

Investment Manager

PIMCO Australia Pty Limited
ABN 54 084 280 508
AFSL No. 246862

Responsible Entity

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1 June 2020**Important information on the Buy/Sell spreads of PIMCO Funds**

This document is issued by PIMCO Australia Management Limited ABN 54 084 280 508 AFSL 246 862 as responsible entity of the funds listed below (each a **Fund**). This document contains updated information for the Product Disclosure Statement in respect of each Fund dated 30 September 2019.

Before making a decision to invest in the Funds, you should read this document in conjunction with the relevant PDS, and in particular section 6 of each PDS that provides information under the heading "Buy/Sell Spread".

Updated Buy/Sell Spreads

As a result of the recent volatility we have seen in global markets due to COVID-19 concerns, there has been a marked increase in investment market transaction costs. While this has been a cross asset classes, it has particularly been the case for fixed interest markets.

In order to ensure we protect unitholders from these increased transaction costs, PIMCO Australia Management Limited has adjusted the sell spreads charged by a number of our funds. We believe this is the appropriate course of action and in the best interest of unitholders at this time. Further, we believe these updated spreads are a better reflection of actual trading costs in the current environment.

As at the date of this document, the Buy/Sell Spread that applies for each Fund is set out in **Annexure A**. These changes are effective immediately and will apply to all applications and withdrawals for the Funds from the 1st of June 2020. We will monitor the prevailing market conditions to determine whether further changes must be made to these spreads. Due to increased volatility in the markets resulting from COVID-19, the Buy/Sell Spread for the Funds may vary, including becoming higher.

As a reminder, money charged under a Buy/Sell spread remains in the Fund and is not paid to PIMCO. The purpose of the spread is to maximize fairness for all unitholders in the Fund who otherwise would have borne the extent of the spread in the form of performance impact from other unitholders' transactions. Without charging an appropriate Buy/Sell Spread to unitholders when they enter and withdraw from a Fund, other unitholders are left bearing the costs of buying or selling the underlying assets of the Fund in order to give effect to the application or withdrawal of units.

Please contact PIMCO Investor Services on 1300 113 547 (Australia) or +61 2 9923 2583 or email investorservices@au.pimco.au for more information.

Annexure A

| Fund Name | APIR | Buy Spread (%) | Sell Spread (%) |
|---|-----------|----------------|-----------------|
| PIMCO Global Bond Fund - Institutional Class | ETL0112AU | 0.00% | 0.40% |
| PIMCO Global Bond Fund - Wholesale Class | ETL0018AU | 0.00% | 0.40% |
| PIMCO Australian Bond Fund - Institutional Class | ETL0115AU | 0.00% | 0.35% |
| PIMCO Australian Bond Fund - Wholesale Class | ETL0015AU | 0.00% | 0.35% |
| PIMCO Diversified Fixed Interest – Institutional Class | ETL0116AU | 0.00% | 0.375% |
| PIMCO Diversified Fixed Interest – Wholesale Class | ETL0016AU | 0.00% | 0.375% |
| PIMCO Target Return Fund - Institutional Class | ETL0050AU | 0.00% | 0.25% |
| PIMCO Australian Short Term Bond Fund - Institutional Class | ETL0175AU | 0.00% | 0.35% |
| PIMCO Australian Short Term Bond Fund - Wholesale Class | ETL0182AU | 0.00% | 0.35% |
| PIMCO Global Credit Fund - Institutional Class | ETL0114AU | 0.00% | 0.60% |
| PIMCO Global Credit Fund - Wholesale Class | ETL0019AU | 0.00% | 0.60% |