Fund description

PIMCO RAFI Dynamic Multi-Factor Emerging Markets Equity ETF (Ticker: MFEM) is a smart beta strategy that seeks to track the investment results of the RAFI Dynamic Multi-Factor Emerging Markets Index. The fund is designed to provide investors with the benefits of dynamically-weighted exposure to multiple equity factors, including value, quality, low volatility and momentum - a diversified approach that seeks to improve return potential.

Investor benefits

Incorporating the latest smart beta research from Research Affiliates, MFEM seeks to provide diversification and structural sources of returns through an innovative methodology that seeks to introduce a “buy-low, sell-high” discipline to factor investing.

Potential benefits of the fund include:

- Exposure to multiple emerging market equity factors that theory and research have linked to higher returns, a combination that may offer a smoother ride than single-factor approaches.
- Stocks in each factor portfolio are weighted by fundamental measures of company size, breaking the link between price and portfolio weight (except in the momentum factor portfolio). Research Affiliates Fundamental Index (RAFI) is an investment approach that seeks to systematically rebalances portfolio weights back to fundamental size, allowing mean reversion to drive returns.

A dynamic weighting process that overweights factors that may be more attractive on a forward-looking basis, reducing the potential risk associated with buying expensive factors.

The fund advantage

PIMCO and Research Affiliates believe that our differentiated approach to multi-factor investing creates the potential for higher returns through both factor portfolio construction and dynamic allocation of the individual factor portfolios. We believe this value conscious approach to factor investing makes MFEM an attractive strategy for smart beta investors, and can serve as a complement to or replacement for traditional equity approaches.
### Performance (total returns)

<table>
<thead>
<tr>
<th></th>
<th>Since Inception</th>
<th>1 yr</th>
<th>6 mos</th>
<th>3 mos</th>
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</thead>
<tbody>
<tr>
<td>PIMCO ETF</td>
<td></td>
<td></td>
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<tr>
<td>NAV</td>
<td>-11.05</td>
<td>-23.91</td>
<td>-22.98</td>
<td>-29.39</td>
</tr>
<tr>
<td>Share price (market price)</td>
<td>-11.10</td>
<td>-23.85</td>
<td>-22.45</td>
<td>-29.42</td>
</tr>
</tbody>
</table>

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/888-400-ETF.

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.

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, which may be obtained by contacting your PIMCO representative. Please read the prospectus carefully before you invest.

Invested assets may be placed in non-U.S. offices for investment. PIMCO and its subsidiaries are subject to reorganization or other business risks, including the risk of insolvency. In the event of a default or bankruptcy, as well as during economic downturns, the value of non-U.S. investments may be more volatile and less liquid than that of U.S. investments.

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 assurance that a liquid secondary market 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 at an exchange at prices above or below their share NAV of an ETF is calculated at the end of each business day, and fluctuations, sometimes significantly, 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 in response to supply and demand, among other things, 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.

Buying or selling ETF shares on an exchange may require the payment of brokerage commissions. 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.

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

A word about risk: Equities may decline in value due to both real and perceived market, economic and industry trends. The performance of the Fund may be positive in one environment and negative in another. The Fund’s success in achieving its objective depends on its ability to successfully predict and respond to changes in market conditions. The Fund’s investments may be worth more or less than the original cost when redeemed. In order to provide additional information regarding the performance of the Fund and its holdings, the Fund’s NAV, the market price of the Fund’s shares, and related returns are provided on a historical basis.

The Fund invests in securities and instruments included in, or representative of, its Underlying Index regardless of the Underlying Index. The Fund uses an indexing approach and may be affected by a general decline in market segments or asset classes relating to its Underlying Index. The Fund uses an indexing approach and may be affected by a general decline in market segments or asset classes relating to its Underlying Index.

The Fund’s investments in securities and instruments included in, or representative of, its Underlying Index are subject to risks that may not be present or to a lesser extent in the Underlying Index. The Fund’s investments in securities and instruments included in, or representative of, its Underlying Index are subject to risks that may not be present or to a lesser extent in the Underlying Index.

Holdings: Current holdings are subject to change at any time. The Fund’s performance and NAV may be affected by changes in market conditions.

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.

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<table>
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<tr>
<th>Ticker symbol:</th>
<th>MFEM</th>
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<tbody>
<tr>
<td>cusip:</td>
<td>72202L389</td>
</tr>
<tr>
<td>Lead Market Maker:</td>
<td>Jane Street</td>
</tr>
<tr>
<td>Exchange:</td>
<td>NYSE Arca</td>
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About the benchmark

The RAFI Dynamic Multi-Factor EM index strategy takes time-varying exposures to four return factors: value, low volatility, quality, and momentum. The index uses recent and historical metrics to tilt toward factor portfolios which are particularly attractive on a forward looking basis. It is not possible to invest directly in an unmanaged index.