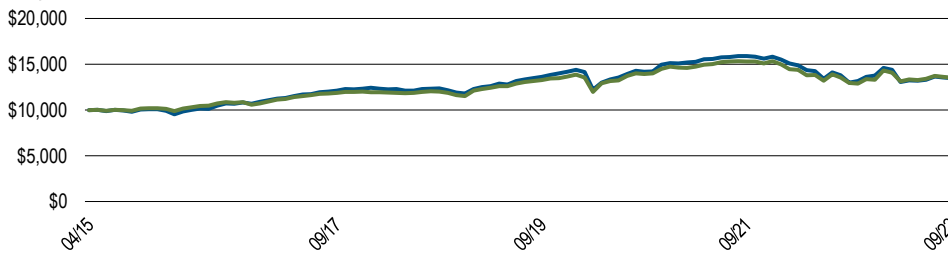


# PIMCO Preferred and Capital Securities Fund

## Aims to capitalize on overlooked credit market opportunities

Bank securities can be an attractive opportunity set that may offer the potential for higher yields with lower interest rate sensitivity than traditional fixed income. The firm's experience investing globally may also be beneficial.

### Hypothetical Growth of \$10,000



Growth of \$10,000 is calculated at NAV and assumes that all dividend and capital gain distributions were reinvested. It does not take into account sales charges or the effect of taxes. Results are not indicative of future performance.

### Average annual total returns (%) as of 30 September 2023

	QTD	1 Yr.	3 Yrs.	5 Yrs.	SI
PIMCO Preferred and Capital Securities Fund I-2 NAV	1.32	3.70	-1.64	1.75	3.56
Benchmark	0.71	4.28	-0.98	2.37	3.60
Lipper Flexible Income Funds	0.23	3.70	-0.60	1.79	2.75

Calendar Year (Net of Fees)	2016	2017	2018	2019	2020	2021	2022	YTD
PIMCO Preferred and Capital Securities Fund I-2 at NAV	8.01	13.19	-4.22	20.22	6.67	4.53	-12.94	-2.11
Benchmark	4.98	12.09	-3.95	18.44	7.78	4.07	-13.19	1.63
Lipper Flexible Income Funds	21.08	-	-4.53	13.87	6.52	4.03	-11.73	1.72

**Benchmark:** 70% ICE BofAML 8% Constrained Core West Preferred & Jr Subordinated Securities Index and 30% ICE BofAML Contingent Capital Index

*Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit [www.pimco.com](http://www.pimco.com) or call (888) 87-PIMCO.*

Certain Funds may offer a share class with an inception date which is different than the inception date of the Fund. For the periods prior to the inception date of a share class, performance information is based on the performance of the Fund's oldest class shares, adjusted to reflect the fees and expenses paid by that class of shares. 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. The Lipper, Inc. Lipper Average is based on total return, with distributions reinvested and operating expenses deducted, though not reflecting sales charges. Fund classes share the same portfolio, but have different investment minimums and different fees and expenses.

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.

A Shares	PFANX	I-2 Shares	PFPNX
C Shares	PFCJX	I-3 Shares	PFNNX
INST Shares	PFINX		

Fund Inception Date **13 April 2015**

Shareclass I-2 Inception Date **13 April 2015**

Total Net Assets (in millions) **\$950.4**

### Performance Characteristics

I-2 30-day SEC yield<sup>1</sup>

Subsidized **6.04%**

Unsubsidized **5.95%**

<sup>1</sup>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.

### Basic Facts

Dividend frequency **Quarterly**

### Fund Expenses

I-2 share Gross Expense Ratio **1.21%**

I-2 share Net Expense Ratio **1.12%**

The Net Expense Ratio reflects a contractual fee waiver related to the Fund's subsidiary that will not terminate so long as PIMCO's advisory contract with the Fund's subsidiary is in place.

I-2 share Adjusted Expense Ratio **0.89%**

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.

### Portfolio Managers

Philippe Bodereau

### Fund Statistics

Sharpe Ratio (5 year) **0.08**

Volatility (5 year) **11.13%**

Top Country Exposure (% Market Value)	Fund	Capital Structure Positioning (% Market Value)	Fund	Sector Diversification (% Market Value)	Fund
United States	51.3	Senior	3.2	Banking	72.4
United Kingdom	15.1	Tier 2	5.2	Insurance	3.8
Netherlands	7.6	Tier 2 CoCo	0.2	Finance Corporation	8.4
Italy	5.7	Tier 1 & Preferred	38.7	Government	2.8
France	5.5	Additional Tier 1	40.0	Non-Financials	10.4
Spain	4.6	Equity	0.0	Net Other Short Duration Instruments <sup>††</sup>	2.2
Germany	3.7	Bank Loans	0.0		
Canada	2.0	Non-Financials	10.4		
Ireland	1.8	Net Other Short Duration Instruments <sup>††</sup>	2.2		
Mexico	1.7				

Coupon Structure (MV%)	Fund
Fixed Rate Securities	10.0
Fixed-to-Floating Rate Securities	83.7
Floating Rate Securities	4.2
Net Other Short Duration Instruments <sup>††</sup>	2.2

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](http://www.pimco.com). Please read them carefully before you invest or send money.

<sup>††</sup>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.

**A word about risk: Contingent Convertible ("Coco") Bonds** are bonds that are converted into equity of the issuing company if a pre-specified trigger occurs. Co-cos are subject to a different type of risk from traditional bonds and may result in a partial or total loss of value or may be converted into shares of the issuing company which may also have suffered a loss in value. Investing in the **bond market** is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and low interest rate environments increase this risk. Reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility. Bond investments may be worth more or less than the original cost when redeemed. 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. Bank loans are often less liquid than other types of debt instruments and general market and financial conditions may affect the prepayment of bank loans, as such prepayments cannot be predicted with accuracy. There is no assurance that the liquidation of any collateral from a secured bank loan would satisfy the borrower's obligation, or that such collateral could be liquidated. **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. Investments in illiquid securities may reduce the returns of a portfolio because it may be not be able to sell the securities at an advantageous time or price. **Equities** may decline in value due to both real and perceived general market, economic and industry conditions. **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.

The **Sharpe Ratio** measures the risk-adjusted performance. The risk-free rate is subtracted from the rate of return for a portfolio and the result is divided by the standard deviation of the risk-free rate subtracted from the portfolio returns. **Volatility** is measured by the standard deviation, or dispersion of a set of data from its mean, based on historical portfolio returns. A larger spread of data indicates higher standard deviation and higher volatility.

MV% may not equal 100 due to rounding. Portfolio structure is subject to change without notice and may not be representative of current or future allocations.

The benchmark is a blend of 70% ICE BofAML 8% Constrained Core West Preferred & Jr Subordinated Securities Index and 30% ICE BofAML Contingent Capital Index. The ICE BofAML 8% Constrained Core West Preferred & Jr Subordinated Securities Index tracks the performance of US dollar denominated high grade and high yield preferred securities and deeply subordinated corporate debt issued in the US domestic market. Qualifying securities must be rated at least B3, based on an average of Moodys, S&P and Fitch and have a country of risk of either the U.S. or a Western European country. Qualifying preferred securities must be issued as public securities or through a 144a filing, must have a fixed or floating dividend schedule and must have a minimum amount outstanding of \$100 million. The ICE BofAML Contingent Capital Index tracks the performance of investment grade and below investment grade contingent capital debt publicly issued in the major domestic and eurobond markets. Qualifying securities must have a capital-dependent conversion feature and must be rated by either Moodys, S&P or Fitch. In addition, qualifying securities must have at least one month remaining term to final maturity and at least 18 months to maturity at point of issuance. For investment grade debt, qualifying currencies and their respective minimum size requirements (in local currency terms) are: AUD 100 million; CAD 100 million; EUR 250 million; JPY 20 billion; GBP 100 million; and USD 250 million. For below investment grade debt, minimum size requirements are CAD 100 million, EUR 100 million, GBP 50 million, or USD 100 million. It is not possible to invest directly in an unmanaged index.

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. ©2023, PIMCO.

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