

June 30, 2023

# Semiannual Report

Deutsche DWS Variable Series II

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**DWS Alternative Asset Allocation VIP**



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**This report must be preceded or accompanied by a prospectus. To obtain an additional prospectus or summary prospectus, if available, call (800) 728-3337 or your financial representative. We advise you to consider the Fund's objectives, risks, charges and expenses carefully before investing. The summary prospectus and prospectus contain this and other important information about the Fund. Please read the prospectus carefully before you invest.**

Although allocation among different asset categories generally limits risk, portfolio management may favor an asset category that underperforms other assets or markets as a whole. The Fund expects to invest in underlying funds that emphasize alternatives or non-traditional asset categories or investment strategies, and as a result, it is subject to the risk factors of those underlying funds. Some of those risks include: stock market risk; the political, general economic, liquidity and currency risks of foreign investments, which may be particularly significant for emerging markets; credit and interest rate risk; floating rate loan risk; volatility, infrastructure and high-yield debt securities. Because Exchange Traded Funds (ETFs) trade on a securities exchange, their shares may trade at a premium or discount to their net asset value. ETFs also incur fees and expenses so they may not fully match the performance of the indexes they are designed to track. The Fund may use derivatives, including as part of its currency and interest-rate strategies. Investing in derivatives entails special risks relating to liquidity, leverage and credit that may reduce returns and/or increase volatility. The success of the Fund's currency and interest-rate strategies are dependent, in part, on the effectiveness and implementation of portfolio management's proprietary models. As part of these strategies, the Fund's exposure to foreign currencies could cause lower returns or even losses because foreign currency rates may fluctuate significantly over short periods of time for a number of reasons. The risk of loss is heightened during periods of rapid rises in interest rates. In addition, the notional amount of the Fund's aggregate currency and interest-rate exposure resulting from these strategies may significantly exceed the net assets of the Fund. Please read the prospectus for additional risks and specific details regarding the Fund's risk profile.

War, terrorism, sanctions, economic uncertainty, trade disputes, public health crises, natural disasters, climate change and related geopolitical events have led and, in the future, may lead to significant disruptions in U.S. and world economies and markets, which may lead to increased market volatility and may have significant adverse effects on the Fund and its investments.

The brand DWS represents DWS Group GmbH & Co. KGaA and any of its subsidiaries such as DWS Distributors, Inc. which offers investment products or DWS Investment Management Americas, Inc. and RREEF America L.L.C. which offer advisory services.

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# Performance Summary

June 30, 2023 (Unaudited)

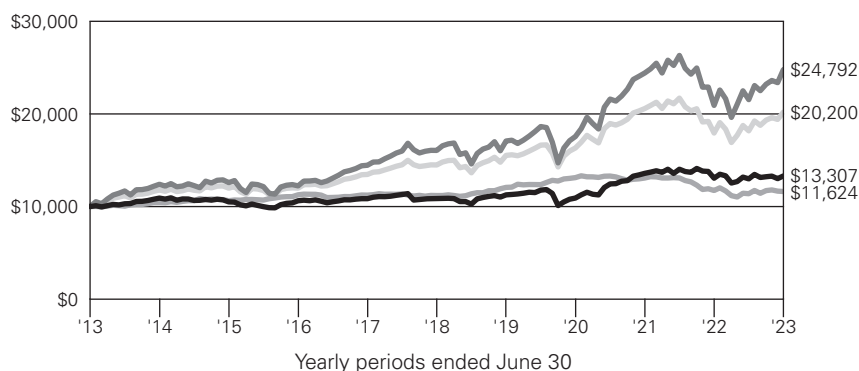
Fund performance shown is historical, assumes reinvestment of all dividend and capital gain distributions, and does not guarantee future results. Investment return and principal value fluctuate with changing market conditions so that, when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Please contact your participating insurance company for the Fund's most recent month-end performance. Performance does not reflect charges and fees ("contract charges") 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. These charges and fees will reduce returns. While all share classes have the same underlying portfolio, their performance will differ.

The gross expense ratios of the Fund, as stated in the fee table of each prospectus dated May 1, 2023 are 0.83% and 1.21% for Class A and Class B shares, respectively, and may differ from the expense ratios disclosed in the Financial Highlights tables in this report. These expense ratios include net expenses of the underlying funds in which the Fund invests.

Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights.

## Growth of an Assumed \$10,000 Investment

- DWS Alternative Asset Allocation VIP — Class A
- MSCI World Index
- Bloomberg U.S. Aggregate Bond Index
- Blended Index



MSCI World Index is an unmanaged index representing large and mid-cap equity performance across 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country.

Bloomberg U.S. Aggregate Bond Index is an unmanaged index representing domestic taxable investment-grade bonds, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities with average maturities of one year or more.

The Blended Index consists of 70% MSCI World Index and 30% Bloomberg U.S. Aggregate Bond Index.

Index returns do not reflect any fees or expenses and it is not possible to invest directly into an index.

The Advisor believes that the MSCI World Index, Bloomberg U.S. Aggregate Bond Index, and the blend of each of these indexes, reflect the different components of the Fund's typical asset allocations.

## Comparative Results

<b>DWS Alternative Asset Allocation VIP</b>		<b>6-Month<sup>‡</sup></b>	<b>1-Year</b>	<b>3-Year</b>	<b>5-Year</b>	<b>10-Year</b>
<b>Class A</b>	Growth of \$10,000	\$10,244	\$10,189	\$12,187	\$12,253	\$13,307
	Average annual total return	2.44%	1.89%	6.81%	4.15%	2.90%
MSCI World Index	Growth of \$10,000	\$11,509	\$11,851	\$14,116	\$15,436	\$24,792
	Average annual total return	15.09%	18.51%	12.18%	9.07%	9.50%
Bloomberg U.S. Aggregate Bond Index	Growth of \$10,000	\$10,209	\$9,906	\$8,857	\$10,389	\$11,624
	Average annual total return	2.09%	-0.94%	-3.96%	0.77%	1.52%
Blended Index	Growth of \$10,000	\$11,115	\$11,262	\$12,374	\$13,939	\$20,200
	Average annual total return	11.15%	12.62%	7.36%	6.87%	7.28%
<hr/>						
<b>DWS Alternative Asset Allocation VIP</b>		<b>6-Month<sup>‡</sup></b>	<b>1-Year</b>	<b>3-Year</b>	<b>5-Year</b>	<b>10-Year</b>
<b>Class B</b>	Growth of \$10,000	\$10,218	\$10,148	\$12,044	\$12,038	\$12,891
	Average annual total return	2.18%	1.48%	6.40%	3.78%	2.57%
MSCI World Index	Growth of \$10,000	\$11,509	\$11,851	\$14,116	\$15,436	\$24,792
	Average annual total return	15.09%	18.51%	12.18%	9.07%	9.50%
Bloomberg U.S. Aggregate Bond Index	Growth of \$10,000	\$10,209	\$9,906	\$8,857	\$10,389	\$11,624
	Average annual total return	2.09%	-0.94%	-3.96%	0.77%	1.52%
Blended Index	Growth of \$10,000	\$11,115	\$11,262	\$12,374	\$13,939	\$20,200
	Average annual total return	11.15%	12.62%	7.36%	6.87%	7.28%

The growth of \$10,000 is cumulative.

<sup>‡</sup> Total returns shown for periods less than one year are not annualized.

# Portfolio Summary

(Unaudited)

Asset Allocation* (As a % of Investment Portfolio)	6/30/23	12/31/22
<b>Real Asset</b>	<b>38%</b>	<b>38%</b>
DWS Enhanced Commodity Strategy Fund	14%	13%
DWS RREEF Global Infrastructure Fund	13%	14%
DWS RREEF Real Estate Securities Fund	8%	8%
iShares Global Infrastructure ETF	2%	2%
SPDR S&P Global Natural Resources ETF	1%	1%
<b>Alternative Fixed Income</b>	<b>22%</b>	<b>20%</b>
DWS Floating Rate Fund	10%	9%
iShares JP Morgan USD Emerging Markets Bond ETF	5%	4%
DWS Emerging Markets Fixed Income Fund	4%	4%
SPDR Blackstone Senior Loan ETF	3%	3%
<b>Alternative Equity</b>	<b>13%</b>	<b>11%</b>
SPDR Bloomberg Convertible Securities ETF	10%	8%
iShares Preferred & Income Securities ETF	3%	3%
<b>Absolute Return</b>	<b>17%</b>	<b>20%</b>
DWS ESG Liquidity Fund	9%	13%
DWS Global Macro Fund	8%	7%
<b>Cash Equivalents</b>	<b>10%</b>	<b>11%</b>
DWS Central Cash Management Government Fund	10%	11%
	100%	100%

\* During the periods indicated, asset categories and investment strategies represented in the Fund's portfolio fell into the following categories: Real Assets, Alternative Fixed Income, Alternative Equity, and Absolute Return. Real Asset investments have a tangible or physical aspect such as real estate or commodities. Alternative Fixed Income investments seek to offer exposure to categories generally not included in investors' allocations and to foreign investments, many of which are not denominated in US dollars. Alternative Equity investments are investments primarily in convertible and preferred instruments that offer equity exposure. Absolute Return investments seek positive returns in all market environments or seek to increase the diversification or liquidity of the Fund's portfolio.

Portfolio holdings and characteristics are subject to change.

For more complete details about the Fund's investment portfolio, see page 6.

Following the Fund's fiscal first and third quarter-end, a complete portfolio holdings listing is posted on dws.com and is available free of charge by contacting your financial intermediary or, if you are a direct investor, by calling (800) 728-3337. In addition, the portfolio holdings listing is filed with the SEC on the Fund's Form N-PORT and will be available on the SEC's Web site at sec.gov. Additional portfolio holdings for the Fund are also posted on dws.com from time to time. Please see the Fund's current prospectus for more information.

## Portfolio Management Team

Darwei Kung, Head of Investment Strategy Liquid Real Assets

Daniel Park, Portfolio Manager Multi Asset & Solutions.

Yu Shi, CFA, Portfolio Manager Multi Asset & Solutions.

# Investment Portfolio

as of June 30, 2023 (Unaudited)

	Shares	Value (\$)
<b>Mutual Funds 56.7%</b>		
DWS Emerging Markets Fixed Income Fund "Institutional" (a)	2,351,337	15,683,420
DWS Enhanced Commodity Strategy Fund "Institutional" (a)	10,460,873	59,522,365
DWS Floating Rate Fund "Institutional" (a)	5,462,663	41,406,982
DWS Global Macro Fund "Institutional" (a)	3,429,940	33,270,413
DWS RREEF Global Infrastructure Fund "Institutional" (a)	3,923,609	57,912,463
DWS RREEF Real Estate Securities Fund "Institutional" (a)	1,699,654	33,517,170
<b>Total Mutual Funds</b> (Cost \$266,429,488)		<b>241,312,813</b>

## Exchange-Traded Funds 23.9%

iShares Global Infrastructure ETF	141,313	6,634,646
iShares JP Morgan USD Emerging Markets Bond ETF	238,293	20,621,876
iShares Preferred & Income Securities ETF	459,281	14,205,561

	Shares	Value (\$)
SPDR Blackstone Senior Loan ETF	280,331	11,737,459
SPDR Bloomberg Convertible Securities ETF	635,878	44,479,666
SPDR S&P Global Natural Resources ETF	73,958	3,987,076
<b>Total Exchange-Traded Funds</b> (Cost \$97,007,958)		<b>101,666,284</b>

## Cash Equivalents 19.5%

DWS Central Cash Management Government Fund, 5.13% (a) (b)	44,175,111	44,175,111
DWS ESG Liquidity Fund "Institutional", 5.23% (a) (b)	38,635,941	38,624,350
<b>Total Cash Equivalents</b> (Cost \$82,801,449)		<b>82,799,461</b>

	% of Net Assets	Value (\$)
<b>Total Investment Portfolio</b> (Cost \$446,238,895)	100.1	<b>425,778,558</b>
<b>Other Assets and Liabilities, Net</b>	(0.1)	<b>(546,528)</b>
<b>Net Assets</b>	100.0	<b>425,232,030</b>

A summary of the Fund's transactions with affiliated Underlying DWS Funds during the period ended June 30, 2023 are as follows:

Value (\$)	Purchases	Sales	Net Realized	Net Change in	Income (\$)	Capital Gain	Number	Value (\$)
at 12/31/2022	Cost (\$)	Proceeds (\$)	Gain/(Loss) (\$)	Unrealized Appreciation (Depreciation) (\$)		Distributions (\$)	of Shares at 6/30/2023	at 6/30/2023
<b>Mutual Funds 56.7%</b>								
DWS Emerging Markets Fixed Income Fund "Institutional" (a)	15,307,718	503,716	—	(128,014)	503,716	—	2,351,337	15,683,420
DWS Enhanced Commodity Strategy Fund "Institutional" (a)	54,938,029	8,339,843	—	(3,755,507)	533,042	—	10,460,873	59,522,365
DWS Floating Rate Fund "Institutional" (a)	39,196,806	1,622,697	—	587,479	1,622,696	—	5,462,663	41,406,982
DWS Global Macro "Institutional" (a)	31,508,793	646,630	—	1,114,990	646,630	—	3,429,940	33,270,413
DWS RREEF Global Infrastructure Fund "Institutional" (a)	57,617,260	929,873	—	(634,670)	696,138	233,735	3,923,609	57,912,463
DWS RREEF Real Estate Securities Fund "Institutional" (a)	32,090,988	281,414	—	1,144,768	281,415	—	1,699,654	33,517,170
<b>Cash Equivalents 19.5%</b>								
DWS Central Cash Management Government Fund, 5.13% (a) (b)	48,680,508	22,291,061	26,796,458	—	1,087,319	—	44,175,111	44,175,111
DWS ESG Liquidity Fund, 5.23% (a) (b)	54,525,559	1,019,632	16,914,900	1,672	(7,613)	1,023,863	38,635,941	38,624,350
<b>333,865,661</b>	<b>35,634,866</b>	<b>43,711,358</b>	<b>1,672</b>	<b>(1,678,567)</b>	<b>6,394,819</b>	<b>233,735</b>	<b>110,139,128</b>	<b>324,112,274</b>

(a) Affiliated fund managed by DWS Investment Management Americas, Inc.

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

(b) The rate shown is the annualized seven-day yield at period end.

S&P: Standard & Poor's

SPDR: Standard & Poor's Depository Receipt

### 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 June 30, 2023 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>
Mutual Funds	\$ 241,312,813	\$ —	\$ —	\$ 241,312,813
Exchange-Traded Funds	101,666,284	—	—	101,666,284
Short-Term Investments	82,799,461	—	—	82,799,461
<b>Total</b>	<b>\$ 425,778,558</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 425,778,558</b>

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

# Statement of Assets and Liabilities

as of June 30, 2023 (Unaudited)

<b>Assets</b>	
Investments in non-affiliated Underlying Funds, at value (cost \$97,007,958)	\$ 101,666,284
Investments in affiliated Underlying Funds, at value (cost \$349,230,937)	324,112,274
Receivable for Fund shares sold	4,581
Interest receivable	169,375
Other assets	2,664
<b>Total assets</b>	<b>425,955,178</b>

<b>Liabilities</b>	
Payable for Fund shares redeemed	428,358
Accrued management fee	35,360
Accrued Trustees' fees	3,367
Other accrued expenses and payables	256,063
<b>Total liabilities</b>	<b>723,148</b>

**Net assets, at value** **\$ 425,232,030**

## Net Assets Consist of

Distributable earnings (loss)	(18,241,795)
Paid-in capital	443,473,825

**Net assets, at value** **\$ 425,232,030**

## Net Asset Value

### Class A

**Net Asset Value**, offering and redemption price per share (\$48,834,374 ÷ 3,973,299 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized) **\$ 12.29**

### Class B

**Net Asset Value**, offering and redemption price per share (\$376,397,656 ÷ 30,595,347 outstanding shares of beneficial interest, no par value, unlimited number of shares authorized) **\$ 12.30**

# Statement of Operations

for the six months ended June 30, 2023 (Unaudited)

<b>Investment Income</b>	
Income:	
Dividends	\$ 1,682,403
Income distributions from affiliated Underlying Funds	6,394,819
<b>Total income</b>	<b>8,077,222</b>
Expenses:	
Management fee	211,102
Administration fee	204,769
Services to shareholders	646
Record keeping fee (Class B)	242,026
Distribution service fee (Class B)	468,444
Custodian fee	3,017
Professional fees	37,590
Reports to shareholders	13,693
Registration fees	1
Trustees' fees and expenses	9,745
Other	6,031
<b>Total expenses</b>	<b>1,197,064</b>
<b>Net investment income</b>	<b>6,880,158</b>

## Realized and Unrealized Gain (Loss)

Net realized gain (loss) from:	
Sale of affiliated Underlying Funds	1,672
Capital gain distributions from affiliated Underlying Funds	233,735
	235,407
Change in net unrealized appreciation (depreciation) on:	
Affiliated Underlying Funds	(1,678,567)
Non-affiliated Underlying Funds	3,981,583
	2,303,016
<b>Net gain (loss)</b>	<b>2,538,423</b>

**Net increase (decrease) in net assets resulting from operations** **\$ 9,418,581**

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



# Statements of Changes in Net Assets

	Six Months Ended June 30, 2023 (Unaudited)	Year Ended December 31, 2022
<b>Increase (Decrease) in Net Assets</b>		
Operations:		
Net investment income	\$ 6,880,158	\$ 26,459,643
Net realized gain (loss)	235,407	5,513,392
Change in net unrealized appreciation (depreciation)	2,303,016	(68,849,097)
Net increase (decrease) in net assets resulting from operations	9,418,581	(36,876,062)
Distributions to shareholders:		
Class A	(3,667,936)	(3,486,882)
Class B	(27,346,396)	(29,085,224)
Total distributions	(31,014,332)	(32,572,106)
Fund share transactions:		
<b>Class A</b>		
Proceeds from shares sold	2,521,795	8,154,196
Reinvestment of distributions	3,667,936	3,486,882
Payments for shares redeemed	(1,035,754)	(5,596,341)
Net increase (decrease) in net assets from Class A share transactions	5,153,977	6,044,737
<b>Class B</b>		
Proceeds from shares sold	5,288,568	17,581,298
Reinvestment of distributions	27,346,396	29,085,224
Payments for shares redeemed	(13,484,459)	(55,362,431)
Net increase (decrease) in net assets from Class B share transactions	19,150,505	(8,695,909)
<b>Increase (decrease) in net assets</b>	2,708,731	(72,099,340)
Net assets at beginning of period	422,523,299	494,622,639
<b>Net assets at end of period</b>	<b>\$425,232,030</b>	<b>\$422,523,299</b>
<b>Other Information</b>		
<b>Class A</b>		
Shares outstanding at beginning of period	3,557,543	3,126,054
Shares sold	196,465	590,731
Shares issued to shareholders in reinvestment of distributions	300,404	250,494
Shares redeemed	(81,113)	(409,736)
Net increase (decrease) in Class A shares	415,756	431,489
Shares outstanding at end of period	<b>3,973,299</b>	<b>3,557,543</b>
<b>Class B</b>		
Shares outstanding at beginning of period	28,995,732	29,598,447
Shares sold	419,326	1,281,615
Shares issued to shareholders in reinvestment of distributions	2,236,010	2,086,458
Shares redeemed	(1,055,721)	(3,970,788)
Net increase (decrease) in Class B shares	1,599,615	(602,715)
Shares outstanding at end of period	<b>30,595,347</b>	<b>28,995,732</b>

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

# Financial Highlights

## DWS Alternative Asset Allocation VIP — Class A

	Six Months Ended 6/30/23 (Unaudited)	2022	Years Ended December 31,			
			2021	2020	2019	2018
<b>Selected Per Share Data</b>						
<b>Net asset value, beginning of period</b>	<b>\$12.99</b>	<b>\$15.13</b>	<b>\$13.70</b>	<b>\$13.35</b>	<b>\$12.10</b>	<b>\$13.61</b>
<i>Income (loss) from investment operations:</i>						
Net investment income <sup>a</sup>	.23	.88	1.04	.29	.40	.61
Net realized and unrealized gain (loss)	.08	(1.93)	.69	.40	1.35	(1.84)
<b>Total from investment operations</b>	<b>.31</b>	<b>(1.05)</b>	<b>1.73</b>	<b>.69</b>	<b>1.75</b>	<b>(1.23)</b>
<i>Less distributions from:</i>						
Net investment income	(.89)	(1.08)	(.30)	(.34)	(.50)	(.28)
Net realized gains	(.12)	(.01)	—	—	—	—
<b>Total distributions</b>	<b>(1.01)</b>	<b>(1.09)</b>	<b>(.30)</b>	<b>(.34)</b>	<b>(.50)</b>	<b>(.28)</b>
<b>Net asset value, end of period</b>	<b>\$12.29</b>	<b>\$12.99</b>	<b>\$15.13</b>	<b>\$13.70</b>	<b>\$13.35</b>	<b>\$12.10</b>
Total Return (%) <sup>b</sup>	2.44*	(7.42)	12.74	5.71	14.68 <sup>c</sup>	(9.14) <sup>c</sup>
<b>Ratios to Average Net Assets and Supplemental Data</b>						
Net assets, end of period (\$ millions)	49	46	47	37	34	26
Ratio of expenses before expense reductions (%) <sup>d,e</sup>	.23**	.23	.23	.23	.56	.73
Ratio of expenses after expense reductions (%) <sup>d,e</sup>	.23**	.23	.23	.23	.23	.16
Ratio of net investment income (%)	3.61**	6.44	7.13	2.29	3.09	4.78
Portfolio turnover rate (%)	0	12	19	18	10	32

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

<sup>b</sup> Total return would have been lower if the Advisor had not reduced some Underlying DWS Funds' expenses.

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

<sup>d</sup> The Fund invests in other Funds and indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>e</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.

\* Not annualized

\*\* Annualized

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

## DWS Alternative Asset Allocation VIP — Class B

	Six Months Ended 6/30/23 (Unaudited)	2022	Years Ended December 31,			2018
			2021	2020	2019	
<b>Selected Per Share Data</b>						
<b>Net asset value, beginning of period</b>	<b>\$12.98</b>	<b>\$15.11</b>	<b>\$13.68</b>	<b>\$13.34</b>	<b>\$12.09</b>	<b>\$13.59</b>
<i>Income (loss) from investment operations:</i>						
Net investment income <sup>a</sup>	.20	.80	.93	.24	.37	.62
Net realized and unrealized gain (loss)	.08	(1.90)	.75	.41	1.34	(1.88)
<b>Total from investment operations</b>	<b>.28</b>	<b>(1.10)</b>	<b>1.68</b>	<b>.65</b>	<b>1.71</b>	<b>(1.26)</b>
<i>Less distributions from:</i>						
Net investment income	(.84)	(1.02)	(.25)	(.31)	(.46)	(.24)
Net realized gains	(.12)	(.01)	—	—	—	—
<b>Total distributions</b>	<b>(.96)</b>	<b>(1.03)</b>	<b>(.25)</b>	<b>(.31)</b>	<b>(.46)</b>	<b>(.24)</b>
<b>Net asset value, end of period</b>	<b>\$12.30</b>	<b>\$12.98</b>	<b>\$15.11</b>	<b>\$13.68</b>	<b>\$13.34</b>	<b>\$12.09</b>
Total Return (%) <sup>b</sup>	2.18*	(7.74)	12.35 <sup>c</sup>	5.32 <sup>c</sup>	14.35 <sup>c</sup>	(9.35) <sup>c</sup>
<b>Ratios to Average Net Assets and Supplemental Data</b>						
Net assets, end of period (\$ millions)	376	376	447	427	349	208
Ratio of expenses before expense reductions (%) <sup>d,e</sup>	.61**	.61	.61	.61	.92	1.08
Ratio of expenses after expense reductions (%) <sup>d,e</sup>	.61**	.61	.60	.59	.52	.45
Ratio of net investment income (%)	3.21**	5.81	6.37	1.94	2.90	4.85
Portfolio turnover rate (%)	0	12	19	18	10	32

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

<sup>b</sup> Total return would have been lower if the Advisor had not reduced some Underlying DWS Funds' expenses.

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

<sup>d</sup> The Fund invests in other Funds and indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. This ratio does not include these indirect fees and expenses.

<sup>e</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.

\* Not annualized

\*\* Annualized

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

## A. Organization and Significant Accounting Policies

DWS Alternative Asset Allocation 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 mainly invests in other affiliated DWS funds (i.e., mutual funds, exchange-traded funds and other pooled investment vehicles managed by DWS Investment Management Americas, Inc. or one of its affiliates, together the “Underlying DWS Funds”), non-affiliated exchange-traded funds (“Non-affiliated ETFs”), non-affiliated exchange-traded notes (“Non-affiliated ETNs”) and derivative investments. Non-affiliated ETFs, Non-affiliated ETNs and Underlying DWS Funds are collectively referred to as “Underlying Funds.” During the six months ended June 30, 2023, the Fund primarily invested in Underlying DWS Funds and non-affiliated ETFs. Each Underlying DWS Fund’s accounting policies and investment holdings are outlined in the Underlying DWS Funds’ financial statements and are available upon request.

**Multiple Classes of Shares of Beneficial Interest.** The Fund offers two classes of shares (Class A shares and Class B shares). Class B shares are subject to Rule 12b-1 distribution fees under the 1940 Act and recordkeeping fees equal to an annual rate of up to 0.25% and of up to 0.15%, respectively, of the average daily net assets of the Class B shares of the Fund. Class A shares are not subject to such fees.

Investment income, realized and unrealized gains and losses, and certain fund-level expenses and expense reductions, if any, are borne pro rata on the basis of relative net assets by the holders of all classes of shares, except that each class bears certain expenses unique to that class (including the applicable 12b-1 distribution fees and recordkeeping fees). Differences in class-level expenses may result in payment of different per share dividends by class. All shares have equal rights with respect to voting subject to class-specific arrangements.

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. 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.

**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.

Investments in mutual funds are valued at the net asset value per share of each class of the Underlying DWS Funds and are categorized as Level 1.

ETFs and ETNs 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. ETFs and ETNs 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. ETFs and ETNs securities are generally categorized as Level 1.

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

**Federal Income Taxes.** 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 June 30, 2023, the aggregate cost of investments for federal income tax purposes was \$450,993,797. The net unrealized depreciation for all investments based on tax cost was \$25,215,239. This consisted of aggregate gross unrealized appreciation for all investments for which there was an excess of value over tax cost of \$16,219,128 and aggregate gross unrealized depreciation for all investments for which there was an excess of tax cost over value of \$41,434,367.

The Fund has reviewed the tax positions for the open tax years as of December 31, 2022 and has determined that no provision for income tax and/or uncertain tax positions is required in the Fund's financial statements. The Fund's federal tax returns for the prior three fiscal years remain open subject to examination by the Internal Revenue Service.

**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 and the realized tax character on distributions from certain 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.

The tax character of current year distributions will be determined at the end of the current fiscal year.

**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. Distributions of income and capital gains from the Underlying Funds are recorded on the ex-dividend date. Realized gains and losses from investment transactions are recorded on an identified cost basis.

## **B. Purchases and Sales of Securities**

During the six months ended June 30, 2023, purchases and sales of affiliated Underlying Funds (excluding short-term investments) aggregated \$12,324,173 and \$0, respectively. Purchases and sales of Non-affiliated ETFs aggregated \$8,871,686 and \$0, respectively.

## **C. 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 in Underlying Funds to be purchased, sold or entered into by the Fund or delegates such responsibility to the Fund's subadvisor.

RREEF America L.L.C. ("RREEF"), an indirect, wholly owned subsidiary of DWS Group, acts as an investment subadvisor to the Fund. As an investment subadvisor to the Fund, RREEF provides investment management services to the portions of the Fund's portfolio allocated to direct investments in global real estate and global infrastructure securities. RREEF is paid by the Advisor for the services RREEF provides to the Fund. As of the date of this report, the Fund obtained its exposure to global real estate and global infrastructure securities indirectly through investments in other Underlying Funds.

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

On assets invested in exchange-traded funds and mutual funds	.10%
On assets invested in all other assets not considered exchange-traded funds and mutual funds	1.00%

Accordingly, for the six months ended June 30, 2023, the fee pursuant to the Investment Management Agreement was equivalent to an annualized rate (exclusive of any applicable waivers/reimbursements) of 0.10% of the Fund's average daily net assets.

In addition, the Advisor will receive management fees from managing the Underlying DWS Funds in which the Fund invests.

The Fund does not invest in the Underlying DWS Funds for the purpose of exercising management or control; however, investments within the set limits may represent 5% or more of an Underlying DWS Fund's outstanding shares. At June 30, 2023, the Fund held approximately 33% of DWS Emerging Markets Fixed Income Fund, 9% of DWS ESG Liquidity Fund, 31% of DWS Floating Rate Fund, 16% of DWS Global Macro Fund and 5% of DWS RREEF Global Infrastructure Fund.

For the period from January 1, 2023 through September 30, 2023, the Advisor has contractually agreed to waive its fees and/or reimburse Fund expenses to the extent necessary to maintain the total annual operating expenses (including indirect expenses of Underlying Funds and excluding certain expenses such as extraordinary expenses, taxes, brokerage and interest expense) of each class as follows:

Class A	1.00%
Class B	1.39%

The Fund indirectly bears its proportionate share of fees and expenses, including the management fee paid to DIMA or other investment advisor, incurred by the Underlying Funds in which it is invested.

**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 six months ended June 30, 2023, the Administration Fee was \$204,769, of which \$33,702 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") (name changed from DST Systems, Inc. effective January 1, 2023), 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 six months ended June 30, 2023, the amounts charged to the Fund by DSC were as follows:

Services to Shareholders	Total Aggregated	Unpaid at June 30, 2023
Class A	\$ 131	\$ 36
Class B	183	64
	<b>\$ 314</b>	<b>\$ 100</b>

**Distribution Service Agreement.** Under the Fund's Class B 12b-1 plan, DWS Distributors, Inc. ("DDI") received a fee ("Distribution Service Fee") of up to 0.25% of the average daily net assets of Class B shares. For the six months ended June 30, 2023, the Distribution Service Fee aggregated \$468,444, of which \$76,913 is unpaid.

**Other Service Fees.** Under an agreement with the Fund, DIMA is compensated for providing regulatory filing services to the Fund. For the six months ended June 30, 2023, the amount charged to the Fund by DIMA included in the Statement of Operations under "Reports to shareholders" aggregated \$668, of which \$15 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 and DWS ESG Liquidity Fund, affiliated money market funds which are managed by the Advisor. Each affiliated money market 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. DWS Central Cash Management Government Fund seeks to maintain a stable net asset value, and DWS ESG Liquidity Fund maintains a floating net asset value. The Fund indirectly bears its proportionate share of the expenses of each affiliated money market fund in which it invests. DWS Central Cash Management Government Fund does not pay the Advisor an investment management fee.

#### **D. Ownership of the Fund**

At June 30, 2023, two participating insurance companies were owners of record of 10% or more of the total outstanding Class A shares of the Fund, each owning 76% and 19%, respectively. Two participating insurance companies were the owners of record of 10% or more of the total outstanding Class B shares of the Fund, each owning 82% and 11%, respectively.

## Other Information

(Unaudited)

### Regulatory Update — Tailored Shareholder Report

Effective January 24, 2023, the SEC amended the rules for mutual fund and exchange-traded fund (“ETF”) annual and semi-annual shareholder reports. The amended rules apply to mutual funds and ETFs that are registered on Form N-1A (i.e., open-end funds) and implement a new streamlined disclosure framework requiring “concise and visually engaging” shareholder reports highlighting key information, including a simplified expense presentation, performance information, portfolio holdings and certain fund statistics. The amended rules seek to simplify shareholder reporting by consolidating investor friendly data in one report and moving other data to Form N-CSR, creating a layered disclosure framework. Certain information from the Fund’s current shareholder reports, including the Fund’s investment portfolio, financial statements and financial highlights, will move to Form N-CSR. This information must be available online, delivered free of charge upon request and filed on a semiannual basis on Form N-CSR. Notably, the amended rules will require mutual funds and ETFs to prepare separate individual shareholder reports for each fund share class. The amendments also include a revised definition of “appropriate broad-based securities market index” that will affect performance presentations in the new streamlined reports and mutual fund and ETF prospectuses. The amended rules and related form amendments have a compliance date of July 24, 2024. At this time, management is evaluating the impact of the amended rules and form amendments on the content of the Fund’s current shareholder reports.



# Information About Your Fund's Expenses

(Unaudited)

As an investor of the Fund, you incur two types of costs: ongoing expenses and transaction costs. Ongoing expenses include management fees, distribution and service (12b-1) fees and other Fund expenses. Examples of transaction costs include contract charges, which are not shown in this section. The following tables are intended to help you understand your ongoing expenses (in dollars) of investing in the Fund and to help you compare these expenses with the ongoing expenses of investing in other mutual funds. In addition to the ongoing expenses which the Fund bears directly, the Fund's shareholders indirectly bear the expense of the Underlying Funds in which the Fund invests. These expenses are not included in the Fund's annualized expense ratios used to calculate the expense estimate in the tables. The examples in the table are based on an investment of \$1,000 invested at the beginning of the six-month period and held for the entire period (January 1, 2023 to June 30, 2023).

The tables illustrate your Fund's expenses in two ways:

- **Actual Fund Return.** This helps you estimate the actual dollar amount of ongoing expenses (but not transaction costs) paid on a \$1,000 investment in the Fund using the Fund's actual return during the period. To estimate the expenses you paid over the period, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the "Expenses Paid per \$1,000" line under the share class you hold.
- **Hypothetical 5% Fund Return.** This helps you to compare your Fund's ongoing expenses (but not transaction costs) with those of other mutual funds using the Fund's actual expense ratio and a hypothetical rate of return of 5% per year before expenses. Examples using a 5% hypothetical fund return may be found in the shareholder reports of other mutual funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Please note that the expenses shown in these tables are meant to highlight your ongoing expenses only and do not reflect any transaction costs. The "Expenses Paid per \$1,000" line of the tables is useful in comparing ongoing expenses only and will not help you determine the relative total expense of owning different funds. If these transaction costs had been included, your costs would have been higher.

## Expenses and Value of a \$1,000 Investment for the six months ended June 30, 2023

<b>Actual Fund Return</b>	<b>Class A</b>	<b>Class B</b>
Beginning Account Value 1/1/23	\$ 1,000.00	\$ 1,000.00
Ending Account Value 6/30/23	\$ 1,024.40	\$ 1,021.80
Expenses Paid per \$1,000*	\$ 1.15	\$ 3.06

<b>Hypothetical 5% Fund Return</b>	<b>Class A</b>	<b>Class B</b>
Beginning Account Value 1/1/23	\$ 1,000.00	\$ 1,000.00
Ending Account Value 6/30/23	\$ 1,023.65	\$ 1,021.77
Expenses Paid per \$1,000*	\$ 1.15	\$ 3.06

\* Expenses are equal to the Fund's annualized expense ratio for each share class, multiplied by the average account value over the period, multiplied by 181 (the number of days in the most recent six-month period), then divided by 365.

<b>Annualized Expense Ratios**</b>	<b>Class A</b>	<b>Class B</b>
Deutsche DWS Variable Series II — DWS Alternative Asset Allocation VIP	.23%	.61%

\*\* The Fund invests in other funds and indirectly bears its proportionate share of fees and expenses incurred by the Underlying Funds in which the Fund is invested. These ratios do not include these indirect fees and expenses.

For more information, please refer to the Fund's prospectus.

These tables do not reflect charges and fees ("contract charges") 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.

For an analysis of the fees associated with an investment in the Fund or similar funds, please refer to the current and hypothetical expense calculators for Variable Insurance Products which can be found at [dws.com/calculators](https://dws.com/calculators).

## Liquidity Risk Management

In accordance with Rule 22e-4 (the “Liquidity Rule”) under the Investment Company Act of 1940 (the “1940 Act”), your Fund has adopted a liquidity risk management program (the “Program”), and the Board has designated DWS Investment Management Americas, Inc. (“DIMA”) as Program administrator. The Program is designed to assess and manage your Fund’s liquidity risk (the risk that the Fund would be unable to meet requests to redeem shares of the Fund without significant dilution of remaining investors’ interests in the Fund). DIMA has designated a committee (the “Committee”) composed of personnel from multiple departments within DIMA and its affiliates that is responsible for the implementation and ongoing administration of the Program, which includes assessing the Fund’s liquidity risk under both normal and reasonably foreseeable stressed conditions. Under the Program, every investment held by the Fund is classified on a daily basis into one of four liquidity categories based on estimations of the investment’s ability to be sold during designated timeframes in current market conditions without significantly changing the investment’s market value.

In February 2023, as required by the Program and the Liquidity Rule, DIMA provided the Board with an annual written report (the “Report”) addressing the operation of the Program and assessing the adequacy and effectiveness of its implementation during the period from December 1, 2021 through November 30, 2022 (the “Reporting Period”). During the Reporting Period, your Fund was predominately invested in highly liquid investments (investments that the Fund anticipates can be converted to cash within three business days or less in current market conditions without significantly changing their market value). As a result, your Fund is not required to adopt, and has not adopted, a “Highly Liquid Investment Minimum” as defined in the Liquidity Rule. During the Reporting Period, the Fund did not approach the 15% limit imposed by the Liquidity Rule on holdings in illiquid investments (investments that cannot be sold or disposed of in seven days or less in current market conditions without the sale of the investment significantly changing the market value of the investment). Your Fund did not experience any issues meeting investor redemptions at any time during the Reporting Period. In the Report, DIMA stated that it believes the Program has operated adequately and effectively to manage the Fund’s liquidity risk during the Reporting Period. DIMA also reported that there were no material changes made to the Program during the Reporting Period.

## Proxy Voting

The Trust’s policies and procedures for voting proxies for portfolio securities and information about how the Trust voted proxies related to its portfolio securities during the most recent 12-month period ended June 30 are available on our Web site — [dws.com/en-us/resources/proxy-voting](https://dws.com/en-us/resources/proxy-voting) — or on the SEC’s Web site — [sec.gov](https://sec.gov). To obtain a written copy of the Trust’s policies and procedures without charge, upon request, call us toll free at (800) 728-3337.

## Advisory Agreement Board Considerations and Fee Evaluation

The Board of Trustees (hereinafter referred to as the “Board” or “Trustees”) approved the renewal of DWS Alternative Asset Allocation VIP’s (the “Fund”) investment management agreement (the “Agreement”) with DWS Investment Management Americas, Inc. (“DIMA”) and sub-advisory agreement (the “Sub-Advisory Agreement” and together with the Agreement, the “Agreements”) between DIMA and RREEF America L.L.C. (“RREEF”), an affiliate of DIMA, in September 2022.

In terms of the process that the Board followed prior to approving the Agreements, 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. These materials included an analysis of the Fund’s performance, fees and expenses, and profitability from a fee consultant retained by the Fund’s Independent Trustees (the “Fee Consultant”).
- 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 addition, the Independent Trustees were advised by the Fee Consultant in the course of their review of the Fund’s contractual arrangements and considered a comprehensive report prepared by the Fee Consultant in connection with their deliberations.
- In connection with reviewing the Agreements, the Board also reviewed the terms of the Fund’s Rule 12b-1 plan, distribution agreement, administrative services agreement, transfer agency agreement and 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 has 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 and RREEF are 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. In 2018, approximately 20% of DWS Group’s shares were sold in an initial public offering, with Deutsche Bank AG owning the remaining shares.

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 Fund’s Board considers these and many other factors, including the quality and integrity of DIMA’s and RREEF’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 Agreements, including the scope of advisory services provided under the Agreements. The Board noted that, under the Agreements, DIMA and RREEF provide 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. Throughout the course of the year, the Board also received information regarding DIMA’s oversight of fund sub-advisors, including RREEF. 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, 2021, the Fund's performance (Class A shares) was in the 1st quartile 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, 2021.

**Fees and Expenses.** The Board considered the Fund's investment management fee schedule, sub-advisory fee schedule, operating expenses and total expense ratios, and comparative information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and the Fee Consultant 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 equal to the median of the applicable Broadridge peer group (based on Broadridge data provided as of December 31, 2021). With respect to any sub-advisory fee paid to RREEF, the Board noted that the fee is paid by DIMA out of its fee and not directly by the Fund. The Board noted that the Fund's Class A shares total (net) operating expenses were expected to be lower than the median (1st quartile) of the applicable Broadridge expense universe (based on Broadridge data provided as of December 31, 2021), and analyzing Broadridge expense universe Class A (net) expenses less any applicable 12b-1 fees, but inclusive of acquired fund fees and expenses) ("Broadridge Universe Expenses"). The Board also reviewed data comparing each other operational share class's total (net) operating expenses to the applicable Broadridge Universe Expenses. The Board noted that the expense limitations agreed to by DIMA were 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 and RREEF.

**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 and the Fee Consultant 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 lower than 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. In this regard, the Board observed that while the Fund's current investment management fee schedule does not include breakpoints, 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, any fees received by an affiliate of DIMA for transfer agency services provided to the Fund and any fees received by an affiliate of DIMA for distribution services. 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 in recent years. 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 and (ii) the substantial commitment of resources by DIMA and its affiliates to compliance matters, including the retention of compliance personnel.

Based on all of the information considered and the conclusions reached, the Board determined that the continuation of the Agreements 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. 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. It is possible that individual Independent Trustees may have weighed these factors differently in reaching their individual decisions to approve the continuation of the Agreements.

# Notes

# Notes



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