

ANNEX IV

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Emerging Markets Bond ESG Fund

Legal entity identifier: IU161HZ5QHJ5X3UAQ421

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective**: ___%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective**: ___%

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 34% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective**

**While the Fund did invest in sustainable investments with a social objective during the period covered by this report, it has not made any commitment to invest in this category of investments and consequently any such investments acquired by the Fund should be considered incidental in nature

It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Fund's approach to sustainable investing is through the promotion of environmental and/or social characteristics (while the Fund does not have sustainable investment as its objective, it seeks to invest a portion of its assets in sustainable investments).

As detailed below, the sustainable investments held by the Fund during the reference period contributed to the environmental objectives of climate change adaptation and/or climate change mitigation.

Derivatives (with the exception of index derivatives) held by the Fund during the period were screened against the exclusion strategy implemented by the Investment Advisor and accordingly were used to promote the environmental and/or social characteristics promoted by the Fund.

● ***How did the sustainability indicators perform?***

The attainment of each of the environmental and/or social characteristics promoted by the Fund was measured through the Investment Advisor's implementation of its exclusion strategy, issuer engagement policy and investment in certain ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**") which enable issuers to raise capital to fund projects with positive environmental benefits as well as in the debt of issuers demonstrating leadership in addressing risk and opportunities around climate related change.

For example, the Fund's exclusion strategy resulted in the exclusion of certain sectors including issuers involved in Fossil Fuel related sectors (including issuers engaged principally in the oil industry, including extraction, production, refining, transportation, or the mining and sale of coal and coal-fired generation).

In addition, as part of the Fund's screening process, the Investment Advisor referred to globally accepted norms, such as, the UN Global Compact Principles and the UN Guiding Principles on Business and Human Rights, where appropriate.

● ***...and compared to previous periods?***

Information on the historical comparison of the Fund's sustainability-related investments is available below in response to the question "*What was the proportion of sustainability-related investments?*".

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The Fund's underlying sustainable investments contributed to the environmental objectives of climate change mitigation and climate change adaptation during the reference period which was achieved in a variety of ways, including by way of example, investment in ESG Fixed Income Securities (as further described in the section of the Prospectus entitled "**ESG Fixed Income Securities**") including green bonds.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Fund’s sustainable investments were assessed to seek to ensure that they do not cause significant harm to any environmental or social objective. This assessment was carried out by the Investment Advisor’s application of various adverse sustainability indicators, including but not limited to, exposure to Fossil Fuel related sectors (as described above) and greenhouse gas emissions.

How were the indicators for adverse impacts on sustainability factors taken into account?

Securities were selected according to the Investment Advisor’s internal sustainability screening process. This screening process includes consideration of adverse impacts on sustainability factors including exposure to the Fossil Fuel related sectors (as described above) and exposure to military weapons. The Investment Advisor sought to mitigate principal adverse impacts including, for example, through its exclusion strategy and issuer engagement.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Investment Advisor satisfied itself that sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights through the use of UNGC (UN Global Compact) controversies screening along with other tools including ESG scores and research as part of the investment due diligence process.

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

Principal adverse impacts are described as those impacts of investment decisions that “result in negative effects on sustainability factors” while sustainability factors are defined as “environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters”. The Investment Advisor sought to consider principal adverse impacts as part of the investment process and used a combination of methods to help mitigate principal adverse impacts including exclusions and issuer engagement.

The Fund considered the principal adverse impacts of investment decisions on sustainability factors (including but not limited to, exposure to the Fossil Fuel related sectors (as described above), the military weapons sector and greenhouse gas emissions) during the reference period.



What were the top investments of this financial product?

Largest investments	Sector	% Net Assets	Country
U.S. Treasury Bonds 3.250% due 15/05/2042	U.S. Government Related	1.90%	United States
Hungary Treasury Bills 10.900% due 04/01/2024	Emerging Markets	1.54%	Hungary
Argentina Government International Bond 3.500% due 09/07/2041	Emerging Markets	1.32%	Argentina
Mexico Government International Bond 3.000% due 03/12/2026	Emerging Markets	1.25%	Mexico
South Africa Government International Bond 10.500% due 21/12/2026	Emerging Markets	1.20%	South Africa
Dominican Republic Government International Bond 5.875% due 30/01/2060	Emerging Markets	1.01%	Dominican Republic
U.S. Treasury Notes 3.125% due 31/08/2029	U.S. Government Related	0.98%	United States
Mexico Government International Bond 4.875% due 19/05/2033	Emerging Markets	0.92%	Mexico
Uniform Mortgage-Backed Security 5.000% due 01/10/2053	Securitised	0.92%	United States
Romania Government International Bond 2.124% due 16/07/2031	Emerging Markets	0.90%	Romania
Perusahaan Penerbit SBSN Indonesia 4.700% due 06/06/2032	Emerging Markets	0.89%	Indonesia
Ecuador Government International Bond 3.500% due 31/07/2035	Emerging Markets	0.88%	Ecuador
U.S. Treasury Bonds 3.375% due 15/08/2042	U.S. Government Related	0.84%	United States
Uruguay Government International Bond 5.750% due 28/10/2034	Other	0.84%	Uruguay
Poland Government International Bond 4.875% due 04/10/2033	Other	0.83%	Poland

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: as at 31 December 2023

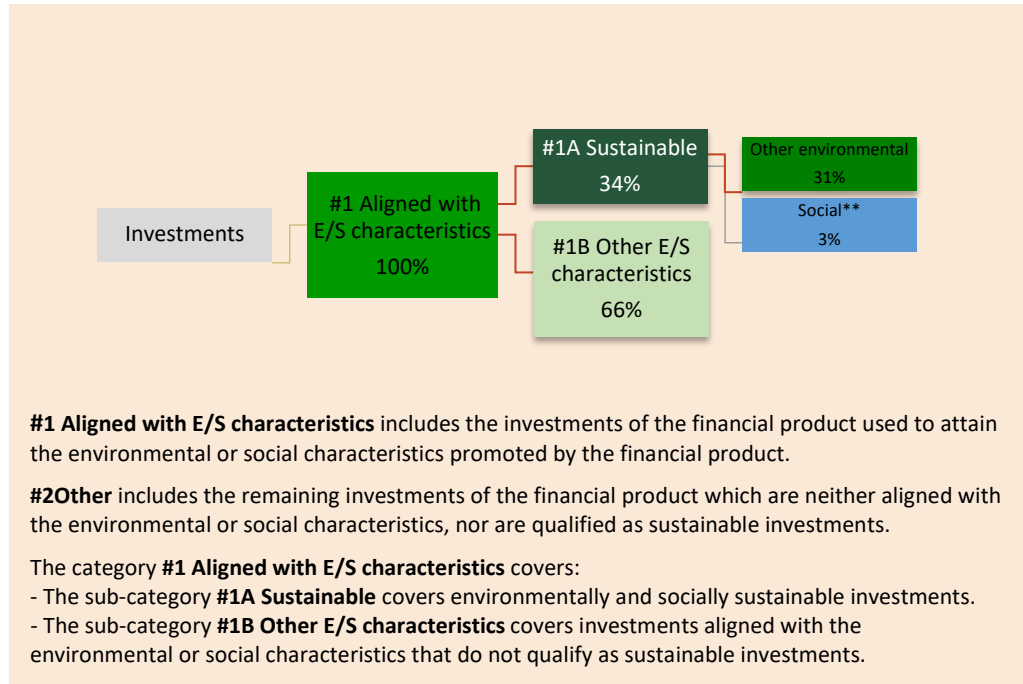
For the purposes of compiling the information disclosed above, the investments of the Fund as at 31 December 2023 have been used.



What was the proportion of sustainability-related investments?

Information on the proportion of the Fund which promoted environmental/social characteristics and the proportion of the Fund invested in sustainable investments as at 31 December 2023 is provided below.

● What was the asset allocation?



As at 31 December 2023, 100% of the Fund's investments were considered to promote environmental and/or social characteristics because all of the Fund's investments (with the exception of index derivatives) were screened against its exclusion strategy (the figure as at 31 December 2022 was 100%).

As at 31 December 2023, the Fund invested 34% of its net assets in sustainable investments (31 December 2022: 25%). 31% of net assets were invested in sustainable investments which contributed to an environmental objective (31 December 2022: 23%).

**The Fund also held 3% of net assets in sustainable investments which contribute to a social objective (31 December 2022: 2%). It should be noted that the Fund has not made any commitment to invest in sustainable investments which contribute to a social objective and such investments should be considered incidental in nature.

● **In which economic sectors were the investments made?**

Sector	% of Net Assets
Emerging Markets	72.00%
U.S. Government Related	18.30%
Other	14.05%
Investment Grade Credit	11.91%
Non-U.S. Dollar Developed	4.85%
Securitised	3.80%
Net Other Short Duration Instruments	-24.91%

For the purposes of compiling the information disclosed above, the investments of the Fund as at 31 December 2023 have been used.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

As at 31 December 2023, the percentage of investments that were aligned with the EU Taxonomy is 0% (31 December 2022: 0%). This figure has not been subject to an assurance provided by an auditor nor has it been reviewed by any other third party.

● **Did the financial product invest in fossil gas and / or nuclear energy related activities that comply with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

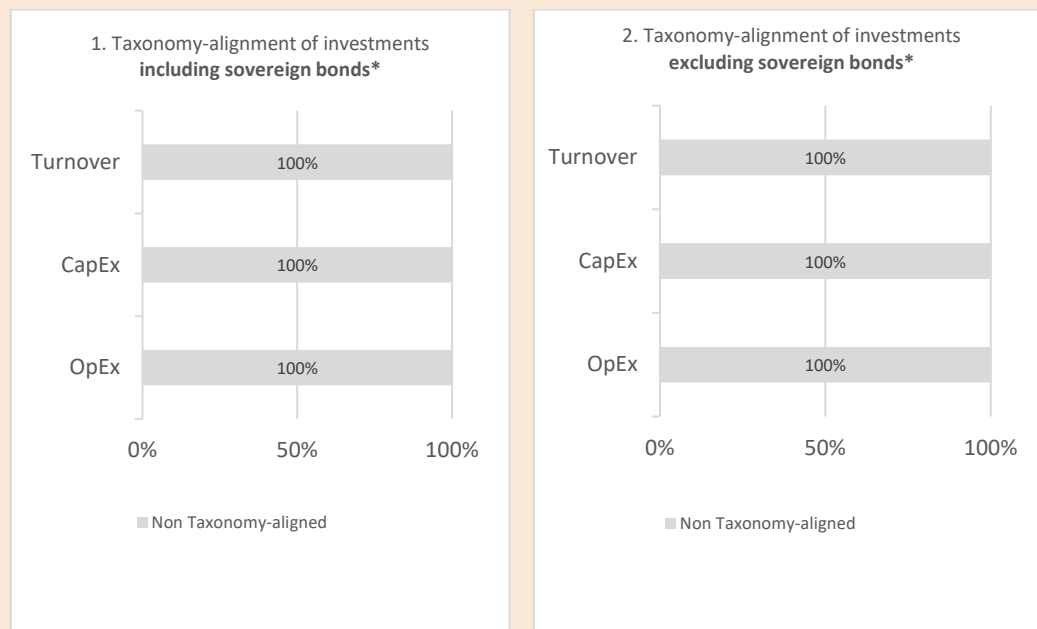
Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

As at 31 December 2023, the proportion of investments of the Fund in transitional and enabling activities during the reference period was 0% (31 December 2022: 0%).



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Fund does not commit to invest in investments aligned with the EU Taxonomy but does commit to invest in sustainable investments which contribute to an environmental objective. As at 31 December 2023, the proportion of sustainable investments of the Fund which contributed to an environmental objective which were not assessed against the EU Taxonomy and therefore categorised as "Other Environmental" investments above is 31% (31 December 2022: 23%). For further information with respect to sustainability-related data availability and data challenges please refer to <https://europe.pimco.com/en-eu/our-firm/global-advisors-ireland>.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of socially sustainable investments?

As noted above, as at 31 December 2023, the Fund held 3% of net assets in sustainable investments which contributed to a social objective during the period covered by these financial statements (31 December 2022: 2%). As the Fund has not made any commitment to invest in sustainable investments which contribute to a social objective, such investments should be considered incidental in nature.



What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

As noted above, as at 31 December 2023, 100% of the Fund’s investments were considered to promote environmental and/or social characteristics because all of the Fund’s investments (with the exception of index derivatives) were screened against its exclusion strategy (31 December 2022: 100%).

As outlined in greater detail above, as at 31 December 2023, the Fund invested 34% of its net assets in sustainable investments (31 December 2022: 25%).



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reference period, the Investment Advisor actively engaged with certain issuers as applicable (examples of such engagement included material climate and biodiversity related matters), including for example, by seeking to encourage issuers to align to the Paris Agreement, adopt science-based targets for carbon emissions reduction and/or broadly advance their sustainability commitment.