

# GIS Commodity Real Return Fund



Quarterly Investment Report | 1Q24

**For professional and qualified investor use only**

Refer to Important Disclosures for additional information

## **IMPORTANT NOTICE**

Please note that this material contains the opinions of the manager as of the date noted, and may not have been updated to reflect real time market developments. All opinions are subject to change without notice.

# Executive summary

*Past performance does not predict future results.*

## Portfolio Performance

The Fund's active commodity strategies and collateral strategies contributed to relative performance, while the structural allocation to global ILBs detracted from relative performance.

### CONTRIBUTORS

- Active strategies in Energy and Agriculture
- Short exposure to duration in Europe
- Exposure to agency mortgage-backed securities (MBS) and other securitized assets
- Overweight to U.S. breakeven inflation

### DETRACTORS

- Structural allocation to Global ILBs
- Overweight exposure to U.S. interest rates
- Exposure to California Carbon Allowances (CCAs)

Performance periods ended 31 Mar '24	3 mos.	6 mos.	1 yr.	3 yrs.	5 yrs.	10 yrs.	SI
Fund before fees	2.55	-0.61	-0.35	9.27	8.39	-0.04	0.23
Fund after fees	2.36	-0.98	-1.09	8.46	7.59	-0.78	-0.53
Benchmark*	2.19	-2.54	-0.56	9.11	6.38	-1.56	-1.77

*Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.*

*The following information should be read in conjunction with the 12-month rolling past performance information provided later in this presentation*

## Portfolio strategy

**Active commodity strategies:** Look to take advantage of mispricings across commodity markets at the intersection of fundamental insights and structural opportunities.

**Collateral:** Neutral headline duration and look to take advantage of attractive opportunities in spread sectors.

Overweight U.S. breakevens as long-term inflation expectations are still well anchored despite inflation staying above the Fed's target, and perhaps even accelerating a bit in the near term.

<b>Class:</b>	<b>INST</b>
<b>Share Type:</b>	<b>Accumulation</b>
<b>Inception date:</b>	<b>31 Aug '06</b>
<b>Fund assets (in millions):</b>	<b>\$773.19</b>
<b>Unified management fee:</b>	<b>0.740%</b>

Summary information	31 Mar '24
Estimated yield to maturity (Gross of fee)	5.19%
Effective duration (yrs)	2.84
Benchmark duration - provider (yrs)	0.23
Benchmark duration - PIMCO (yrs)	0.23
Effective maturity (yrs)	1.21
Average coupon	-0.01%
Yield Beta	1.00
Tracking error (10 yrs)	2.87
Information ratio (10 yrs)	0.36

Regional allocation (% DWE by currency of settlement)	Portfolio	BM*
United States	69.46%	100.00%
Japan	4.46%	0.00%
Eurozone	7.99%	0.00%
United Kingdom	10.29%	0.00%
Europe non-EMU	2.64%	0.00%
Dollar Block	4.93%	0.00%
Other industrialized countries	0.00%	0.00%
Emerging markets	0.22%	0.00%
<b>Total</b>	<b>100%</b>	<b>100%</b>

\*The fund is actively managed in reference to the Bloomberg Commodity Index Total Return as further outlined in the prospectus and key investor information document/key information document

# Fund specific risks

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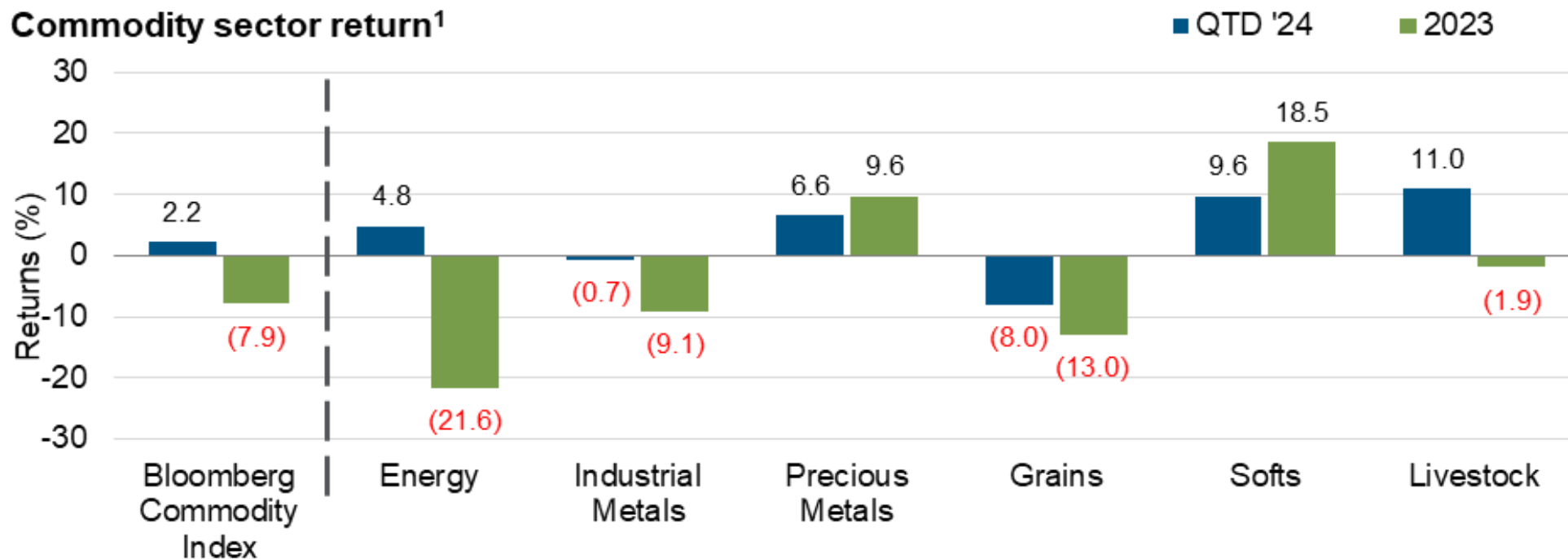
Risk	Risk Description
<b>Credit and Default Risk</b>	A decline in the financial health of an issuer of a fixed income security can lead to an inability or unwillingness to repay a loan or meet a contractual obligation. This could cause the value of its bonds to fall or become worthless. Funds with high exposures to non-investment grade securities have a higher exposure to this risk.
<b>Commodities Risk</b>	The value of commodity related investments may fluctuate substantially due to changes in supply and demand and/or due to political, economic or financial events.
<b>Currency Risk</b>	Changes in exchange rates may cause the value of investments to decrease or increase.
<b>Derivatives and Counterparty Risk</b>	The use of certain derivatives could result in the fund having a greater or more volatile exposure to the underlying assets and an increased exposure to counterparty risk. This may expose the fund to larger gains or losses associated with market movements or in relation to a trade counterparty being unable to meet its obligations.
<b>Liquidity Risk</b>	Difficult market conditions could result in certain securities becoming hard to sell at a desired time and price.
<b>Interest Rate Risk</b>	Changes in interest rates will usually result in the values of bond and other debt instruments moving in the opposite direction (e.g. a rise in interest rates likely leads to fall in bond prices).
<b>Mortgage Related and Other Asset Backed Securities Risks</b>	Mortgage or asset backed securities are subject to similar risks as other fixed income securities, and may also be subject to prepayment risk and higher levels of credit and liquidity risk.

# Quarter in Review

## 1Q24: Commodity prices overall rose over the quarter

Oil prices rose significantly in Q1 as geopolitical tensions in the Middle East and ongoing attacks on Russia's energy infrastructure stoked worries about the oil supply outlook. The extension of OPEC+ production cuts into Q2 further underpinned supply constraints dynamics. On the demand side, bigger-than-expected U.S. crude inventory draws and Chinese economic stimulus contributed to the price rally. Natural gas prices were lower at the end of Q1 due to ongoing theme of ample supply, as well as lack of demand from unseasonably warm weather. Base metals prices were mixed in Q1 as slowing growth prospects in major economies raised demand concerns; however, expectations of higher Chinese demand amid stimulus measures created tailwinds for copper prices. Precious metals prices were higher at the end of Q1 amid the Fed's dovish tone in signaling rate cuts commencing around mid-year. Wheat prices fell due to surplus supply from cheap Russian stockpiles flooding the global market, as well as sluggish demand from the major economies. Soybean prices were lower over Q1 as favorable weather conditions in South America eased supply concerns. Expectation of higher U.S. production output also drove prices lower.

### Commodity sector return<sup>1</sup>



Source: Bloomberg Commodity Index Total Return; <sup>1</sup>Sector returns reflect total return, which includes T-Bill returns. US Federal Reserve (the Fed).

# Market Summary

## 1Q24: Commodity prices overall rose over the quarter

The Fund's active commodity strategies and collateral strategies contributed to relative performance, while the structural allocation to global ILBs detracted from relative performance.

### Energy

Oil prices rose significantly in Q1 as geopolitical tensions in the Middle East and ongoing attacks on Russia's energy infrastructure stoked worries about the oil supply outlook. The extension of OPEC+ production cuts into Q2 further underpinned supply constraints dynamics. On the demand side, bigger-than-expected U.S. crude inventory draws and Chinese economic stimulus contributed to the price rally. Natural gas prices fell due to ongoing theme of ample supply, as well as lack of demand from unseasonably warm weather.

### Agriculture/Metals

Wheat prices fell due to surplus supply from cheap Russian stockpiles flooding the global market, as well as sluggish demand from the major economies. Soybean prices were lower over Q1 as favorable weather conditions in South America eased supply concerns. Base metals prices were mixed in Q1 as slowing growth prospects in major economies raised demand concerns; however, expectations of higher Chinese demand amid stimulus measures created tailwinds for copper prices. Precious metals prices rose as the Fed signaled mid-year rate cuts.

### Global inflation-linked bonds (ILBs)

ILB markets delivered marginally negative returns as real yields rose across countries given the repricing of rate cut expectations for later in 2024. Eurozone breakevens increased slightly despite declining inflation. U.K. breakevens rose across the curve due to surprising U.K. GDP growth in January. Both the ECB and BoE expressed confidence that inflation would continue to moderate amid declining wage growth, which reaffirmed market expectations that rate cuts would occur as soon as June 2024.

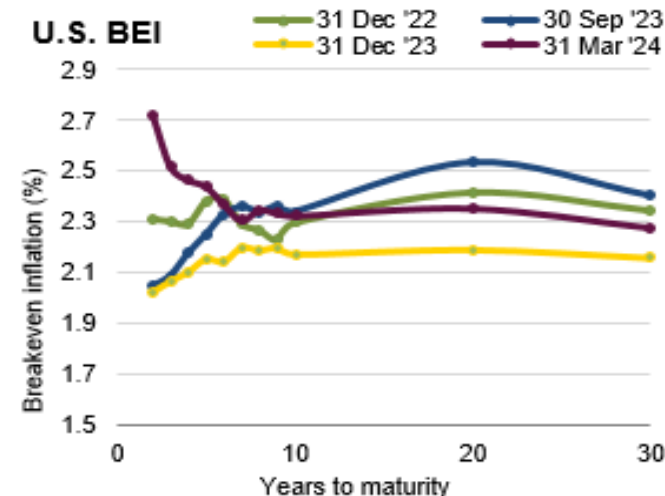
**Brent front-month contracts**



**Gold vs. 10yr real yields**



**U.S. BEI**



Source: Bloomberg, PIMCO. As of 31 March 2024. Oil: front-month Brent futures contract. Gold: front-month gold futures contract.

## Investment implications: Opportune time to consider going active in global fixed income

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### Look global

Greater-than-usual focus on bond markets outside of the U.S.

### Lock in elevated yields

Intermediate maturities can offer a “sweet spot” with markets expecting cash rates to fall

### Favor high quality

Up-in-quality bias in both public and private credit markets

### Go active

Differentiated macro paths present compelling opportunities for active investors

# Portfolio Outlook

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## Outlook and Strategic Positioning

PIMCO has a positive outlook for commodities based on supply constraints, the transition to a net-zero economy, and a recovery in the Chinese economy.

In energy, tightness persists in the oil market due to OPEC+ continuing to limit production, persistent capex underinvestment and the forecasted slowdown in U.S. supply. We also expect global oil demand to remain resilient, and a reduction in interest rates could provide a further tailwind for oil markets. Metals are also facing an environment of capex underinvestment and it remains to be seen how green transition demand is met. Agricultural markets have endured several years of weather disruptions, which left lean inventories across much of the supply chain. We remain most constructive on wheat prices given that inventories remain at multi-year lows. More broadly in agriculture, absent further escalation in the Black Sea, the main determinant of prices over 2024 is likely to be weather.

### Key strategies

#### Active commodity strategies - modified roll

We plan to roll a portion of the commodity derivative exposure outside of the standard roll period that is specified by the commodity index to avoid pricing pressure created by pure indexers.

#### Active commodity strategies - enhanced yield via the low storage cost strategy

We plan to hold a portion of the commodity derivative exposure in strategies that aim to structurally enhance the yield of the commodity exposure by optimizing roll yield.

#### Active commodity strategies - calendar

We plan to hold a portion of the commodity derivative exposure in deferred-month contracts compared to the index that holds only front-month futures contracts. This allows us to roll in a flatter portion of the curve to minimize the negative roll yield in contango markets.

#### Collateral portfolio positioning

Neutral headline duration and look to take advantage of attractive opportunities in spread sectors.

Overweight U.S. breakevens as long-term inflation expectations are still well anchored despite inflation staying above the Fed's target, and perhaps even accelerating a bit in the near term.

# Sector Exposure

	% of Market value		Duration in years	
	31 Dec '23	31 Mar '24	31 Dec '23	31 Mar '24
<b>Inflation Linked Bonds</b>	<b>77.50</b>	<b>60.18</b>	<b>3.58</b>	<b>3.49</b>
United States	68.46	71.20	2.24	2.26
United Kingdom	4.03	4.40	0.15	0.15
Europe	18.41	16.75	0.65	0.62
Canada	0.29	0.31	0.01	0.01
Other***	9.70	7.64	0.37	0.34
Other Short Duration Instruments	-23.40	-40.12	0.16	0.10
<b>Non Inflation Linked Bonds</b>	<b>22.50</b>	<b>39.82</b>	<b>-0.56</b>	<b>-0.65</b>
United States	4.76	-10.38	-0.07	-0.36
United Kingdom	1.36	1.50	0.13	0.14
Europe	-1.00	4.93	-0.22	-0.16
Canada	0.00	0.00	0.00	0.00
Other***	-2.44	-1.60	-0.08	-0.02
EM Short Duration Instruments	0.01	0.00	0.00	0.00
Net Other Short Duration Instruments****	19.82	45.37	-0.32	-0.26
<b>Total</b>	<b>100</b>	<b>100</b>	<b>3.02</b>	<b>2.82</b>

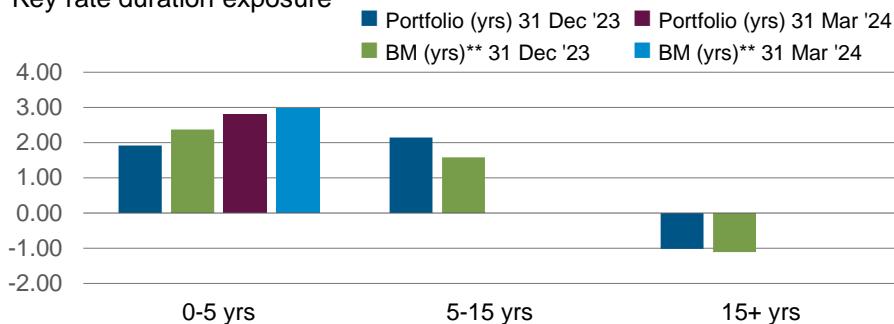
\*\*\*Investment vehicles not listed, allowed by prospectus.

\*\*\*\*Net Other Short Duration Instruments includes securities and other instruments (except instruments tied to emerging markets by country of risk) with an effective duration less than one year and rated investment grade or higher or, if unrated, determined by PIMCO to be of comparable quality, commingled liquidity funds, uninvested cash, interest receivables, net unsettled trades, broker money and derivatives offset. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum credit rating higher than investment grade for inclusion in this category.



# Portfolio characteristics

## Key rate duration exposure



	Portfolio (yrs)		BM (yrs)**	
	31 Dec '23	31 Dec '23	31 Mar '24	31 Mar '24
0-5 yrs	1.91	0.23	2.37	0.23
5-15 yrs	2.14	0.00	1.58	0.00
15+ yrs	-1.02	0.00	-1.11	0.00
<b>Total</b>	<b>3.03</b>	<b>0.23</b>	<b>2.84</b>	<b>0.23</b>

## Interest rate exposure

	Portfolio (yrs)	BM (yrs)**	Portfolio (yrs)	BM (yrs)**
	31 Dec '23	31 Dec '23	31 Mar '24	31 Mar '24
Effective duration	3.03	0.23	2.84	0.23
Bull market duration	2.85	0.23	2.56	0.23
Bear market duration	3.23	0.23	2.89	0.23
<b>Spread duration</b>				
Mortgage spread duration	0.89	0.00	1.23	0.00
Corporate spread duration	0.04	0.00	0.05	0.00
Emerging markets spread duration	0.01	0.00	0.01	0.00
Swap spread duration	-0.41	0.00	-0.64	0.00
Covered bond spread duration	0.15	0.00	0.06	0.00
Sovereign related spread duration	0.00	0.00	0.00	0.00

## Derivative exposure (duration in yrs)

	31 Dec '23	31 Mar '24
<b>Commodity exposure*</b>	99.68	101.19
<b>Government futures</b>	-0.95	-1.13
<b>Interest rate swaps</b>	-0.09	-0.38
<b>Credit default swaps*</b>	0.38	0.41
Purchased swaps	0.00	0.00
Written swaps	0.38	0.41
<b>Options</b>	-0.25	-0.07
Purchased options	0.00	0.00
Written options	-0.25	-0.07
<b>Mortgage derivatives</b>	0.00	0.00
<b>Money market derivatives</b>	-0.06	-0.18
Mmkt Fut US	0.00	0.00
Futures	-0.06	0.00
Futures	-0.01	-0.18
Interest rate swaps	0.01	0.01
<b>Other Derivatives</b>	0.00	0.00

\* Shown as a percentage of market value

\*\*Benchmark duration is calculated by PIMCO  
Benchmark: Bloomberg Commodity Index Total Return

# Country and currency exposure

## Country exposure by currency of settlement

	31 Dec '23		31 Mar '24	
	Duration (yrs)	FX (%)	Duration (yrs)	FX (%)
<b>United States</b>	<b>2.12</b>	<b>100.92</b>	<b>1.97</b>	<b>100.79</b>
<b>Japan</b>	<b>0.14</b>	<b>0.21</b>	<b>0.13</b>	<b>0.22</b>
<b>Eurozone</b>	<b>0.30</b>	<b>-0.05</b>	<b>0.23</b>	<b>-0.02</b>
Euro Currency	0.00	-0.05	0.00	-0.02
European Union	-0.13	0.00	-0.27	0.00
France	0.22	0.00	0.23	0.00
Germany	-0.21	0.00	-0.14	0.00
Italy	0.25	0.00	0.25	0.00
Spain	0.16	0.00	0.17	0.00
<b>United Kingdom</b>	<b>0.30</b>	<b>-0.01</b>	<b>0.29</b>	<b>0.01</b>
<b>Europe non-EMU</b>	<b>0.16</b>	<b>0.06</b>	<b>0.07</b>	<b>0.08</b>
Denmark	0.14	0.04	0.05	0.03
Sweden	0.02	0.03	0.02	0.05
<b>Dollar Block</b>	<b>0.00</b>	<b>-0.98</b>	<b>0.14</b>	<b>-0.92</b>
Australia	-0.01	0.01	0.13	0.03
Canada	0.01	-1.02	0.01	-0.99
New Zealand	0.00	0.03	0.00	0.04
<b>EM - Asia</b>	<b>-0.00</b>	<b>-1.25</b>	<b>-0.00</b>	<b>-1.32</b>
China	-0.00	-0.84	-0.00	-0.79
India	0.00	0.41	0.00	0.40
Indonesia	0.00	0.27	0.00	0.18
Singapore	0.00	0.00	0.00	0.00
South Korea	-0.00	-0.44	-0.00	-0.50
Taiwan	-0.00	-0.64	-0.00	-0.61
<b>EM - Latin America</b>	<b>0.00</b>	<b>0.70</b>	<b>0.00</b>	<b>0.75</b>
Brazil	0.00	0.32	0.00	0.24
Mexico	0.00	0.38	0.00	0.51
<b>EM - CEEMEA</b>	<b>0.01</b>	<b>0.39</b>	<b>0.01</b>	<b>0.41</b>
Israel	0.01	-0.02	0.01	-0.02
South Africa	0.00	0.41	0.00	0.43
<b>Total</b>	<b>3.03</b>	<b>100</b>	<b>2.84</b>	<b>100</b>

## Emerging markets exposure by country of risk

	31 Dec '23			31 Mar '24		
	% of MV short duration Instruments	% of MV bonds	Duration (yrs)	% of MV short duration Instruments	% of MV bonds	Duration (yrs)
Brazil	0.01	0.00	0.00	0.00	0.00	0.00
China	-0.01	0.00	0.00	0.01	0.00	0.00
Hungary	0.00	0.14	0.00	0.00	0.00	0.00
Israel	0.00	0.15	0.01	0.00	0.16	0.01
Mexico	0.01	0.00	0.00	0.00	0.00	0.00
Peru	0.00	0.01	0.00	0.00	0.01	0.00
South Africa	0.00	0.00	0.00	-0.01	0.00	0.00
South Korea	-0.01	0.00	0.00	0.02	0.00	0.00
Taiwan	-0.02	0.00	0.00	0.02	0.00	0.00
<b>Total</b>	<b>-0.01</b>	<b>0.31</b>	<b>0.00</b>	<b>0.05</b>	<b>0.18</b>	<b>0.01</b>

# Additional share class performance

## Performance (Institutional class, Accumulation Shares)

Past performance does not predict future results

Performance	31 Mar '19	31 Mar '20	31 Mar '21	31 Mar '22	31 Mar '23
	31 Mar '20	31 Mar '21	31 Mar '22	31 Mar '23	31 Mar '24
Before fees (%)	-23.95	50.78	54.20	-15.11	-0.35
After fees (%)	-24.53	49.69	53.08	-15.74	-1.09
Bloomberg Commodity Index Total Return (%)*	-22.31	35.04	49.25	-12.49	-0.56
Before fees alpha (bps)	-165	1575	495	-262	21
After fees alpha (bps)	-222	1465	383	-325	-52

The following information is additional to, and should be read only in conjunction with, the calendar year performance data presented below.

Past performance does not predict future results

Calendar Year (Net of Fees)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
After fees (%)	-17.14	-25.26	15.24	2.58	-13.19	10.41	2.16	31.77	10.79	-7.77	2.36
Bloomberg Commodity Index Total Return (%)*	-17.01	-24.66	11.77	1.70	-11.25	7.69	-3.12	27.11	16.09	-7.91	2.19

SOURCE: PIMCO.

The fund is actively managed in reference to the Bloomberg Commodity Index Total Return Index as further outlined in the prospectus and key investor information document/key information document

\*The benchmark is shown for performance comparison purpose only. Benchmark: Bloomberg Commodity Index Total Return Index.

Past performance is not a guarantee or a reliable indicator of future results. All periods longer than one year are annualised

Refer to Important Disclosures and the relevant sections of the Fund prospectus for additional performance and fee, chart, GIS funds, index, and risk information

# Additional share class performance

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Performance (Net of Fees)	31 Mar '19	31 Mar '20	31 Mar '21	31 Mar '22	31 Mar '23	SI
	31 Mar '20	31 Mar '21	31 Mar '22	31 Mar '23	31 Mar '24	
Commodity Real Return Fund E Class Accumulation	-25.10	48.34	51.72	-16.48	-2.04	-1.83
Commodity Real Return Fund H Institutional Accumulation	-	-	-	-	-1.24	-11.14
Commodity Real Return Fund Institutional Accumulation	-24.53	49.69	53.08	-15.74	-1.09	-0.53
Commodity Real Return Fund Investor Accumulation	-24.68	49.16	52.67	-16.08	-1.39	-1.93
Bloomberg Commodity Index Total Return	-22.31	35.04	49.25	-12.49	-0.56	-
Commodity Real Return Fund E Class EUR (Hedged) Accumulation	-27.57	45.67	50.99	-18.97	-3.98	-3.48
Commodity Real Return Fund Institutional EUR (Hedged) Accumulation	-27.07	47.22	52.38	-18.20	-3.15	-1.07
Bloomberg Commodity Index Total Return (EUR Hedged)	-24.77	32.88	47.81	-14.81	-2.55	-
Commodity Real Return Fund Institutional EUR (Unhedged) Accumulation	-	-	-	-13.72	-0.56	8.10
Commodity Real Return Fund Institutional GBP (Hedged) Accumulation	-26.75	47.54	52.83	-17.18	-1.60	3.00
Bloomberg Commodity Index Total Return (GBP Hedged)	-24.30	33.53	48.87	-13.78	-1.10	-
Commodity Real Return Fund Institutional GBP (Unhedged) Income	-	-	-	-	-3.18	-10.79
Commodity Real Return Fund E Class SGD (Hedged) Accumulation	-	-	-	-17.14	-3.54	1.52
Bloomberg Commodity Index Total Return (SGD Hedged)	-	-	-	-13.21	-2.27	-

# Additional share class performance

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Commodity Real Return Fund (net of fees performance)

<b>Performance periods ended: 31 Mar '24</b>	<b>Unified Management Fee</b>	<b>NAV currency</b>	<b>Class Inception date</b>	<b>3 mos.</b>	<b>6 mos.</b>	<b>1 yr.</b>	<b>3 yrs.</b>	<b>5 yrs.</b>	<b>10 yrs.</b>	<b>SI</b>
Commodity Real Return Fund E Class Accumulation	1.640	USD	21 Sep '07	1.98	-1.50	-2.04	7.47	6.64	-1.67	-1.83
Commodity Real Return Fund H Institutional Accumulation	0.910	USD	29 Apr '22	2.31	-1.12	-1.24	-	-	-	-11.14
Commodity Real Return Fund Institutional Accumulation	0.740	USD	31 Aug '06	2.36	-0.98	-1.09	8.46	7.59	-0.78	-0.53
Commodity Real Return Fund Investor Accumulation	1.090	USD	11 Aug '11	2.22	-1.14	-1.39	8.10	7.25	-1.12	-1.93
Bloomberg Commodity Index Total Return	-	-	-	2.19	-2.54	-0.56	9.11	6.38	-1.56	-1.77
Commodity Real Return Fund E Class EUR (Hedged) Accumulation	1.640	EUR	07 Mar '12	1.56	-2.25	-3.98	5.52	4.39	-3.56	-3.48
Commodity Real Return Fund Institutional EUR (Hedged) Accumulation	0.740	EUR	08 Jun '10	1.89	-1.82	-3.15	6.48	5.33	-2.69	-1.07
Bloomberg Commodity Index Total Return (EUR Hedged)	-	-	-	1.82	-3.17	-2.55	7.06	4.17	-3.50	-2.18
Commodity Real Return Fund Institutional EUR (Unhedged) Accumulation	0.740	EUR	11 Jun '21	4.63	-2.96	-0.56	-	-	-	8.10
Commodity Real Return Fund Institutional GBP (Hedged) Accumulation	0.740	GBP	01 Mar '17	2.24	-1.12	-1.60	7.59	6.12	-	3.00
Bloomberg Commodity Index Total Return (GBP Hedged)	-	-	-	2.13	-2.55	-1.10	8.28	5.11	-	2.35
Commodity Real Return Fund Institutional GBP (Unhedged) Income	0.740	GBP	11 Nov '22	3.31	-4.30	-3.18	-	-	-	-10.79
Commodity Real Return Fund E Class SGD (Hedged) Accumulation	1.640	SGD	17 Dec '21	1.67	-2.27	-3.54	-	-	-	1.52
Bloomberg Commodity Index Total Return (SGD Hedged)	-	-	-	1.76	-3.28	-2.27	-	-	-	4.06

# Important Disclosures

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## Marketing Communication

This is a marketing communication. This is not a contractually binding document and its issuance is not mandated under any law or regulation of the European Union or the United Kingdom. This marketing communication does not include sufficient detail to enable the recipient to make an informed investment decision. Please refer to the Prospectus of the UCITS and to the KIID/KID before making any final investment decisions.

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## Additional Information/Documentation

A Prospectus is available for PIMCO Funds and UCITS Key Investor Information Documents (KIIDs) (for UK investors) and Packaged retail and insurance-based investment products (PRIIPS) key information document (KIDs) are available for each share class of each the sub-funds of the Company. The Company's Prospectus can be obtained from [www.fundinfo.com](http://www.fundinfo.com) and is available in English, French, German, Italian, Portuguese and Spanish. The KIIDs and KIDs can be obtained from [www.fundinfo.com](http://www.fundinfo.com) and are available in one of the official languages of each of the EU Member States into which each sub-fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive). In addition, a summary of investor rights is available from [www.pimco.com](http://www.pimco.com). The summary is available in English. The sub-funds of the Company are currently notified for marketing into a number of EU Member States under the UCITS Directive. PIMCO Global Advisors (Ireland) Limited can terminate such notifications for any share class and/or sub-fund of the Company at any time using the process contained in Article 93a of the UCITS Directive.

## PERFORMANCE AND FEE

**Past performance is not a guarantee or a reliable indicator of future results.** The "gross of fees" performance figures, if included, are presented before management fees and custodial fees, but do reflect commissions, other expenses and reinvestment of earnings. The "net of fees" performance figures reflect the deduction of ongoing charges. All periods longer than one year are annualized.

Investments made by a Fund and the results achieved by a Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. A Fund may be forced to sell a comparatively large portion of its portfolio to meet significant shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

## Outlook

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.

**Portfolio structure** is subject to change without notice and may not be representative of current or future allocations.

Forecasts, estimates and certain information contained herein are based upon proprietary research and should not be interpreted as investment advice, as an offer or solicitation, nor as the purchase or sale of any financial instrument. Forecasts and estimates have certain inherent limitations, and unlike an actual performance record, do not reflect actual trading, liquidity constraints, fees, and/or other costs. In addition, references to future results should not be construed as an estimate or promise of results that a client portfolio may achieve.

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# Important Disclosures

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## Benchmark

Unless referenced in the prospectus and relevant key investor information document /Key Information Document, a benchmark or index in this material is not used in the active management of the Fund, in particular for performance comparison purposes.

Where referenced in the prospectus and relevant key investor information document /Key Information Document a benchmark may be used as part of the active management of the Fund including, but not limited to, for duration measurement, as a benchmark which the Fund seeks to outperform, performance comparison purposes and/or relative VaR measurement. Any reference to an index or benchmark in this material, and which is not referenced in the prospectus and relevant key investor information document /Key Information Document, is purely for illustrative or informational purposes (such as to provide general financial information or market context) and is not for performance comparison purposes. Please contact your PIMCO representative for further details.

The fund is actively managed in reference to the Bloomberg Commodity Index Total Return (EUR Unhedged) as further outlined in the prospectus and key investor information document /Key Information Document.

## Correlation

As outlined under "Benchmark", where disclosed herein and referenced in the prospectus and relevant key investor information document /Key Information Document, a benchmark may be used as part of the active management of the Fund. In such instances, certain of the Fund's securities may be components of and may have similar weightings to the benchmark and the Fund may from time to time show a high degree of correlation with the performance of any such benchmark. However the benchmark is not used to define the portfolio composition of the Fund and the Fund may be wholly invested in securities which are not constituents of the benchmark.

Investors should note that a Fund may from time to time show a high degree of correlation with the performance of one or more financial indices not referenced in the prospectus and relevant key investor information document /Key Information Document. Such correlation may be coincidental or may arise because any such financial index may be representative of the asset class, market sector or geographic location in which the Fund is invested or uses a similar investment methodology to that used in managing the Fund.

**ESG Category Article 6 Funds:** Article 6 funds do not have sustainable investment as its objective, nor do they promote environmental and/or social characteristics.

While such funds integrate sustainability risks into its investment policy (as further outlined in the Prospectus) and this integration process forms part of the investment level due diligence of the fund, ESG information is not the sole or primary consideration for any investment decision with respect to the fund.

ESG capabilities information provided are for informational purposes only. As the Fund is actively managed and does not promote environmental or social characteristics, the climate related holdings are not static and may vary considerably overtime.

## GIS Funds

PIMCO Funds: Global Investors Series plc is an umbrella type open-ended investment company with variable capital and is incorporated with limited liability under the laws of Ireland with registered number 276928. The information is not for use within any country or with respect to any person(s) where such use could constitute a violation of the applicable law. The information contained in this communication is intended to supplement information contained in the prospectus for this Fund and must be read in conjunction therewith. Investors should consider the investment objectives, risks, charges and expenses of these Funds carefully before investing. This and other information is contained in the Fund's prospectus. Please read the prospectus carefully before you invest or send money. Past performance is not a guarantee or a reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future. Returns are net of fees and other expenses and include reinvestment of dividends. The performance data represents past performance and investment return and principal value will fluctuate so that the PIMCO GIS Funds shares, when redeemed, may be worth more or less than the original cost. Potential differences in performance figures are due to rounding. The Fund may invest in non- U.S. or non-Eurozone securities which involves potentially higher risks including non-U.S. or non-Euro currency fluctuations and political or economic uncertainty. For informational purposes only. Please note that not all Funds are registered for sale in every jurisdiction. Please contact PIMCO Europe Ltd for more information. For additional information and/or a copy of the Fund's prospectus, please contact the Administrator: State Street Fund Services (Ireland) Limited, Telephone +353-1-776-0142, Fax +353-1-562-5517. ©2024.

**Investment restrictions** —In accordance with the UCITS regulations and subject to any investment restrictions outlined in the Fund's prospectus, the Fund may invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by any of the following: OECD Governments (provided the relevant issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC, Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade).

# Important Disclosures

**A word about risk:** The fund will seek exposure to commodities through commodity-linked derivatives and through a wholly-owned subsidiary of the Fund organized under the laws of the Cayman Islands (the “Subsidiary”). The Subsidiary is advised by PIMCO, and has the same investment objective as the Fund. The Subsidiary (unlike the Fund) may invest without limitation in commodity-linked swap agreements and other commodity-linked derivative instruments. **Mortgage and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market’s perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. **Inflation-linked bonds (ILBs)** issued by a government are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation; ILBs decline in value when real interest rates rise. Treasury Inflation-Protected Securities (TIPS) are ILBs issued by the U.S. Government. Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. Derivatives and commodity-linked **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Investing in derivatives could lose more than the amount invested. The Fund is non-diversified, which means that it may concentrate its assets in a smaller number of issuers than a diversified fund.

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# Important Disclosures

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# Important Disclosures

Acronyms and definitions of investment terms used throughout the report:

**Alpha** is a measure of performance on a risk-adjusted basis calculated by comparing the volatility (price risk) of a portfolio vs. its risk-adjusted performance to a benchmark index; the excess return relative to the benchmark is alpha.

**Average coupon** is the average of the coupon payments of the underlying bonds within the portfolio.

**Average effective maturity** is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bond's effective maturity by the market value of the security.

**"Bend-but-not-break"** refers to credits that PIMCO would not expect to default in a credit-stressed environment.

**Beta** is a measure of price sensitivity to market movements. Market beta is 1.

**Breakeven inflation rate** (or expectation) is a market-based measure of expected inflation or the difference between the yield of a nominal and an inflation-linked bond of the same maturity.

**Carry** is the rate of interest earned by holding the respective securities.

The terms **"cheap" and "rich"** as used herein generally refer to a security or asset class that is deemed to be substantially under- or overpriced compared to both its historical average as well as to the investment manager's future expectations. There is no guarantee of future results or that a security's valuation will ensure a profit or protect against a loss.

**CPI** is the Consumer Price Index.

The **credit quality** of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The quality ratings of individual issues/issuers are provided to indicate the credit-worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S&P, Moody's, and Fitch respectively.

**Dividend yield** is represented by the weighted average coupon divided by the weighted average price.

**Duration** is the measure of a bond's price sensitivity to interest rates and is expressed in years.

**Effective duration** is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change.

**Forward curve** is a function graph that defines the prices at which a contract for future delivery or payment can be concluded today.

**Fallen angel** is a bond that was initially given an investment grade rating but has since been reduced to below investment grade status.

**GFC** is the Global Financial Crisis.

**Information ratio** is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns.

**Like-duration Securities** are calculated by the index provider by comparing the index return to a hypothetical matched position in the security.

**LNG** is Liquefied Natural Gas.

The **Option Adjusted Spread (OAS)** measures the spread over a variety of possible interest rate paths. A security's OAS is the average return an investor will earn over Treasury returns, taking all possible future interest rate scenarios into account. The OAS is the net spread over the swap curve that will on average be earned if the security is held to maturity.

**Rising star** is the term given to a bond that was rated high yield but has since been upgraded to investment grade.

**"Risk assets"** are any financial security or instrument that are likely to fluctuate in price.

**Risk premia** is the return in excess of the risk-free rate of return an investment is expected to yield.

**Roll yield** is the yield that a futures investor captures as their long position in a futures contract converges to the spot price.

**"Safe haven"** is an investment that is expected to retain or increase in value during times of market turbulence.

**"Safe Spread"** is defined as sectors that we believe are most likely to withstand the vicissitudes of a wide range of possible economic scenarios. All investments contain risk and may lose value.

The **SEC yield** is an annualized yield based on the most recent 30 day period. The subsidized yield includes contractual expense reimbursements and it would be lower without those reimbursements. The

**Unsubsidized 30 day SEC Yield** excludes contractual expense reimbursements.

**Tracking error** measures the dispersion or volatility of excess returns relative to a benchmark.

To relate the price sensitivity of ILBs to changes in nominal yields, yield beta is applied to nominal changes to arrive at a price sensitivity of ILBs to changes in nominal rates. A **yield beta** of 0.90 implies that if nominal yields move 100 basis points, real yields will move 90 basis points. ILBs with long maturity may respond differently to changes in nominal rates than shorter maturity ILBs.

The distribution yield for monthly paying Funds is calculated by annualizing actual dividends distributed for the monthly period ended on the date shown and dividing by the net asset value on the last business day for the same period. The distribution yield for quarterly paying Funds is calculated by taking the average of the prior four quarterly distribution yields. The quarterly distribution yields are calculated by annualizing actual dividends distributed for the quarterly period ended on the most recent quarterly distribution date and dividing by the net asset value for the same date. The yield does not include long- or short-term capital gains distributions.

Asset-Backed Security (ABS); Bank of England (BOE); Bank of Japan (BOJ); Breakeven Inflation (BEI); Collateralized Debt Obligation (CDO); Collateralized Loan Obligation (CLO); Commercial Mortgage-Backed Security (CMBS); Developed Markets (DM); Emerging Markets (EM); Federal Reserve Board (The Fed); Europe Central Bank (ECB); Federal Open Market Committee (FOMC); Foreign Exchange (FX); Gross Domestic Product (GDP); Gulf Cooperation Council (GCC); High Yield (HY); Inflation-Linked Bond (ILS); Investment Grade (IG); Leveraged-buyout (LBO); Loan-to-Value (LTV); Master Limited Partnership (MLP); Mortgage-Backed Security (MBS); Market Weighted Spread (MWS); Real Estate Investment Trust (REIT); Residential Mortgage-Backed Security (RMBS); Treasury Inflation-Protected Security (TIPS); Year-over-Year (YoY)