

– DCSV Nordic Real Estate Debt Capital – Compartment–

Sustainability-related disclosures

Product Name (together, the “Nordic LEI Number Compartment”, the “Fund”)	
DCSV Nordic Real Estate Debt Capital – Compartment	254900L7IPASRWE95Q65

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In case of inconsistencies between this document and the Memorandum of the Fund, the Memorandum of the Fund shall prevail. Defined terms not otherwise defined have the meaning given to them in the Memorandum.

(a) Summary

In this section, we provide a summary of the information which is provided in more detail below. Please refer to each of the relevant sections below for further information.

The Nordic Compartment promotes environmental characteristics but does not have as its objective sustainable investment meaning that the Nordic Compartment is classified as an Article 8 fund under the SFDR. The investment strategy of the Nordic Compartment is primarily focused on privately originated commercial real estate loans secured by a first mortgage on real estate assets in Europe, which are undergoing some form of transition to a more stabilized state. The strategy is implemented by an evergreen fund structure to aid investors in managing their exposure through time, and PIMCO will seek to fluidly deploy and re-deploy capital across real estate sectors and geographies, over different economic cycles. PIMCO has developed an approach to ESG in connection with commercial real estate financing activities for the Nordic Compartment that focuses on: (i) energy efficiency; and (ii) refurbishments that are, in the view of PIMCO, expected to achieve an improvement in energy performance.

The Nordic Compartment will collect energy performance certificates ('EPCs') and exclude assets with an EPC rating of E or below unless there is a business plan in place to improve the EPC rating to above E within the full term of the loan. For developments, retrofits and/or refurbishments, which are expected to represent in excess of fifty percent (50%) of the Nordic Compartment's investments, the Nordic Compartment will exclude investments in loans that finance projects that fail to enhance the environmental profile of the assets being financed upon completion of the business plan. In order to assess, measure and monitor the environmental characteristics promoted, PIMCO relies on various widely accepted data sources, including: EPCs, BREEAM (Building Research Establishment Environmental Assessment Method); the LEED (Leadership in Energy and Environmental Design) certification developed by the USGBC and NABERS UK.

The Nordic Compartment will allocate 100% of invested capital into loans that promote environmental characteristics as every borrower must provide upfront and periodic EPCs to the Nordic Compartment. 100% of the invested capital will be deployed into first mortgages secured by European commercial real estate in a "transitional situation". The Nordic Compartment will draw down capital on an "as needed" basis and until this capital has been deployed towards investments that are aligned with the E/S characteristics, it may represent up to 30% of the investments not used to promote E/S characteristics (#2 Other). These investments will include cash, cash equivalents and derivatives, respectively used for liquidity management and hedging purposes. As such, a minimum of 70% of the total investments will be invested in loans that are #1 Aligned with the E/S characteristics promoted.

PIMCO seeks to ensure that good governance practices are followed by sponsors for all assets being financed, as it believes that there are certain corporate activities or behaviours that it does not wish to be associated with. This is done by setting clear expectations with respect to transparency and accountability, including with respect to sustainability, for all of the Nordic Compartment's assets.

The criteria outlined above are applied upon investment selection. In each case, the relevant business plans are or will be established and implemented by the sponsor. Accordingly, PIMCO

has limited or no ability to control or affect the outcome of the sponsor's business plan, including whether the objectives of the business plan will be achieved.

In addition, the Nordic Compartment's approach to ESG encompasses the following elements as part of the investment process:

- Seek to enter into an agreement with sponsors to deliver energy and carbon related data on an annual basis;
- Collect and analyze energy and carbon related data in the technical due diligence for transactions; and
- Assign an ESG score for each transaction using a proprietary scoring methodology.

The Investment Team engages collaboratively with sponsors, encouraging them to improve their ESG practices and influence long-term improvement in the energy performance of their property assets, to capture both economic and environmental benefits.

No index has been designated as a reference benchmark for the purpose of attaining the environmental characteristics promoted by the Nordic Compartment.

This summary was prepared in English and is being translated to other official languages of the European Union. In case of any inconsistencies or conflict between the different versions of the summary, the English language version shall prevail.

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Sammenfatning

I dette afsnit sammenfattes de oplysninger, som beskrives nærmere nedenfor. Der henvises til hvert relevant afsnit nedenfor for yderligere information.

Den nordiske afdeling fremmer miljømæssige karakteristika, men den har ikke bæredygtig investering som sit mål, således at den nordiske afdeling klassificeres som en fond ifølge artikel 8 i Disclosure-forordningen. Det primære fokus for den nordiske afdelings investeringsstrategi er private erhvervsboliglån med sikkerhed i form af pant med første prioritet i fast ejendom i Europa, som er i et overgangsforløb til mere stabile forhold. Strategien implementeres ved hjælp af en evergreen-fondstruktur med henblik på at hjælpe investorer med at håndtere deres eksponering over tid, hvor PIMCO gradvist forsøger at investere og geninvestere kapital i fast ejendom i sektorer og geografiske områder, i forskellige økonomiske cyklusser. PIMCO har udviklet en ESG-metode i forbindelse med finansieringsaktiviteter vedrørende erhvervsejendomme for den nordiske afdeling med fokus på: (i) energieffektivitet og (ii) istandsættelse, som efter PIMCO's opfattelse forventes at kunne forbedre energieffektiviteten.

Den nordiske afdeling vil indsamle energiattester ('EPC'er') og udelukker aktiver med en EPC-vurdering på E eller lavere, medmindre der er en forretningsplan om at forbedre EPC-vurderingen

til over E for hele lånets løbetid. I forhold til udvikling, renovering og/eller istandsættelse, som forventes at udgøre mere end halvtreds procent (50 %) af den nordiske afdelings investeringer, vil den nordiske afdeling udelukke investeringer i lån til finansiering af projekter, hvor det ikke lykkes at styrke den miljømæssige profil for de aktiver, som der investeres i ved gennemførelse af forretningsplanen. Med henblik på at vurdere, måle og overvåge de miljømæssige karakteristika, som der fremmes, gør PIMCO brug af en række forskellige almindeligt accepterede datakilder samt: EPC'er, BREEAM (Building Research Establishment Environmental Assessment Method); den såkaldte certificering LEED (Leadership in Energy and Environmental Design), som er udviklet af USGBC og NABERS UK.

Den nordiske afdeling vil allokere 100 % af den investerede kapital i lån, som fremmer miljømæssige karakteristika, idet hver låntager skal levere energiattester forinden og løbende til den nordiske afdeling. 100 % af den investerede kapital investeres i de første pantsætninger med sikkerhed i europæisk fast ejendom i en form for "overgangssituation". Den nordiske afdeling vil trække kapital "efter behov" og frem til det tidspunkt, hvor kapitalen er investeret i tråd med E/S-karakteristika, og hvor den kan udgøre op til 30 % af investeringerne, som ikke anvendes til at fremme E/S-karakteristika (#2 Andre). Disse investeringer omfatter kontanter, sekundær likviditet og derivater, som henholdsvis anvendes til likviditetsstyring og afdækningsformål. Således investeres der mindst 70 % af de samlede investeringer i lån, som er #1 i tråd med de fremmede E/S-karakteristika.

Det er PIMCO's mål at sikre, at god ledelsespraksis følges af sponsorer for alle finansierede aktiver, idet PIMCO mener, at der er bestemte virksomhedsaktiviteter eller bestemt adfærd, som man ikke ønsker at være associeret med. Det sker ved hjælp af en klar forventningsafstemning i forhold til gennemsigtighed og ansvarsområder samt bæredygtighed for så vidt angår alle den nordiske afdelings aktiver.

Ovennævnte kriterier gøres gældende i investeringsudvælgelsen. I hvert tilfælde er eller bliver relevante forretningsplaner fastlagt og implementeret af sponsoren. Således har PIMCO begrænset eller ingen mulighed for at kontrollere eller påvirke udfaldet af sponsorens forretningsplan, herunder hvorvidt forretningsplanens mål opnås.

Desuden omfatter den nordiske afdelings ESG-metode følgende elementer som led i investeringsprocessen:

- Søge at indgå aftale med sponsorer om levering af energi- og kulrelaterede data årligt;
- Indsamle og analysere energi- og kulrelaterede data i forbindelse med den tekniske due diligence af transaktioner, og
- Tildele hver transaktion en ESG-score ved brug af egen vurderingsmetode.

Investeringsteamet arbejder aktivt sammen med sponsorer og understøtter dem i at forbedre deres ESG-praksis og påvirke den langsigtede energieffektivitet positivt i forhold til deres ejendomsaktiver og med henblik på både en økonomisk og miljømæssig gevinst.

Der er ikke valgt et indeks som referencebenchmark vedrørende opfyldelse af de miljømæssige karakteristika, som fremmes af den nordiske afdeling.

Dette sammendrag er udarbejdet på engelsk og oversat til andre af den Europæiske Unions officielle sprog. I tilfælde af uoverensstemmelse eller modstridende indhold i sammendraget er den engelske version gældende.