9.3.2. Generally supportive of proposals asking investee companies to obtain reasonable assurance from an external auditor on their sustainability disclosures, incl. sustainability reports, integrated reports.
- 9.3.3. Generally supportive of proposals requesting that investee companies conduct social and/or environmental audits and/or risk assessments of their activities in general.
- 9.3.4. Generally supportive of proposals to reduce negative environmental impacts and an investee company's overall environmental footprint, including any threats to biodiversity in ecologically sensitive areas.
- 9.3.5. Generally supportive of proposals asking to establish biodiversity and environmental protection standards, policies and frameworks (following Science Based Targets Network (SBTN), Taskforce on Nature-related Financial Disclosures (TNFD), CDP questionnaires, GRI Standards (such as Biodiversity or Local Communities), Climate Disclosure Standards Board (CDSB) Framework for reporting environmental and social information (supplemented by the CDSB Framework Application guidance for biodiversity-related disclosures and the CDSB Framework Application guidance for water-related disclosures) and conduct independent review processes.
- 9.3.6. Generally supportive of proposals asking investee companies to report on their environmental and social, (e.g., human rights, product safety, data security) practices, policies and impacts, including environmental damage and health risks resulting from operations, and the impact of environmental liabilities on shareholder value.
- 9.3.7. Generally supportive of proposals asking investee companies to adopt greenhouse gas reduction targets, commit to net zero by 2050 or sooner, considering science-based targets, including information on greenhouse gas emissions (including carbon, methane, and all other recognised greenhouse gases), mitigation targets as well as the investee company's climate transition plan.
- 9.3.8. Generally supportive of proposals requesting that investee companies adopt fair labor practices consistent with recognised international human rights standards, including policies to eliminate gender-based violence and other forms of harassment from the workplace, as well as proposals asking an investee company to prepare a report on its efforts to promote a safe workplace for all employees.

- 9.3.9. Generally supportive of proposals asking an investee company to provide data according to e.g., EEO-1 requirements revealing a company's workforce race, ethnicity, and binary gender makeup and/or to adopt a diversity and inclusion policy and/or issue associated reports.
- 9.3.10. Generally supportive of proposals asking investee companies to establish robust whistleblowing systems and policies that guarantee accessibility for all employees.
- 9.3.11. Generally supportive of proposals asking investee companies to increase transparency on human rights performance indicators in line with international human rights standards.
- 9.3.12. Generally supportive of proposals asking investee companies to provide grievance mechanisms for stakeholders who may be negatively impacted by their activities.

When voting, DWS will take the investee company's existing practices into consideration and will generally vote AGAINST if one of the following applies:

- 9.3.13. The proposal undermines the investee company's corporate governance, business profile or existing practices and disclosures.
- 9.3.14. The proposal limits the investee company's business activities or capabilities.
- 9.3.15. The proposal generates significant costs with little or no benefit.

7 / Key Regional Differences

Japan

DWS acknowledges what has been achieved in the last couple of years in the corporate governance developments in Japan and support the progress, which has been made in that regard, in particular with the introduction and review of the corporate governance and Stewardship codes. DWS aspires to be in a constructive dialogue with our investees and to act as their steering partner to drive further developments in the corporate governance area.

Disclosure

Listed investee companies should disclose and provide necessary information in their disclosure documents in English. Furthermore, we expect investee companies to comply with and report on applicable internationally accepted and established standards and frameworks i.e., GRI, IIRC, SASB, TCFD that enable investors to act responsibly. Investee companies should set ambitious targets for mitigating and managing E&S risks and opportunities. DWS encourages all investee companies to commit to net zero and set and science-based targets.

Independence:

With reference to the DWS policy on board composition, DWS expects investee companies, which define the role of the board to have a supervisory function instead of an executive function, to ensure that at least 1/3 of the members are considered independent, for prime listed companies DWS expects the board to consist of at least a majority of independent directors. DWS continues to encourage also non-prime listed investee companies to establish a majority independent board to meet the international best practice requirements.

With reference to our policy of defining independence, outlined earlier in this document, in Japan as significant shareholders DWS will consider those who are in the top ten shareholders, even if their holding represents a share of less than 10%, mainly due to the market practice in Japan for business partners to own a certain percentage of each other's shares as cross shareholders.

Board Composition:

With reference to the DWS policy on the separation of the CEO and chair roles and responsibilities, we strongly encourage our Japanese investees to disclose the member, who chairs the board as well as the member, who is considered to chair the company, the so-called "Kaicho", if these roles are separated. A retiring CEO should not become chair of the board as these two roles involve different responsibilities and approaches. DWS expects our investee companies to incorporate gender diversity into their composition and refreshment processes and to aim to reach at least 25%. Furthermore, DWS expect investee companies to set reasonable age limits.

DWS also expects and fosters investee companies in Japan to establish the relevant formal committees – nomination, remuneration and audit– which are at least majority independent, incl. statutory auditors and to identifying a board committee responsible for ESG oversight

Capital Management and Cross-Shareholdings:

DWS expects investee companies to foster sustainable long-term value creation by efficient capital management. Measures that support this include reduction of cross-shareholdings, conversion of excess cash-position into efficient investments. In case of repeated proof of inefficient capital management and an underperformance on return of equity (ROE), i.e., below 5 % over the last five fiscal years DWS would generally vote AGAINST the election of executive directors. DWS also generally votes AGAINST top executives that allocate a significant portion (20 % or more) of its net assets to cross-shareholdings.

8 / Afterword

DWS's dedicated Corporate Governance Center based at DWS Investment GmbH's Chief Investment Office for Responsible Investment continuously evaluates DWS's understanding of good governance and communicates this to investee companies. The members of the Corporate Governance Center are responsible for further developing DWS's corporate governance understanding and framework as well as to promote its application across the investment platform.

DWS seeks to build constructive long-term relationships with their investee companies as part of their stewardship responsibilities. Our on-going dialogue with the management of investee companies focuses also on ESG topics as part of the regular discussions and shares their understanding of good corporate governance and its importance for their investment objectives. DWS supports measures to enhance communication between the chair and investors without violating the equal treatment of shareholders.

9 / Terms and Definitions

Term	Definition
AGM	Annual General Meeting
Ceres	Coalition for Environmentally Responsible Economies Investor Network on Climate Risk and Sustainability
CDSB	Climate Disclosure Standards Board
DWS	DWS Investment GmbH pools the voting rights of the following legal entities based on internal delegation agreements: <ul style="list-style-type: none"> – DWS International GmbH – DWS Investment S.A. (incl. SICAVs and PLCs)
EEO-1	Employment Information Report
EGM	Extraordinary General Meeting
ESG	Environmental, Social and Governance
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
ICGN	International Corporate Governance Network
IIRC	International Integrated Reporting Council
ILO	International Labour Organisation
ISS	Shareholder Services Europe Limited
LID	Lead Independent Director
NGO	Non-Governmental Organisation
PRI	Principles for Responsible Investment
RPTs	Related Party Transactions
SASB	Sustainability Accounting Standards Board
SDGs	Sustainable Development Goals
SBTi	Science Based Targets Initiative
SRD II	Shareholder Rights Directive II
TCFD	Task Force on Climate-Related Financial Disclosures
TCND	Taskforce on Nature-related Financial Disclosures