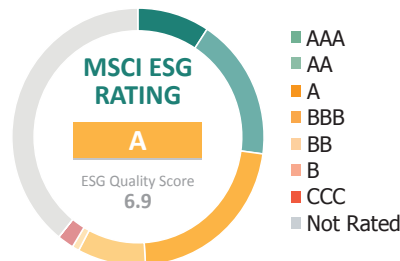


IST Portfolio

Portfolio Manager	Pimco
ESG Rating ¹	A
SFDR Category ²	Art. 6
Investment strategy	Active

¹ MSCI ESG Report: www.msci.com

² SFDR: The Sustainable Finance Disclosure Regulation is a European regulation introduced to improve transparency in the market for sustainable investment products. <https://www.eurosif.org/policies/sfdr/>



ESG Quality Score	ESG Rating
8.6 – 10	AAA
7.1 – 8.6	AA
5.7 – 7.1	A
4.3 – 5.7	BBB
2.9 – 4.3	BB
1.4 – 2.9	B
0.0 – 1.4	CCC

Applied ESG Approaches

Exclusion



Yes. IST exclusion list and process is applied:

Composition of IST exclusion list			
SVVK-ASIR	THEMATIC / SECTOR EXCLUSION	COUNTRY EXCLUSIONS	ENGAGEMENT / VIOLATIONS OF NORMS
<ul style="list-style-type: none"> – Nuclear weapons – Cluster munitions and anti-personnel mines 	<ul style="list-style-type: none"> – Coal mining and power generation (turnover > 25%) 	<ul style="list-style-type: none"> – UN Security Council Arms Embargo – OFAC – Swiss sanctions 	<ul style="list-style-type: none"> – Exclusion of non-cooperative companies – Violation of internationally acceptable standards

Source: <https://www.istfunds.ch/en/nachhaltigkeit/>

Proxy Voting

Not applicable

Engagement



Yes.

Engagement activities by IST in collaboration with Sustainalytics:

CRITERIA	DIALOG / GOAL DEFINITION	TERMINATION OF ENGAGEMENT
<ul style="list-style-type: none"> – High ESG risk: Material Risk Engagement (MRE) – Thematic engagement (e.g. sustainable forests) 	<ul style="list-style-type: none"> – Definition of firm ESG-goals in cooperation with investee company 	2 possible outcomes: <ul style="list-style-type: none"> – Objective achieved («case resolved») – Objective not achieved resp. company is not cooperative *

Source: https://www.istfunds.ch/media/5539/ist_d_engagementbericht-2022.pdf

*Assessment to consider adding to exclusion list

ESG Integration



Yes. ESG-related potential risks and opportunities are integrated in the investment process. Pimco's proprietary credit research software is continually enhanced with specific ESG related attributes.

Best-in-Class

Not applicable

Thematic/ Impact Investing

Not applicable

Portfolio manager: Pimco

Facts & figures

Assets under management	USD 1.74 trillion
Whereof in sustainable investment strategies	USD 530 bn
Number of inv. profess.	967
Whereof dedicated to ESG	Integrated across all functions supported by a dedicated ESG team (>50 investment professionals)
Signatory to UNPRI	Yes
UNPRI rating	***** (Investment & Stewardship)

Memberships (selection only):

- Institutional Investors Group on Climate Change (IIGCC)
- Carbon Disclosure Project (CDP)
- Climate Action 100+
- Transition Pathway Initiative (TPI)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Farm Animal Investment Risk & Return (FAIRR)

Consultant/ Partnerships

- None

Carbon Strategy

Carbon footprint is being measures and carbon emissions are offset by Allianz, Pimco's parent company.

Voting Activity

Yes, Proxy Voting policy are available .

<https://www.pimco.co.uk/en-gb/general/legal-pages/proxy-voting-policies-and-procedures>

Engagement

Yes, Engagement approach and results are reported in the ESG Investing Report.

<https://www.pimco.co.uk/en-gb/investments/esg-investing>

ESG Investment Policy

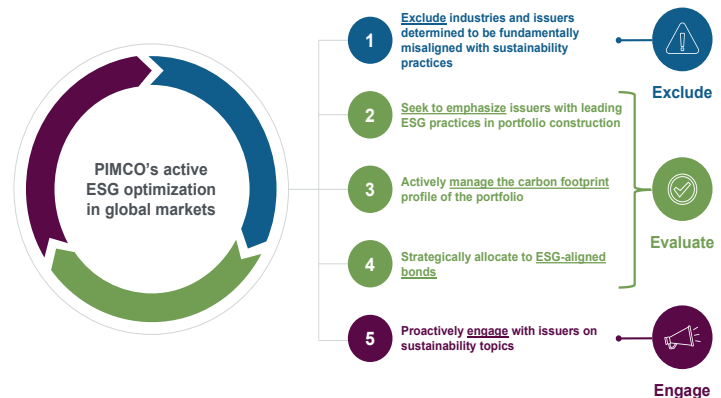
This ESG Investment Policy Statement details PIMCO's commitments to: the integration of ESG factors into our broad research process, sustainable investment solutions offered to our clients, our engagement with issuers on sustainability factors and our climate change investment analysis

ESG Integration:

At PIMCO, we define ESG Integration as the consistent consideration of material ESG factors into our investment research process to enhance client's risk-adjusted returns. Material ESG factors may include but are not limited to: climate change risks, social inequality, shifting consumer preferences, regulatory risks, talent management or misconduct at an issuer, among others. We believe incorporating relevant ESG factors should be part of a robust investment process.

Pimco's ESG Portfolio Solutions:

Pimco has built ESG portfolios on three guiding principles:



<https://www.pimco.ch/en-ch/our-firm/purpose/>

Next steps and further developments

As we look out over the next twelve months, we plan to continue to focus on continuing strengthen out ESG evaluation frameworks across asset classes, including corporates, sovereigns, municipals and securitized credit. We also plan to roll out our new analytical tools across our investor base, particularly the robust proprietary tools we have built to assess, manage, and help mitigate climate-related risks in our clients' portfolios. We will also continue to focus on a variety of thematic engagement priorities including climate change and human and labour rights.