

PIMCO

Sustainable Investing Report

2025

Contents

INTRODUCTION..... 3

Sustainability at PIMCO 4

Foreword 5

PIMCO's Sustainability Philosophy 6

ACTIVE INTEGRATION 8

ESG Integration in the Investment Process 9

Issuer Engagement..... 16

STEWARDSHIP: SHAPING THE MARKET AND GROWING SUPPLY 28

Industry Engagement and Partnerships 29

PIMCO on the Global Stage: Event Highlights..... 33

CLIENT FOCUS 35

Case Studies – Client Portfolio Solutions..... 36

Client Reporting Capabilities 39

LOOKING AHEAD 40

The Rise of Transition, Adaptation and
Resilience Finance 41

Emerging Markets and Development Finance..... 42

Deepening Thematic Research and Engagement:
Workforce Management and AI 44

Introduction



Sustainability at PIMCO

\$645B¹

AUM in Sustainability Strategies²

Proprietary frameworks

- **PIMCO credit and ESG research analysts have scored over 4,000³** corporate issuers with a proprietary ESG score
- With ~88% of the green, social, sustainable, and sustainability-linked (GSSS+)⁴ labeled bonds in the market index assessed⁵

Continued leadership in sustainable fixed income market progress

- **Enhanced corporate sector evaluation for insurance, healthcare, banks, and telecoms.** Expanded analysis of structured products including commercial mortgage-backed securities (CMBS) for loans backed by properties with relevant sustainability characteristics. Developed cross-asset-class frameworks for data centers.
- **Expanded Sustainable Development Goals (SDG) assessment and scoring** for ESG labeled instruments from sovereign issuers, and updated framework and approach to certain hard-to-abate sectors such as airlines.
- **Facilitated the formation of the Methane Finance Working Group,** producing guidance for the issuance of GSSS+ bonds and loans with methane and flaring reduction targets, and qualifying activities to reduce real-world emissions.
- **Advancing carbon measurement methodologies and industry engagement aligned with recognized standards, including the Partnership for Carbon Accounting Financials (PCAF),** supported by our leading role in the development of expanded PCAF guidance now covering key fixed income segments such as securitizations and structured products, sub-sovereign debt, and sustainable use-of-proceeds bonds.
- **Ongoing integration across portfolio management tools** supporting richer ESG relevant optimization by integrating ESG scores (internal and external), carbon emissions, exclusion constraints, and other customizable sustainability objectives - enhancing portfolio construction across exclusionary, enhanced, and thematic strategies.

¹ As of 31 December 2025. Source: PIMCO; The figure includes third-party and Allianz AUM with strategies that include (i) minimum standards that refine the investment opportunity set based on client directed exclusions criteria ("exclusionary" portfolios); (ii) a focus on enhancing the sustainable characteristics of the portfolio in comparison to its investment universe ("enhanced" portfolios) or (iii) a focus on achieving a specific environmental/ social objective in addition to a financial objective ("thematic" portfolios).

² Sustainable Strategies are strategies with client-driven sustainability requirements. For these strategies, PIMCO actively incorporates sustainability principles (i.e. excluding issuers fundamentally misaligned with sustainability factors, evaluating issuers using proprietary and independent ESG scoring) consistent with those strategies and guidelines. Further information is available in PIMCO's Sustainable Investment Policy Statement. For information about funds that follow sustainability strategies and guidelines, please refer to the fund's prospectus for more detailed information related to its investment objectives, investment strategies, and approach to sustainable investment

³ As of December 30, 2025.

⁴ Green Bonds: are a type of bond whose proceeds are used to finance or re-finance new and existing projects or activities with positive environmental impact. Eligible project categories include renewable energy, energy efficiency, clean transportation, green buildings, wastewater management and climate change adaptation. Social Bonds: are a type of bond whose proceeds are used to finance or re-finance social projects or activities that aim to address or mitigate a specific social issue or seek to achieve positive social outcomes. Social project categories include providing and/or promoting: affordable basic infrastructure, access to essential services, affordable housing, employment generation, food security, or socioeconomic advancement and empowerment. Sustainability Bonds: are a type of bond whose proceeds are used to finance or re-finance a combination of green and social projects or activities. Sustainability bonds with strict accountability of the use of proceeds towards activities that advance the UN Sustainable Development Goals or SDGs may be labeled as SDG Bonds. Sustainability linked Bonds: are bonds which are structurally linked to

the issuer's achievement of certain sustainability goals, such as through a covenant linking the coupon of a bond to specific environmental and/or social goals. Progress, or lack thereof, toward the aforementioned goals or selected key performance indicators results in a decrease or increase in the instrument's coupon. In contrast to the green, social, and sustainability bonds described above, sustainability linked bonds do not finance particular projects but rather finance the general functioning of an issuer that has explicit sustainability targets that are linked to the financing conditions of the bond.

⁵ Market Index refers to the Bloomberg Global Aggregate Index. PIMCO maintains ESG scores for ~88% of the ESG labeled bonds in the Index. ESG labeled bond refers to green, social, sustainability or sustainability linked bonds based on issuer as classified by the issuer, 3rd parties or PIMCO through use of a framework and/or legal documentation.



Foreword

Sustainable investing in fixed income has come of age and is well positioned to deliver both positive risk-adjusted returns and real-world outcomes for investors. Against a backdrop of heightened geopolitical tensions, persistent economic and trade uncertainty, sustainable fixed income continued to demonstrate its appeal in 2025. Sustainable investing remains consistent with investor goals of seeking attractive risk-adjusted returns, potential diversification benefits, and effective management of material environmental, social, and governance risks.

Looking ahead to 2026, we see four themes shaping the opportunity set, with resilience at the center of this evolution.

First, continued growth in financing needs underscores a key advantage of active fixed income investing: the ability to provide capital that strengthens issuers' operational resilience and competitiveness while supporting progress on their sustainability ambitions. In this environment, PIMCO is well placed to deliver solutions that meet the needs of both clients and borrowers.

Second, despite ESG divergence between markets, sustainable investing remains a global phenomenon, supported by strong investor demand across many regions of the world. Opportunities and innovation continue to expand across economies, driven by growing energy demand, an increased focus on energy security, including reliability and affordability, and growing activity in emerging markets.

Third, sustainable investors are increasingly prioritizing stewardship and real-economy outcomes. This includes a growing focus on credible decarbonization and on scaling sustainable solutions in emerging markets, supported by private capital that is more closely integrated with development finance to reinforce climate and economic resilience.

Finally, artificial intelligence (AI) presents both an opportunity and a challenge across industries and key sustainability themes, including labor, energy consumption and implications for the energy transition, nature, and adaptation and resilience. AI is also enhancing our ESG research and engagement capabilities, for example through the extraction and structuring of issuer sustainability disclosures. At the same time, the rapid growth of data centers highlights the need for practical solutions to address the massive energy and critical minerals demands, in addition to the environmental impacts, including energy efficiency, cooling and water management, and waste reduction. We expect AI and sustainability to become a defining theme in 2026 and the years ahead.

As ever, we hope you find value in our Sustainable Investing Report, and we look forward to your feedback, reflections, and suggestions.

Emmanuel Roman
CEO of PIMCO



PIMCO's Sustainability Philosophy

Stewards of our clients' capital

PIMCO seeks to deliver compelling investment returns, solutions, and service to our clients. For over 50 years, our global presence, extensive resources, and time-tested investment process have helped clients meet their financial goals and investment objectives.

Client-centric sustainability approach

For clients who want to meet sustainability goals alongside financial targets, we offer a suite of dedicated investment solutions that incorporate our proprietary ESG optimization criteria. We understand that sustainable objectives vary by client, and we work closely to customize sustainability solutions.

Fiduciary duty to assess relevant risks

Consideration of sustainability factors is important for evaluating long-term investment opportunities and risks across asset classes in both public and private markets. We integrate sustainability into our investment process for actively managed assets as a key risk management strategy, where applicable. This integration may occur during both bottom-up analysis of issuers and the top-down analysis of cyclical and secular trends.

Engagement platform with issuers

As a leading fixed income manager, PIMCO has the scale to engage issuers on matters that we believe are essential to achieving strong risk-adjusted returns. We believe our size, history, and involvement in industry initiatives enables us to collaborate with issuers as they enhance their operational practices.

Walking the talk

At PIMCO, we take a comprehensive view of what it means to manage a sustainable business in an increasingly complex world. Environmental management and climate related efforts within business operations are no doubt essential, but so too are workforce management issues. These corporate sustainability priorities are reflected in our commitment to the UN Global Compact and its Ten Principles. Please read our latest [Corporate Sustainability Report](#) for more insights.

Source: PIMCO. UNGC is a principles-based framework for businesses aimed at advancing sustainable and responsible policies and practices. PIMCO supports the Ten Principles of the UN Global Compact with respect to human rights, labor, environment, and anti-corruption – and is committed to incorporating these principles into our strategy, culture, and day-to-day operations. PIMCO holds a leadership role in the UN Global Compact's CFO Coalition – an effort to create a movement of chief financial officers to address SDG investment and financing.



Active Integration

Effective ESG integration requires active management. ESG assessments involve nuanced judgments on risk, opportunity, materiality, and impact – particularly given the variability in ESG data quality. These data challenges favor active managers that employ forward-looking frameworks rather than relying solely on backward-looking, imperfect data and third-party scoring. PIMCO's active management process allows for nuanced interpretation and scenario analysis.

ESG integration in fixed income investing can do more than identify risk – it can uncover opportunities to finance sustainable economic activities. Fixed income investors provide capital directly to issuers, creating a unique opportunity to directly finance sustainable outcomes.

PIMCO is particularly well positioned to lead in this space. Our global platform and resources support regular engagement with issuers and their management teams, which informs effective ESG integration. Good active management requires more than analyzing numbers – it demands dialogue with decision-makers to understand strategic priorities, operational realities, and long-term sustainability and capital plans. This access is embedded in PIMCO's investment process, enabling us to influence outcomes and identify opportunities that others might overlook.

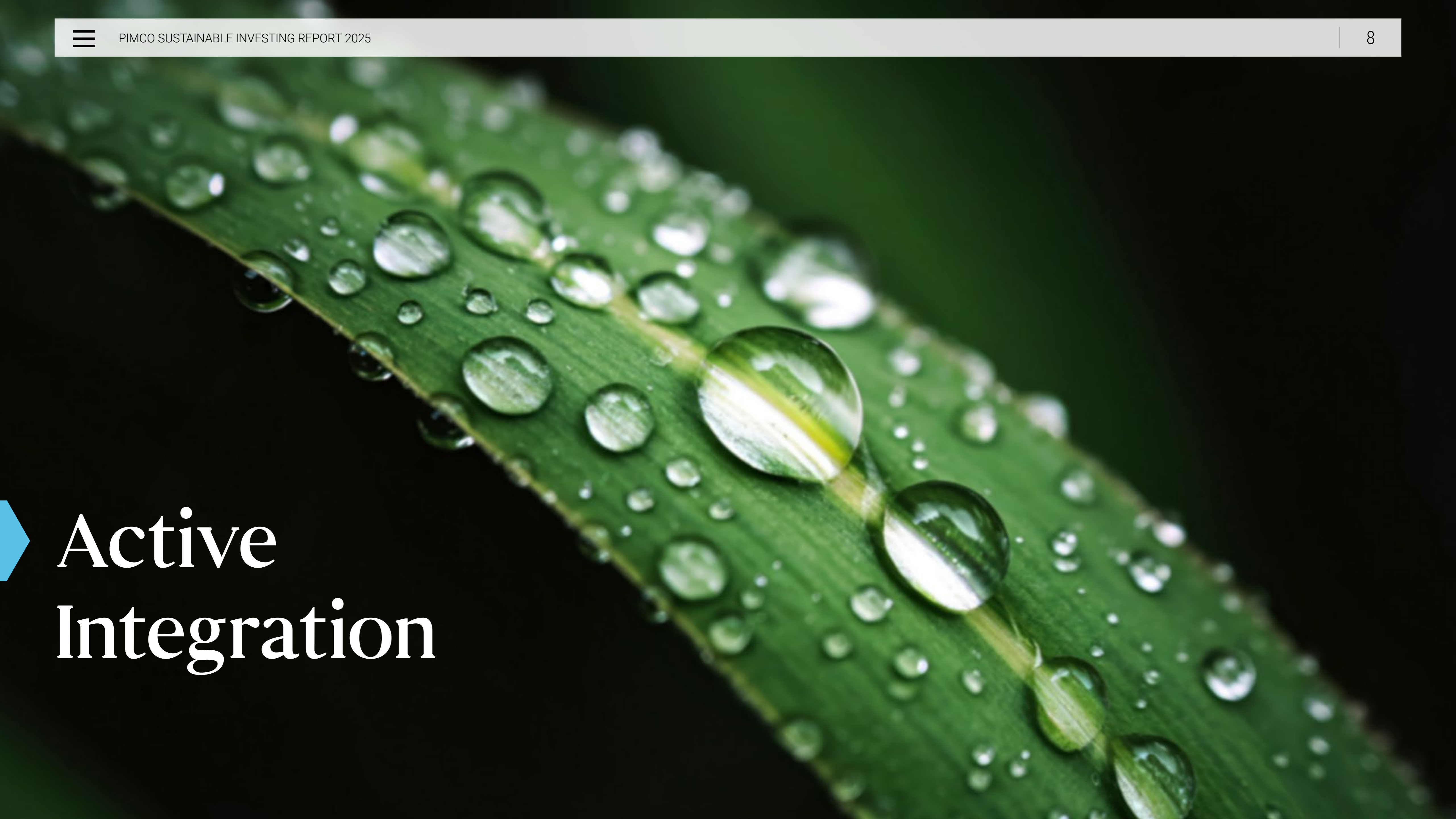
At our scale, ESG integration is not only about mitigating risk but also uncovering value. By financing sustainability improvements – which can support transition strategies, and promote best practices – we can help issuers move toward more resilient business models to support long-term performance.

We take an active approach to ESG integration, which creates a dynamic feedback loop between research, engagement, and investment decisions. This approach includes direct issuer engagement and stewardship – namely engagement in broad initiatives that enable us to address sector-wide and economy-wide sustainability challenges. This active integration ensures that sustainability is not siloed but fully aligned with our broader investment objectives, where applicable. In short, ESG integration done well requires active management, and active management done well requires access, insight, and influence – all of which PIMCO employs on behalf of our clients.





Active Integration



ESG Integration in the Investment Process

View from the Investment Committee

Sustainability themes and investment implications are regularly presented to PIMCO's Investment Committee and broader portfolio management teams to support and inform PIMCO's top-down macro process. At PIMCO's secular and cyclical economic forums, we aim to identify material sustainability factors, such as the pace of the energy transition or shifts in global climate policy, that can impact the firm's debate on inflation, economic growth, affordability, and additional financial factors. These factors can contribute to the firm's aggregate view on interest rates, credit, and portfolio positioning.

In 2025, for example, the secular forum included an examination of the future of the energy transition, and particularly the potential for increased power demand to influence electricity prices and grid stability. The regressive nature of higher energy pricing on consumers can impact demand for renewable energy across geographies, with implications for inflation forecasts and global energy mix projections. To support the discussion, we hosted David Crane, former Under Secretary for Infrastructure at the U.S. Department of Energy.

Investment committee discussions in 2025 addressed public policy globally related to climate and energy, ESG labeled bond issuance trends and composition, carbon pricing, and associated topics. These discussions aim to highlight material sustainability developments that may be underappreciated by the market, potentially providing an advantage in active management for our portfolios.



The Future of Energy Transition

At PIMCO's Secular Forum in June 2025, we discussed **the accelerating energy transition redefining power markets:**



Surging electricity demand is straining grid reliability, driving up costs, and heightening the need for clear, supportive policy frameworks.



While renewables continue to scale rapidly, their intermittency underscores the importance of a diversified generation mix and greater system resiliency - areas where investment has not kept pace.



Significant capital is still required across transmission, distribution, modernization, and domestic equipment supply chains to strengthen utilization and efficiency.



As public markets are often impatient with the disruptions inherent in transition, private capital will play a critical role in closing these investment gaps and enabling a more reliable, sustainable energy future.



Grover Burtney

Portfolio Manager,
ESG, PIMCO



David Crane

Executive Chair of Generate Capital and
former Under Secretary for Infrastructure
at the U.S. Department of Energy

Bottom-Up ESG Integration: Framework Case Studies

PIMCO's ESG integration goes beyond the basics, embedding sustainability into our rigorous bottom-up fundamental credit research process. We combine proprietary ESG analysis, industry expertise, and external data to assess material risks and opportunities across asset classes. While third-party data may be useful, our bottom-up, sector-specific approach is grounded in the sector and thematic expertise of both credit and ESG research analysts.

Beyond evaluating individual companies, PIMCO considers broader, system-level risks and opportunities, and monitors how these may change over time. Our stewardship approach emphasizes continuous enhancement to ensure that material ESG risks and opportunities are considered through the full life cycle of a trade or investment – from initial analysis to ongoing monitoring and eventual exit.

We have a long track-record of commitment to ESG integration; this commitment was one of the main reasons PIMCO became a signatory to the United Nations Principles of Responsible Investment (PRI) in September 2011, and to the UN Global Compact in May 2017. In 2025, in line with previous years, we further developed our integration capabilities across the fixed income market. Notable efforts include expanded integration frameworks for covered bonds, adaptation and resilience, SDG mapping to sovereign debt, and the corporate midstream energy sector.





Covered Bonds

PIMCO's proprietary, climate-focused approach to covered bonds illustrates how ESG insights based on innovative methodologies can help differentiate bonds.

Available ESG data for covered bonds is limited, including the most standardized (e.g., energy performance). PIMCO developed a comprehensive framework for assessment that reflects both the underlying collateral and the originator, with potential refinements contingent on data availability.

Our proprietary ESG score for this pool of data includes a weighted average of Tonnes of Carbon Dioxide Equivalent (tCO2e) /building factor for each issuer. This is based on a waterfall logic depending on data availability, as country averages have been used in cases where issuer-level data is not accessible. Specifically, where the detailed country of exposure breakdown is available or the issuer is producing their own disclosure, the data quality is higher and is taken into account first, followed by cases where we need to use a country average of carbon intensity as an estimate based on only one country and the issuer's location.

This assessment demonstrates the extent to which the location is one of the main inputs driving the emissions profile of the pool, since results are skewed positively to countries with a greener profile/more decarbonized economy (e.g. Norway, Sweden) relative to emerging markets.

Country	% Electricity Production from Low Carbon Sources	Average Scores of the Covered Pool*
Australia		
Austria		
Canada		
Denmark		
France		
Germany		
Great Britain		
Japan		
Netherlands		
Norway		
Poland		
Singapore		
South Korea		
Sweden		



Low

High



As of 2024. Source: PCAF, PIMCO.

The above is presented for illustrative purposes only, as a general example of PIMCO's ESG research capability and is not intended to represent any specific portfolio's performance or how a portfolio will be invested or allocated at any particular time. PIMCO's ESG processes may yield different results than other investment managers and a company's ESG rankings and factors may change over time. Past performance is not indicative of future results. Source: PIMCO. All data is as of 31 December 2025, unless otherwise stated.

* Average scores from issue covered bond issuers that belong to each country, using equal weights

Adaptation and Resilience (A&R)

PIMCO incorporates climate adaptation and resilience themes into sustainable investing primarily through two complementary pathways:

1. **Adapted investments** (adapters): Issuers integrating measures that reduce material physical risk exposure at the asset or enterprise level.
2. **Enabling investments** (enablers): Issuers whose products, services, or financing help other assets, activities, or entities become more climate resilient.

Together, these pathways broaden the investable universe and support portfolio resilience.

From a portfolio construction and risk management perspective, and in line with our focus on physical risk as part of our climate change investment analysis, we consider Adaptation and Resilience via four levers: Review (map hazards⁶ to financial impact), Refrain (reduce concentrations in highly exposed segments), Reinforce (allocate to adapted and enabling opportunities), and Restore (leverage structural protection to support security performance and spread recovery). The “4R” pillars inform physical risk analysis where material in PIMCO’s investment process.

Strengthening portfolio resilience and uncovering investment opportunities

The 4Rs



01. Review

Understanding risk across hazards, exposure and vulnerability sets the premise for risk mitigation and event preparedness

02. Refrain

Risk can be reduced through asset/revenue diversification or limiting concentration in heavily exposed areas

03. Reinforce

Vulnerability can be translated into opportunities by leaning in on adapted investments as well as enabling investments

04. Restore

Financial engineering through covenants and debenture clauses helps protect spreads in the event of physical stress and enables faster recovery

⁶ IPCC AR 6: Hazard is defined as the potential occurrence of a natural or human-induced physical event or trend that may cause loss of life, injury, or other health impacts, as well as damage and loss to property, infrastructure, livelihoods, service provision, ecosystems and environmental resources.

Midstream Energy Sector

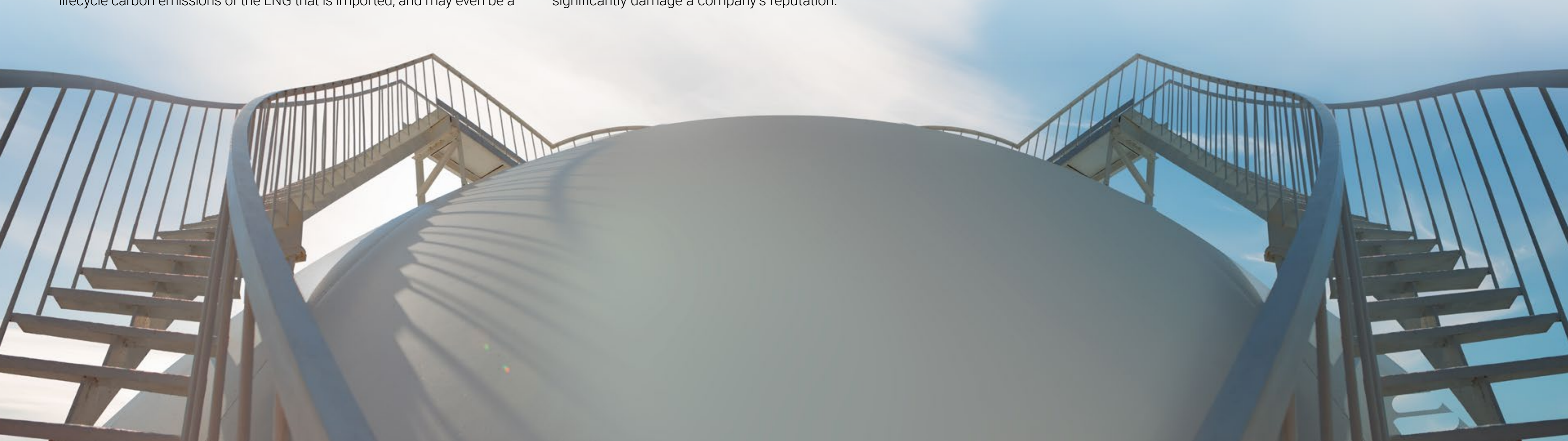
In 2025, ESG research analysts conducted a review of our approach to proprietary ESG scoring and analyzing the U.S. midstream sector, including pipelines and liquefied natural gas (LNG) liquefaction. The sector is exposed to a range of environmental and social risks – which can have material financial implications if improperly managed.

While many larger companies measure and manage their emissions (particularly methane and flaring), comprehensive emissions disclosures and associated targets remain anecdotal – the sector still has wide reporting gaps compared to other industries. Low-carbon initiatives, such as repurposing a gas pipeline for green hydrogen/low carbon alternatives, are incremental. These emissions metrics will become even more material, as U.S. gas export markets are continually focused on the lifecycle carbon emissions of the LNG that is imported, and may even be a

factor in contracting future cargoes, as the EU and APAC consider various regulatory approaches. In order for U.S. LNG to remain competitive should these regulations materialize, it is likely that the entire carbon footprint of gas production will need to be reduced, including transportation.

Presently, however, we view one of the most material risks for the sector to be concentrated in stakeholder relationship management. Effective internal controls must address the full permitting lifecycle: from local and state jurisdictions through federal agencies, as well as landowner engagement and relationships with indigenous and local communities. Equally important are a company's practices for managing its workforce and contractors. Weak stakeholder management can lead to permitting challenges and project delays, which are often extremely costly and may significantly damage a company's reputation.

Typically, our sector frameworks are underpinned by datasets from both companies' reported data and third-party data providers. However, for these stakeholder management factors, there is a deficit of third-party or company-reported datasets available, so PIMCO developed a proprietary dataset. Working closely with the credit analysts who cover pipelines and LNG liquefaction, we asked the analysts to rank their companies on these topics based on what they had observed in their experience covering the sector. The analysts considered factors related to project delays, revocation of permits, regulatory sensitivities, and litigation/litigation policy. The end result produced a key sub-pillar of scoring for the sector, reflecting the range of stakeholder management approaches and performance, based on available information at the time. This exercise further refined follow-up questions for subsequent engagements.



U.S. Managed Care Sector

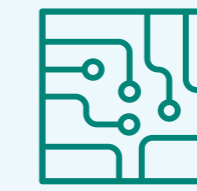
This sector plays a critical role in broadening healthcare access, improving affordability, and enhancing patient outcomes. Yet the sector remains highly sensitive to shifts in the regulatory landscape. Our ESG framework focuses on evaluating investment risks and opportunities in the sector across a comprehensive set of indicators, and guiding engagement conversations with issuers to improve outcome transparency, strengthen the integration of value-based care with consistent and clear standards, accelerate care delivery innovation, reinforce cybersecurity and AI adoption governance, and build long-term regulatory resilience. As a fixed income investor, we also work closely with issuers on the potential to utilize labeled bonds as a targeted tool to direct capital toward their sustainability objectives, including expanding access, advancing affordability, and improving health outcomes.



Highlights of topics considered in the framework:



Quality of care remains the primary issue influencing member retention, medical loss ratio performance, and plan competitiveness. Preventive care, hospitalization rates, and wellness engagement are increasingly reported, although methodologies vary significantly, leaving substantial room for transparency and standardization.



Cybersecurity remains a critical priority given the sensitivity of personal health information and the scale of third-party data interactions. We are also placing increasing emphasis on how issuers govern AI adoption. The use of AI is emerging across both operational processes and patient-facing applications, with momentum building for broader future use.



Value based care represents the sector's most important structural ESG opportunity. Major issuers are deepening their adoption of risk bearing provider models where providers assume financial responsibility for medical cost outcomes, although definitions and thresholds remain inconsistent.



Governance considerations continue to be shaped by ongoing litigation and regulatory scrutiny, particularly around Medicare and Medicaid billing and pharmacy benefit management practices.



Care delivery innovation including home-based care, virtual care, and digital navigation are reshaping access, efficiency, and member experience.



Environmental factors remain less financially material but are supported by growing emissions commitments across the peer set, with issuers articulating measurable reduction trajectories.

Sovereign Sustainable Development Goal (SDG) Scoring



The UN Sustainable Development Goals (SDGs)* provide the world's most widely accepted framework for defining and advancing sustainable development. They translate broad global challenges – including climate change, poverty reduction, and institutional resilience – into 17 structured, measurable objectives. This common language enables governments, investors, civil society, and multilateral institutions to coordinate efforts, track progress, and ensure accountability. By establishing universal benchmarks for sustainable outcomes, the SDGs help channel public and private capital toward activities that demonstrably support long-term global stability, inclusive economic development, and environmental resilience.

* The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States

For sovereign ESG research and engagement, the SDGs serve as a foundational lens for understanding a country's structural strengths, vulnerabilities, and policy priorities. The SDGs enable analysts to assess not just economic performance, but a state's capacity and willingness to deliver sustainable development across environmental, social, and governance dimensions. Because sovereigns shape national policy, regulation, climate commitments, and social outcomes, their alignment with SDG targets offers valuable forward-looking insight into long-term risk, creditworthiness, and resilience. Integrating SDG indicators into sovereign ESG frameworks helps investors evaluate progress on issues such as climate mitigation and adaptation, human capital development, institutional quality, inequality, and resource management. Using this framework improves comparability across countries, highlights where policy differences may translate into material investment risks, and informs more targeted and constructive sovereign engagement strategies.

In 2025, PIMCO expanded its SDG framework to score sovereign issuers across developed and emerging markets. We use a two-step approach: scoring conventional sovereign bonds across the 17 SDGs and complementing this with an SDG thematic mapping for ESG labeled bonds. This approach allows us to provide SDG scores for portfolios with sovereign exposure, while highlighting the benefits of investing in ESG labeled bonds. The framework supports progress towards the SDGs through financial instruments that fund environmental and/or social projects, or instruments with sustainability KPIs.



Issuer Engagement

Purpose and Approach

As one of the largest bondholders in the world, PIMCO has a substantial and important platform to engage issuers on sustainability matters. Engagement on sustainability considerations is an essential tool toward improving investment outcomes; it is conducted to improve or enhance sustainability practices over time, always in pursuit of improving investment outcomes. We believe that sustainable investing is not limited to partnering with issuers that already demonstrate a leading approach to sustainability. Sustainable investing also involves engaging with issuers that are evolving their sustainability practices.

The global bond market is significantly broader and more diverse than the equity market – providing a larger opportunity set of engagement candidates, including private businesses, sovereigns, local authorities, and supranational issuers. Additionally, because bonds mature and borrowers need to refinance, fixed income investors can maintain long-term relationships with issuers and can contribute to the issuance of dedicated ESG-labeled or GSSS fixed income securities. This primary market activity allows investors to deploy capital in more targeted ways and monitor how the capital is being used through ESG-labeled bond frameworks, allocation reporting, issuer dialogue, and other metrics.

As an investor across diverse asset classes and issuers, we believe PIMCO is ideally positioned to influence change that can benefit investment outcomes, rather than narrowly employing exclusions or evaluations alone.

PIMCO credit and ESG research analysts actively engage companies where the firm has meaningful financial and ESG risk exposure as part of their formal research process. We prioritize issuers where we have established financial and ESG risk exposures, focusing on what we believe to be material. PIMCO's credit research analysts periodically engage with the corporate issuers they cover by, for example, discussing topics with company management related to corporate strategy and balance sheet management, in addition to relevant sustainability topics, including climate initiatives or human capital management.

Themes and Oversight

PIMCO maintains thematic and sector-specific themes tailored to each asset class and develops issuer-specific questions ahead of engagements. Key themes include climate change, nature and biodiversity, and human rights. Our engagement may address measurement, disclosure, targets, investments, ESG-labeled bond issuance, and policy. We have an escalation process to monitor observations raised by analysts during the engagement process, utilized on a discretionary basis depending on materiality and issuer activity. Our engagement efforts are structured to help create investment value for our clients.



Structure

We pursue two types of engagement:

1

Bilateral engagement consists of direct dialogue between issuers and PIMCO's team of credit research analysts, portfolio managers, and ESG research analysts. We follow three principles: 1) think like a treasurer 2) engage like a partner, and 3) manage risk as a lender. These principles help identify issuers that may benefit from engagement, develop tailored objectives, foster productive dialogue, and measure progress. By offering best practices for issuers to consider, we aim to enhance their risk management strategies, strengthen their credibility through increased transparency, and mitigate potential controversies.

2

Collaborative engagement describes our active participation in a wide range of industry initiatives and working groups alongside other market participants. These efforts seek to advance sustainability efforts, help define global standards, encourage greater disclosure from issuers, and promote a more resilient marketplace.

We also practice climate policy engagement⁷, both directly with issuers and through participation in industry initiatives, where insights from our global research platform help inform constructive dialogue with regulators, external industry bodies, and related stakeholders.

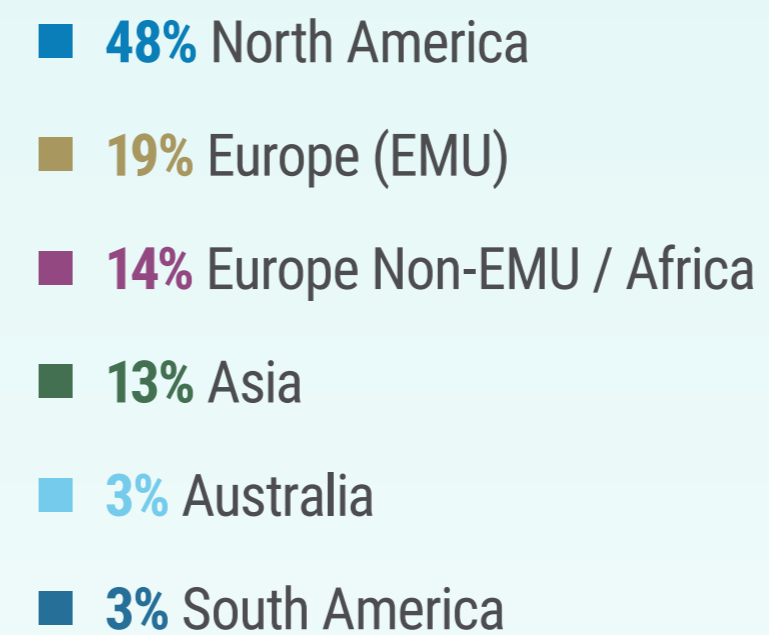
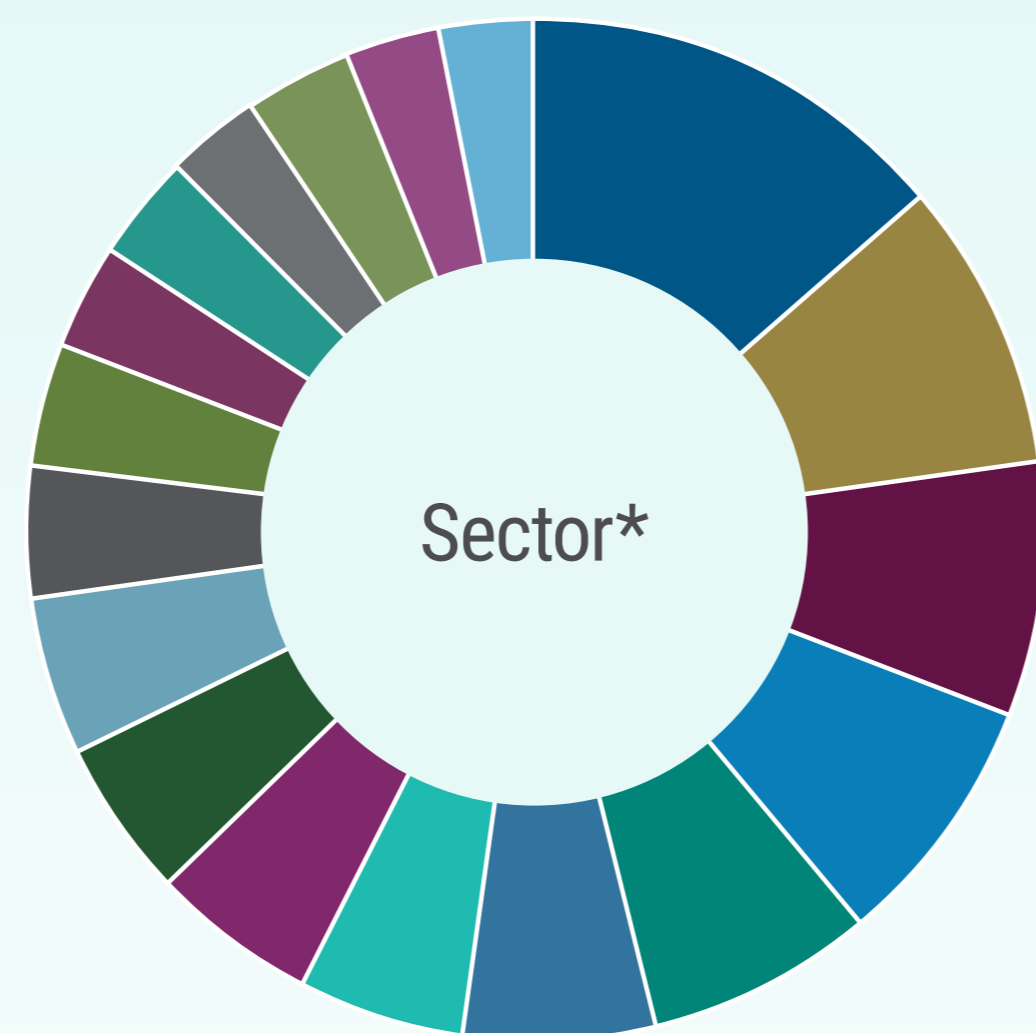
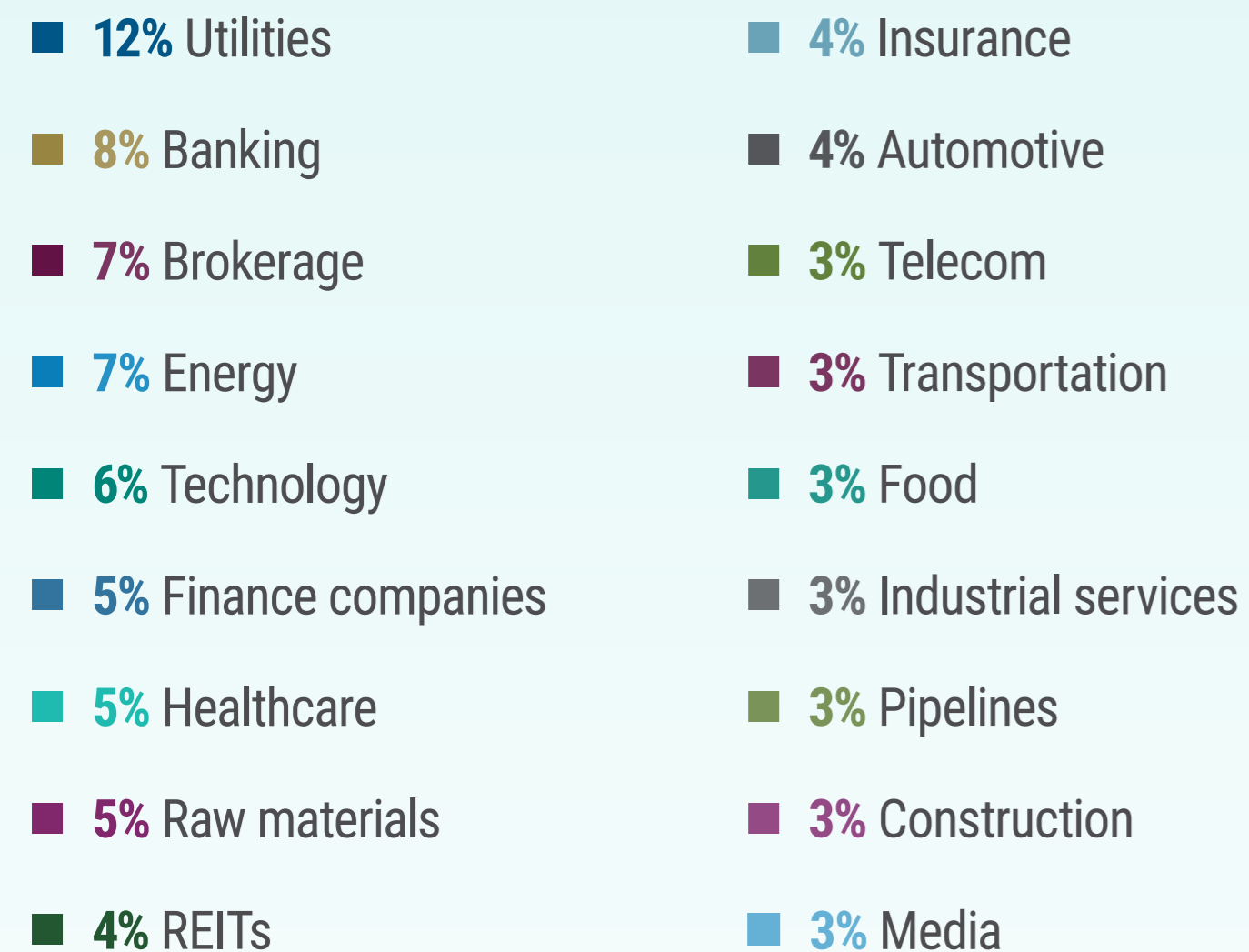


⁷ "Climate policy engagement" is defined by the UN-convened Net-Zero Asset Owner Alliance as encompassing: business/corporate activities (including advertising, social media, public relations, and sponsorship of research), contact with regulators/elected officials, and political spending that supports, influences or informs climate-relevant policy or regulation. While PIMCO has not made a firm wide net zero commitment, at PIMCO we are committed to providing industry leading advice and solutions for clients on a range of sustainability and ESG issues, including climate change and reducing greenhouse gas emissions to net zero.

Activities and Action

Corporate engagement data

- **1,300+** engagements⁸
- **75%+** of PIMCO’s firmwide market value in corporate assets⁹



*Sectors shown represent 88% of ESG engagement activities. The remaining 12% ('Other') comprises smaller sector allocations not shown.

⁸ PIMCO firm-wide ESG engagement activities, Jan 1 - Dec 31, 2025. Over 1,300 corporate issuers engaged in 2025 refers to documented research reviews that include sustainability related topics. Engagement activities were performed by ESG research analysts (who focus on ESG related research) and credit research analysts (who focus on traditional credit research including, as applicable, sustainability factors including ESG). Metrics describing engagement activities include certain estimates and assertions based on research activities and interactions with issuers. Due to the collaborative nature of our integrated (ESG) approach and practical challenges of measuring and recording attributable engagement outcomes, it may not always be feasible to retain granular levels of detail for each engagement activity. Differences in engagement practices and PIMCO internal systems used to maintain relevant records related to research activities result in varying levels of detail with respect to engagement activities conducted by ESG research analysts versus credit research analysts. While we strive for accuracy, users of this information should be aware that metrics/data may not fully reflect the extent of our actual engagements and relationships with issuers. Interactions with issuers include both research-oriented engagement (e.g., asking questions on ESG topics) and in-depth or thematic engagement (e.g., sharing best practices and tracking progress). We encourage stakeholders to consider this information when interpreting the data provided and to seek additional context where necessary.

⁹ About 75% of PIMCO’s firmwide market value of corporate issuers engaged on ESG topics from Jan 1 - Dec 31, 2025. Includes all engagements conducted by ESG and credit research analysts. Calculated as % AUM as of 31 December 2025. Corporate issuers are credits covered by PIMCO’s corporate analyst teams.

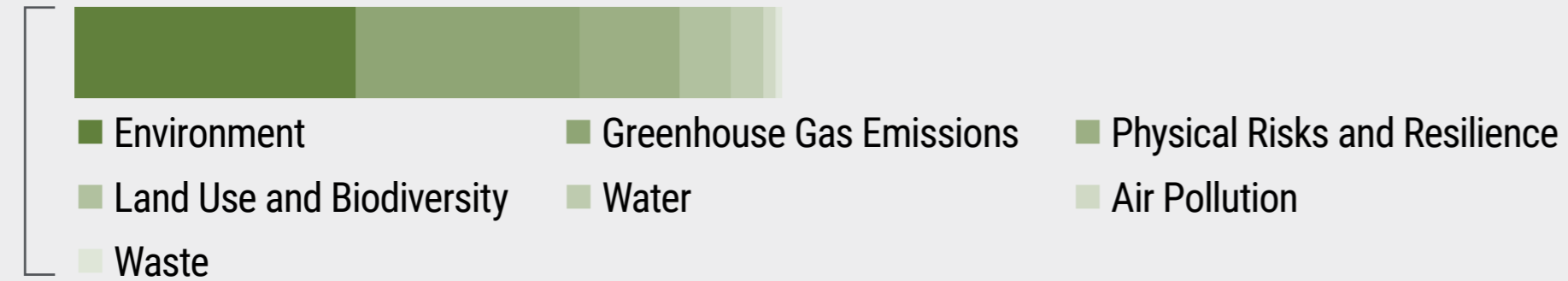
For illustrative purposes only. Source: ESG engagement activities by PIMCO analysts. Jan 1-Dec 31, 2025. Percentage of all ESG engagement interactions per sector and geography. Engagement activities were performed by **ESG research analysts (who focus on ESG related research) and credit research analysts (who focus on traditional credit research including, as applicable, sustainability factors including ESG). Metrics describing engagement activities include certain estimates and assertions based on research activities and interactions with issuers.** Due to the collaborative nature of our integrated (ESG) approach and practical challenges of measuring and recording attributable engagement outcomes, it may not always be feasible to retain granular levels of detail for each engagement activity performed. Differences in engagement practices and PIMCO internal systems used to maintain relevant records related to research activities result in varying levels of detail with respect to engagement activities conducted by ESG research analysts versus credit research analysts. Not all ESG research analysts are 100% ESG-dedicated, some split their time between ESG engagement and traditional credit research. Due to PIMCO internal system mapping of issuers, engagement figures, including interaction data by pillar and topic as of 2025 can vary and are subject to change. Engagement metrics include certain estimates and assertions based on research activities and interactions with issuers. Due to the collaborative nature of our integrated approach and practical challenges of measuring and recording attributable engagement outcomes, it may not always be feasible to retain comprehensive accompanying evidence for all underlying data. While we strive for accuracy, users of this report should be aware that figures may not fully reflect the depth or breadth of our actual engagements and relationships with Issuers. Interactions include both research-oriented engagement (e.g., asking questions on ESG topics) and in-depth or thematic engagement (e.g., sharing best practices and tracking progress). Engagement statistics combine two types of data: 1) entered directly into our Company Engagement Tracking system (typically by ESG research analysts); 2) entered by credit research analysts through a periodic data gathering exercise. We encourage stakeholders to consider this limitation when interpreting the information provided and to seek additional context where necessary.

Corporate engagement data: % of engagements by topic

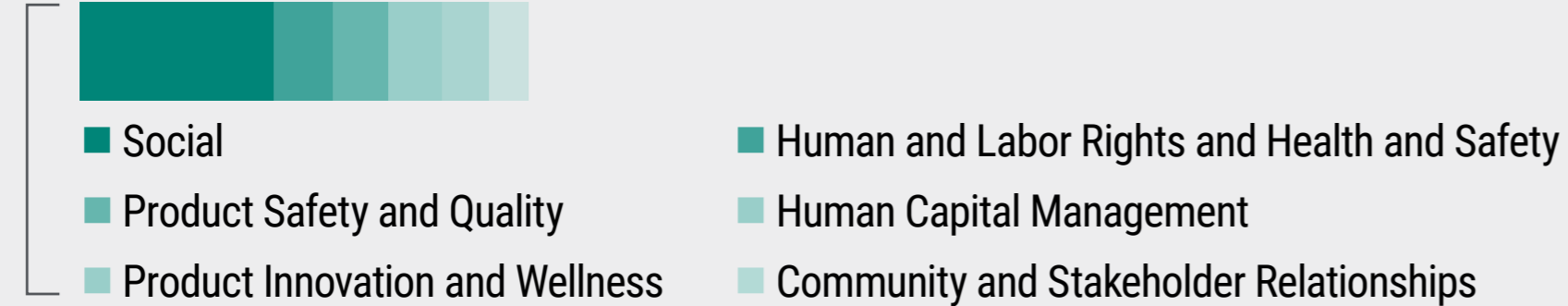
Governance 63%



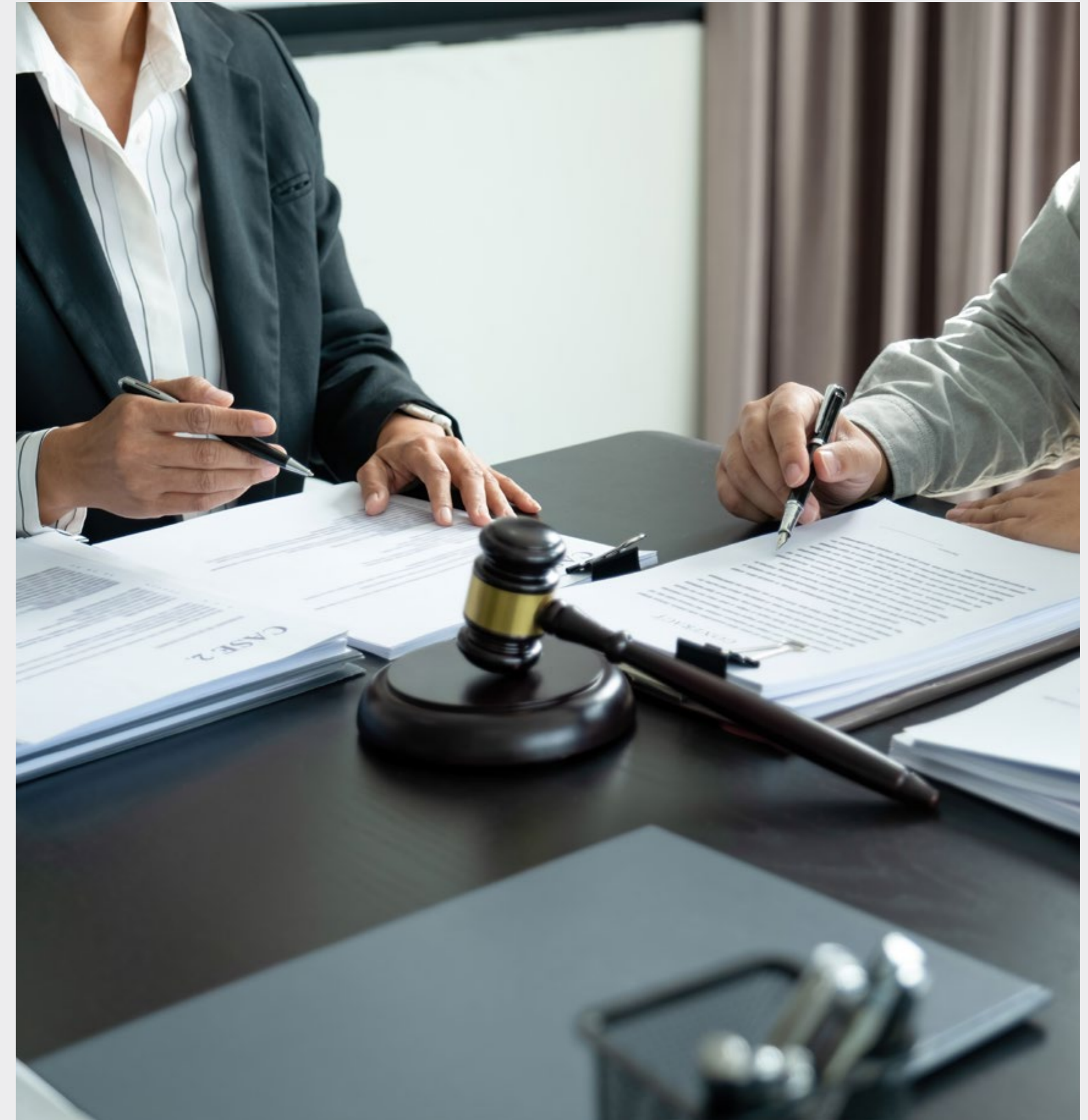
Environment 23%



Social 14%



For illustrative purposes only. Source: ESG engagement activities by PIMCO analysts. Jan 1-Dec 31, 2025. Percentage of all ESG engagement interactions per sector and geography. Engagements were conducted by ESG and/or credit research analysts. Not all ESG research analysts are 100% ESG-dedicated, some split their time between ESG engagement and traditional credit research. Due to PIMCO internal system mapping of issuers, engagement figures, including interaction data by pillar and topic as of 2025 can vary and are subject to change. Engagement metrics include certain estimates and assertions based on research activities and interactions with issuers. Due to the collaborative nature of our integrated approach and practical challenges of measuring and recording attributable engagement outcomes, it may not always be feasible to retain comprehensive accompanying evidence for all underlying data. While we strive for accuracy, users of this report should be aware that figures may not fully reflect the depth or breadth of our actual engagements and relationships with Issuers. Interactions include both research-oriented engagement (e.g., asking questions on ESG topics) and in-depth or thematic engagement (e.g., sharing best practices and tracking progress). Engagement statistics combine two types of data: 1) entered directly into our Company Engagement Tracking system (typically by ESG research analysts); 2) entered by credit research analysts through a periodic data gathering exercise. We encourage stakeholders to consider this limitation when interpreting the information provided and to seek additional context where necessary.



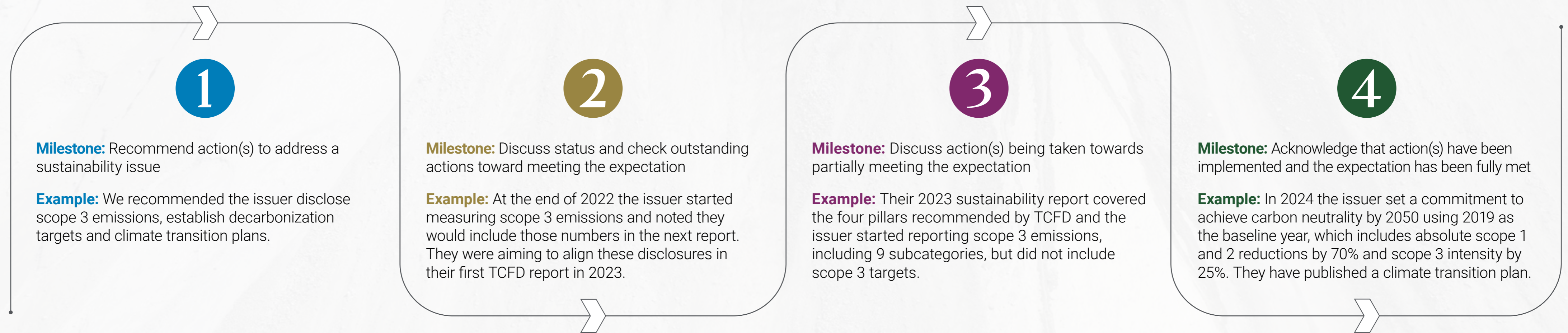
Setting Objectives, Tracking Progress

PIMCO views stewardship as a long-term and dynamic process. Stewardship typically begins by setting engagement priorities and objectives that build on recognized industry benchmarks and are customized to issuers where appropriate. The framework used to track the progress of engagement activities encompasses key milestones that correspond to different stages of interaction with the issuer and subsequent progress.

Please see [Engagement at PIMCO](#) for further information.



Key engagement milestones and examples for a mining company



Source: PIMCO. For illustrative purposes only.

The above is presented for illustrative purposes only, as a general example of PIMCO's ESG research capability and is not intended to represent any specific portfolio's performance or how a portfolio will be invested or allocated at any particular time. PIMCO's ESG processes may yield different results than other investment managers and a company's ESG rankings and factors may change over time. **Past performance is not indicative of future results.**



Expanding Quality Issuance in the GSSS Bond Market

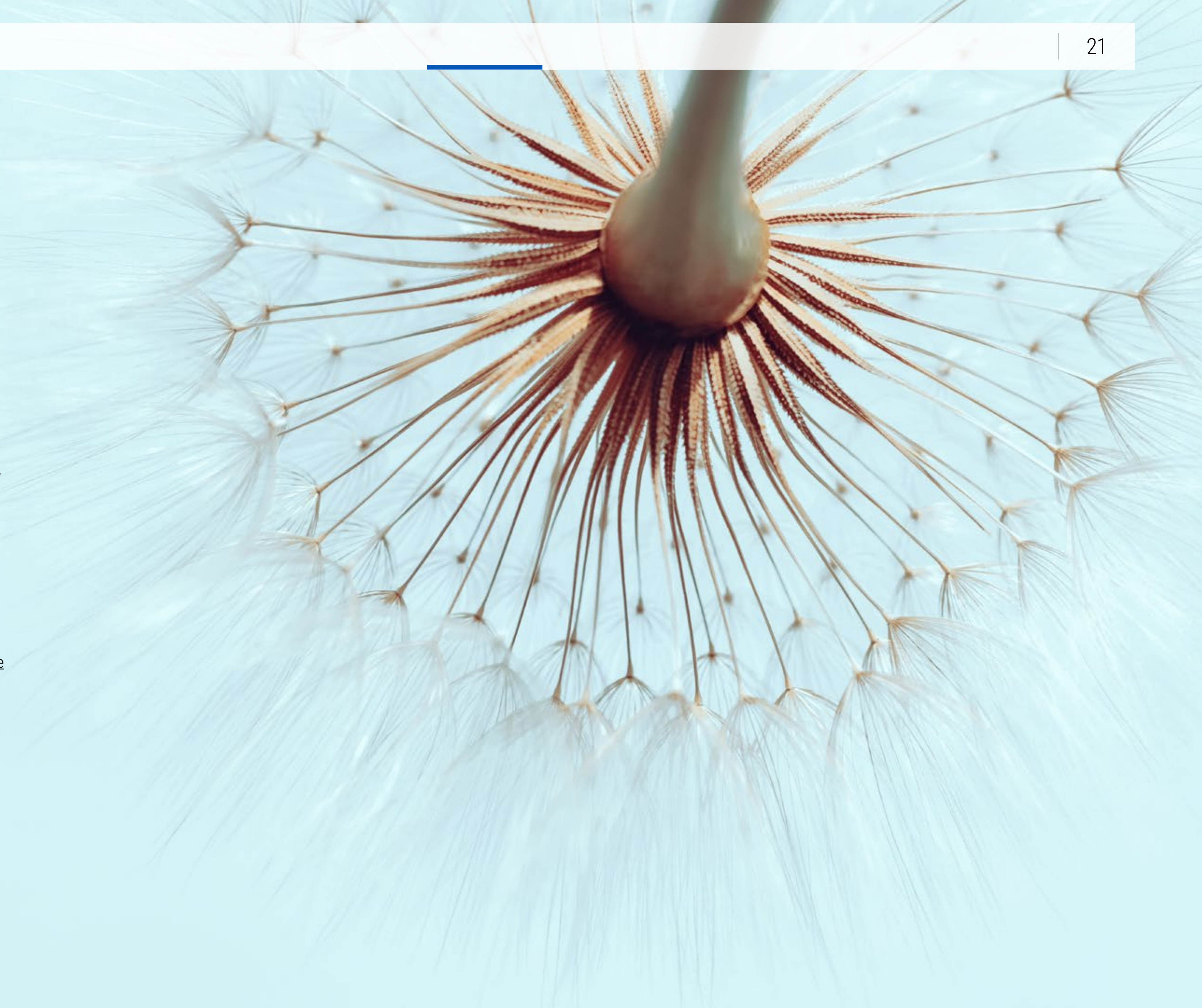
PIMCO's scale, history, and involvement in multiple industry initiatives facilitates meaningful engagement with issuers across corporates, structured credit, sovereigns, municipals, and alternatives. As one of the largest investors in green, social, sustainable, and sustainability-linked bonds, PIMCO uses its position to encourage high-quality issuance.

Allocating investor capital toward credible projects requires a variety of high-quality GSSS bonds available in the market. For over a decade, PIMCO has been one of the leading institutions supporting the GSSS bond market, and we remain committed to building the primary and secondary markets for labeled bonds, including through reverse inquiries.

In 2025, our ESG research analysts continued to engage with issuers to expand potential labeled bond issuance opportunities to enhance the sustainable investing landscape/market. This approach enables ESG research analysts' active collaboration with credit research analysts and identifies candidates for labeled bonds. It also encourages best practices supporting PIMCO's interest in labeled bond issuances that align with [PIMCO's Best Practice Guidance for Corporate Sustainable Bond Issuance](#)

PIMCO is proactively discussing with issuers ways to mobilize financing towards areas that can demonstrate real-economy outcomes.¹⁰

¹⁰ The real economy is the part of an economy that produces goods and services, as distinct from the financial sector.





Case Studies:

Research, Engagement, Investment Feedback





European Utility: ESG-labeled bond issuance

Background

PIMCO started engaging with the issuer in 2019 regarding their sustainable bond program.

The company was an early mover among gas transmission operators in developing a climate strategy and utilizing use-of-proceeds and sustainability-linked bonds to support its decarbonization initiatives.

Engagement

PIMCO has frequently engaged bilaterally and through industry initiatives with the issuer, notably through The CFO Coalition on the SDGs.

We have shared our positive view on their climate progress and orientation, including the role played by methane measurement and merit of the sustainability-linked bond format in providing a holistic and forward-looking perspective. We have also collaborated in numerous bilateral meetings on efforts to elevate the work of the CFO coalition to more broadly encourage other coalition members to issue Green, Social, Sustainable, or Sustainability-linked debt.

Progress

In 2025, the company issued one of the largest inaugural USD-denominated SLB bonds.

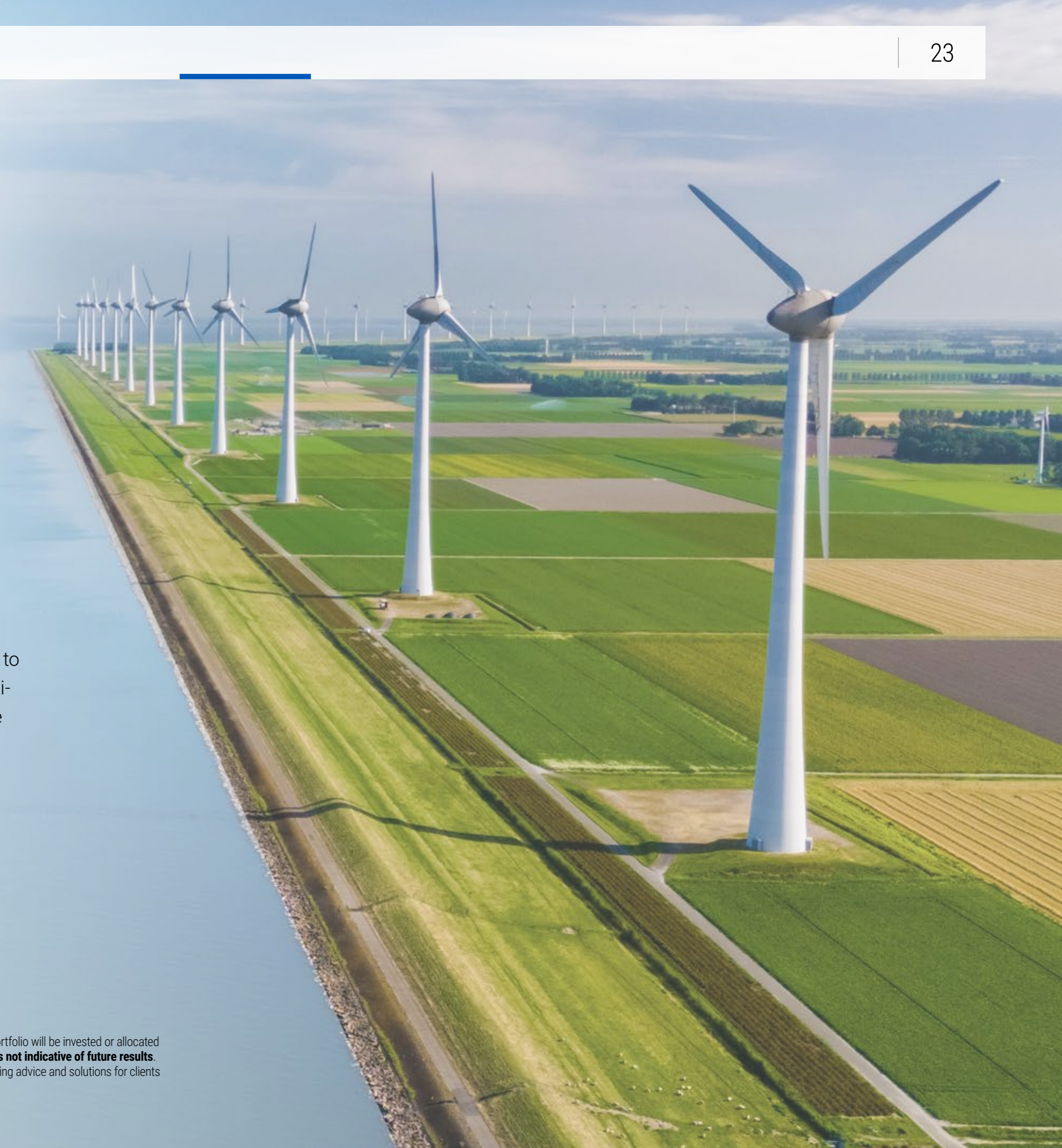
The bond had:

1. Refreshed net zero-linked targets as it relates to carbon emissions (Scope 1, 2, and 3)
2. External assessment consistent with the Paris Agreement on climate change
3. A 25-basis points (bps) coupon step up

PIMCO's direct collaboration with the issuer speaks to PIMCO's size and scale as well as the ability of multi-year bilateral and multi-lateral engagements to drive the growth of the GSSS+ labeled bond market.

PIMCO will continue to monitor the implementation of the company's transition plan and their progress across key targets.

The above is presented for illustrative purposes only, as a general example of PIMCO's ESG research capability and is not intended to represent any specific portfolio's performance or how a portfolio will be invested or allocated at any particular time. PIMCO's ESG processes may yield different results than other investment managers and a company's ESG rankings and factors may change over time. **Past performance is not indicative of future results.** Source: PIMCO. All data is as of 31 December 2025, unless otherwise stated. While PIMCO has not made a firm wide net zero commitment, at PIMCO we are committed to providing industry leading advice and solutions for clients on a range of sustainability and ESG issues, including climate change and reducing greenhouse gas emissions to net zero.





American Personal Care Company: Natural resources stewardship, human and labor rights, business ethics

Background

PIMCO started engaging with the company in 2022. PIMCO viewed this maker of beauty products as an “improver” in sustainability, given their early commitment to sustainability considerations in product development and operations, as well as an improving path in circular economy and carbon goals.

PIMCO subsequently engaged with the company in 2024 on various sustainability topics, including water stewardship, circular economy, human rights due diligence, and business ethics practices.

Progress

Standard & Poor’s (S&P) upgraded the company Secured Notes to investment grade, based on the company’s improvement of its balance sheet strategy. Following our engagement, the company adopted new targets for water reduction and circular economy enhancement (plastic reduction) practices, as well as improvement in human rights risk supply chain due diligence and governance practices. These improvements have contributed to the upgrade of an external rating.

Timeline

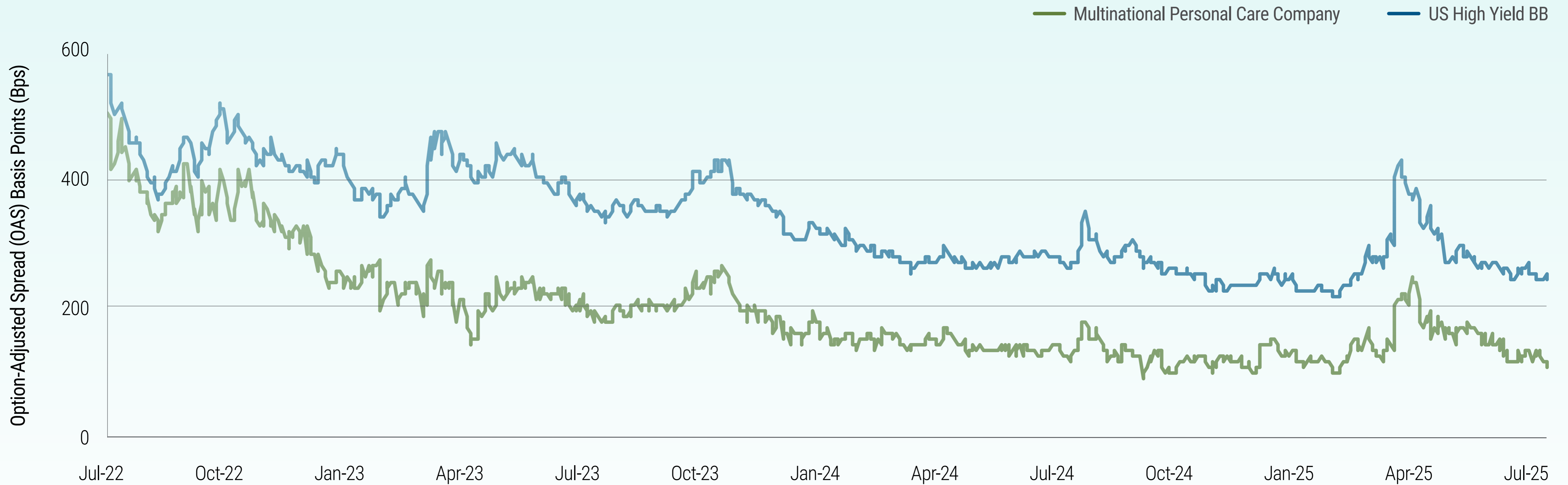




CONTINUED

American Personal Care Company: Natural resources stewardship, human and labor rights, business ethics

Spread Change (July 2022 – July 2025)



The above is presented for illustrative purposes only, as a general example of PIMCO's ESG research capability and is not intended to represent any specific portfolio's performance or how a portfolio will be invested or allocated at any particular time. PIMCO's ESG processes may yield different results than other investment managers and a company's ESG rankings and factors may change over time. Past performance is not indicative of future results.



ABS Data Center: Evaluating data center development financing

Background

AI infrastructure financing is growing rapidly across asset classes. Our proprietary data center assessment framework contributes to our sustainability risk evaluation of these developments as well as the identification of attractive investment opportunities beyond traditional balance sheet financing.

Engagement

In 2025, our ESG research analysts applied this framework to a data center asset-backed security. For this high-quality, co-location pool of data centers, the team first assessed the strategic alignment between the transaction and the issuer’s broader corporate sustainability strategy. The ESG research analysts then evaluated the issuer’s efforts to enhance energy efficiency through both renovation of legacy assets and greenfield development. This allowed the ESG research analysts to form a constructive view of the sustainability profile at the portfolio level.



Progress

The ESG research analysts further examined the robustness of the issuer-level sustainability strategy, which should support the environmental performance of the underlying assets over time. As part of the framework, the ESG research analysts integrated quantitative data – including Power Usage Effectiveness (PUE) – and concluded that the data center ABS had a PUE that was better than the industry average, meaning that the underlying data center collaterals are more energy efficient. After assessing water strategy, any history of pollution, and third-party assessments and certifications, the ESG research analysts recommended that the data center ABS was suitable for portfolios with explicit sustainability criteria.

This is a snapshot into our extensive assessment of securitized products more broadly, starting with a holistic view and using quantitative data to assess suitability for inclusion in our portfolio.

Source: PIMCO as of 31 December 2025. **The above is presented for illustrative purposes only**, as a general example of PIMCO’s ESG research capability and is not intended to represent any specific portfolio’s performance or how a portfolio will be invested or allocated at any particular time. PIMCO’s ESG processes may yield different results than other investment managers and a company’s ESG rankings and factors may change over time. **Past performance is not indicative of future results.**

Sovereign Climate Strategy

In 2025, all Paris Agreement signatories were required to publish updated Nationally Determined Contributions (NDCs) – their climate commitments. PIMCO leveraged this global milestone to strengthen our sovereign engagement, drawing on our analytical breadth, global relationships, and forward-looking climate framework to support issuers and improve transparency. For example, on climate, three actionable points we discussed with some developed and/or emerging markets included:

1

Following up with sovereigns that had not yet published updated NDCs

PIMCO proactively reached out to sovereigns who were behind on their submissions, emphasizing that timely updates are critical for investor confidence and macro climate risk assessment, as well as relevant climate assessment frameworks like Assessing Sovereign Climate-related Opportunities and Risks (ASCOR).

2

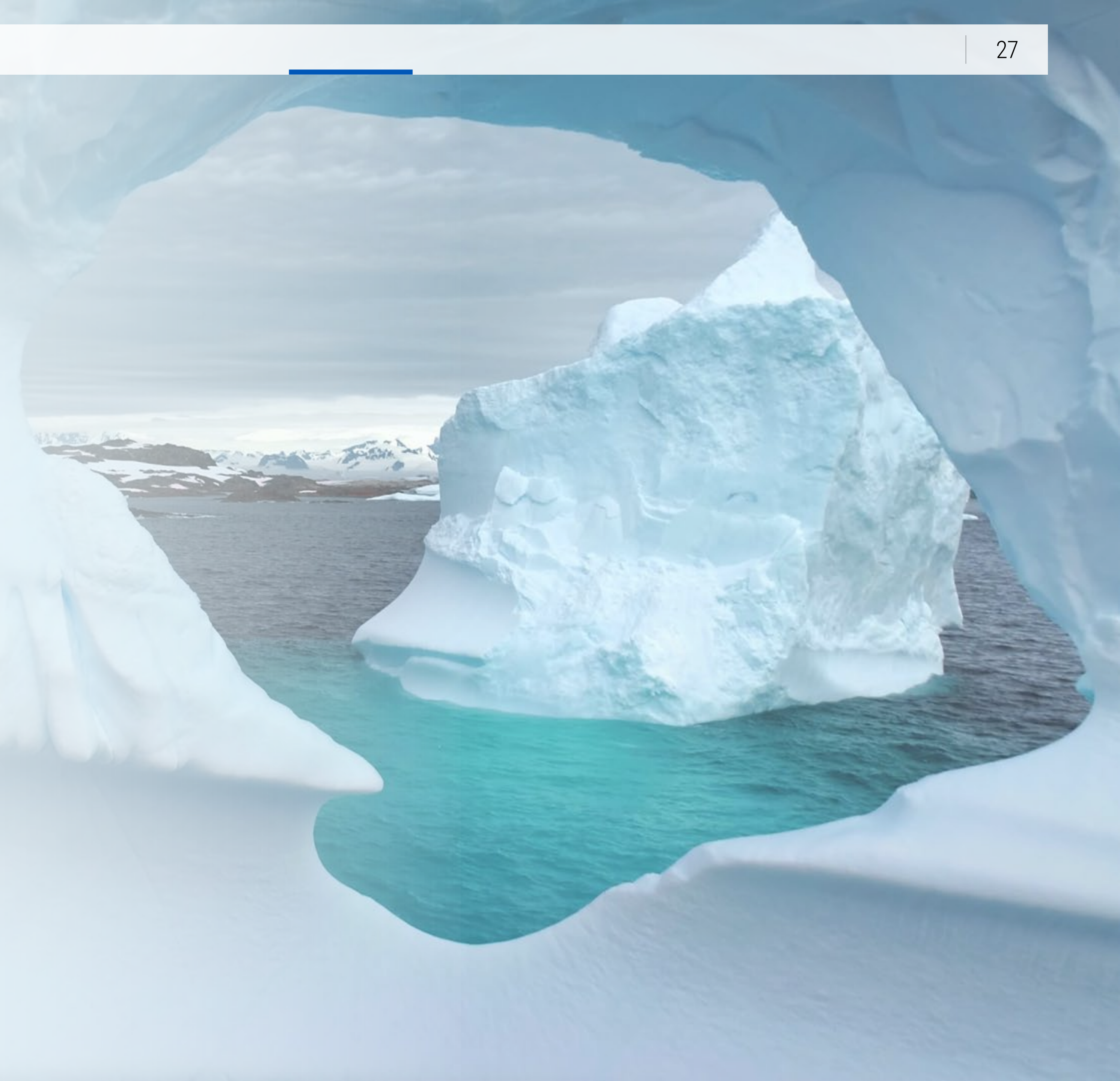
Leveraging updated NDCs to discuss climate finance and ESG bond strategies

The updated NDCs provided a natural touchpoint for conversations on financing the policy commitments embedded in the NDCs, and structuring or expanding sovereign ESG bond frameworks to align with climate objectives.

3

Using adaptation and resilience disclosures to deepen dialogue on long term climate planning

Several 2025 NDCs included enhanced disclosure on adaptation needs, resilience priorities, and climate risk assessments. This dialogue helped connect high level policy ambitions and actionable implementation strategies, including financial needs and benefits from adaptation and resilience investments.





Stewardship: Shaping The Market And Growing Supply



Industry Engagement and Partnerships

Highlights

PIMCO actively participates in industry initiatives and working groups that seek to advance sustainability efforts, help define global standards, encourage greater disclosure from issuers, and promote a more resilient marketplace. Where consistent with our approach, these initiatives allow PIMCO to join other investors in advocating clearer ESG guidance to issuers, notably on systemic risks such as climate change. Additionally, our involvement tends to benefit our internal research, with the ultimate goal of identifying investment opportunities including GSSS bond issuance.

In 2025, PIMCO continued to actively shape the evolution of sustainable finance by contributing to a broad range of major initiatives influencing sustainable investing in fixed income. We advanced transparency, standardization, and credible pathways for financing decarbonization – including in hard-to-abate sectors like mining, oil and gas – through our engagement in select industry working groups such as ICMA’s Sustainability-Linked Bond and Transition Bond Working Groups¹¹, the CFO Coalition for the SDG’s Primer on Sustainable Bonds¹² advocated the One Planet Sovereign Wealth Fund’s 8th Annual CEO Summit, the expansion of the Partnership for Carbon Accounting Financials (PCAF)’s guidance, the Methane Finance Working Group and the Global Investor Commission on Mining 2030.

In addition, PIMCO’s engagement in several global initiatives, launched and overseen by the United Nations and sister agency The World Bank, reflects a notable evolution in the sustainable investing arena. Anchored in ESG risk considerations, a growing number of investors are adding a development dimension to their sustainable-investing strategies, grounded in the conviction that healthy societies and healthy markets go hand-in-hand. Some refer to this as “sustainable development investing” – characterized by intentional alignment with the Sustainable Development Goals and the Paris Climate Agreement. Through engagement in these global initiatives – working alongside numerous clients and other like-minded investors – PIMCO plays a key stewardship role in helping to inform the strategies and pathways of individual organizations, as well as shaping and evolving new markets and asset classes.



¹¹ https://www.icmagroup.org/assets/WG-Sustainability-Linked-Bonds-ToR_-2024-2025.pdf

¹² <https://www.cfocoalition.org/reports/cfo-primer-on-sustainable-bonds>

Key Initiatives

Labeled bonds

PIMCO acted as one of the coordinators of the International Capital Markets Association’s (ICMA) Sustainability Linked Bonds (SLB) Working Group that organized a series of webinars on SLB market trends, and as a member of the Transition Bond Working Group, which produced new Climate Transition Bond Guidelines. The latter introduced the use of Climate Transition Bond (CTB)¹³ as a standalone label for use-of-proceeds bonds, based on a definition and safeguards for Climate Transition Projects, together with a preliminary, non-exhaustive list of project categories.

Separately, PIMCO co-authored the CFO Primer on Sustainable Bonds, developed by the CFO Coalition for the SDGs (UN Global Compact), which serves as a guide for finance leaders to understand sustainable bonds and align corporate finance with the Sustainable Development Goals (SDGs).

Carbon accounting for the finance sector

The Partnership for Carbon Accounting Financials (PCAF) is the global initiative that develops carbon accounting guidance for the finance sector. PIMCO is the sole asset manager on the PCAF Core Team. We co-chaired the Climate Transition Finance working group and chaired the sub-working group dedicated to avoided projected emissions outcomes.

PIMCO contributed to PCAF’s updated standards published in 2025, which now cover key fixed income segments, including securitized products, and sub-sovereign debt (e.g., bonds issued by states, provinces, regions, cities, or municipalities) regarding expected emissions reductions and expected avoided emissions.

¹³ Label designed to help (re)finance critical projects for achieving the goals of the Paris Agreement, especially from those in high-emitting sectors and/or with high-emitting activities (source: ICMA)



PIMCO has been a great partner in PCAF’s Standard Development Process. Their expertise and thoughtful contributions have played an instrumental role for method development in key areas, including use of proceeds structures, financed avoided emissions and securitization. This type of engagement is core to PCAF’s mission - championing stronger methodologies, greater transparency, and deeper harmonization in the financial sector’s emissions accounting.”

– **Caspar Noach**, PCAF’s Technical Director

Methane finance working group

At the request of the COP28 Secretariat (**“COP 28 refers to the United Nations Climate Change Conference in 2023 hosted by the UAE. The “Secretariat” refers to the body overseeing treaty negotiations and logistics**), PIMCO facilitated the formation of the Methane Finance Working Group (“MFWG”) to accelerate financing for methane and flaring abatement in the oil and gas sector, with a focus on national oil companies. The group brings together asset managers, asset owners, banks, climate policy experts, NGOs, and companies.

Methane is ~80 times as powerful as carbon dioxide at trapping heat and is responsible for 30% of global warming to date¹⁴. Deploying known solutions in the sector could avoid 0.1 degrees by mid-century. Given that two-thirds of oil and gas company debt is expected to mature in the next five years, many companies will be approaching the debt market before 2030. This creates a timely opportunity for financial intermediaries to encourage the prioritization of spending on abatement by encouraging GSSS+ bonds and loans.

In June 2025, MFWG published the “Guidance on Incorporating Methane and Flaring Abatement into Oil and Gas Debt Structuring” to communicate a science-based investor consensus from the oil and gas sector, which has historically underutilized the labeled bond market. The guidance, ambitious in scope, aims to support the issuance of GSSS+ bonds and loans for abatement projects that would otherwise not occur, be delayed, or lack sufficient scale.

The guidance was featured at global events including London Climate Week, New York Climate Week, PRI in Person, as well as several oil and gas related conferences, and was also codified into ICMA’s Transition Bond Principles, published in November 2025.

Conversations with issuers about deploying more capital to mitigate methane and flaring emissions that began in 2025 are continuing to scale in 2026.

We believe this serves firmwide client portfolios by pursuing broad portfolio decarbonization through investment opportunities, rather than through divestments. These activities also benefit bondholders more broadly through potential positive balance sheet impacts, as many abatement projects strengthen underlying asset integrity, improve production inefficiencies, and reduce environmental liabilities as well as occupational health and safety hazards.

PIMCO’s involvement creates opportunities to channel capital toward tangible emissions reductions that are unlikely to happen otherwise. The outcome could be physical decarbonization (vs accounting exercises) of high-emitting issuers, which may also drive down portfolio carbon footprints. While regional dynamics remain complex – evolving voluntary disclosure in the U.S., regulatory changes in the EU, and economically driven progress in Gulf Cooperation Council (GCC) and APAC – we see significant potential to finance sustainability performance and the energy transition.

¹⁴Source: <https://www.globalmethanepledge.org/imperative-methane-action>



External Initiatives and their Impact on Portfolio Management

PIMCO's engagement in global sustainability platforms and regulatory dialogues directly informs our investment process, ensuring alignment between our clients' sustainability commitments and ambitions, regulatory compliance, and portfolio construction.

“Hard-to-abate” sectors and transition investments

Many of our clients seek to influence real-world environmental and social outcomes through their investments. We view labeled bonds as a direct and effective way to increase portfolio impact. While many issuers have already made meaningful improvements, we are increasingly focused on sectors where the potential for change is greatest – those with a large gap between current practices and achievable outcomes. Given the significant emissions reduction potential in the oil and gas value chain, and the importance of responsible mining growth for critical minerals in the energy transition, PIMCO has become more active in initiatives aimed at expanding labeled-bond issuance in underrepresented sectors. We believe that ambitious, high-quality labeled bonds from these issuers can deliver substantial real-world benefits while increasing capital market opportunities for eligible client portfolios, particularly where traditional General Corporate Purposes (GCP) bonds may not qualify. These initiatives work to establish science- and engineering-based standards for impactful transactions, and applying their recommendations helps us generate additional investment opportunities and strengthen our portfolio management process.

Emerging regulations on sustainable investing

The last few years have seen a codification of definitions of “sustainable investing” in the EU as a result of a number of key regulatory changes. We have participated in several initiatives to advocate on behalf of our clients' sustainability and investment objectives, while ensuring we remain in compliance with emerging regulations.

Participation in initiatives such as ICMA enables PIMCO to anticipate and integrate evolving standards – including Paris-Aligned Benchmarks (PAB), ESMA fund naming and EU Green Bond (EuGB) regulations – into credit analysis, issuer engagement and portfolio management. These efforts help address first- and second-order regulatory impacts, such as new exclusions under ESG mandates, while enabling us to advocate for transition finance considerations for high-emitting sectors. PIMCO has worked through many of its external initiatives to elevate a broader and more inclusive approach to the transition as an important sustainable investment theme. As our work in these groups continues alongside evolving regulation, our end goal is to expand the opportunity set to benefit our client portfolios.

ESG data and standard setting

Through active dialogue with issuers – for example, ensuring EuGB frameworks remain consistent with ICMA's Green Bond Principles – PIMCO promotes market integrity and mitigates risks associated with carbon reporting and disclosure requirements. This collaborative approach strengthens portfolio resilience and positions strategies to capture opportunities in a rapidly evolving sustainable finance landscape.

Robust measurement of a portfolio's financed carbon emissions is essential to support security selection in portfolios with decarbonization objectives. This includes an appropriate treatment of labeled use-of-proceed bonds and forward-looking assessments aligned with recognized standards. PIMCO's involvement with various standard setting groups seeks to shape the consensus on these topics, further enhancing portfolio management considerations.

In addition, improved issuer dialogue, supported by external initiatives that take a systemic approach, helps build a comprehensive view of progress among the most sensitive issuers. This enables us to assess whether they are suitable candidates for ESG portfolios, backed by a clear rationale and a well-defined engagement plan.



PIMCO on the Global Stage: Event Highlights

Throughout 2025, PIMCO placed greater emphasis on stewardship and policy engagement to address the structural barriers that may limit progress through issuer-level dialogue alone. Major events in the extractive sectors highlighted why this broader lens is essential.

The Global Investor Commission on Mining 2030

PIMCO participated in a delegation to Brazil as part of an investor-led initiative, the Global Investor Commission on Mining 2030, which focused on sustainability practices to support responsible growth in the mining sector.

The visit included meetings with the Brazilian president and government, Vale S. A., a Brazilian multinational mining company, and local stakeholders impacted by the Brumadinho dam disaster¹⁵, including the local community and state prosecutor. The objectives were to present the recommendations of the commission and to assess the progress made by Vale and other stakeholders in addressing issues revealed by the disaster, particularly in safety and corporate culture.



PIMCO site visit in Brazil supporting investor engagement focused on sustainability in mining practices.

¹⁵ Source: Vale S.A. <https://www.vale.com/in/esg/brumadinho>

Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC)

PIMCO participated in the Executive Roundtable co-hosted by the Abu Dhabi National Oil Company (ADNOC) and the Oil and Gas Decarbonization Charter (OGDC). The discussion was focused on the mitigation of methane and flaring during oil and gas production. As one of two investor representatives, we conveyed our interest to the NOCs and International Oil Companies (IOCs) in attendance in partnering with the industry on mitigating the impact of the sector on climate change. A second roundtable was organized to discuss the role debt capital markets may play in financing the decarbonization of oil and gas production.

Key takeaways included:

- Significant progress in disclosure and data quality among OGDC signatories, as highlighted in the latest report released at COP30.
- Beyond capital, technical expertise is critical – from project design through execution and ongoing maintenance – to ensure successful implementation.
- Investor sentiment has shifted: climate-focused investors have notably changed their approach to engaging with the sector, creating both opportunities and uncertainty in a rapidly evolving ecosystem.
- Labeled transactions could unlock value, making abatement and flaring reduction projects more competitive for internal capital allocation.



UN Financing for Development Conference

One of the cornerstone objectives of the UN is Financing for Development (FfD) – a systemic international effort to mobilize public and private finance towards key development objectives, especially the Sustainable Development Goals.

PIMCO is highly engaged in this priority UN agenda and is deeply involved in a range of related activities – from leading and participating in UN FfD policy and strategy discussions to contributing to the development of milestone implementation blueprints.

Two important examples of stewardship activities and outputs include PIMCO’s prominent investor role in the UN Financing for Development Conference (Sevilla, July 2025), where we chaired/moderated several policy discussions, and made significant contributions in relation to the UN’s recently released “Roadmap for Sustainable Finance”. This milestone resource offers actionable recommendations for both the public and private sectors, covering areas including sustainable bonds. PIMCO plans to actively share this document with clients and issuers, especially those with a development finance orientation.





Client Focus



Case Studies – Client Portfolio Solutions


PIMCO has a long-standing history of managing sustainable investment solutions for clients, beginning in 1989 with the launch of our first separate account incorporating exclusions for client portfolios. This paved the way for the development of PIMCO’s dedicated sustainability fund platform, launched in January 2017, further expanding the firm’s ability to meet evolving client preferences with a diverse range of sustainable investment solutions.


Today, we manage assets of


\$645B¹⁶

in Sustainability Strategies.

Our sustainable investment solutions are organized into three categories, allowing clients to align portfolios with their values, elevate ESG characteristics, or pursue explicit environmental and/or social objectives.

 **Exclusionary portfolios** restrict the investment universe by removing issuers or sectors fundamentally misaligned with sustainability factors or client values, such as tobacco, alcohol, controversial weapons or the adult entertainment industry. Exclusions can also be customized in separately managed accounts to reflect client specific lists or preferences.

 **Enhanced strategies** are designed to target a better overall ESG profile than their investment universe.

 **Thematic strategies** build on the enhanced strategies approach and are designed to incorporate a specific environmental and/or social objective or outcome, in addition to their financial objectives.

Sustainability priorities vary by client, and PIMCO partners closely with investors to provide investment services designed to help clients achieve their financial objectives. For clients focused on carbon emissions, we can apply proprietary analytics and scenario tools to monitor, manage, and reduce portfolio carbon intensity, prioritize issuers with credible transition plans, and allocate to green and sustainability-linked bonds that finance real-economy decarbonization. For clients seeking enhanced ESG performance, we can apply our proprietary scoring framework alongside external ratings, while simultaneously engaging with issuers with the aim of creating value and supporting them at various stages of their sustainability journey. For those aiming to align with the UN SDGs, we can map holdings to climate-related targets and provide customized reporting on metrics such as avoided emissions and renewable energy capacity.

These capabilities are designed to be flexible, client-driven, and aligned with clients’ financial objectives.

¹⁶ As of 31 December 2025. The figure includes Third-party and Allianz AUM with strategies that include (i) minimum standards that refine the investment opportunity set based on ESG-related exclusions criteria (“exclusionary” portfolios); (ii) a focus on enhancing the sustainable characteristics of the portfolio in comparison to its investment universe (“enhanced” portfolios) or (iii) a focus on achieving a specific environmental/ social objective in addition to a financial objective (“thematic” portfolios).



Allocation to GSS Bonds

PIMCO partnered with a leading institutional investor client to design a bespoke solution aimed at aligning their portfolio with ambitious sustainability goals – particularly by supporting investments with direct environmental and social benefits.

Material allocations to labeled bonds

- At least 70% of assets are allocated to green, social, sustainability and sustainability-linked bonds (see Exhibit 1), as well as sustainability linked and climate aligned bonds. This includes green bonds dedicated to projects such as climate change mitigation and the energy transition (see Exhibit 2).
- Labeled bonds are subject to PIMCO’s due diligence to confirm clear use of proceeds, adherence to recognised standards (e.g., ICMA Principles), and application of transparent issuer frameworks for project evaluation and impact reporting.
- Remaining assets are allocated to issuers with strong ESG credentials, including those aligned with UN SDGs, particularly climate related goals including SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).

Bespoke exclusions, tailored to client needs

- PIMCO established a custom exclusion framework aligned with the client’s sustainability priorities.
- The client’s investment universe is restricted to fixed income instruments that meet stringent ESG criteria, systematically excluding issuers linked to negative environmental or social impacts, such as controversial weapons, tobacco, gambling, and those with material exposure to thermal coal, or oil sands, among others.

Exhibit 1: Material allocation to GSSS bonds

- 54% Green Bonds
- 20% Sustainability Bonds
- 12% Social Bonds
- 3% Sustainability-Linked Bonds
- 11% Other

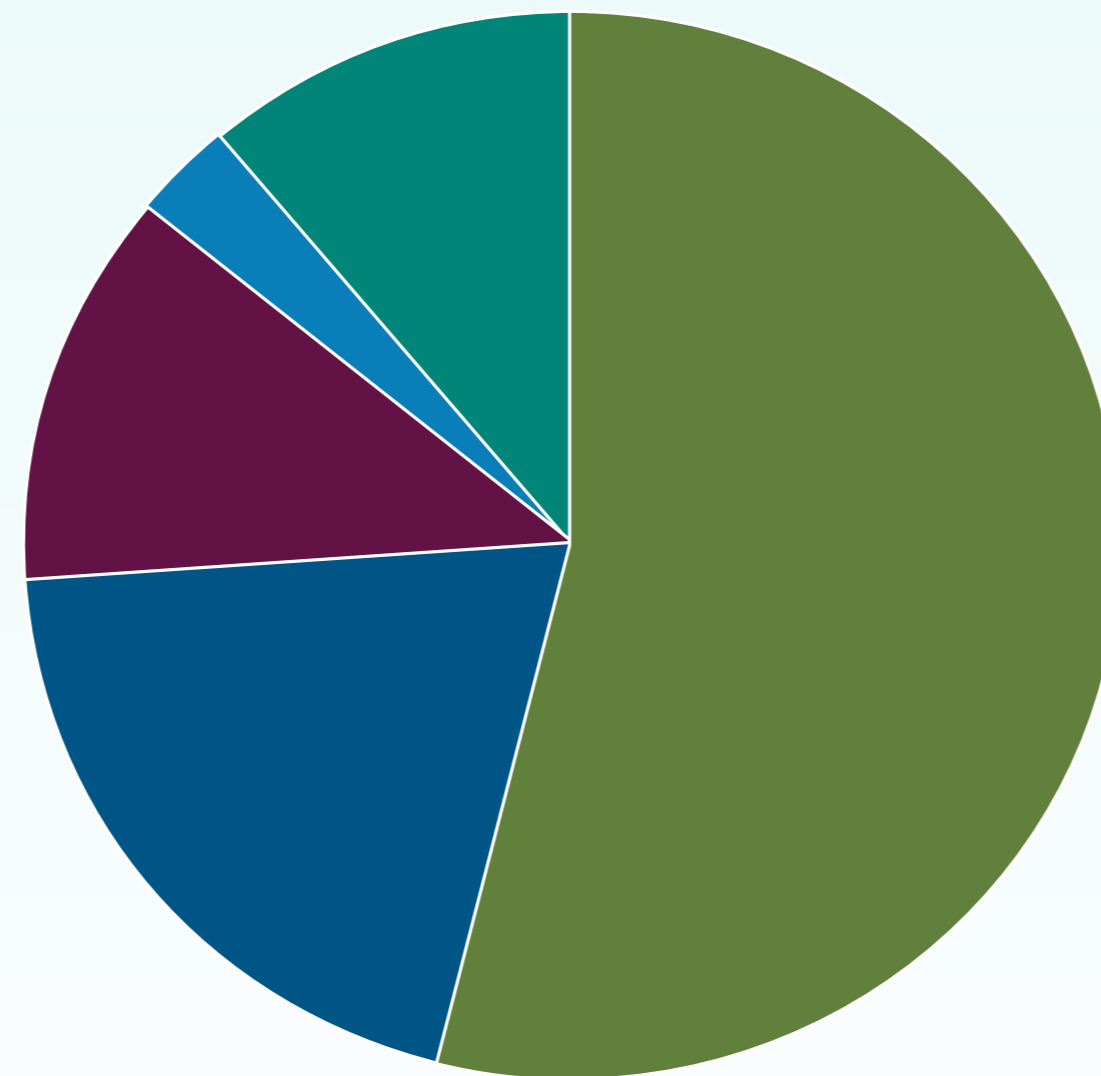
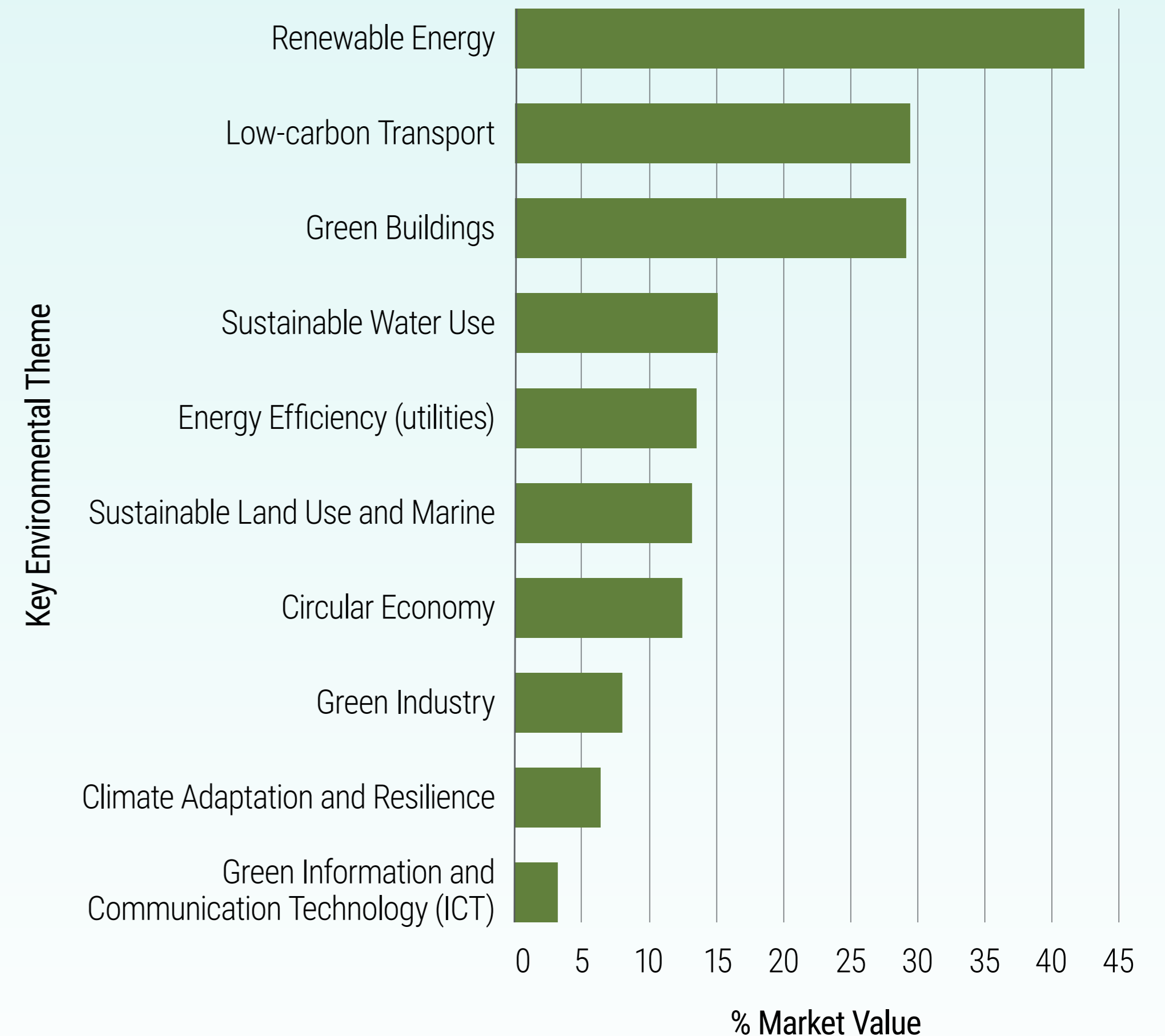


Exhibit 2: Green bonds breakdown by use of proceeds



The above is presented for illustrative purposes only, as a general example of PIMCO’s ESG research capability and is not intended to represent any specific portfolio’s performance or how a portfolio will be invested or allocated at any particular time. PIMCO’s ESG processes may yield different results than other investment managers and a company’s ESG rankings and factors may change over time. Past performance is not indicative of future results. Source: PIMCO. All data is as of 31 December 2025, unless otherwise stated.

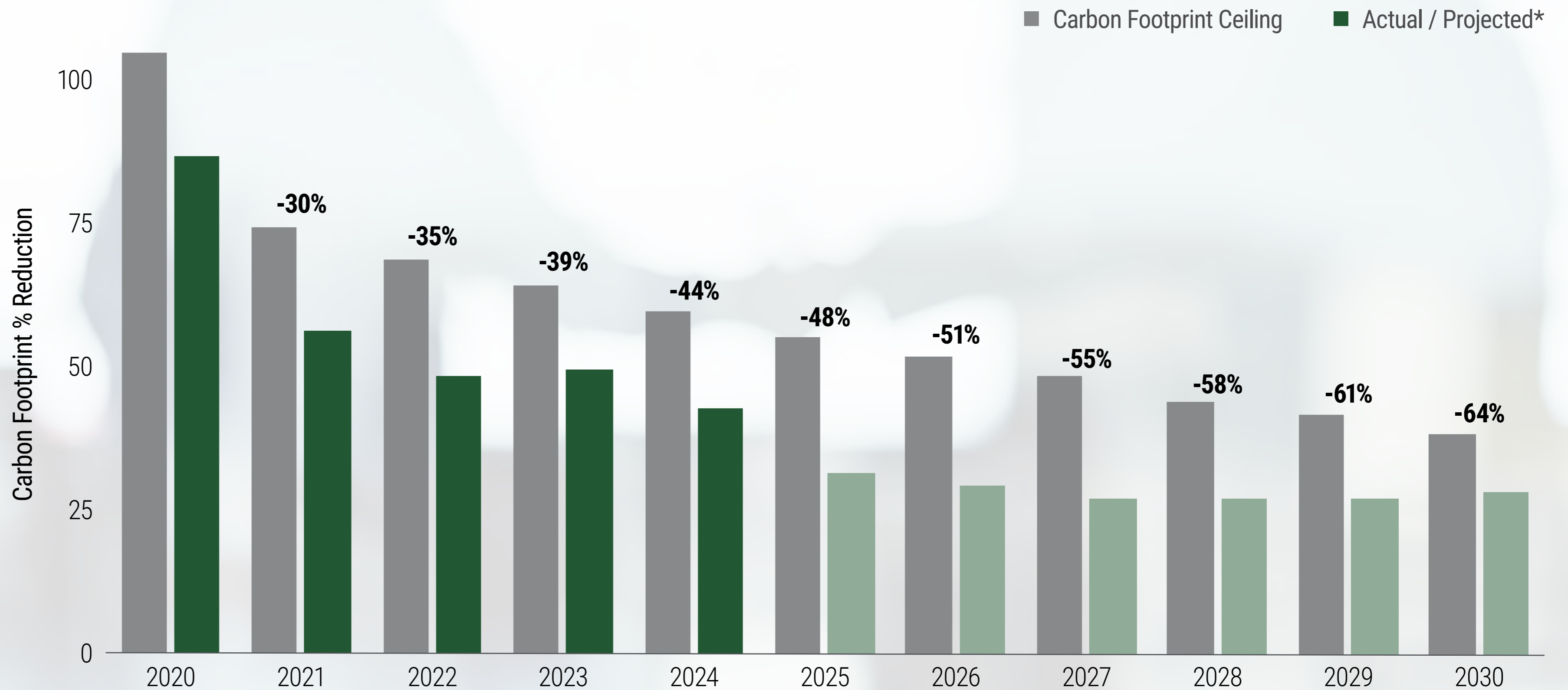


Decarbonizing the Portfolio

PIMCO partnered with a leading pension fund to design a bespoke investment grade credit portfolio aligned with the client’s financial goals and strong ESG and climate ambitions.

- The portfolio targets carbon reduction of approximately 50% by 2025 and about 65% by 2030 relative to the 2020 baseline. Actual and projected emissions have consistently stayed below the portfolio’s carbon footprint ceiling (see Exhibit 3).
- The strategy includes a minimum 25% allocation to green bonds and issuers providing low carbon solutions to reduce exposure to carbon intensive issuers and sectors.
- PIMCO provided clear, customized reporting to the client on key metrics including green bond allocations, third-party ESG scores, and carbon reduction progress.

Exhibit 3: Decarbonization Pathway vs. 2020



The above is presented for illustrative purposes only, as a general example of PIMCO’s ESG research capability and is not intended to represent any specific portfolio’s performance or how a portfolio will be invested or allocated at any particular time. PIMCO’s ESG processes may yield different results than other investment managers and a company’s ESG rankings and factors may change over time. **Past performance is not indicative of future results.** Source: PIMCO. All data is as of 31 December 2025, unless otherwise stated.

As of 30 June 2025. Source: PIMCO
* Projected carbon footprint based on PIMCO’s proprietary carbon projection tool. **For illustrative purposes only.**

Client Reporting Capabilities

PIMCO delivers clear ESG reporting supported by robust analytics and proprietary sustainability practices. Our reporting framework is designed to give clients transparency into how sustainability objectives are embedded and monitored across their portfolios, moving beyond high-level metrics to provide meaningful, actionable insights.

Core reporting features

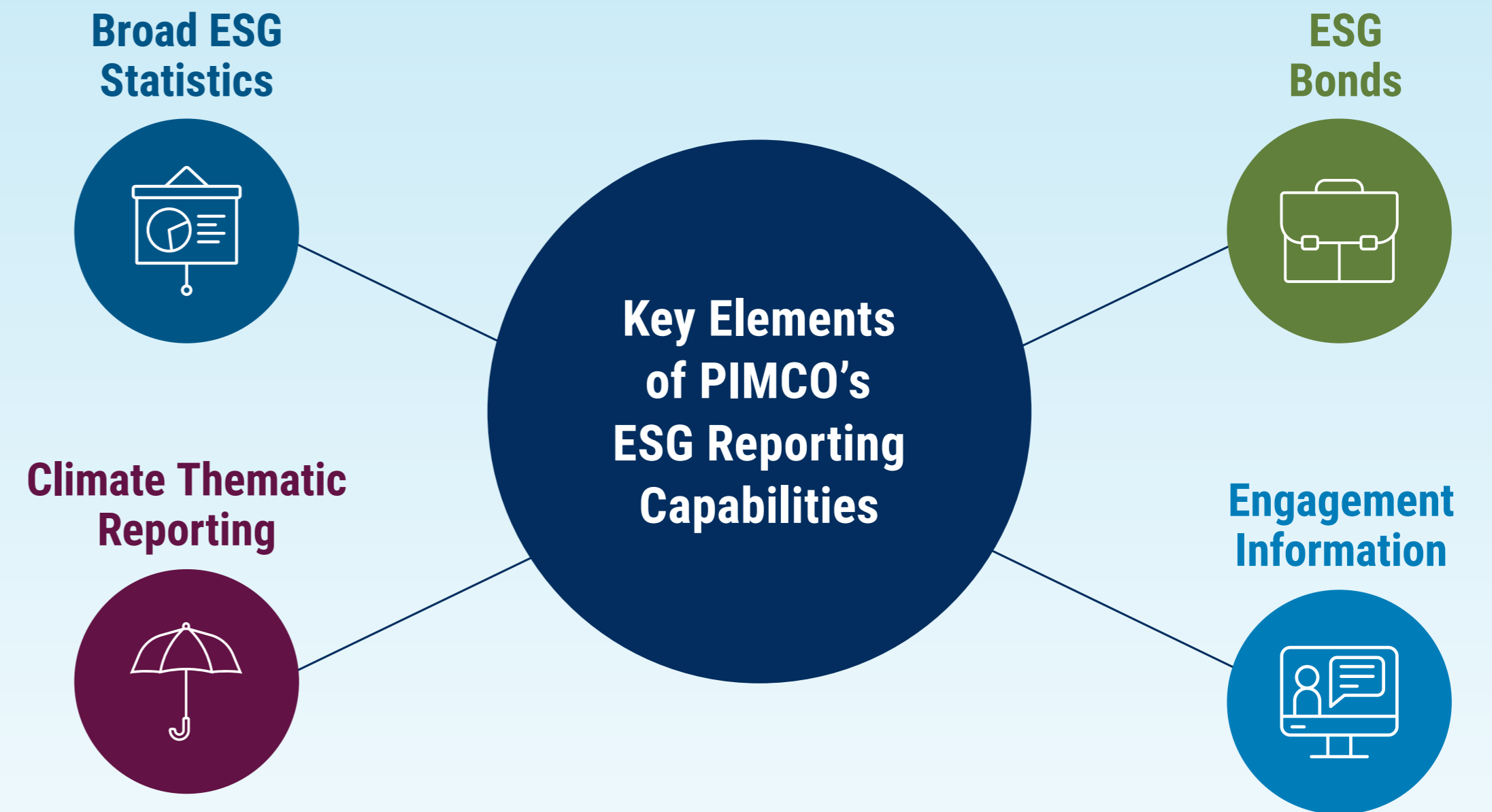
- Comprehensive ESG metrics, including portfolio level ESG scores (internal and external), GSSS+ bond allocations, carbon footprint and intensity, and avoided emissions.
- Granular transparency, including sector and issuer level detail, with historical trends to track progress over time.
- Climate and engagement reporting, including climate alignment analysis, climate risk insights, and clear reporting on issuer engagement activities and outcomes.

Tailored insights and customization

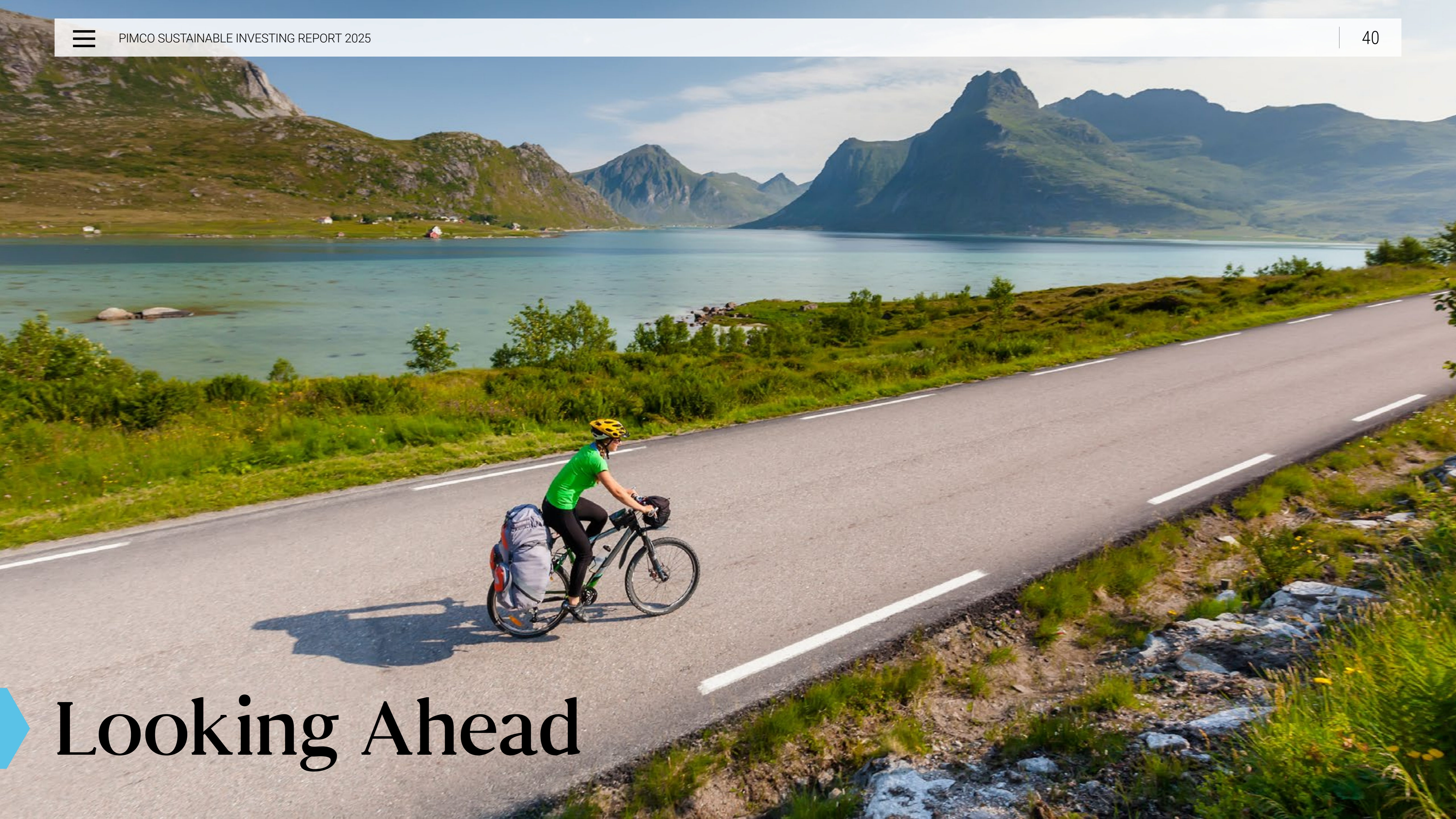
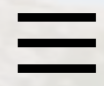
- Custom metrics and formats, allowing for bespoke reporting tailored to client mandates, regulatory requirements, or specific sustainability priorities.
- Flexible delivery, allowing PIMCO the ability to adjust scope, depth, and thematic emphasis depending on client needs.

PIMCO continues to invest in advanced analytics and reporting infrastructure to stay ahead of evolving sustainability expectations.

Through close collaboration with clients, we enhance reporting clarity, depth, and relevance – supporting stronger ESG integration and informed decision-making.



Source: PIMCO. For illustrative purposes only.



▶ Looking Ahead

The Rise of Transition, Adaptation and Resilience Finance

In 2025, PIMCO intensified its climate efforts related to two growing areas that are expected to gain further momentum in 2026:

1

Transition finance: Financial instruments that support high-emitting sectors to credibly decarbonize.

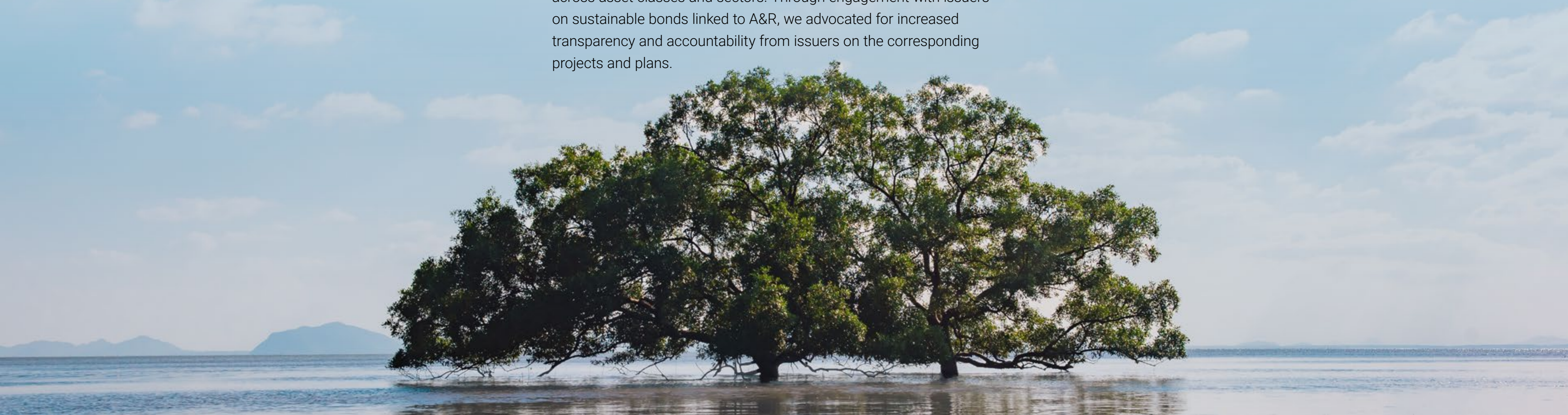
PIMCO deepened its commitment to transition finance by engaging issuers and market initiatives on credible decarbonization pathways, particularly in hard-to-abate and broader high-emitting sectors. In 2026, we will push the conversation toward implementation – putting these guidance frameworks to work to improve economic outcomes and directly reduce real-economy GHG emission reductions.

We expect further acceleration of this theme in 2026, particularly among public sector-related entities in both developed markets and emerging markets, as well as in higher-risk corporate sectors, such as water management. In these sectors, allocating adequate resources, communicating the economic implications, and articulating clear adaptation plans is moving from “nice to have” to essential.

2

Adaptation and Resilience (A&R) finance: Funding that reduces vulnerability to climate impacts and strengthens the capacity to withstand and recover from climate-related hazards.

PIMCO also advanced its analytical frameworks and methodologies to enhance portfolio resilience, address adaptation needs, and manage physical risk. We placed greater emphasis on vulnerability metrics, complementing risk exposure assessments and engagement across asset classes and sectors. Through engagement with issuers on sustainable bonds linked to A&R, we advocated for increased transparency and accountability from issuers on the corresponding projects and plans.



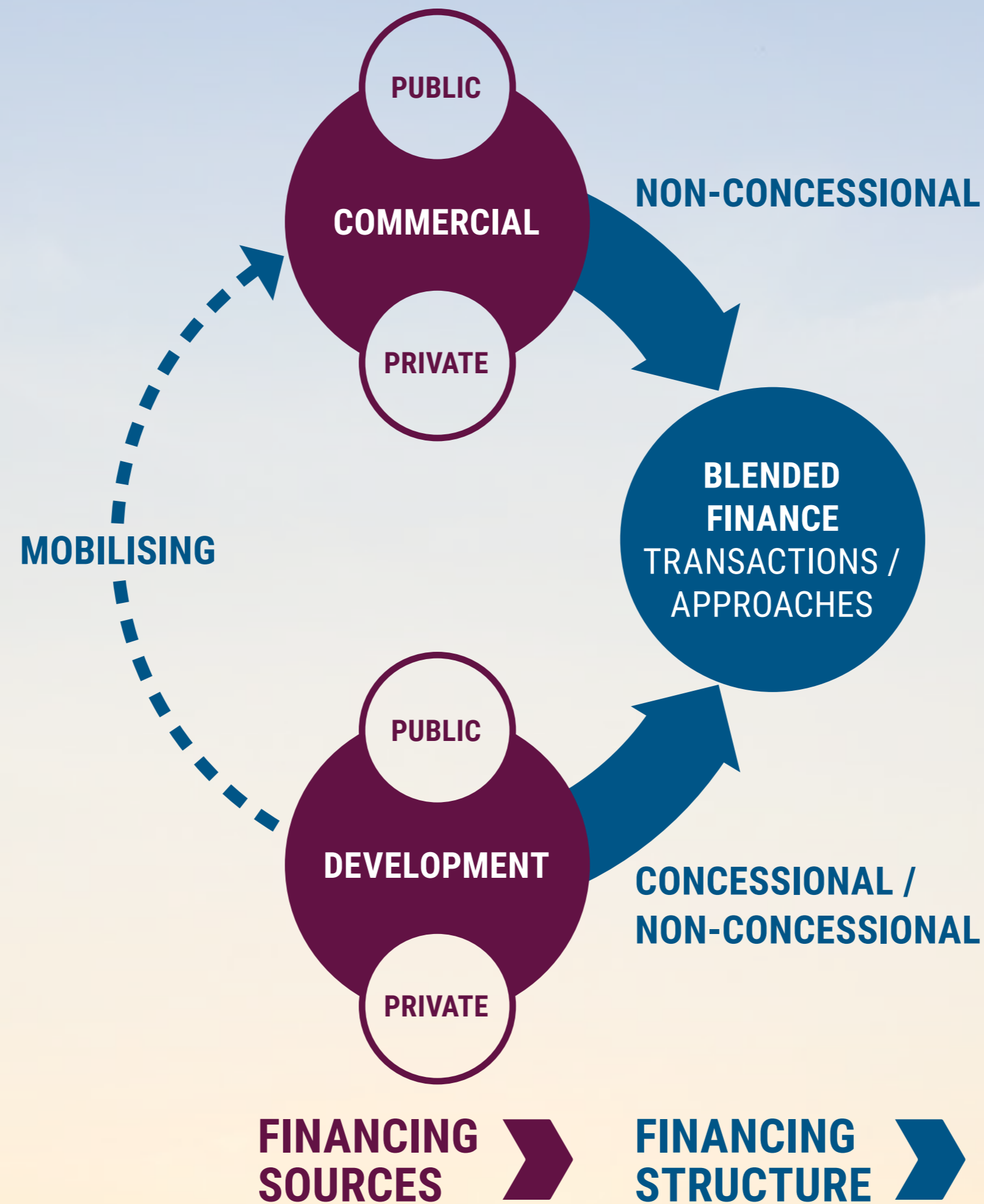
Emerging Markets and Development Finance

Development finance is increasingly integrating private capital. Traditionally dominated by public institutions providing grants and concessional loans to low-income countries – an arena associated largely with philanthropy and public assistance – this model is shifting rapidly. Multilateral development banks (MDBs) and bilateral development finance institutions (DFIs) are repositioning to mobilize greater private sector investment and scale their development impact. According to the OECD, private finance mobilized through official development finance has been rising steadily since 2012 – momentum that MDBs are aiming to accelerate.

Development institutions are launching new platforms and products designed to attract institutional investors, often on commercial terms. The goal is a “double win”: delivering attractive risk-adjusted returns in emerging and frontier markets while also generating positive real-world outcomes aligned with the Paris Agreement and the UN Sustainable Development Goals (SDGs).

Investor appetite is increasingly supportive of this shift. A 2025 Principles for Responsible Investment (PRI) study found that 65% of signatories take deliberate action to address sustainability outcomes, with nearly half citing financial materiality as the primary motivation. A 2024 PRI survey similarly showed that outcome-oriented investors view global frameworks such as the Paris Agreement and the SDGs as central anchors for investing toward sustainable outcomes. These investors recognize that healthy societies and healthy markets are fundamentally interconnected.

Blended Finance At-a-Glance



PIMCO's Expanded Engagement

Responding to this growing interest, PIMCO has expanded its engagement with MDBs and DFIs. We are one of only 15 members of The World Bank's Private Sector Investment Lab, which has helped shape the bank's expanded guarantees program – now a more efficient platform for project derisking. In parallel, the International Finance Corporation (IFC) closed its inaugural \$510 million securitization in September 2025, launching a new IFC CLO program. The transaction repackages IFC loans into rated securities, opening a new institutional asset class for emerging markets. The inaugural structure included a \$320 million senior tranche sold to private investors, a \$130 million mezzanine tranche insured by credit

insurers, and a \$60 million equity tranche. PIMCO was an anchor investor in this transaction. Blended finance, although still a relatively small market at under \$20 billion annually, is also evolving. At the UN's Financing for Development Conference in July 2025, new guiding principles were codified in the Sevilla Commitment to expand blended finance tools. The OECD later broadened the definition of blended finance to include both concessional and non-concessional capital – a shift that could catalyze innovative structures. Reflecting this momentum, PIMCO recently joined the UN Secretary General's Global Investors for Sustainable Development Alliance to co-lead a new blended finance workstream.



Deepening Thematic Research and Engagement: Workforce Management and AI

Workforce management and AI adoption strategies will be central to our sustainable investment focus in 2026. The U.S. labor market sits at the core of decision-making for the Federal Reserve and investors alike, amid a K-shaped economy¹⁷ and policy shifts that may influence job cuts, HR budgets, demographics, and rapid AI adoption.

PIMCO will intensify its analysis of labor across both micro and macro research, our sector workstreams, and corporate engagement. Amidst rising automation pressure, we believe firms with higher trust in leadership have greater potential to generate alpha. The future of work is uncertain, yet this uncertainty creates a powerful opportunity for PIMCO to generate new insights. We will emphasize enterprise AI adoption

and its implications for workforce management strategies across our global portfolio – including AI’s impact on headcount, innovation, labor relations, organizational design, and risk management. To execute, we will substantially expand our engagement efforts and work with management teams to translate these insights into stronger investment decisions and improved risk-adjusted returns.



¹⁷Source: PIMCO, Cyclical Outlook: Compounding Opportunity. 13 January 2026. In the U.S., capital-intensive companies deploying AI are better positioned, as are wealthier households that benefit from tech-driven stock market gains. Others are increasingly at risk of being left behind. Globally, trade frictions, AI adoption, and associated policy responses are driving divergence among countries.

Resources

- [Engagement at PIMCO](#)
- [Global TCFD 2024 Report](#)
- [Sustainable Investment Policy Statement](#)
- [PIMCO Guidance for Corporate Sustainable Bond Issuance](#)
- [PIMCO Guidance for Sovereign Sustainable Bond Issuance](#)
- [PIMCO Guidance for Municipal Sustainable Bond Issuance](#)
- [Corporate Sustainability Report](#)
- [Statement on Human Rights](#)





The information contained herein is as of December 31, 2025 unless otherwise noted.

This material contains examples of the firm's internal ESG engagement and research capabilities. The data contained within the report may be stale and should not be relied upon as investment advice or a recommendation of any particular security, strategy or investment product. In selecting case studies, PIMCO considers multiple factors, including, but not limited to, whether the example illustrates the particular investment strategy being featured and processes applied by PIMCO to making investment decisions. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed.

Environmental ("E") factors can include matters such as climate change, pollution, waste, and how an issuer protects and/or conserves natural resources. Social ("S") factors can include how an issuer manages its relationships with individuals, such as its employees, stakeholders, customers and its community. Governance ("G") factors can include how an issuer operates, such as its leadership, pay and incentive structures, internal controls, and the rights of equity and debt holders.

Sustainable Strategies are strategies with client-driven sustainability requirements. For these strategies, PIMCO actively incorporates sustainability principles (i.e. excluding issuers fundamentally misaligned with sustainability factors, evaluating issuers using proprietary and independent ESG scoring) consistent with those strategies and guidelines. Further information is available in PIMCO's Sustainable Investment Policy Statement. For information about funds that follow sustainability strategies and guidelines, please refer to the fund's prospectus for more detailed information related to its investment objectives, investment strategies, and approach to sustainable investment.

There is no assurance that the socially responsible investing strategy and techniques employed will be successful.

PIMCO's credit research analysts assess the Environmental, Social, and Governance ("ESG") profile of corporate, municipal, and sovereign issuers relative to peer issuers with a goal of separating leaders from laggards. Using industry-specific ESG frameworks, analysts review issuers' ESG performance based on information available in public filings, recent ESG news and controversies, as well as through engagement with company management teams. Analysts assign three separate numerical scores from 1 to 5 (with 5 being the highest) to their environmental, social and governance-based business practices. The score in each category is related to an issuer's rank relative to industry peers, and the relative weights of the E, S, and G scores in the composite score vary based on industries, as each industry is assigned a different factor weight. For example, the environmental category has the greatest weight for issuers in extractive industries (e.g., oil, gas, and mining), the social category has the greatest weight for pharmaceutical issuers, and the governance category has the greatest weight for financial issuers. Analysts also include a forward-looking ESG trend assessment, which recognizes companies whose ESG performance is significantly improving or deteriorating. These factors are combined to create a proprietary composite ESG issuer score. PIMCO's credit research analysts also assess green, social, sustainability, and sustainability-linked bonds

(collectively "ESG bonds") at an issuance level, including prior to and after issuance. Utilizing PIMCO's proprietary ESG Bond Framework assessment, credit research analysts evaluate such instruments starting with the strategic fit, assessing the alignment of the issuers' ESG-related strategies with the bond's objectives and use of proceeds, key performance indicators (KPIs), and the evidence of significant positive impact of the activities compared to "business as usual". We continuously screen for "red flags" and controversies through this process and also assess the degree of reporting by the issuer to analyze misalignment with key market standards, such as the Green Bond Principles. These factors result in a proprietary ESG bond score ranging from 1 to 5 (with 5 being the highest). PIMCO does not score all ESG bonds. Unassessed ESG bonds receive a default score of 3. ESG bonds holdings in PIMCO portfolios are then assigned a score that combines the issuer's ESG score and the ESG bond score. Specifically, an ESG bond holding receives the ESG issuer score plus an adjustment ranging from 0 up to 1.0 point, depending on the type of ESG bond (use of proceeds or sustainability-linked) and the quality of the ESG bond according to PIMCO's proprietary assessment. Holdings of securitized ESG bond issuances (asset-backed securities, collateralized loan obligations, collateralized mortgage obligations, collateralized debt obligations, and mortgage pass through securities) receive the ESG issuer score and are not adjusted.

We use MSCI and other third-party ratings for reference but make our own assessment based on our own, independent analysis of the industry and relevant ESG factors. PIMCO's resulting assessments are proprietary and distinct from those provided by ESG rating providers. Inclusion of a proprietary PIMCO ESG rating creates a conflict of interest because PIMCO and its affiliates benefit when PIMCO assigns a particular security a high score, or assigns a benchmark index or security a low score.

All investments contain risk and may lose value. ESG investing is qualitative and subjective by nature, and there is no guarantee that the factors utilized by PIMCO or any judgment exercised by PIMCO will reflect the opinions of any particular investor, and the factors utilized by PIMCO may differ from the factors that any particular investor considers relevant in evaluating an issuer's ESG practices. In evaluating an issuer, PIMCO is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, or present conflicting information and data with respect to an issuer, which in each case could cause PIMCO to incorrectly assess an issuer's business practices with respect to its ESG practices. Socially responsible norms differ by region, and an issuer's ESG practices or PIMCO's assessment of an issuer's ESG practices may change over time. There is no standardized industry definition or certification for certain ESG categories, for example "green bonds"; as such, the inclusion of securities in these statistics involves PIMCO's subjectivity and discretion. There is no assurance that the ESG investing strategy or techniques employed will be successful. Past performance is not a guarantee or reliable indicator of future results.

Statements concerning financial market trends or portfolio strategies are based on current market conditions, which

will fluctuate. There is no guarantee that these investment strategies will work under all market conditions or are appropriate for all investors and each investor should evaluate their ability to invest for the long term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice.

Scope 1 emissions are direct GHG emissions that occur from sources owned or controlled by a company (for example, company vehicles and facilities), Scope 2 emissions are indirect GHG emissions from the purchase of electricity, steam, heating or cooling, and Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain. While PIMCO has not made a firm wide net zero commitment, at PIMCO we are committed to providing industry leading advice and solutions for clients on a range of sustainability and ESG issues, including climate change and reducing greenhouse gas emissions to net zero.

ESG-labeled Bonds are defined as green, social, and sustainable bonds and sustainability-linked bonds. Green Bonds are those issues with proceeds specifically earmarked to be used for climate and environmental projects. Social Bonds are use-of-proceeds bonds earmarked to finance new and existing projects or activities with positive social impacts. Sustainability Bonds are use-of-proceeds bonds earmarked to finance new and existing projects or activities with positive environmental and social impacts. Sustainability-Linked Bonds (SLBs) are bonds that include sustainability-linked covenants, as explained by the issuer through use of a framework and/ or legal documentation. The sustainability objectives and exclusions of any particular portfolio that follows sustainability strategies and guidelines will be set out in the respective governing documents. For detailed information related to our PIMCO sponsored funds that follow sustainability strategies and guidelines, please refer to the fund's prospectus. Green/ social/sustainability bonds of issuers involved in coal and fossil fuel-related sectors may be permitted.

Carbon Footprint refers to the calculation of the total GHG emissions (scope 1 and scope 2) of corporates in the portfolio normalized by the bond exposure of corporates in the portfolio and expressed as a carbon dioxide equivalent. This material contains the current opinions of the manager and such opinions are subject to change without notice. This material is distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed.

This material contains the current opinions of the author and such opinions are subject to change without notice. This material is distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed.

PIMCO as a general matter provides services to qualified institutions, financial intermediaries and institutional investors. Individual investors should contact their own financial professional to determine the most appropriate investment options for their financial situation. This is not an offer to any person in any jurisdiction where unlawful or unauthorized. | **Pacific Investment Management Company LLC**, 650 Newport Center Drive, Newport Beach, CA 92660 is regulated by the United States Securities and Exchange Commission. | **PIMCO Europe Ltd (Company No. 2604517, 11 Baker Street, London W1U 3AH, United Kingdom)** is authorised and regulated by the Financial Conduct Authority (FCA) (12 Endeavour Square, London E20 1JN) in the UK. The services provided by PIMCO Europe Ltd are not available to retail investors, who should not rely on this communication but contact their financial adviser. Since PIMCO Europe Ltd services and products are provided exclusively to professional clients, the appropriateness of such is always affirmed. | **PIMCO Europe GmbH (Company No. 192083, Seidlstr. 24-24a, 80335 Munich, Germany)** is authorized and regulated by the German Federal Financial Supervisory Authority (BaFin) (Marie-Curie-Str. 24-28, 60439 Frankfurt am Main) in Germany in accordance with Section 15 of the German Securities Institutions Act (WpIG). | **PIMCO Europe GmbH Italian Branch (Company No. 10005170963, Via Turati nn. 25/27 (angolo via Cavaliere n. 4) 20121 Milano, Italy), PIMCO Europe GmbH Irish Branch (Company No. 909462, 57B Harcourt Street Dublin D02 F721, Ireland), PIMCO Europe GmbH UK Branch (Company No. FC037712, 11 Baker Street, London W1U 3AH, UK), PIMCO Europe GmbH Spanish Branch (N.I.F. W2765338E, Paseo de la Castellana 43, Oficina 05-111, 28046 Madrid, Spain), PIMCO Europe GmbH French Branch (Company No. 918745621 R.C.S. Paris, 50–52 Boulevard Haussmann, 75009 Paris, France) and PIMCO Europe GmbH (DIFC Branch) (Company No. 9613, Index Tower Floor 10, unit 1001 Dubai International Financial Centre, Dubai, United Arab Emirates)** are additionally supervised by: (1) **Italian Branch: the Commissione Nazionale per le Società e la Borsa (CONSOB)** (Giovanni Battista Martini, 3 - 00198 Rome) in accordance with Article 27 of the Italian Consolidated Financial Act; (2) **Irish Branch: the Central Bank of Ireland** (New Wapping Street, North Wall Quay, Dublin 1 D01 F7X3) in accordance with Regulation 43 of the European Union (Markets in Financial Instruments) Regulations 2017, as amended; (3) **UK Branch: the Financial Conduct Authority (FCA)** (12 Endeavour Square, London E20 1JN); (4) **Spanish Branch: the Comisión Nacional del Mercado de Valores (CNMV)** (Edison, 4, 28006 Madrid) in accordance with obligations stipulated in articles 168 and 203 to 224, as well as obligations contained in Title V, Section I of the Law on the Securities Market (LSM) and in articles 111, 114 and 117 of Royal Decree 217/2008, respectively, (5) **French Branch: ACPR/Banque de France** (4 Place de Budapest, CS 92459, 75436 Paris Cedex 09) in accordance with Art. 35 of

Directive 2014/65/EU on markets in financial instruments and under the surveillance of ACPR and AMF and (6) **DIFC Branch: Regulated by the Dubai Financial Services Authority (“DFSA”)** (Level 13, West Wing, The Gate, DIFC) in accordance with Art. 48 of the Regulatory Law 2004. The services provided by PIMCO Europe GmbH are available only to professional clients as defined in Section 67 para. 2 German Securities Trading Act (WpHG). They are not available to individual investors, who should not rely on this communication. According to Art. 56 of Regulation (EU) 565/2017, an investment company is entitled to assume that professional clients possess the necessary knowledge and experience to understand the risks associated with the relevant investment services or transactions. Since PIMCO Europe GMBH services and products are provided exclusively to professional clients, the appropriateness of such is always affirmed. | **PIMCO (Schweiz) GmbH (registered in Switzerland, Company No. CH-020.4.038.582-2, Brandschenkestrasse 41 Zurich 8002, Switzerland)**. According to the Swiss Collective Investment Schemes Act of 23 June 2006 (“CISA”), an investment company is entitled to assume that professional clients possess the necessary knowledge and experience to understand the risks associated with the relevant investment services or transactions. Since PIMCO (Schweiz) GmbH services and products are provided exclusively to professional clients, the appropriateness of such is always affirmed. The services provided by PIMCO (Schweiz) GmbH are not available to retail investors, who should not rely on this communication but contact their financial adviser. | **PIMCO Asia Pte Ltd** (8 Marina View, #30-01, Asia Square Tower 1, Singapore 018960, Registration No. 199804652K) is regulated by the Monetary Authority of Singapore as a holder of a capital markets services licence and an exempt financial adviser. The asset management services and investment products are not available to persons where provision of such services and products is unauthorised. | **PIMCO Asia Limited** (Suite 2201, 22nd Floor, Two International Finance Centre, No. 8 Finance Street, Central, Hong Kong) is licensed by the Securities and Futures Commission for Types 1, 4 and 9 regulated activities under the Securities and Futures Ordinance. PIMCO Asia Limited is registered as a cross-border discretionary investment manager with the Financial Supervisory Commission of Korea (Registration No. 08-02-307). The asset management services and investment products are not available to persons where provision of such services and products is unauthorised. | **PIMCO Investment Management (Shanghai) Limited**. Office address: Suite 7204, Shanghai Tower, 479 Lujiazui Ring Road, Pudong, Shanghai 200120, China (Unified social credit code: 91310115MA1K41MU72) is registered with Asset Management Association of China as Private Fund Manager (Registration No. P1071502, Type: Other). | **PIMCO Australia Pty Ltd** ABN 54 084 280 508, AFSL 246862. This publication has been prepared without taking into account the objectives, financial situation or needs of investors.

Before making an investment decision, investors should obtain professional advice and consider whether the information contained herein is appropriate having regard to their objectives, financial situation and needs. To the extent it involves Pacific Investment Management Co LLC (PIMCO LLC) providing financial services to wholesale clients, PIMCO LLC is exempt from the requirement to hold an Australian financial services licence in respect of financial services provided to wholesale clients in Australia. PIMCO LLC is regulated by the Securities and Exchange Commission under US laws, which differ from Australian laws. | **PIMCO Japan Ltd**, Financial Instruments Business Registration Number is Director of Kanto Local Finance Bureau (Financial Instruments Firm) No. 382. PIMCO Japan Ltd is a member of Japan Investment Advisers Association, The Investment Trusts Association, Japan and Type II Financial Instruments Firms Association. All investments contain risk. There is no guarantee that the principal amount of the investment will be preserved, or that a certain return will be realized; the investment could suffer a loss. All profits and losses incur to the investor. The amounts, maximum amounts and calculation methodologies of each type of fee and expense and their total amounts will vary depending on the investment strategy, the status of investment performance, period of management and outstanding balance of assets and thus such fees and expenses cannot be set forth herein. | **PIMCO Taiwan Limited** is an independently operated and managed company. The reference number of business license of the company approved by the competent authority is (112) Jin Guan Tou Gu Xin Zi No. 015 . The registered address of the company is 40F., No.68, Sec. 5, Zhongxiao East Rd., Xinyi District, Taipei City 110, Taiwan (R.O.C.), and the telephone number is +886 2 8729-5500. | **PIMCO Canada Corp.** (199 Bay Street, Suite 2050, Commerce Court Station, P.O. Box 363, Toronto, ON, M5L 1G2) services and products may only be available in certain provinces or territories of Canada and only through dealers authorized for that purpose. | **Note to Readers in Colombia:** This document is provided through the representative office of Pacific Investment Management Company LLC located at Carrera 7 No. 71-52 TB Piso 9, Bogota D.C. (Promoción y oferta de los negocios y servicios del mercado de valores por parte de Pacific Investment Management Company LLC, representada en Colombia.). | **Note to Readers in Brazil:** PIMCO Latin America Administradora de Carteiras Ltda.Av. Brg. Faria Lima, 3477 Itaim Bibi, São Paulo - SP 04538-132 Brazil. | **Note to Readers in Argentina:** This document may be provided through the representative office of PIMCO Global Advisors LLC AVENIDA CORRIENTES, 299, Buenos Aires, Argentina. | No part of this publication may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America LLC in the United States and throughout the world. ©2026, PIMCO.