

PIMCO Senior Loan Active Exchange-Traded Fund

FUND DESCRIPTION

The Fund seeks to provide attractive current income, consistent with the tenets of prudent active investment management, by investing, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in a diversified portfolio of Senior Loans. "Senior Loans" are senior secured floating rate bank loans, also referred to as leveraged loans, bank loans or floating rate loans. The fund may also invest in debt tranches of US collateralized loan obligations ("CLOs") to gain indirect exposure to senior loans. Additionally, the fund will also invest in U.S. dollar denominated high yield debt securities including high yield corporate bonds. The fund may gain exposure to these investments by means of forwards or derivatives such as options, futures contracts or swap agreements.

INVESTOR BENEFITS

The ETF structure provides a multitude of benefits including; intra-day liquidity, simplified cost structure available to all investors regardless of size, and potential tax benefits due to the creation/redemption mechanism.

Potential advantages also include:

- **A Hedge Against Rates:** Bank loans are floating rate instruments and offer low duration or interest rate sensitivity-making them an effective counterweight to rising interest rates.
- **Broad Diversification:** Loans historically have low correlation to most core fixed income sectors, such as investment grade and sovereign debt, and a higher correlation to inflation, making loans a powerful diversifier for the overall bond portfolio.
- **The Structural Advantage:** Senior loans occupy a position senior in a company's capital structure, and have priority over other debt obligations in case of default; therefore loans tend to have lower default rates and higher recovery rates than high yield debt.

THE FUND ADVANTAGE

PIMCO's investment process uses both "top-down" and "bottom-up" strategies. Top-down strategies are driven by our secular outlook of the forces likely to influence the economy and financial markets over the next three to five years and our cyclical views of two- to four-quarter trends. Bottom-up strategies drive our security selection process and facilitate the identification and analysis of potentially undervalued securities. By combining perspectives from both the portfolio and security levels, we strive to add value over time within acceptable levels of portfolio risk. The ETF uses PIMCO's extensive experience in active fixed-income management and benefits from PIMCO's expertise in economic forecasting, Central Bank policy, and fixed income trading. PIMCO has managed bank loans in dedicated fashion since 1994 in mutual fund and separately managed account formats; the addition of an active bank loans ETF is the next step in the evolution of PIMCO's bank loan platform.

| | |
|--------------------------------|--------------|
| TICKER | LONZ |
| FUND INCEPTION DATE | 08 June 2022 |
| CUSIP | 72201R627 |
| TOTAL NET ASSETS (IN MILLIONS) | \$315.7 |

Portfolio Manager

David Forgash, Giang Bui, Jason Duko, Tanuj Dora

Basic facts

| | |
|--------------------|---------|
| Dividend frequency | Monthly |
|--------------------|---------|

Fund expenses

| | |
|------------------------|-------|
| Gross Expense Ratio | 0.72% |
| Net Expense Ratio | 0.62% |
| Adjusted Expense Ratio | 0.60% |

The Net Expense Ratio reflects a contractual fee waiver and/or expense reduction, which is in place through 31 October 2025 and renews automatically for a full year unless terminated by PIMCO in accordance with the terms of the agreement.

The Adjusted Expense Ratio excludes certain investment expenses, such as interest expense from borrowings and repurchase agreements and dividend expense from investments on short sales, incurred directly by the Fund or indirectly through the Fund's investments in underlying PIMCO Funds (if applicable), none of which are paid to PIMCO.

Bond risk measures

| | |
|--------------------------|------|
| Effective Duration (yrs) | 0.00 |
| Effective Maturity (yrs) | 4.39 |
| Number of securities | 264 |

| Top Industries (% Market Value) | Fund | Sector Allocation (% Market Value) | Fund |
|---------------------------------|------|---|------|
| Technology | 17.7 | Bank Loans | 89.5 |
| Financial Other | 6.7 | Bonds | 3.8 |
| Healthcare | 6.4 | Other ^A | 11.7 |
| Retailers | 4.8 | Net Other Short Duration Instruments ^B | -5.0 |
| Building Materials | 4.5 | | |

| Credit Rating (% Market Value) ^C | Fund |
|---|-------|
| Government | 0.13 |
| BBB | 0.04 |
| BBB- | 0.00 |
| BB+ | 1.62 |
| BB | 3.51 |
| BB- | 3.92 |
| B+ | 13.62 |
| B | 29.28 |
| B- | 20.50 |
| CCC+ | 3.87 |
| Not Rated Corporates | 2.24 |
| Not Rated Others | 21.11 |

| Performance (average annual returns %) | QTD | 1 Yr. | SI |
|--|------|-------|------|
| PIMCO ETF | | | |
| NAV | 2.35 | 12.25 | 8.83 |
| Share price (market price) | 2.84 | 12.61 | 8.91 |
| Benchmark (%) | 2.18 | 10.60 | 8.25 |

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and principal value will fluctuate, so that Fund shares may be worth more or less than their original cost when sold. Performance data current to the most recent month-end is available at www.pimco.com or by calling 888.400.4ETF.

Differences in the Fund's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the index. There is no assurance that any fund, including any fund that has experienced **high or unusual performance** for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) a fund's total return in excess of that of the fund's benchmark between reporting periods or 2) a fund's total return in excess of the fund's historical returns between reporting periods. Unusual performance is defined as a significant change in a fund's performance as compared to one or more previous reporting periods.

The performance figures presented reflect the total return performance, unless otherwise noted, and reflect changes in share price and reinvestment of dividend and capital gain distributions. All periods longer than one year are annualized. Periods less than one year are cumulative.

Performance characteristics

| SEC 30-day yield (%) | |
|----------------------|-------|
| Subsidized | 7.12% |
| Unsubsidized | 7.02% |

The 30 day SEC Yield is computed under an SEC standardized formula based on net income earned over the past 30 days. 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.

Trading information

| | |
|------------------------------|-------------|
| Ticker symbol | LONZ |
| CUSIP | 72201R627 |
| iNav (indicative NAV) ticker | LONZIV |
| Lead Market Maker | Jane Street |
| Exchange | NYSE Arca |

About the benchmark

iBoxx USD Liquid Leveraged Loans Index comprises approximately 100 of the most liquid, tradable USD leveraged loans. Index constituents are derived using selection criteria such as loan type, minimum size, liquidity, credit ratings, initial spreads and minimum time to maturity. It is not possible to invest directly in an unmanaged index.

To discover more about tradable and transparent PIMCO ETFs, please contact your advisor, call 1-888-400-4ETF (1-888-400-4383) or visit www.pimco.com

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information are contained in the fund's prospectus and summary prospectus, if available, which may be obtained by contacting your investment professional or PIMCO representative or by visiting www.pimco.com. Please read them carefully before you invest.

[®]Credit Ratings for each issue are obtained using ratings from Standard & Poor's (S&P). The ratings range from AAA (highest) to D (lowest) and are subject to change. Not every instrument is rated. The "Not Rated Others" category may include, but is not limited to, derivatives and Treasury repos. The credit quality of a particular security or group of securities does not ensure the stability or safety of the overall portfolio. The weightings are calculated using PIMCO's internal risk calculations, which may differ from the net asset calculations of the Fund's custodian, and utilize PIMCO's classifications of issuers (e.g. how PIMCO classifies "corporate" instruments, which may include loans). This information is not a guarantee of, or reflective of, the overall credit risk of the Fund's aggregate portfolio—the Fund's portfolio itself has not been rated.

[†]Instruments not listed above. Please see the daily holdings report available on the fund's website for additional information.

^{††}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, short duration derivatives and derivatives offsets. 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. Derivatives Offsets includes offsets associated with investments in futures, swaps and other derivatives. Such offsets may be taken at the notional value of the derivative position.

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.

Exchange Traded Funds ("ETF") are afforded certain exemptions from the Investment Company Act. The exemptions allow, among other things, for individual shares to trade on the secondary market. Individual shares cannot be directly purchased from or redeemed by the ETF. Purchases and redemptions directly with ETFs are only accomplished through creation unit aggregations or "baskets" of shares. Shares of an ETF, traded on the secondary market, are bought and sold at market price (not NAV). Brokerage commissions will reduce returns. Investment policies, management fees and other information can be found in the individual ETF's prospectus. **Buying or selling ETF shares** on an exchange may require the payment of fees, such as brokerage commissions, and other fees to financial intermediaries. In addition, an investor may incur costs attributed to the difference between the highest price a buyer is willing to pay to purchase shares of the Fund (bid) and the lowest price a seller is willing to accept for shares of the Fund (ask) when buying or selling shares in the secondary market (the bid-ask spread). Due to the costs inherent in buying or selling Fund shares, frequent trading may detract significantly from investment returns. Investment in Fund shares may not be advisable for investors who expect to engage in frequent trading.

A word about risk: Investing in the **bond market** is subject to certain risks including the risk that fixed income securities will decline in value because of changes in interest rates; the risk that fund shares could trade at prices other than the net asset value; and the risk that the managers investment decisions might not produce the desired results. Investing in **senior loans**, including bank loans, exposes the Fund to heightened credit risk, call risk, settlement risk and liquidity risk. 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. **Currency rates** may fluctuate significantly over short periods of time and may reduce the returns of a portfolio. **High yield, lower-rated securities** involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. **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. Investing in derivatives could lose more than the amount invested. **Diversification** does not ensure against loss.

In order to provide additional information regarding the intra-day value of shares of the Fund, the NYSE Arca, Inc. or a market data vendor disseminates every 15 seconds through the facilities of the Consolidated Tape Association or other widely disseminated means an updated Indicative NAV ("iNAV") for the Fund as calculated by an information provider or market data vendor. The Fund is not involved in or responsible for any aspect of the calculation or dissemination of the iNAV and makes no representation or warranty as to the accuracy of the iNAV. **Net Asset Value (NAV)** represents an ETF's per-share value. The per-share value of an ETF is calculated by dividing the total value of the securities in its portfolio, less any liabilities, by the number of ETF shares outstanding. ETF shares are valued as of the close of regular trading on the New York Stock Exchange (normally 4:00 P.M. Eastern Time) (The "NYSE Close") on each business day. The Fund's Net Asset Value, shares outstanding and total net assets are calculated as of the close of regular trading on each day that the New York Stock Exchange is open, and do not reflect security transactions or Fund shares created or redeemed on the date stated. Such transactions are recorded on the next business day and reported on the website the following business day. Returns are average annualized total returns, except for those periods of less than one year, which are cumulative. Market returns are based upon the midpoint of the bid/ask spread at 4:00 pm Eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times.

Current holdings are subject to risk. Holdings are subject to change at any time. An investment in an ETF involves risk, including the loss of principal. Investment return, price, yield and Net Asset Value (NAV) will fluctuate with changes in market conditions. Investments may be worth more or less than the original cost when redeemed. **Premium/Discount** is the difference between the market price and NAV expressed as a percentage of NAV. **Market Price** is the Official Closing Price on NYSE Arca, or if it more accurately reflects market value at the time as of which NAV is calculated, the midpoint between the national best bid and national best offer as of that time. **Median Bid/Ask Spread** is the difference between the bid price for a security and its ask price. It is expressed as a percentage (rounded to the nearest hundredth) that is computed by identifying the fund's national best bid and national best offer as of the end of each 10-second interval during each trading day for the last 30 calendar days, dividing the difference between each such bid and offer by the midpoint of the national best bid and national best offer, and identifying the median of those values. **ETFs are subject to secondary market trading risks.** Shares of an ETF will be listed for trading on an exchange, however, there can be no guarantee that an active trading market for such shares will develop or continue. There can be no guarantee that an ETF's exchange listing or ability to trade its shares will continue or remain unchanged. Shares of an ETF may trade on an exchange at prices at, above or below their most recent NAV. The per share NAV of an ETF is calculated at the end of each business day, and fluctuates with changes in the market value of the Fund's holdings. The trading prices of an ETF's shares fluctuate continuously throughout the trading day based on market supply and demand, which may not correlate to NAV. The trading prices of an ETF's shares may differ significantly from NAV during periods of market volatility, which may, among other factors, lead to the Fund's shares trading at a premium or discount to NAV.

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

PIMCO as a general matter provides services to qualified institutions, financial intermediaries and institutional investors. Individual investors should contact their own financial professional to determine the most appropriate investment options for their financial situation. This material contains the current opinions of the manager and such opinions are subject to change without notice. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America LLC in the United States and throughout the world. ©2024, PIMCO. **PIMCO Investments LLC, distributor**, 1633 Broadway, New York, NY, 10019 is a company of PIMCO.

Investment Products

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