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PIMCO CANADA CORP.

Interim Management Report of Fund Performance

June 30, 2023

PIMCO Climate Bond Fund (Canada)

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling 866.341.3350 or by writing to us at PIMCO Canada Corp., 199 Bay Street, Suite 2050, Commerce Court Station, PO Box 363, Toronto, ON M5L 1G2 or by visiting our website at www.pimco.ca or SEDAR+ at www.sedarplus.ca.

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

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Management Discussion of Fund Performance

Investment Objectives and Strategies

PIMCO Climate Bond Fund (Canada) ("the Fund") seeks optimal risk adjusted returns, consistent with prudent investment management, while giving consideration to long term climate-related risks and opportunities.

In order to achieve its objectives, the Fund invests primarily in a diversified portfolio of Fixed Income Instruments of varying maturities.

Risk

No changes affecting the overall risk associated with investing in the Fund were made during the period. The risks of investing in the Fund remain as outlined in the Fund's most recent Simplified Prospectus. Accordingly, the Fund remains suitable for the same investors outlined in the Simplified Prospectus.

Results of Operations

Series A units of the Fund returned 1.91% net of fees during the six-month reporting period ending June 30, 2023. The Fund's benchmark, the Bloomberg MSCI Global Green Bond Index (CAD Hedged) returned 2.93% during the same reporting period. The returns of the other series of this Fund are similar to those of Series A, except for the expense structure differences.

The following market conditions were prevalent during the six-month reporting period:

Risk assets broadly gained over the quarter despite concerns surrounding stress within the banking sector and a possible U.S. debt default. Bond yields broadly rose as growth proved resilient and inflation remained sticky, while central banks resumed hawkish forward guidance.

Concerns over a possible U.S. debt default prompted yields on short-dated Treasury bills to exceed 5.3%, and the cost of 1-year U.S. Treasury default swaps reached an all-time high. Risk sentiment remained robust, however, as markets were optimistic about negotiations. The S&P 500 hit a 9-month high after the House of Representatives passed a bill to raise the debt ceiling, which then passed through the Senate without much excitement from markets.

Signs of easing inflation prompted the Fed to offer dovish rhetoric earlier in the quarter; however, resilient growth and a swifter-than-expected resolution of stresses within the banking sector caused the Fed to signal that at least two additional rate hikes will be needed to combat inflation. U.S. headline inflation continued its decline over the quarter, rising at a 4% annual pace in May, which was the lowest reading in over two years. However, core inflation remained stubbornly high as much of the inflationary decline has been due to easing fuel and energy prices.

Growth and inflation metrics have begun to diverge, prompting central banks to take different paths. The Federal Reserve hiked its policy rate once (+25 bps) before pausing in June, only to then signal that at least two additional hikes will be needed to combat inflation. Meanwhile, the Bank of England raised policy rates twice over the quarter (+25 bps and +50 bps, respectively) to a level of 5% as core inflation unexpectedly held steady at 8.7%. Markets are now pricing in a potential peak of 6% as Governor Bailey signaled further hikes will be necessary if inflation does not show signs of moderating. Similar to the U.K., the European Central Bank raised policy rates twice (each time +25 bps) and made it clear that more hikes are on the way.

Despite this backdrop, the MSCI World finished the quarter up 6.99%, and credit spreads broadly tightened. The Global Aggregate Bond Index (Unhedged) posted a quarterly return of -1.53%, while the 10-year U.S. Treasury finished the quarter 37 bps higher at 3.84%.

For the six-month period ending June 30, 2023, the Fund's exposure to investment grade and high yield credit, particularly to the financial and industrial sectors, contributed to performance. Solar asset-backed securities and external emerging markets debt, driven by exposure to Asian renewable energy corporations, also contributed to performance. The Fund's exposure to developed market duration, particularly in the U.S. and the U.K., detracted from performance.

Recent Developments

Please note that the following contains the opinions of Pacific Investment Management Company LLC ("PIMCO"), the Fund's sub-adviser, as of the time of writing, and may not have been updated to reflect real-time market developments. All opinions are subject to change without notice.

Going forward, we believe the Federal Reserve is likely to raise the policy rate 25 bps in July, despite notable downside surprises in the June data for U.S. CPI inflation as well as a more moderate employment report. In our view, the moderating prices raise the prospect that the next rate hike is probably the last, despite the Fed's own projections and recent comments pointing to additional tightening beyond July. We now see core CPI trending toward the bottom of our 3%–3.5% y/y expected range by year-end, and assuming U.S. gasoline prices remain in line with expectations, headline inflation could potentially decelerate toward 2% by early next year.

Given the potential for continued inflation pressures in the near-term, we see real estate and REITs as providing a valuable inflation hedge. Given generally poor liquidity in public credit markets and our economic outlook, we expect to maintain an up-in-quality approach to corporate credit investments. We expect emerging markets to offer good opportunities, while we stress the importance of active investment to sort between the likely winners and losers in a difficult investment environment. Recent market volatility has provided us with attractive investment opportunities, diverging from the low returns and low yielding environment markets had become accustomed to the past several years.

We continue to source opportunities in green bonds, unlabeled green bonds and issuers demonstrating leadership in addressing climate change. Overall, we are finding opportunities in actively managed credit, as dispersion in markets remains elevated. We have a preference for up in quality credits, telecom/cable/towers, financials, housing-related industries, and REITs. We seek to identify attractive opportunities associated with the transition to a net zero emissions economy.

We are allocating to green bonds — issues with use-of-proceeds devoted to environmental projects — particularly banks, utilities and REITS, and finding opportunities in bonds issued by businesses fundamentally aligned to climate solutions, like solar power companies exposed to low carbon products and services. We seek to invest in issuers that lead in mitigating carbon emissions and broader environmental externalities across their value chain. Such climate leaders can be from a variety of sectors; importantly we note companies at the cutting edge of climate commitments, for example, those emphasizing sustainable supply chains or taking action on deforestation.

Over the reporting period, PIMCO's analysts conducted issuer engagements with 21% of the Fund's corporate portfolio, in terms of portfolio market value, on topics that include air pollution, greenhouse gas emissions, ESG bonds, and transparency and reporting.

Related Party Transactions

PIMCO Canada Corp. (the "Manager") is an indirect, wholly-owned subsidiary of PIMCO. The Manager has retained PIMCO, a related party, to provide investment advice and make investment decisions for the Fund's investment portfolio. The Manager receives management fees from the Fund other than in the case of Series I and Series I (US$) units, where the fees are paid directly by the investor to the Manager. The Manager, not the Fund, pays the fees payable to PIMCO for investment advisory services.

The Manager is a related party as defined by International Accounting Standards 24: Related Party Disclosures. The Fund is permitted to purchase or sell securities from or to certain related affiliated funds or portfolios under specified conditions outlined in the standing instructions of the Fund's independent review committee, which have been designed to mitigate potential conflicts of interest that may arise from a purchase or sale of securities by the Fund from or to another investment fund managed by PIMCO Canada.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past six months ended June 30, 2023, and for the prior periods since inception.

The Fund's Net Assets per Unit ^(1)

Series A	Period ended June 30	Period ended December 31	
	2023	**2022**	**2021***
Net Assets, beginning of year/period ($)	8.55	9.96	10.00
Increase (decrease) from operations:			
Total revenue	0.14	0.22	0.17
Total expenses (excluding distributions)	(0.06)	(0.12)	(0.12)
Realized gains (losses) for the period	(0.25)	(0.08)	(0.17)
Unrealized gain (losses) for the period	0.31	(1.40)	0.04
Total increase (decrease) from operations (2)	0.14	(1.38)	(0.08)
Distributions:			
From net investment income (excluding dividends)	(0.08)	(0.11)	(0.05)
From capital gains	—	—	(0.03)
Total Annual Distributions (3)	(0.08)	(0.11)	(0.08)
Net Assets, end of year/period ($) (4)	8.64	8.55	9.96

Ratios and Supplemental Data

Series A	Period ended June 30	Period ended December 31	
	2023	**2022**	**2021***
Total net asset value ($) (000's) (5)	1,628	1,438	1,790
Number of units outstanding (000's) (5)	189	168	180
Management expense ratio (6)	1.39%	1.37%	1.36%
Management expense ratio before waivers or absorptions	1.39%	1.37%	1.36%
Trading expense ratio (7)	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	30%	40%	9%
Net asset value per unit ($)	8.64	8.55	9.96

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.
* Information presented is for the period from February 26, 2021 (commencement of operations) to December 31, 2021.
(1) This information is derived from the Fund's unaudited interim and audited annual financial statements.
(2) Net assets and distributions are based on the actual number of Fund units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.
(3) Distributions were paid in cash or reinvested in additional units of the Fund.
(4) This is not a reconciliation of the beginning and ending net assets per unit.
(5) This information is presented as at June 30, 2023 and December 31 of the years shown.
(6) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.
(7) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.
(8) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

The Fund's Net Assets per Unit ^[1]

Series F	Period ended June 30	Period ended December 31	
	2023	2022	2021*
Net Assets, beginning of year/period ($)	8.55	9.96	10.00
Increase (decrease) from operations:			
Total revenue	0.14	0.23	0.17
Total expenses (excluding distributions)	(0.04)	(0.08)	(0.07)
Realized gains (losses) for the period	(0.27)	(0.26)	(0.07)
Unrealized gain (losses) for the period	0.37	(1.03)	(0.08)
Total increase (decrease) from operations [2]	0.20	(1.14)	(0.05)
Distributions:			
From net investment income (excluding dividends)	(0.10)	(0.15)	(0.10)
From capital gains	—	—	(0.03)
Total Annual Distributions [3]	(0.10)	(0.15)	(0.13)
Net Assets, end of year/period ($) [4]	8.64	8.55	9.96

Ratios and Supplemental Data

Series F	Period ended June 30	Period ended December 31	
	2023	2022	2021*
Total net asset value ($) (000's) [5]	12,386	13,212	11,244
Number of units outstanding (000's) [5]	1,434	1,545	1,128
Management expense ratio [6]	0.83%	0.84%	0.82%
Management expense ratio before waivers or absorptions	0.83%	0.84%	0.82%
Trading expense ratio [7]	0.00%	0.00%	0.00%
Portfolio turnover rate [8]	30%	40%	9%
Net asset value per unit ($)	8.64	8.55	9.96

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.

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(1) This information is derived from the Fund's unaudited interim and audited annual financial statements.

(2) Net assets and distributions are based on the actual number of Fund units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period.

(3) Distributions were paid in cash or reinvested in additional units of the Fund.

(4) This is not a reconciliation of the beginning and ending net assets per unit.

(5) This information is presented as at June 30, 2023 and December 31 of the years shown.

(6) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(7) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(8) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Financial Highlights (continued)

The Fund's Net Assets per Unit ^(1)

Series I	Period ended June 30	Period ended December 31	
	2023	**2022**	**2021***
Net Assets, beginning of year/period ($)	8.55	9.96	10.00
Increase (decrease) from operations:			
Total revenue	0.14	0.23	0.17
Total expenses (excluding distributions)	(0.00)	(0.00)	—
Realized gains (losses) for the period	(0.26)	(0.23)	0.16
Unrealized gain (losses) for the period	0.33	(1.14)	(0.17)
Total increase (decrease) from operations (2)	0.21	(1.14)	0.16
Distributions:			
From net investment income (excluding dividends)	(0.14)	(0.23)	(0.17)
From capital gains	—	—	(0.03)
Total Annual Distributions (3)	(0.14)	(0.23)	(0.20)
Net Assets, end of year/period ($) (4)	8.64	8.55	9.96

Ratios and Supplemental Data

Series I	Period ended June 30	Period ended December 31	
	2023	**2022**	**2021***
Total net asset value ($) (000's) (5)	8,714	7,691	7,590
Number of units outstanding (000's) (5)	1,009	899	762
Management expense ratio (6)	0.00%	0.00%	0.00%
Management expense ratio before waivers or absorptions	0.00%	0.00%	0.00%
Trading expense ratio (7)	0.00%	0.00%	0.00%
Portfolio turnover rate (8)	30%	40%	9%
Net asset value per unit ($)	8.64	8.55	9.96

^ A zero balance may reflect actual amounts rounding to less than $0.01 or 0.01%.

* Information presented is for the period from February 26, 2021 (commencement of operations) to December 31, 2021.

(1) This information is derived from the Fund's unaudited interim and audited annual financial statements.

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(3) Distributions were paid in cash or reinvested in additional units of the Fund.

(4) This is not a reconciliation of the beginning and ending net assets per unit.

(5) This information is presented as at June 30, 2023 and December 31 of the years shown.

(6) Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

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Management Fees

The Manager is responsible for the operations of the Fund including arranging for the provision of services such as investment management, transfer agency, fund accounting and other administrative services. In consideration for the provision of such services, the Manager is paid a management fee by the Fund that is calculated and accrued daily and is payable monthly. With respect to Series I units, management fees are negotiated between the investor and the Manager. Many of the operating expenses of the Fund are largely payable by the Manager and not by the Fund. Management fees are used to pay trailing commissions, in connection with Series A units, to registered dealers for the services and/or advice that they provide to investors.

The breakdown of the services received as a percentage of the management fees are as follows:

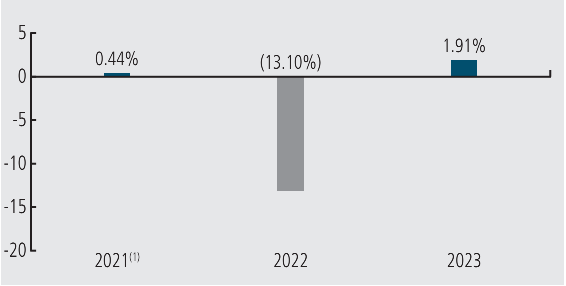
	Management Fee	Trailing Commissions paid to Dealers	Investment management and general administration
Series A	1.25%	40%	60%
Series F	0.75%	0%	100%

Past Performance

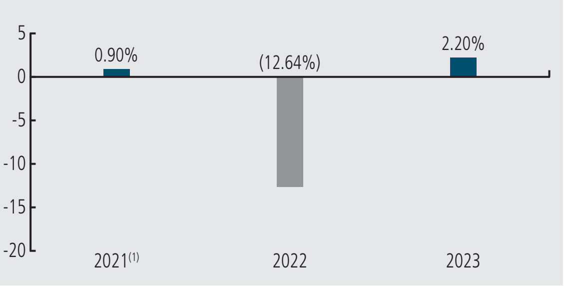
Year-by-Year Returns

The following bar charts show each Series' performance for the 6-month period ended June 30, 2023, and for each of the previous periods ended December 31 and illustrate how the Series' performance has changed from year to year. In percentage terms, the bar charts indicate how much an investment made on January 1 would have increased or decreased by the end of the period.

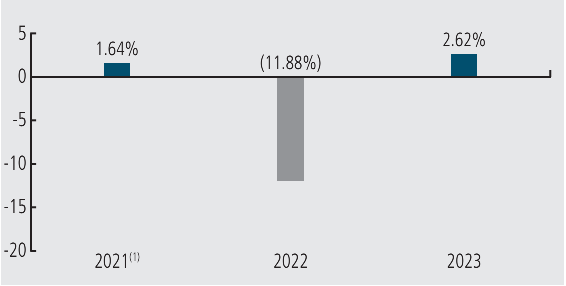
Series A



Series F



Series I



(1) Returns are from series inception February 26, 2021 to December 31, 2021.

Summary of Investment Portfolio as at June 30, 2023

The Summary of Investment Portfolio may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly. To obtain a copy, please contact a member of our client services team at 1-866-341-3350.

Country Allocation	% of NAV
United States	40.3
Netherlands	9.1
France	8.8
United Kingdom	8.5
Germany	8.2
Supranational	3.0
Other	16.4
Total Investments (Long Positions)	94.3
Cash and Cash Equivalents	2.9
Financial Derivative Positions (Long Positions) [1]	(0.2)
Financial Derivative Positions (Short Positions) [1]	0.0
Other Assets Less Liabilities	3.0
Total Portfolio Allocation	100.0

Class Allocation	% of NAV
Corporate Bonds & Notes	62.7
U.S. Treasury Obligations	18.6
Sovereign Issues	8.4
Other	4.6
Total Investments (Long Positions)	94.3
Cash and Cash Equivalents	2.9
Financial Derivative Positions (Long Positions) [1]	(0.2)
Financial Derivative Positions (Short Positions) [1]	0.0
Other Assets Less Liabilities	3.0
Total Portfolio Allocation	100.0

Top 25 Holdings	% of NAV
U.S. Treasury 5-Year Note September Futures 1.25% 09/30/2028	11.6
Cash and Cash Equivalents	2.9
U.S. Treasury Notes 3.500% 02/15/2033	2.9
U.S. Treasury Notes 1.500% 11/30/2028	2.5
BNP Paribas SA 1.675% 06/30/2027	1.7
Kreditanstalt fuer Wiederaufbau 1.375% 06/07/2032	1.7
European Investment Bank 3.750% 02/14/2033	1.5
NatWest Group PLC 2.057% 11/09/2028	1.2
Kreditanstalt fuer Wiederaufbau 2.000% 11/15/2029	1.2
NTT Finance Corp. 4.239% 07/25/2025	1.1
Korea Water Resources Corp. 3.500% 04/27/2025	1.1
Standard Chartered PLC 0.800% 11/17/2029	1.0
MSCI, Inc. 3.625% 09/01/2030	1.0
U.S. Treasury Notes 0.500% 10/31/2027	1.0
ABN AMRO Bank NV 2.470% 12/13/2029	1.0
Santander U.K. Group Holdings PLC 2.896% 03/15/2032	0.9
ING Groep NV 4.875% 05/16/2029	0.9
Sunrun Demeter Issuer 2.270% 01/30/2057	0.9
JSW Hydro Energy Ltd. 4.125% 05/18/2031	0.8
U.S. Treasury Notes 3.375% 05/15/2033	0.7
Marks & Spencer PLC 4.500% 07/10/2027	0.7
Ile-de-France Mobilites 3.700% 06/14/2038	0.6
Agence Francaise de Developpement EPIC 3.500% 02/25/2033	0.6
JAB Holdings BV 4.750% 06/29/2032	0.6
Green STORM BV 4.138% 02/22/2068	0.6
Total Net Assets Attributable to Holders of Redeemable Units (amount in thousands)	$22,728

[1] % of NAV Represents unrealized gain (loss).

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Caution Regarding Forward Looking Notes. This document may contain forward-looking statements about the Fund (including its performance, strategies, risks, prospects, condition and actions) and other anticipated future events, results, circumstances and expectations. Speculation or stated beliefs about future events, such as market and economic conditions, security performance or other projections are "forward-looking statements". Forward-looking statements may include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "may", "will", "should", "expects", "anticipates", "intends", "plans", "believes", "estimates", "predicts", "suspect", "potential" or "continue", "forecast", "objective", "preliminary", "typical", and other similar expressions. Forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events. The foregoing list of important risks that may affect future results is not exhaustive. We caution you not to place undue reliance on forward-looking statements. Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward looking statements. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility. There is no specific intention of updating any forward looking statements whether as a result of new information, future events or otherwise.