

December 31, 2025

# **Annual Financial Statements and Other Information**

Deutsche DWS Variable Series II

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**DWS High Income VIP**



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DWS Distributors, Inc., 222 South Riverside Plaza, Chicago, IL 60606, (800) 621-1148

# Investment Portfolio

as of December 31, 2025

		Principal Amount \$(a)	Value (\$)		Principal Amount \$(a)	Value (\$)
<b>Corporate Bonds 90.2%</b>						
<b>Communication Services 19.4%</b>						
Altice Financing SA, REG S, 3.0%, 1/15/2028	EUR	100,000	80,756	McGraw-Hill Education, Inc., 144A, 7.375%, 9/1/2031	185,000	195,186
Altice France SA: 144A, 4.75%, 10/15/2030	EUR	154,020	170,194	Neptune Bidco U.S., Inc., 144A, 9.29%, 4/15/2029	175,000	175,299
144A, 6.875%, 10/15/2030		154,020	149,367	Scripps Escrow II, Inc., 144A, 3.875%, 1/15/2029 (b)	85,000	78,212
AMC Networks, Inc.:				Snap, Inc., 144A, 6.875%, 3/1/2033	85,000	88,081
144A, 10.25%, 1/15/2029		35,000	36,701	TEGNA, Inc., 4.625%, 3/15/2028	150,000	148,458
144A, 10.5%, 7/15/2032 (b)		125,000	138,093	Telenet Finance Luxembourg Notes SARL, 144A, 5.5%, 3/1/2028	200,000	198,854
Arches Buyer, Inc., 144A, 6.125%, 12/1/2028		95,000	92,672	Univision Communications, Inc.:		
CCO Holdings LLC:				144A, 8.0%, 8/15/2028	240,000	248,562
144A, 4.25%, 2/1/2031		165,000	151,610	144A, 9.375%, 8/1/2032	41,000	44,067
144A, 4.5%, 8/15/2030		290,000	273,038	Versant Media Group, Inc., 144A, 7.25%, 1/30/2031	169,000	174,356
144A, 5.375%, 6/1/2029		548,000	541,818	Virgin Media Secured Finance PLC, 144A, 5.5%, 5/15/2029	345,000	339,879
144A, 6.375%, 9/1/2029		205,000	207,818	Virgin Media Vendor Financing Notes IV DAC, 144A, 5.0%, 7/15/2028	200,000	196,223
Clear Channel Outdoor Holdings, Inc., 144A, 7.75%, 4/15/2028 (b)		85,000	85,063	Vodafone Group PLC, 7.0%, 4/4/2019	490,000	519,063
Cogent Communications Group LLC, 144A, 7.0%, 6/15/2027		215,000	214,921	Warnermedia Holdings, Inc.:		
CommScope LLC, 144A, 4.75%, 9/1/2029		60,000	59,915	Series WI, 4.054%, 3/15/2029	90,000	87,102
CommScope Technologies LLC, 144A, 5.0%, 3/15/2027		120,000	119,730	5.05%, 3/15/2042	115,000	80,931
CSC Holdings LLC, 144A, 4.125%, 12/1/2030		520,000	318,866	Windstream Services LLC:		
DirecTV Financing LLC, 144A, 8.875%, 2/1/2030		250,000	253,138	144A, 7.5%, 10/15/2033	154,000	157,867
Discovery Communications LLC, 4.125%, 5/15/2029		225,000	217,438	144A, 8.25%, 10/1/2031	148,000	155,366
DISH DBS Corp., 144A, 5.75%, 12/1/2028		190,000	186,533	WULF Compute LLC, 144A, 7.75%, 10/15/2030	211,000	217,382
DISH Network Corp., 144A, 11.75%, 11/15/2027		395,000	411,108	Ziggo BV, 144A, 4.875%, 1/15/2030	200,000	189,046
EchoStar Corp.:						<b>8,390,394</b>
6.75%, 11/30/2030, PIK		171,125	175,312	<b>Consumer Discretionary 11.7%</b>		
10.75%, 11/30/2029		170,000	187,986	American Axle & Manufacturing, Inc., 144A, 7.75%, 10/15/2033	130,000	132,415
Flash Compute LLC, 144A, 7.25%, 12/31/2030		140,000	138,707	Avis Budget Car Rental LLC, 144A, 8.375%, 6/15/2032	82,000	84,673
Getty Images, Inc., 144A, 10.5%, 11/15/2030		40,000	40,331	Avis Budget Finance PLC, REG S, 7.0%, 2/28/2029	EUR	120,000
Gray Media, Inc., 144A, 7.25%, 8/15/2033		65,000	66,419	BCPE Flavor Debt Merger Sub LLC & BCPE Flavor Issuer, Inc., 144A, 9.5%, 7/1/2032	123,000	117,545
iHeartCommunications, Inc., 144A, 4.75%, 1/15/2028		50,000	45,750	Boyd Gaming Corp., 144A, 4.75%, 6/15/2031	89,000	86,952
Iliad Holding SAS, 144A, 7.0%, 10/15/2028		200,000	202,487	Carnival Corp.:		
Level 3 Financing, Inc., 144A, 4.25%, 7/1/2028		185,000	176,675	144A, 5.75%, 8/1/2032	210,000	215,519
Match Group Holdings II LLC:				144A, 5.875%, 6/15/2031	524,000	541,242
144A, 3.625%, 10/1/2031		240,000	220,222	Crocs, Inc.:		
144A, 4.625%, 6/1/2028		135,000	133,792	144A, 4.125%, 8/15/2031	45,000	41,572

The accompanying notes are an integral part of the financial statements.

	Principal Amount \$(a)	Value (\$)		Principal Amount \$(a)	Value (\$)
144A, 4.25%, 3/15/2029	110,000	106,455	KeHE Distributors LLC, 144A, 9.0%, 2/15/2029	110,000	115,467
Global Auto Holdings Ltd., 144A, 8.375%, 1/15/2029	200,000	196,500	Viking Baked Goods Acquisition Corp., 144A, 8.625%, 11/1/2031	160,000	160,514
Lindblad Expeditions LLC, 144A, 7.0%, 9/15/2030	187,000	195,075			<b>703,165</b>
Lithia Motors, Inc., 144A, 4.375%, 1/15/2031	200,000	192,216	<b>Energy 13.8%</b>		
Michaels Companies, Inc., 144A, 5.25%, 5/1/2028	89,000	85,561	Aethon United BR LP, 144A, 7.5%, 10/1/2029	295,000	309,064
Mohegan Tribal Gaming Authority, 144A, 8.25%, 4/15/2030	125,000	130,300	Ascent Resources Utica Holdings LLC: 144A, 6.625%, 10/15/2032	316,000	326,305
NCL Corp., Ltd.: 144A, 6.25%, 9/15/2033	209,000	208,912	144A, 6.625%, 7/15/2033	372,000	385,036
144A, 6.75%, 2/1/2032	129,000	132,086	Blue Racer Midstream LLC, 144A, 7.25%, 7/15/2032	165,000	175,110
Nissan Motor Acceptance Co. LLC: 144A, 1.85%, 9/16/2026	135,000	131,728	Caturus Energy LLC, 144A, 8.5%, 2/15/2030	80,000	83,316
144A, 2.75%, 3/9/2028	140,000	133,023	Civitas Resources, Inc.: 144A, 8.625%, 11/1/2030	40,000	41,922
144A, 5.55%, 9/13/2029	110,000	109,611	144A, 8.75%, 7/1/2031	65,000	67,431
144A, 6.125%, 9/30/2030	50,000	50,007	144A, 9.625%, 6/15/2033	146,000	157,624
Papa John's International, Inc., 144A, 3.875%, 9/15/2029	103,000	97,690	Crescent Energy Finance LLC: 144A, 7.375%, 1/15/2033	90,000	85,406
Rakuten Group, Inc.: REG S, 4.25%, Perpetual	EUR 200,000	227,983	144A, 7.625%, 4/1/2032	145,000	140,581
144A, 5.125%, Perpetual (b)	200,000	198,967	Excelerate Energy LP, 144A, 8.0%, 5/15/2030	223,000	235,653
Rivers Enterprise Borrower LLC, 144A, 6.625%, 2/1/2033	161,000	164,597	Genesis Energy LP: 8.0%, 5/15/2033	65,000	67,477
Specialty Building Products Holdings LLC, 144A, 7.75%, 10/15/2029	56,000	54,638	8.25%, 1/15/2029	210,000	219,215
Staples, Inc.: 144A, 10.75%, 9/1/2029	186,000	184,918	Gulfport Energy Operating Corp., 144A, 6.75%, 9/1/2029	186,000	192,079
144A, 12.75%, 1/15/2030	25,000	20,976	Harvest Midstream I LP, 144A, 7.5%, 9/1/2028	110,000	111,645
Travel & Leisure Co., 144A, 6.625%, 7/31/2026	210,000	211,470	Howard Midstream Energy Partners LLC, 144A, 7.375%, 7/15/2032	185,000	195,207
Voyager Parent LLC, 144A, 9.25%, 7/1/2032	170,000	180,390	Kinetik Holdings LP, 144A, 6.625%, 12/15/2028	61,000	62,810
Wolverine World Wide, Inc., 144A, 4.0%, 8/15/2029	85,000	78,570	Kodiak Gas Services LLC, 144A, 7.25%, 2/15/2029	235,000	244,483
Wyndham Hotels & Resorts, Inc., 144A, 4.375%, 8/15/2028	465,000	458,555	Kraken Oil & Gas Partners LLC, 144A, 7.625%, 8/15/2029	81,000	79,970
ZF North America Capital, Inc., 144A, 6.875%, 4/14/2028	150,000	153,061	Moss Creek Resources Holdings, Inc., 144A, 8.25%, 9/1/2031	68,000	65,110
		<b>5,068,135</b>	NGL Energy Operating LLC, 144A, 8.125%, 2/15/2029	110,000	114,176
<b>Consumer Staples 1.6%</b>			NuStar Logistics LP, 6.375%, 10/1/2030	370,000	389,424
C&S Group Enterprises LLC, 144A, 5.0%, 12/15/2028	85,000	78,673	Seadrill Finance Ltd., 144A, 8.375%, 8/1/2030	200,000	207,991
Coty, Inc., 144A, 5.6%, 1/15/2031	85,000	85,773	SM Energy Co., 144A, 7.0%, 8/1/2032	174,000	171,054
Fiesta Purchaser, Inc., 144A, 9.625%, 9/15/2032	67,000	70,217	Summit Midstream Holdings LLC, 144A, 8.625%, 10/31/2029	102,000	105,769
HLF Financing SARL LLC, 144A, 4.875%, 6/1/2029 (b)	205,000	192,521			

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	Principal Amount \$(a)	Value (\$)		Principal Amount \$(a)	Value (\$)
Sunoco LP:			Howden U.K. Refinance PLC, 144A, 7.25%, 2/15/2031	200,000	205,961
4.5%, 5/15/2029	85,000	83,450	Icahn Enterprises LP, 9.75%, 1/15/2029	55,000	54,832
4.5%, 4/30/2030	230,000	224,601	Navient Corp.:		
144A, 7.875%, Perpetual	87,000	89,373	4.875%, 3/15/2028	20,000	19,776
Transocean Aquila Ltd., 144A, 8.0%, 9/30/2028	61,462	62,954	5.0%, 3/15/2027	90,000	90,195
Transocean International Ltd.:			Panther Escrow Issuer LLC, 144A, 7.125%, 6/1/2031	220,000	227,975
144A, 7.875%, 10/15/2032	152,000	158,749	PennyMac Financial Services, Inc., 144A, 7.125%, 11/15/2030	165,000	173,453
144A, 8.75%, 2/15/2030	82,500	86,205	Starwood Property Trust, Inc.:		
Transocean Titan Financing Ltd., 144A, 8.375%, 2/1/2028	16,190	16,535	144A, (REIT), 5.25%, 10/15/2028	120,000	120,873
Venture Global LNG, Inc.:			144A, (REIT), 6.0%, 4/15/2030	140,000	143,696
144A, 7.0%, 1/15/2030 (b)	42,000	40,422	144A, (REIT), 6.5%, 10/15/2030 (b)	196,000	204,348
144A, 9.0%, Perpetual	52,000	41,066			<b>3,621,783</b>
144A, 9.5%, 2/1/2029	65,000	67,371	<b>Health Care 6.2%</b>		
144A, 9.875%, 2/1/2032	210,000	216,945	1261229 BC Ltd., 144A, 10.0%, 4/15/2032	200,000	208,003
Venture Global Plaquemines LNG LLC:			Acadia Healthcare Co., Inc., 144A, 5.0%, 4/15/2029	180,000	173,311
144A, 6.5%, 6/15/2034	166,000	169,616	Avantor Funding, Inc., 144A, 3.875%, 11/1/2029	110,000	105,188
144A, 7.75%, 5/1/2035	340,000	372,284	Bausch Health Americas, Inc., 144A, 8.5%, 1/31/2027	80,000	79,203
Vital Energy, Inc.:			Bausch Health Companies, Inc.:		
144A, 7.875%, 4/15/2032 (b)	85,000	83,749	144A, 5.0%, 2/15/2029	50,000	38,500
9.75%, 10/15/2030	45,000	47,224	144A, 11.0%, 9/30/2028	140,000	145,018
		<b>5,994,402</b>	Charles River Laboratories International, Inc.:		
<b>Financials 8.4%</b>			144A, 3.75%, 3/15/2029	590,000	569,664
Acrisure LLC, 144A, 6.75%, 7/1/2032	214,000	220,443	144A, 4.0%, 3/15/2031	80,000	75,800
Alliant Holdings Intermediate LLC:			Community Health Systems, Inc.:		
144A, 4.25%, 10/15/2027	135,000	134,142	144A, 4.75%, 2/15/2031	115,000	102,452
144A, 6.5%, 10/1/2031	99,000	102,038	144A, 5.25%, 5/15/2030	225,000	211,318
Ardonagh Finco Ltd.:			144A, 6.0%, 1/15/2029	65,000	64,982
REG S, 6.875%, 2/15/2031	EUR 145,000	175,631	144A, 6.875%, 4/15/2029	70,000	62,300
144A, 6.875%, 2/15/2031	EUR 100,000	121,125	Embecka Corp., 144A, 5.0%, 2/15/2030 (b)	85,000	81,236
Asurion LLC & Asurion Co- Issuer, Inc., 144A, 8.0%, 12/31/2032	110,000	114,137	Genmab A/S, 144A, 6.25%, 12/15/2032	200,000	204,969
Burford Capital Global Finance LLC, 144A, 6.25%, 4/15/2028	200,000	198,916	LifePoint Health, Inc.:		
CrossCountry Intermediate HoldCo LLC:			144A, 5.375%, 1/15/2029	45,000	44,120
144A, 6.5%, 10/1/2030	164,000	167,279	144A, 8.375%, 2/15/2032	171,000	185,614
144A, 6.75%, 12/1/2032	99,000	100,606	Molina Healthcare, Inc., 144A, 4.375%, 6/15/2028	175,000	172,103
EZCORP, Inc., 144A, 7.375%, 4/1/2032	405,000	429,688	Prime Healthcare Services, Inc., 144A, 9.375%, 9/1/2029	170,000	178,500
FirstCash, Inc.:					<b>2,702,281</b>
144A, 4.625%, 9/1/2028	150,000	149,038			
144A, 6.875%, 3/1/2032	70,000	72,814			
Freedom Mortgage Holdings LLC:					
144A, 6.875%, 5/1/2031	162,000	162,097			
144A, 8.375%, 4/1/2032	39,000	41,054			
144A, 9.25%, 2/1/2029	70,000	73,419			
goeasy Ltd., 144A, 9.25%, 12/1/2028	115,000	118,247			

The accompanying notes are an integral part of the financial statements.

	<b>Principal Amount \$(a)</b>	<b>Value (\$)</b>		<b>Principal Amount \$(a)</b>	<b>Value (\$)</b>
<b>Industrials 5.4%</b>			<b>Materials 11.4%</b>		
American Airlines, Inc., 144A, 5.5%, 4/20/2026	45,834	45,899	Alumina Pty. Ltd., 144A, 6.375%, 9/15/2032	239,000	248,184
ATS Corp., 144A, 4.125%, 12/15/2028	220,000	214,595	Ashland, Inc., 144A, 3.375%, 9/1/2031	706,000	645,779
Enviri Corp., 144A, 5.75%, 7/31/2027	145,000	145,078	Avient Corp., 144A, 6.25%, 11/1/2031	242,000	248,741
FTAI Aviation Investors LLC, 144A, 7.0%, 5/1/2031	110,000	115,840	Axalta Coating Systems LLC, 144A, 3.375%, 2/15/2029	150,000	144,190
Hillenbrand, Inc., 3.75%, 3/1/2031	455,000	455,807	Calderys Financing LLC, 144A, 11.25%, 6/1/2028	120,000	127,422
JetBlue Airways Corp., 144A, 9.875%, 9/20/2031	60,000	60,448	Celanese U.S. Holdings LLC, 6.85%, 11/15/2028	128,000	133,907
Signature Aviation U.S. Holdings, Inc., 144A, 4.0%, 3/1/2028	155,000	142,600	Champion Iron Canada, Inc., 144A, 7.875%, 7/15/2032	179,000	190,035
Stena International SA, 144A, 7.25%, 1/15/2031	400,000	407,762	Cleveland-Cliffs, Inc.: 144A, 4.875%, 3/1/2031	46,000	44,137
Synergy Infrastructure Holdings LLC, 144A, 7.875%, 12/1/2030	107,000	110,929	144A, 6.875%, 11/1/2029	60,000	62,143
TransDigm, Inc., 144A, 6.375%, 5/31/2033	405,000	415,581	Element Solutions, Inc., 144A, 3.875%, 9/1/2028	480,000	469,175
Velocity Vehicle Group LLC, 144A, 8.0%, 6/1/2029	45,000	42,752	First Quantum Minerals Ltd.: 144A, 7.25%, 2/15/2034	200,000	210,261
Wabash National Corp., 144A, 4.5%, 10/15/2028	60,000	56,118	144A, 8.0%, 3/1/2033	200,000	213,589
Williams Scotsman, Inc., 144A, 4.625%, 8/15/2028	140,000	139,571	FMC Corp., 8.45%, 11/1/2055	55,000	43,533
		<b>2,352,980</b>	Fortescue Treasury Pty. Ltd., 144A, 4.375%, 4/1/2031	45,000	43,521
			HB Fuller Co., 4.25%, 10/15/2028	32,000	31,662
			IAMGOLD Corp., 144A, 5.75%, 10/15/2028	335,000	333,142
<b>Information Technology 3.7%</b>			Iris Holding, Inc., 144A, 10.0%, 12/15/2028	60,000	54,238
ams-OSRAM AG, REG S, 10.5%, 3/30/2029	EUR 100,000	122,373	Kaiser Aluminum Corp., 144A, 4.5%, 6/1/2031	135,000	130,427
Cloud Software Group, Inc.: 144A, 8.25%, 6/30/2032	100,000	104,504	LABL, Inc., 144A, 9.5%, 11/1/2028	80,000	50,478
144A, 9.0%, 9/30/2029	315,000	328,076	Mineral Resources Ltd.: 144A, 7.0%, 4/1/2031	155,000	161,635
CoreWeave, Inc., 144A, 9.25%, 6/1/2030	104,000	96,696	144A, 8.0%, 11/1/2027	65,000	66,384
EquipmentShare.com, Inc.: 144A, 8.0%, 3/15/2033	85,000	89,164	New Gold, Inc., 144A, 6.875%, 4/1/2032	103,000	109,308
144A, 8.625%, 5/15/2032	100,000	105,627	Novelis Corp., 144A, 4.75%, 1/30/2030	245,000	236,670
Insight Enterprises, Inc., 144A, 6.625%, 5/15/2032	142,000	145,976	Olin Corp.: 5.0%, 2/1/2030 (b)	190,000	186,821
McAfee Corp., 144A, 7.375%, 2/15/2030 (b)	135,000	117,731	144A, 6.625%, 4/1/2033	92,000	91,307
Playtika Holding Corp., 144A, 4.25%, 3/15/2029	155,000	138,998	Olympus Water U.S. Holding Corp., 144A, 7.25%, 2/15/2033	384,000	385,897
Rocket Software, Inc., 144A, 6.5%, 2/15/2029	85,000	83,298	SCIH Salt Holdings, Inc., 144A, 4.875%, 5/1/2028	145,000	145,035
UKG, Inc., 144A, 6.875%, 2/1/2031	95,000	97,585	Trident TPI Holdings, Inc., 144A, 12.75%, 12/31/2028	60,000	61,477
Unisys Corp., 144A, 10.625%, 1/15/2031 (b)	70,000	71,591	Tronox, Inc., 144A, 4.625%, 3/15/2029 (b)	70,000	49,004
Viasat, Inc., 144A, 6.5%, 7/15/2028	120,000	116,670			
		<b>1,618,289</b>			<b>4,918,102</b>

The accompanying notes are an integral part of the financial statements.

	Principal Amount \$(a)	Value (\$)
<b>Real Estate 4.7%</b>		
Iron Mountain, Inc.:		
144A, (REIT), 4.5%, 2/15/2031	115,000	109,625
144A, (REIT), 5.25%, 7/15/2030	245,000	242,037
MPT Operating Partnership LP: (REIT), 4.625%, 8/1/2029	50,000	41,889
144A, (REIT), 8.5%, 2/15/2032	135,000	144,171
Park Intermediate Holdings LLC, 144A, (REIT), 4.875%, 5/15/2029	435,000	424,770
Rithm Capital Corp.:		
144A, (REIT), 8.0%, 4/1/2029	75,000	77,003
144A, (REIT), 8.0%, 7/15/2030	129,000	131,923
Service Properties Trust, 144A, (REIT), Zero Coupon , 9/30/2028	248,000	224,107
Uniti Group LP, 144A, (REIT), 6.5%, 2/15/2029	95,000	91,230
XHR LP, 144A, (REIT), 4.875%, 6/1/2029	530,000	522,549
	<b>2,009,304</b>	

<b>Utilities 3.9%</b>		
Alpha Generation LLC, 144A, 6.25%, 1/15/2034	691,000	697,203
Electricite de France SA, 144A, 9.125%, Perpetual	200,000	232,591
NRG Energy, Inc., 144A, 3.625%, 2/15/2031	70,000	65,414
Pattern Energy Operations LP, 144A, 4.5%, 8/15/2028	205,000	202,188
TransAlta Corp., 5.875%, 2/1/2034	125,000	125,864
Vistra Corp., 144A, 7.0%, Perpetual	240,000	244,191
VoltaGrid LLC, 144A, 7.375%, 11/1/2030	119,000	117,899
	<b>1,685,350</b>	

**Total Corporate Bonds** (Cost \$38,413,824) **39,064,185**

### Convertible Bonds 1.1%

#### Utilities

XPLR Infrastructure LP, 144A, 2.5%, 6/15/2026 (b) (Cost \$457,442)	465,000	<b>456,304</b>
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### Loan Participations and Assignments 3.2%

#### Senior Loans (c)

Asurion LLC, Term Loan B3, 1/31/2028 (d)	45,000	44,923
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	Principal Amount \$(a)	Value (\$)
Connect Finco SARL, Term Loan B, 1 mo. USD Term SOFR + 4.5%, 8.172%, 9/27/2029	129,670	129,652
CP Atlas Buyer, Inc., Term Loan, 1 mo. USD Term SOFR + 5.25%, 8.966%, 7/8/2030	44,887	43,541
EW Scripps Co., Term Loan B2, 1 mo. USD Term SOFR + 5.75%, 9.6%, 6/30/2028	20,625	20,912
Garda World Security Corp., Term Loan B, 1 mo. USD Term SOFR + 3.0%, 6.75%, 2/1/2029	106,048	106,632
Lumen Technologies, Inc., Term Loan B1, 1 mo. USD Term SOFR + 2.35%, 4.35%, 4/16/2029	566,985	564,824
TransDigm, Inc., Term Loan J, 1 mo. USD Term SOFR + 2.5%, 6.216%, 2/28/2031	214,456	215,503
Windsor Holdings III LLC, Term Loan B, 1 mo. USD Term SOFR + 2.75%, 6.466%, 8/1/2030	245,740	246,624
<b>Total Loan Participations and Assignments</b> (Cost \$1,365,240)		<b>1,372,611</b>

	Shares	Value (\$)
<b>Exchange-Traded Funds 3.5%</b>		
BondBloxx CCC-Rated USD High Yield Corporate Bond ETF	5,000	190,125
iShares Broad USD High Yield Corporate Bond ETF	17,500	654,412
iShares Core S&P 500 ETF	315	215,756
State Street SPDR Portfolio High Yield Bond ETF	10,000	236,700
Xtrackers USD High Yield Corporate Bond ETF (e)	6,000	220,980
<b>Total Exchange-Traded Funds</b> (Cost \$1,525,500)		<b>1,517,973</b>

### Common Stocks 0.4%

#### Industrials 0.1%

Quad Graphics, Inc.	287	1,800
Luxco Co., Ltd.* (f)	1,810	31,428
		<b>33,228</b>

#### Real Estate 0.2%

Crown Castle, Inc. (REIT)	250	22,217
Equity Residential (REIT)	350	22,064
Lamar Advertising Co. A (REIT)	150	18,987

The accompanying notes are an integral part of the financial statements.

	Shares	Value (\$)
Mid-America Apartment Communities, Inc. (REIT)	150	20,837
Simon Property Group, Inc. (REIT)	120	22,213
		<b>106,318</b>
<b>Utilities 0.1%</b>		
Eversource Energy	350	23,565
Pinnacle West Capital Corp.	250	22,175
		<b>45,740</b>
<b>Total Common Stocks</b> (Cost \$183,168)		<b>185,286</b>

### Cash Equivalents 1.4%

DWS Central Cash Management Government Fund, 3.77% (g) (Cost \$609,984)	609,984	<b>609,984</b>
	<b>% of Net Assets</b>	<b>Value (\$)</b>
<b>Total Investment Portfolio</b> (Cost \$44,451,250)	103.6	<b>44,869,877</b>
<b>Other Assets and Liabilities, Net</b>	(3.6)	<b>(1,552,901)</b>
<b>Net Assets</b>	100.0	<b>43,316,976</b>

### Warrants 0.0%

#### Materials

Hercules Trust II, Expiration Date 3/31/2029* (f) (Cost \$244,286)	1,100	<b>11,728</b>
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### Securities Lending Collateral 3.8%

DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 3.66% (g) (h) (Cost \$1,651,806)	1,651,806	<b>1,651,806</b>
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A summary of the Fund's transactions with affiliated investments during the year ended December 31, 2025 are as follows:

Value (\$) at 12/31/2024	Purchases Cost (\$)	Sales Proceeds (\$)	Net Realized Gain/ (Loss) (\$)	Net Change in Unrealized Appreciation (Depreciation) (\$)	Income (\$)	Capital Gain Distributions (\$)	Number of Shares at 12/31/2025	Value (\$) at 12/31/2025
<b>Exchange-Traded Funds 0.5%</b>								
Xtrackers USD High Yield Corporate Bond ETF (e)								
—	633,441	413,767	1,186	120	949	—	6,000	220,980
<b>Securities Lending Collateral 3.8%</b>								
DWS Government & Agency Securities Portfolio "DWS Government Cash Institutional Shares", 3.66% (g) (h)								
3,309,210	—	1,657,404 (i)	—	—	19,319	—	1,651,806	1,651,806
<b>Cash Equivalents 1.4%</b>								
DWS Central Cash Management Government Fund, 3.77% (g)								
813,571	22,387,317	22,590,904	—	—	36,318	—	609,984	609,984
<b>4,122,781</b>	<b>23,020,758</b>	<b>24,662,075</b>	<b>1,186</b>	<b>120</b>	<b>56,586</b>	<b>—</b>	<b>2,267,790</b>	<b>2,482,770</b>

\* Non-income producing security.

- (a) Principal amount stated in U.S. dollars unless otherwise noted.
- (b) All or a portion of these securities were on loan. In addition, "Other Assets and Liabilities, Net" may include pending sales that are also on loan. The value of securities loaned at December 31, 2025 amounted to \$1,593,359, which is 3.7% of net assets.
- (c) Variable or floating rate security. These securities are shown at their current rate as of December 31, 2025. For securities based on a published reference rate and spread, the reference rate and spread are indicated within the description above. Certain variable rate securities are not based on a published reference rate and spread but adjust periodically based on current market conditions, prepayment of underlying positions and/or other variables. Securities with a floor or ceiling feature are disclosed at the inherent rate, where applicable.
- (d) All or a portion of the security represents unsettled loan commitments at December 31, 2025 where the rate will be determined at the time of settlement.
- (e) Affiliated fund managed by DBX Advisors LLC.
- (f) Investment was valued using significant unobservable inputs.
- (g) Affiliated fund managed by DWS Investment Management Americas, Inc. The rate shown is the annualized seven-day yield at period end.

The accompanying notes are an integral part of the financial statements.

- (h) Represents cash collateral held in connection with securities lending. Income earned by the Fund is net of borrower rebates.
- (i) Represents the net increase (purchase cost) or decrease (sales proceeds) in the amount invested in cash collateral for the year ended December 31, 2025.

144A: Security exempt from registration under Rule 144A under the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers.

Perpetual: Callable security with no stated maturity date.

PIK: Denotes that all or a portion of the income is paid in-kind in the form of additional principal.

REG S: Securities sold under Regulation S may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933.

REIT: Real Estate Investment Trust

S&P: Standard & Poor's

SOFR: Secured Overnight Financing Rate

SPDR: Standard & Poor's Depository Receipt

At December 31, 2025, the Fund had the following open forward foreign currency contracts:

<b>Contracts to Deliver</b>		<b>In Exchange For</b>		<b>Settlement Date</b>	<b>Unrealized Appreciation (\$)</b>	<b>Counterparty</b>
USD	115,969	EUR	99,658	1/30/2026	1,321	State Street Bank and Trust
EUR	65,706	USD	77,360	1/30/2026	29	State Street Bank and Trust
<b>Total unrealized appreciation</b>					<b>1,350</b>	

<b>Contracts to Deliver</b>		<b>In Exchange For</b>		<b>Settlement Date</b>	<b>Unrealized Depreciation (\$)</b>	<b>Counterparty</b>
EUR	870,079	USD	1,006,685	1/30/2026	(17,335)	State Street Bank and Trust
EUR	100,815	USD	117,028	1/30/2026	(1,623)	State Street Bank and Trust
<b>Total unrealized depreciation</b>					<b>(18,958)</b>	

**Currency Abbreviation(s)**

EUR Euro

USD United States Dollar

For information on the Fund's policy and additional disclosures regarding forward foreign currency contracts, please refer to the Derivatives section of Note B in the accompanying Notes to Financial Statements.

The accompanying notes are an integral part of the financial statements.

## Fair Value Measurements

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

The following is a summary of the inputs used as of December 31, 2025 in valuing the Fund's investments. For information on the Fund's policy regarding the valuation of investments, please refer to the Security Valuation section of Note A in the accompanying Notes to Financial Statements.

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Corporate Bonds (a)	\$ —	\$ 39,064,185	\$ —	\$ 39,064,185
Convertible Bonds	—	456,304	—	456,304
Loan Participations and Assignments	—	1,372,611	—	1,372,611
Exchange-Traded Funds	1,517,973	—	—	1,517,973
Common Stocks				
Industrials	1,800	—	31,428	33,228
Real Estate	106,318	—	—	106,318
Utilities	45,740	—	—	45,740
Warrants	—	—	11,728	11,728
Short-Term Investments (a)	2,261,790	—	—	2,261,790
Derivatives (b)				
Forward Foreign Currency Contracts	—	1,350	—	1,350
<b>Total</b>	<b>\$3,933,621</b>	<b>\$ 40,894,450</b>	<b>\$43,156</b>	<b>\$ 44,871,227</b>
<b>Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Derivatives (b)				
Forward Foreign Currency Contracts	\$ —	\$ (18,958)	\$ —	\$ (18,958)
<b>Total</b>	<b>\$ —</b>	<b>\$ (18,958)</b>	<b>\$ —</b>	<b>\$ (18,958)</b>

(a) See Investment Portfolio for additional detailed categorizations.

(b) Derivatives include unrealized appreciation (depreciation) on open forward foreign currency contracts.

The accompanying notes are an integral part of the financial statements.

# Statement of Assets and Liabilities

as of December 31, 2025

<b>Assets</b>	
Investments in non-affiliated securities, at value (cost \$41,968,600) — including \$1,593,359 of securities loaned	\$ 42,387,107
Investment in DWS Government & Agency Securities Portfolio (cost \$1,651,806)*	1,651,806
Investment in affiliated securities, at value (cost \$830,844)	830,964
Cash	2,724
Foreign currency, at value (cost \$8,600)	8,957
Receivable for investments sold	341,949
Receivable for investments sold — when-issued securities	274,656
Receivable for Fund shares sold	816
Dividends receivable	1,844
Interest receivable	669,203
Affiliated securities lending income receivable	1,434
Unrealized appreciation on forward foreign currency contracts	1,350
Other assets	654
<b>Total assets</b>	<b>46,173,464</b>
<b>Liabilities</b>	
Payable upon return of securities loaned	1,651,806
Payable for investments purchased	619,354
Payable for investments purchased — when-issued securities	275,000
Payable for Fund shares redeemed	172,188
Unrealized depreciation on forward foreign currency contracts	18,958
Accrued management fee	19,261
Accrued Trustees' fees	1,190
Other accrued expenses and payables	98,731
<b>Total liabilities</b>	<b>2,856,488</b>
<b>Net assets, at value</b>	<b>\$ 43,316,976</b>
<b>Net Assets Consist of</b>	
Distributable earnings (loss)	(6,014,931)
Paid-in capital	49,331,907
<b>Net assets, at value</b>	<b>\$ 43,316,976</b>
<b>Net Asset Value</b>	
<b>Class A</b>	
<b>Net Asset Value</b> , offering and redemption price per share ( $\$43,316,976 \div 7,552,543$ outstanding shares of beneficial interest, no par value, unlimited number of shares authorized)	<b>\$ 5.74</b>

\* Represents collateral on securities loaned.

The accompanying notes are an integral part of the financial statements.

# Statement of Operations

for the year ended December 31, 2025

<b>Investment Income</b>	
Income:	
Interest	\$ 2,823,251
Dividends	123,844
Income distributions from affiliated securities	37,267
Affiliated securities lending income	19,319
Total income	3,003,681
Expenses:	
Management fee	214,102
Administration fee	41,536
Services to shareholders	557
Custodian fee	6,531
Audit fee	68,429
Legal fees	12,725
Tax fees	5,969
Reports to shareholders	26,747
Trustees' fees and expenses	2,545
Proxy fees	15,547
Other	7,478
Total expenses before expense reductions	402,166
Expense reductions	(87,617)
Total expenses after expense reductions	314,549
<b>Net investment income</b>	<b>2,689,132</b>
<b>Realized and Unrealized Gain (Loss)</b>	
Net realized gain (loss) from:	
Sale of affiliated investments	1,186
Sale of non-affiliated investments	30,089
Forward foreign currency contracts	(57,117)
Foreign currency	3,806
	(22,036)
Change in net unrealized appreciation (depreciation) on:	
Affiliated investments	120
Non-affiliated investments	1,014,077
Forward foreign currency contracts	(79,213)
Foreign currency	2,114
	937,098
<b>Net gain (loss)</b>	<b>915,062</b>
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>\$ 3,604,194</b>

The accompanying notes are an integral part of the financial statements.

# Statements of Changes in Net Assets

Increase (Decrease) in Net Assets	Years Ended December 31,	
	2025	2024*
Operations:		
Net investment income	\$ 2,689,132	\$ 2,702,570
Net realized gain (loss)	(22,036)	337,163
Change in net unrealized appreciation (depreciation)	937,098	(94,950)
Net increase (decrease) in net assets resulting from operations	3,604,194	2,944,783
Distributions to shareholders:		
Class A	(2,966,588)	(2,534,195)
Class B	—	(30,889)
Total distributions	(2,966,588)	(2,565,084)
Fund share transactions:		
<b>Class A</b>		
Proceeds from shares sold	3,049,520	2,141,979
Reinvestment of distributions	2,966,588	2,534,195
Payments for shares redeemed	(6,111,496)	(5,481,571)
Net increase (decrease) in net assets from Class A share transactions	(95,388)	(805,397)
<b>Class B</b>		
Proceeds from shares sold	—	56,014
Reinvestment of distributions	—	30,889
Payments for shares redeemed	—	(864,919)
Net increase (decrease) in net assets from Class B share transactions	—	(778,016)
<b>Increase (decrease) in net assets</b>	542,218	(1,203,714)
Net assets at beginning of period	42,774,758	43,978,472
<b>Net assets at end of period</b>	<b>\$43,316,976</b>	<b>\$42,774,758</b>
<b>Other Information</b>		
<b>Class A</b>		
Shares outstanding at beginning of period	7,542,140	7,664,032
Shares sold	541,241	382,038
Shares issued to shareholders in reinvestment of distributions	556,583	478,150
Shares redeemed	(1,087,421)	(982,080)
Net increase (decrease) in Class A shares	10,403	(121,892)
Shares outstanding at end of period	<b>7,552,543</b>	<b>7,542,140</b>
<b>Class B</b>		
Shares outstanding at beginning of period	—	141,411
Shares sold	—	9,924
Shares issued to shareholders in reinvestment of distributions	—	5,795
Shares redeemed	—	(157,130)
Net increase (decrease) in Class B shares	—	(141,411)
Shares outstanding at end of period	—	—

\* Includes Class B for the period from January 1, 2024 to June 17, 2024 (Class B liquidation date).

The accompanying notes are an integral part of the financial statements.

# Financial Highlights

## DWS High Income VIP — Class A

	Years Ended December 31,				
	2025	2024	2023	2022	2021
<b>Selected Per Share Data</b>					
<b>Net asset value, beginning of period</b>	<b>\$5.67</b>	<b>\$5.63</b>	<b>\$5.34</b>	<b>\$6.18</b>	<b>\$6.23</b>
<i>Income (loss) from investment operations:</i>					
Net investment income <sup>a</sup>	.35	.35	.33	.27	.27
Net realized and unrealized gain (loss)	.13	.03	.25	(.81)	(.03)
<b>Total from investment operations</b>	<b>.48</b>	<b>.38</b>	<b>.58</b>	<b>(.54)</b>	<b>.24</b>
<i>Less distributions from:</i>					
Net investment income	(.41)	(.34)	(.29)	(.30)	(.29)
<b>Net asset value, end of period</b>	<b>\$5.74</b>	<b>\$5.67</b>	<b>\$5.63</b>	<b>\$5.34</b>	<b>\$6.18</b>
Total Return (%) <sup>b</sup>	8.94	7.14	11.34	(8.88)	4.00
<b>Ratios to Average Net Assets and Supplemental Data</b>					
Net assets, end of period (\$ millions)	43	43	43	41	51
Ratio of expenses before expense reductions (%) <sup>c</sup>	.94	.91	.90	.90	.84
Ratio of expenses after expense reductions (%) <sup>c</sup>	.73	.70	.70	.71	.71
Ratio of net investment income (%)	6.28	6.27	6.07	4.82	4.32
Portfolio turnover rate (%)	154	143	62	45	56

<sup>a</sup> Based on average shares outstanding during the period.

<sup>b</sup> Total return would have been lower had certain expenses not been reduced.

<sup>c</sup> Expense ratio does not reflect charges and fees associated with the separate account that invests in the Fund or any variable life insurance policy or variable annuity contract for which the Fund is an investment option.

The accompanying notes are an integral part of the financial statements.

# Notes to Financial Statements

## A. Organization and Significant Accounting Policies

DWS High Income VIP (the “Fund”) is a diversified series of Deutsche DWS Variable Series II (the “Trust”), which is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company organized as a Massachusetts business trust. The Fund is an underlying investment vehicle for variable annuity contracts and variable life insurance policies to be offered by the separate accounts of certain life insurance companies (“Participating Insurance Companies”).

The Fund’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) which require the use of management estimates. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The Fund qualifies as an investment company under Topic 946 of Accounting Standards Codification of U.S. GAAP. The policies described below are followed consistently by the Fund in the preparation of its financial statements.

**Operating Segment.** The Fund adopted FASB Accounting Standards Update 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures (“ASU 2023-07”). ASU 2023-07 impacts financial statement disclosures only and does not affect the Fund’s financial position or the results of its operations. An operating segment is defined in Topic 280 as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses, has operating results that are regularly reviewed by the public entity’s chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and has discrete financial information available. The President and Chief Executive Officer acts as the Fund’s CODM. The Fund represents a single operating segment, as the CODM monitors the operating results of the Fund as a whole, and the Fund’s long-term strategic asset allocation is pre-determined in accordance with the terms of its prospectus, based on a defined investment strategy that is executed by the Fund’s portfolio managers as a team. The financial information in the form of the Fund’s portfolio composition, total returns, expense ratios and changes in net asset (i.e., changes in net assets resulting from operations, subscriptions and redemptions), which are used by the CODM to assess the segment’s performance versus the Fund’s comparative benchmarks and to make resource allocation decisions for the Fund’s single segment, is consistent with that presented within the Fund’s financial statements. Segment assets are reflected on the accompanying Statement of Assets and Liabilities as “total assets” and results of operations and significant segment expenses are listed on the accompanying Statement of Operations.

**Security Valuation.** Investments are stated at value determined as of the close of regular trading on the New York Stock Exchange on each day the exchange is open for trading.

The Fund’s Board has designated DWS Investment Management Americas, Inc. (the “Advisor”) as the valuation designee for the Fund pursuant to Rule 2a-5 under the 1940 Act. The Advisor’s Pricing Committee (the “Pricing Committee”) typically values securities using readily available market quotations or prices supplied by independent pricing services (which are considered fair values under Rule 2a-5). The Advisor has adopted fair valuation procedures that provide methodologies for fair valuing securities.

Various inputs are used in determining the value of the Fund’s investments. These inputs are summarized in three broad levels. Level 1 includes quoted prices in active markets for identical securities. Level 2 includes other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds and credit risk). Level 3 includes significant unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments). The level assigned to the securities valuations may not be an indication of the risk or liquidity associated with investing in those securities.

Debt securities are valued at prices supplied by independent pricing services approved by the Pricing Committee. Such services may use various pricing techniques which take into account appropriate factors such as yield, quality, coupon rate, maturity, type of issue, trading characteristics, prepayment speeds and other data, as well as broker quotes. If the pricing services are unable to provide valuations, debt securities are valued at the average of the most recent reliable bid quotations or evaluated prices, as applicable, obtained from broker-dealers. These securities are generally categorized as Level 2.

Senior loans are valued by independent pricing services approved by the Pricing Committee, whose valuations are intended to reflect the average of broker supplied quotes representing mean between the bid and asked prices. If the pricing services are unable to provide valuations, the securities are valued at the mean of the most recent bid and asked quotations or evaluated price, as applicable, obtained from one or more broker-dealers. Certain securities may be valued on the basis of a price provided by a single source or

broker-dealer. No active trading market may exist for some senior loans, and they may be subject to restrictions on resale. The inability to dispose of senior loans in a timely fashion could result in losses. Senior loans are generally categorized as Level 2.

Equity securities and exchange-traded funds (“ETFs”) are valued at the most recent sale price or official closing price reported on the exchange (U.S. or foreign) or over-the-counter market on which they trade. Equity securities or ETFs for which no sales are reported are valued at the calculated mean between the most recent bid and asked quotations on the relevant market or, if a mean cannot be determined, at the most recent bid quotation. Equity securities and ETFs are generally categorized as Level 1.

Investments in open-end investment companies are valued at their net asset value each business day and are categorized as Level 1.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and are categorized as Level 2.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Pricing Committee and are generally categorized as Level 3. In accordance with the Fund’s valuation procedures, factors considered in determining value may include, but are not limited to, the type of the security; the size of the holding; the initial cost of the security; the existence of any contractual restrictions on the security’s disposition; the price and extent of public trading in similar securities of the issuer or of comparable companies; quotations or evaluated prices from broker-dealers and/or pricing services; information obtained from the issuer, analysts, and/or the appropriate stock exchange (for exchange-traded securities); an analysis of the company’s or issuer’s financial statements; an evaluation of the forces that influence the issuer and the market(s) in which the security is purchased and sold; and with respect to debt securities, the maturity, coupon, creditworthiness, currency denomination and the movement of the market in which the security is normally traded. The value determined under these procedures may differ from published values for the same securities.

Disclosure about the classification of fair value measurements is included in a table following the Fund’s Investment Portfolio.

**Foreign Currency Translations.** The books and records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars at the prevailing exchange rates at period end. Purchases and sales of investment securities, income and expenses are translated into U.S. dollars at the prevailing exchange rates on the respective dates of the transactions.

Net realized and unrealized gains and losses on foreign currency transactions represent net gains and losses between trade and settlement dates on securities transactions, the acquisition and disposition of foreign currencies, and the difference between the amount of net investment income accrued and the U.S. dollar amount actually received. The portion of both realized and unrealized gains and losses on investments that results from fluctuations in foreign currency exchange rates is not separately disclosed but is included with net realized and unrealized gain/appreciation and loss/depreciation on investments.

**Securities Lending.** National Financial Services LLC (Fidelity Agency Lending), as securities lending agent, lends securities of the Fund to certain financial institutions under the terms of its securities lending agreement. During the term of the loans, the Fund continues to receive interest and dividends generated by the securities and to participate in any changes in their market value. The Fund requires the borrowers of the securities to maintain collateral with the Fund consisting of cash and/or securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities having a value at least equal to the value of the securities loaned. When the collateral falls below specified amounts, the securities lending agent will use its best efforts to obtain additional collateral on the next business day to meet required amounts under the securities lending agreement. During the year ended December 31, 2025, the Fund invested the cash collateral, if any, into a joint trading account in affiliated money market funds, including DWS Government & Agency Securities Portfolio, managed by DWS Investment Management Americas, Inc. DWS Investment Management Americas, Inc. receives a management/ administration fee (0.14% annualized effective rate as of December 31, 2025) on the cash collateral invested in DWS Government & Agency Securities Portfolio. The Fund receives compensation for lending its securities either in the form of fees or by earning interest on invested cash collateral net of borrower rebates and fees paid to a securities lending agent. Either the Fund or the borrower may terminate the loan at any time, and the borrower, after notice, is required to return

borrowed securities within a standard time period. There may be risks of delay and costs in recovery of securities or even loss of rights in the collateral should the borrower of the securities fail financially. If the Fund is not able to recover securities lent, the Fund may sell the collateral and purchase a replacement investment in the market, incurring the risk that the value of the replacement security is greater than the value of the collateral. The Fund is also subject to all investment risks associated with the reinvestment of any cash collateral received, including, but not limited to, interest rate, credit and liquidity risk associated with such investments.

As of December 31, 2025, the Fund had securities on loan. The value of the related collateral exceeded the value of the securities loaned at period end.

**Remaining Contractual Maturity of the Agreements** as of December 31, 2025

	Overnight and Continuous	<30 days	Between 30 & 90 days	>90 days	Total
<b>Securities Lending Transactions</b>					
Corporate Bonds	\$ 1,232,761	\$ —	\$ —	\$ —	\$ 1,232,761
Convertible Bonds	419,045	—	—	—	419,045
<b>Total Borrowings</b>	<b>\$ 1,651,806</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,651,806</b>

Gross amount of recognized liabilities and cash collateral for securities lending transactions: \$ 1,651,806

**When-Issued and Delayed-Delivery Securities.** The Fund may purchase or sell securities with delivery or payment to occur at a later date beyond the normal settlement period. At the time the Fund enters into a commitment to purchase or sell a security, the transaction is recorded and the value of the transaction is reflected in the net asset value. The price of such security and the date when the security will be delivered and paid for are fixed at the time the transaction is negotiated. The value of the security may vary with market fluctuations.

Certain risks may arise upon entering into when-issued and delayed-delivery transactions from the potential inability of counterparties to meet the terms of their contracts or if the issuer does not issue the securities due to political, economic or other factors. Additionally, losses may arise due to changes in the value of the underlying securities.

**Tax Information.** The Fund is treated as a separate taxpayer as provided for in the Internal Revenue Code of 1986, as amended (the "Code"). It is the Fund's policy to comply with the requirements of the Code, which are applicable to regulated investment companies, and to distribute all of its taxable income to the separate accounts of the Participating Insurance Companies which hold its shares.

At December 31, 2025, the Fund had net tax basis capital loss carryforwards of \$8,939,720, including short-term losses (\$719,871) and long-term losses (\$8,219,849), which may be applied against realized net taxable capital gains indefinitely.

The Fund files tax returns with the Internal Revenue Service, the State of New York, and various other states. Specific to U.S. federal and state taxes, generally, each of the tax years in the four-year period ended December 31, 2025, remains subject to examination by taxing authorities. Specific to foreign countries in which the Fund invests, all open tax years remain subject to examination by taxing authorities in the respective jurisdictions. The open tax years vary by each jurisdiction in which the Fund invests.

**Distribution of Income and Gains.** Distributions from net investment income of the Fund, if any, are declared and distributed to shareholders annually. Net realized gains from investment transactions, in excess of available capital loss carryforwards, would be taxable to the Fund if not distributed, and, therefore, will be distributed to shareholders at least annually. The Fund may also make additional distributions for tax purposes if necessary.

The timing and characterization of certain income and capital gain distributions are determined annually in accordance with federal tax regulations which may differ from accounting principles generally accepted in the United States of America. These differences primarily relate to certain securities sold at a loss, investments in derivatives and premium amortization on debt securities. As a result, net investment income (loss) and net realized gain (loss) on investment transactions for a reporting period may differ significantly from distributions during such period. Accordingly, the Fund may periodically make reclassifications among certain of its capital accounts without impacting the net asset value of the Fund.

At December 31, 2025, the Fund's components of distributable earnings (accumulated losses) on a net tax basis were as follows:

Undistributed ordinary income*	\$ 2,544,055
Capital loss carryforwards	\$ (8,939,720)
Net unrealized appreciation (depreciation) on investments	\$ 380,128

At December 31, 2025, the aggregate cost of investments for federal income tax purposes was \$44,489,749. The net unrealized appreciation for all investments based on tax cost was \$380,128. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of \$980,938 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of \$600,810.

In addition, the tax character of distributions paid to shareholders by the Fund is summarized as follows:

	<b>Years Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
Distributions from ordinary income*	\$ 2,966,588	\$ 2,565,084

\* For tax purposes, short-term capital gain distributions are considered ordinary income distributions.

**Expenses.** Expenses of the Trust arising in connection with a specific fund are allocated to that fund. Other Trust expenses which cannot be directly attributed to a fund are apportioned among the funds in the Trust based upon the relative net assets or other appropriate measures.

**Contingencies.** In the normal course of business, the Fund may enter into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet been made. However, based on experience, the Fund expects the risk of loss to be remote.

**Other.** Investment transactions are accounted for on a trade date plus one basis for daily net asset value calculations. However, for financial reporting purposes, investment transactions are reported on trade date. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Realized gains and losses from investment transactions are recorded on an identified cost basis. Proceeds from litigation payments, if any, are included in net realized gain (loss) from investments. All premiums and discounts are amortized/accreted for both tax and financial reporting purposes for the Fund, with the exception of securities in default of principal.

## B. Derivative Instruments

A forward foreign currency contract ("forward currency contract") is a commitment to purchase or sell a foreign currency at the settlement date at a negotiated rate. For the year ended December 31, 2025, the Fund entered into forward currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign currency denominated portfolio holdings.

Forward currency contracts are valued at the prevailing forward exchange rate of the underlying currencies and unrealized gain (loss) is recorded daily. On the settlement date of the forward currency contract, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value of the contract at the time it was closed. Certain risks may arise upon entering into forward currency contracts from the potential inability of counterparties to meet the terms of their contracts. The maximum counterparty credit risk to the Fund is measured by the unrealized gain on appreciated contracts. Additionally, when utilizing forward currency contracts to hedge, the Fund gives up the opportunity to profit from favorable exchange rate movements during the term of the contract.

A summary of the open forward currency contracts as of December 31, 2025, is included in the table following the Fund's Investment Portfolio. For the year ended December 31, 2025, the investment in forward currency contracts short vs. U.S. dollars had a total contract value generally indicative of a range from approximately \$951,000 to \$3,487,000, and the investment in forward currency contracts long vs. U.S. dollars had a total contract value generally indicative of a range from \$0 to approximately \$505,000.

The following tables summarize the value of the Fund's derivative instruments held as of December 31, 2025 and the related location in the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

<b>Asset Derivatives</b>	<b>Forward Contracts</b>
Foreign Exchange Contracts (a)	\$ 1,350

The above derivative is located in the following Statement of Assets and Liabilities account:

(a) Unrealized appreciation on forward foreign currency contracts

<b>Liability Derivatives</b>	<b>Forward Contracts</b>
Foreign Exchange Contracts (a)	\$ (18,958)

The above derivative is located in the following Statement of Assets and Liabilities account:

(a) Unrealized depreciation on forward foreign currency contracts

Additionally, the amount of unrealized and realized gains and losses on derivative instruments recognized in Fund earnings during the year ended December 31, 2025 and the related location in the accompanying Statement of Operations is summarized in the following tables by primary underlying risk exposure:

<b>Realized Gain (Loss)</b>	<b>Forward Contracts</b>
Foreign Exchange Contracts (a)	\$ (57,117)

The above derivative is located in the following Statement of Operations account:

(a) Net realized gain (loss) from forward foreign currency contracts

<b>Change in Net Unrealized Appreciation (Depreciation)</b>	<b>Forward Contracts</b>
Foreign Exchange Contracts (a)	\$ (79,213)

The above derivative is located in the following Statement of Operations account:

(a) Change in net unrealized appreciation (depreciation) on forward foreign currency contracts

As of December 31, 2025, the Fund has transactions subject to enforceable master netting agreements which govern the terms of certain transactions, and reduce the counterparty risk associated with such transactions. Master netting agreements allow a Fund to close out and net total exposure to a counterparty in the event of a deterioration in the credit quality or contractual default with respect to all of the transactions with a counterparty. As defined by the master netting agreement, the Fund may have collateral agreements with certain counterparties to mitigate risk. For financial reporting purposes the Statement of Assets and Liabilities generally shows derivatives assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting. A reconciliation of the gross amounts on the Statement of Assets and Liabilities to the net amounts by a counterparty, including any collateral exposure, is included in the following tables:

<b>Counterparty</b>	<b>Gross Amount of Assets Presented in the Statement of Assets and Liabilities</b>	<b>Financial Instruments and Derivatives Available for Offset</b>	<b>Collateral Received</b>	<b>Net Amount of Derivative Assets</b>
State Street Bank and Trust	\$ 1,350	\$ (1,350)	\$ —	\$ —

<b>Counterparty</b>	<b>Gross Amount of Liabilities Presented in the Statement of Assets and Liabilities</b>	<b>Financial Instruments and Derivatives Available for Offset</b>	<b>Collateral Pledged</b>	<b>Net Amount of Derivative Liabilities</b>
State Street Bank and Trust	\$ 18,958	\$ (1,350)	\$ —	\$ 17,608

## C. Purchases and Sales of Securities

During the year ended December 31, 2025, purchases and sales of investment securities, excluding short-term investments, were as follows:

	Purchases	Sales
Non-U.S. Treasury Obligations	\$65,020,449	\$65,792,812
U.S. Treasury Obligations	\$ —	\$ 38,011

## D. Related Parties

**Management Agreement.** Under the Investment Management Agreement with DWS Investment Management Americas, Inc. (“DIMA” or the “Advisor”), an indirect, wholly owned subsidiary of DWS Group GmbH & Co. KGaA (“DWS Group”), the Advisor directs the investments of the Fund in accordance with its investment objectives, policies and restrictions. The Advisor determines the securities, instruments and other contracts relating to investments to be purchased, sold or entered into by the Fund.

Under the Investment Management Agreement with the Advisor, the Fund pays a monthly management fee based on the average daily net assets of the Fund, computed and accrued daily and payable monthly, at the following annual rates:

First \$250 million of the Fund’s average daily net assets	.500%
Next \$750 million of such net assets	.470%
Next \$1.5 billion of such net assets	.450%
Next \$2.5 billion of such net assets	.430%
Next \$2.5 billion of such net assets	.400%
Next \$2.5 billion of such net assets	.380%
Next \$2.5 billion of such net assets	.360%
Over \$12.5 billion of such net assets	.340%

Accordingly, for the year ended December 31, 2025, the fee pursuant to the Investment Management Agreement was equivalent to an annual rate (exclusive of any applicable waivers/reimbursements) of 0.50% of the Fund’s average daily net assets.

For the period from January 1, 2025 through April 30, 2025, the Advisor had contractually agreed to waive its fees and/or reimburse certain operating expenses to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage, interest expense and acquired fund fees and expenses) of Class A shares at 0.69%.

Effective May 1, 2025 through April 30, 2026, the Advisor has contractually agreed to waive its fees and/or reimburse certain operating expenses to the extent necessary to maintain the total annual operating expenses (excluding certain expenses such as extraordinary expenses, taxes, brokerage, interest expense and acquired fund fees and expenses) of Class A shares at 0.70%.

For the year ended December 31, 2025, fees waived and/or expenses reimbursed for Class A are \$87,617.

**Administration Fee.** Pursuant to an Administrative Services Agreement, DIMA provides most administrative services to the Fund. For all services provided under the Administrative Services Agreement, the Fund pays the Advisor an annual fee (“Administration Fee”) of 0.097% of the Fund’s average daily net assets, computed and accrued daily and payable monthly. For the year ended December 31, 2025, the Administration Fee was \$41,536, of which \$3,552 is unpaid.

**Service Provider Fees.** DWS Service Company (“DSC”), an affiliate of the Advisor, is the transfer agent, dividend-paying agent and shareholder service agent for the Fund. Pursuant to a sub-transfer agency agreement between DSC and SS&C GIDS, Inc. (“SS&C”), DSC has delegated certain transfer agent, dividend-paying agent and shareholder service agent functions to SS&C. DSC compensates SS&C out of the shareholder servicing fee it receives from the Fund. For the year ended December 31, 2025, the amounts charged to the Fund by DSC aggregated \$403, of which \$68 is unpaid.

**Other Service Fees.** Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the year ended December 31, 2025, the amount charged to the Fund by DIMA included in the Statement of Operations under “Reports to shareholders” aggregated \$794, of which \$301 is unpaid.

**Trustees' Fees and Expenses.** The Fund paid retainer fees to each Trustee not affiliated with the Advisor, plus specified amounts to the Board Chairperson and to each committee Chairperson.

**Affiliated Cash Management Vehicles.** The Fund may invest uninvested cash balances in DWS Central Cash Management Government Fund, an affiliated money market fund which is managed by the Advisor. DWS Central Cash Management Government Fund is managed in accordance with Rule 2a-7 under the 1940 Act, which governs the quality, maturity, diversity and liquidity of instruments in which a money market fund may invest and seeks to maintain a stable net asset value. The Fund indirectly bears its proportionate share of the expenses of its investment in DWS Central Cash Management Government Fund. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee.

### **E. Investing in High-Yield Debt Securities**

High-yield debt securities or junk bonds are generally regarded as speculative with respect to the issuer's continuing ability to meet principal and interest payments. The Fund's performance could be hurt if an issuer of a debt security suffers an adverse change in financial condition that results in the issuer not making timely payments of interest or principal, a security downgrade or an inability to meet a financial obligation. High-yield debt securities' total return and yield may generally be expected to fluctuate more than the total return and yield of investment-grade debt securities. A real or perceived economic downturn or an increase in market interest rates could cause a decline in the value of high-yield debt securities, result in increased redemptions and/or result in increased portfolio turnover, which could result in a decline in net asset value of the Fund, reduce liquidity for certain investments and/or increase costs. High-yield debt securities are often thinly traded and can be more difficult to sell and value accurately than investment-grade debt securities as there may be no established secondary market. Investments in high yield debt securities could increase liquidity risk for the Fund. In addition, the market for high-yield debt securities can experience sudden and sharp volatility which is generally associated more with investments in stocks.

### **F. Ownership of the Fund**

At December 31, 2025, two Participating Insurance Companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 89% and 10%, respectively.

### **G. Line of Credit**

The Fund and other affiliated funds (the "Participants") share in a \$345 million revolving credit facility provided by a syndication of banks. The Fund may borrow for temporary or emergency purposes, including the meeting of redemption requests that otherwise might require the untimely disposition of securities. The Participants are charged an annual commitment fee, which is allocated based on net assets, among each of the Participants. Interest is calculated at a daily fluctuating rate per annum equal to the sum of 0.10% plus the higher of the Federal Funds Effective Rate and the Overnight Bank Funding Rate, plus 1.25%. The Fund may borrow up to a maximum of 20 percent of its net assets under the agreement. The Fund had no outstanding loans at December 31, 2025.

# Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Deutsche DWS Variable Series II and Shareholders of DWS High Income VIP:

## **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities of DWS High Income VIP (the "Fund") (one of the funds constituting Deutsche DWS Variable Series II (the "Trust")), including the investment portfolio, as of December 31, 2025, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund (one of the funds constituting Deutsche DWS Variable Series II) at December 31, 2025, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and its financial highlights for each of the five years in the period then ended, in conformity with U.S. generally accepted accounting principles.

## **Basis for Opinion**

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust's internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2025, by correspondence with the custodian, brokers, and others; when replies were not received from brokers and others, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

*Ernst + Young LLP*

We have served as the auditor of one or more investment companies in the DWS family of funds since at least 1979, but we are unable to determine the specific year.

Boston, Massachusetts  
February 12, 2026

## Tax Information

(Unaudited)

Please consult a tax advisor if you have questions about federal or state income tax laws, or on how to prepare your tax returns. If you have specific questions about your account, please contact your insurance provider.

## Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the “Board” or “Trustees”) approved the renewal of DWS High Income VIP’s (the “Fund”) investment management agreement (the “Agreement”) with DWS Investment Management Americas, Inc. (“DIMA”) in September 2025.

In terms of the process that the Board followed prior to approving the Agreement, shareholders should know that:

- During the entire process, all of the Fund’s Trustees were independent of DIMA and its affiliates (the “Independent Trustees”).
- The Board met frequently during the past year to discuss fund matters and dedicated a substantial amount of time to contract review matters. Over the course of several months, the Board reviewed extensive materials received from DIMA, independent third parties and independent counsel, including materials containing information on the Fund’s performance, fees and expenses, profitability, economies of scale and fall-out benefits.
- The Board also received extensive information throughout the year regarding performance of the Fund.
- The Independent Trustees regularly met privately with counsel to discuss contract review and other matters.
- In connection with reviewing the Agreement, the Board also reviewed the terms of the Fund’s distribution agreement, administrative services agreement, transfer agency agreement, and certain other material service agreements.

In connection with the contract review process, the Board considered the factors discussed below, among others. The Board also considered that DIMA and its predecessors have managed the Fund since its inception, and the Board believes that a long-term relationship with a capable, conscientious advisor is in the best interests of the Fund. The Board considered, generally, that shareholders chose to invest or remain invested in the Fund knowing that DIMA managed the Fund. DIMA is part of DWS Group GmbH & Co. KGaA (“DWS Group”). DWS Group is a global asset management business that offers a wide range of investing expertise and resources, including research capabilities in many countries throughout the world. DWS Group is majority-owned by Deutsche Bank AG, with approximately 20% of its shares publicly traded.

As part of the contract review process, the Board carefully considered the fees and expenses of each DWS fund overseen by the Board in light of the fund’s performance. In many cases, this led to the negotiation and implementation of expense caps.

While shareholders may focus primarily on fund performance and fees, the Board considers these and many other factors, including the quality and integrity of DIMA’s personnel and administrative support services provided by DIMA, such as back-office operations, fund valuations, and compliance policies and procedures.

**Nature, Quality and Extent of Services.** The Board considered the terms of the Agreement, including the scope of advisory services provided under the Agreement. The Board noted that, under the Agreement, DIMA provides portfolio management services to the Fund and that, pursuant to a separate administrative services agreement, DIMA provides administrative services to the Fund. The Board considered the experience and skills of senior management and investment personnel and the resources made available to such personnel. The Board also considered the risks to DIMA in sponsoring or managing the Fund, including financial, operational and reputational risks, the potential economic impact to DIMA from such risks and DIMA’s approach to addressing such risks. The Board reviewed the Fund’s performance over short-term and long-term periods and compared those returns to various agreed-upon performance measures, including market index(es) and a peer universe compiled using information supplied by Morningstar Direct (“Morningstar”), an independent fund data service. The Board also noted that it has put into place a process of identifying “Funds in Review” (e.g., funds performing poorly relative to a peer universe), and receives additional reporting from DIMA regarding such funds and, where appropriate, DIMA’s plans to address underperformance. The Board believes this process is an effective manner of identifying and addressing underperforming funds. Based on the information provided, the Board noted that, for the one-, three- and five-year periods ended December 31, 2024, the Fund’s performance (Class A shares) was in the 3rd quartile, 2nd quartile and 2nd quartile, respectively, of the applicable Morningstar universe (the 1st quartile being the best performers and the 4th quartile being the worst performers). The Board also observed that the Fund has underperformed its benchmark in the one-, three- and five-year periods ended December 31, 2024.

**Fees and Expenses.** The Board considered the Fund’s investment management fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions,

Inc. (“Broadridge”) regarding investment management fee rates paid to other investment advisors by similar funds (1st quartile being the most favorable and 4th quartile being the least favorable). With respect to management fees paid to other investment advisors by similar funds, the Board noted that the contractual fee rates paid by the Fund, which include a 0.097% fee paid to DIMA under the Fund’s administrative services agreement, were lower than the median (1st quartile) of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2024). The Board noted that the Fund’s Class A shares total (net) operating expenses were expected to be higher than the median (3rd quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2024, and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees). The Board noted that the expense limitation agreed to by DIMA was expected to help the Fund’s total (net) operating expenses remain competitive. The Board considered the Fund’s management fee rate as compared to fees charged by DIMA to comparable DWS U.S. registered funds (“DWS Funds”) and considered differences between the Fund and the comparable DWS Funds. The information requested by the Board as part of its review of fees and expenses also included information about institutional accounts (including any sub-advised funds and accounts) and funds offered primarily to European investors (“DWS Europe Funds”) managed by DWS Group. The Board noted that DIMA indicated that DWS Group does not manage any institutional accounts or DWS Europe Funds comparable to the Fund.

On the basis of the information provided, the Board concluded that management fees were reasonable and appropriate in light of the nature, quality and extent of services provided by DIMA.

**Profitability.** The Board reviewed detailed information regarding revenues received by DIMA under the Agreement. The Board considered the estimated costs to DIMA, and pre-tax profits realized by DIMA, from advising the DWS Funds, as well as estimates of the pre-tax profits attributable to managing the Fund in particular. The Board also received information regarding the estimated enterprise-wide profitability of DIMA and its affiliates with respect to all fund services in totality and by fund. The Board reviewed DIMA’s methodology in allocating its costs to the management of the Fund. Based on the information provided, the Board concluded that the pre-tax profits realized by DIMA in connection with the management of the Fund were not unreasonable. The Board also reviewed certain publicly available information regarding the profitability of certain similar investment management firms. The Board noted that, while information regarding the profitability of such firms is limited (and in some cases is not necessarily prepared on a comparable basis), DIMA and its affiliates’ overall profitability with respect to the DWS Funds (after taking into account distribution and other services provided to the funds by DIMA and its affiliates) was in line with the overall profitability levels of most comparable firms for which such data was available.

**Economies of Scale.** The Board considered whether there are economies of scale with respect to the management of the Fund and whether the Fund benefits from any economies of scale. The Board noted that the Fund’s investment management fee schedule includes fee breakpoints. The Board concluded that the Fund’s fee schedule represents an appropriate sharing between the Fund and DIMA of such economies of scale as may exist in the management of the Fund at current asset levels.

**Other Benefits to DIMA and Its Affiliates.** The Board also considered the character and amount of other incidental or “fall-out” benefits received by DIMA and its affiliates, including any fees received by DIMA for administrative services provided to the Fund and any fees received by an affiliate of DIMA for transfer agency services provided to the Fund. The Board also considered benefits to DIMA related to brokerage and soft-dollar allocations, including allocating brokerage to pay for research generated by parties other than the executing broker dealers, which pertain primarily to funds investing in equity securities. In addition, the Board considered the incidental public relations benefits to DIMA related to DWS Funds advertising and cross-selling opportunities among DIMA products and services. The Board considered these benefits in reaching its conclusion that the Fund’s management fees were reasonable.

**Compliance.** The Board considered the significant attention and resources dedicated by DIMA to its compliance processes. The Board noted in particular (i) the experience, seniority and time commitment of the individuals serving as DIMA’s and the Fund’s chief compliance officers; (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters; and (iii) ongoing efforts to enhance the compliance program.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreement is in the best interests of the Fund. In making this determination, the Board did not give particular weight to any single factor identified above and individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreement. The Board considered these factors over the course of numerous meetings, certain of which were in executive session with only the Independent Trustees and counsel present.

