

# Sustainable Investments

## Strategies for forward thinking/value-driven investors: Returns are about more than the bottom line

DWS is a global asset manager with \$817B AUM as of 6/30/19, and a diverse product suite, including a broad range of impact investing and ESG solutions. The Sustainable Investments (“SI”) team is a committed group of finance professionals from a dozen countries around the globe. We find investment opportunities that address community, social, and environmental issues with the goal of transforming the world.

### How we lead

We have been pioneering solutions in the SI space globally for over 20 years in the following markets: financial inclusion (microfinance), agriculture, energy, and the environment in developing and developed countries. Our strategies fight global issues encapsulated in the sustainable investment goals from the UN (“SDGs”).<sup>1</sup> We focus on a “double bottom line”: competitive financial returns with social and environmental impact.

### Global presence

The SI team spans four continents and the SI footprint reflects the deployment of capital in over 60 countries. This expertise with overseas investments is complemented by DWS’s global presence with offices in 30 cities spanning 17 countries. We partner with a number of global development organizations and have structured several blended finance investment vehicles. We also work with corporations on their sustainability goals and structuring investment opportunities.

#### Current global issue and impact investment strategies

**Building smart cities for the future.** China is the largest emitter of greenhouse gases globally, negatively affecting the population’s productivity and well-being. As a result, a large market to remediate and address these issues has emerged, creating opportunity for investments in technologies enabling clean energy, remediation of water and soil, and waste management.

**Closing the financial inclusion gap.** Two billion working age adults have no access to financial services, while 200-245 million micro, small, and medium-sized businesses lack financing, primarily in emerging and developing economies, holding back their development. In particular, women-owned businesses struggle to find financing to grow. In our view, this unmet demand presents attractive investment opportunities.

**Expanding access to clean energy in Sub-Sahara Africa.** More than half a billion people in Africa live without electricity access. Connecting this population in a sustainable way by lending to companies that are providing decentralized clean energy solutions for households and businesses, in addition to collaborating with local banks to encourage the development of clean energy finance, presents a significant market opportunity.

#### Sustainable Development Goals (SDGs)



No assurance is provided that any investment objective will be achieved.

<sup>1</sup> The Sustainable Development Goals are 17 goals spearheaded by the United Nations to make the world more just and equitable.

## More than 20 years of Sustainable Investing experience

SI has managed, advised, and/or administered 18 funds or dedicated portfolios over more than two decades, spanning fixed income, private equity, and blended finance strategies. Investors have included institutional investors, high net worth investors, development institutions, and banks. Our impact investing work includes:

**1<sup>st</sup>**  
microfinance fund launched by a global bank (1997).

**60+**  
countries impacted.

Investing in responsible financial inclusion and promoting consumer protection.

**\$100+ Million**  
deployed to Africa.

Financing agricultural value chains in Africa to increase the poor's income.

**400,000+**  
tCO2e emissions saved.

Supporting the EU's goals to mitigate climate change by financing energy efficiency and renewable projects.

The SDGs are one of the biggest opportunities in the market today. Tackling all the investment opportunities could add 10% to global GDP and nearly 400 million jobs, but it will require trillions in investment. This is where we come in: allowing clients to not only participate in meaningful projects, but invest in one of the best growth opportunities on the planet today.

### Andrew Pidden

Managing Director,  
Head of Sustainable Investments

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## DWS, AN ESTABLISHED HISTORY IN THE IMPACT INVESTING INDUSTRY

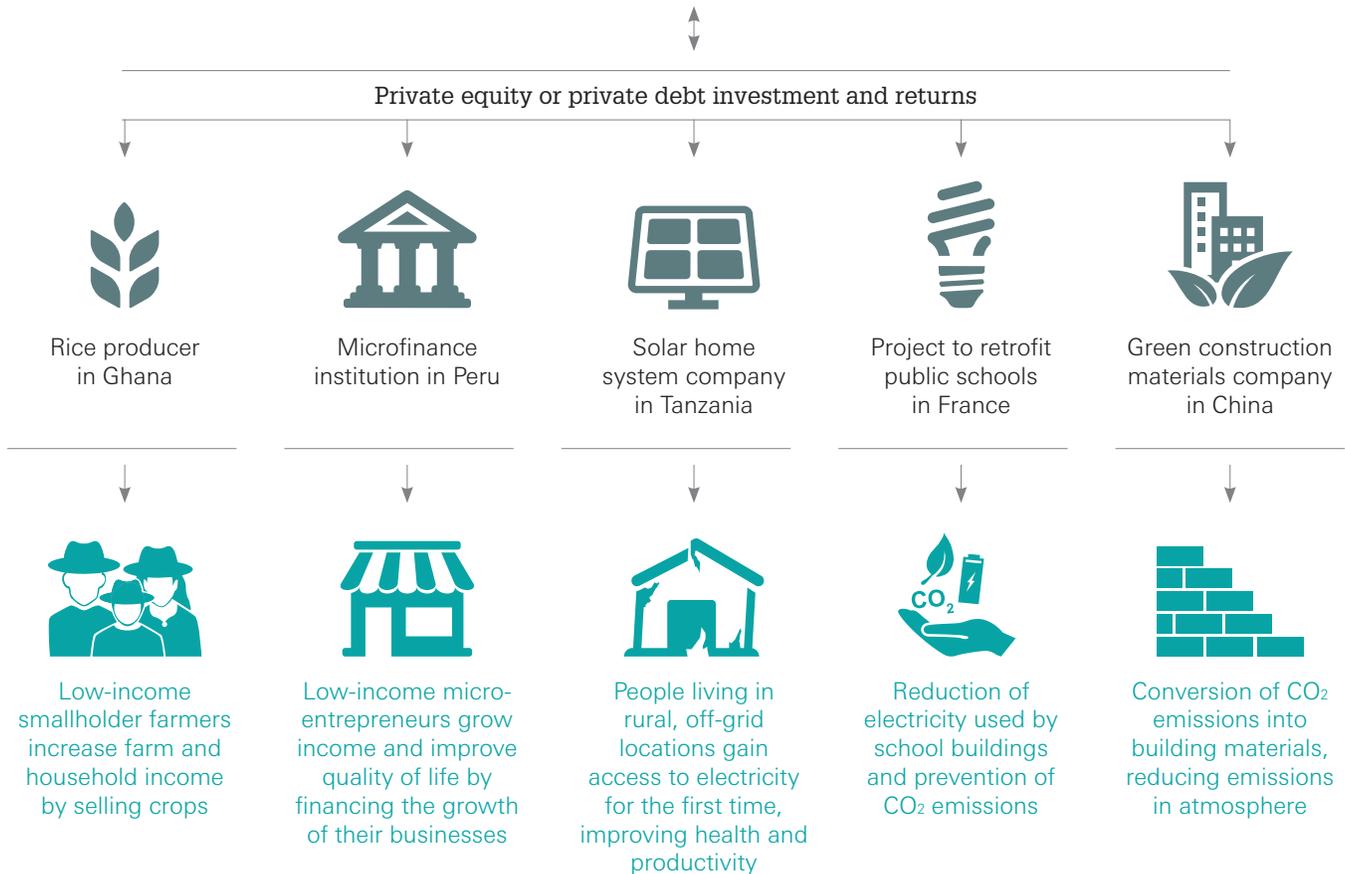
SI participates actively in several key industry associations and networks, including:



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How SI's investments impact people and planet

**DWS Investment Strategies**



**SAMPLE IMPACT REPORTING METRICS:**

- \_ Growth in agricultural production
- \_ Increased employment
- \_ Growth in borrower and saver outreach, particularly to women and people in rural areas
- \_ # of people with access to low-emission energy sources (including women)
- \_ MWs of low-emission energy capacity installed
- \_ CO<sub>2</sub> savings
- \_ Primary energy savings
- \_ Savings of natural resources (water, wood)
- \_ Reduction in material waste
- \_ Gender disaggregated metrics (women borrower retention rate; women staff retention rates)

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