
PIMCO Funds: Global Investors Series plc

An umbrella type open-ended investment company with variable capital and segregated liability between sub-funds and incorporated with limited liability under the laws of Ireland with registered number 276928, authorised by the Central Bank on 28 January 1998 as a UCITS, pursuant to the UCITS Regulations.

This Supplement contains information relating specifically to the Mortgage Opportunities Fund (the "**Fund**"), a Fund of PIMCO Funds: Global Investors Series plc (the "**Company**"), an open-ended umbrella fund with segregated liability between sub-funds.

This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 18 August, 2016 (the "Prospectus") which immediately precedes this Supplement and is incorporated herein.

Mortgage Opportunities Fund

22 December, 2016

Capitalised terms used herein shall have the meanings attributed to them in the Prospectus.

The Directors of the Company whose names appear in the Prospectus under the heading "**Management and Administration**" accept responsibility for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Due to the higher than average degree of risk attached to investment in the Mortgage Opportunities Fund because of its ability to invest in high yield securities and substantially in financial derivative instruments, an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Shareholders should note that the Management Fees and other fees payable by the Income II Class may be charged to the capital of the Income II Class. Thus, on redemptions of holdings Shareholders may not receive back the full amount invested due to capital reduction. Shareholders should note that the Management Fees and other fees payable by the Income II Class may be charged to the capital of the Income II Class. Thus, on redemptions of holdings Shareholders may not receive back the full amount invested due to capital reduction.

Shareholders should note that dividends may be payable out of the capital of the Income II Class, the G Institutional Income Class and the G Retail Income Class. The payment of dividends out of capital may result in the erosion of capital notwithstanding the performance of the Fund. As a result, distributions may be achieved by foregoing the potential for future capital growth and this cycle may continue until all capital is depleted.

Mortgage Opportunities Fund – Summary Information

The following chart provides summary information about the Fund. It is qualified in its entirety by the more complete descriptions of the Fund and associated risks appearing in this Supplement and the Prospectus.

Primary Investments	Average Portfolio Duration	Credit Quality⁽¹⁾	Distribution Frequency
Mortgage-related Fixed Income Instruments (including agency and non-agency residential and commercial mortgage-backed securities)	-1 to 8 years	Ccc to Aaa	Monthly

(1) As rated by Moody's Investors Service, Inc., or equivalently by Standard & Poor's Rating Service or Fitch, or if unrated, determined by the Investment Advisor to be of comparable quality.

Investment Objective and Policies

The Fund seeks maximum long-term return, consistent with prudent investment management.

The Fund seeks to achieve its investment objective by investing under normal circumstances at least 80% of its net assets in a diversified portfolio of mortgage-related Fixed Income Instruments, including, but not limited to agency and non-agency residential and commercial mortgage-backed securities ("**MBS**") and credit risk transfer securities ("**CRTs**"). Exposure to such securities may be achieved through direct investment in the aforementioned security types or through the use of financial derivative instruments such as forwards, options, futures contracts or swap agreements as further described below. Agency MBS refers to MBS issued by government-sponsored enterprises, such as the Government National Mortgage Association ("Ginnie Mae"), the Federal National Mortgage Association ("Fannie Mae") or the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Non-agency MBS refers to MBS that are not issued by government-sponsored enterprises. CRTs are types of debt securities issued by Fannie Mae and Freddie Mac which provide exposure to the US residential mortgage market. The mortgage-related securities in which the Fund may invest may or may not embed leverage.

The Fund will invest in a broad array of mortgage-related securities in seeking maximum long-term return. The investment strategy seeks to deploy the Investment Advisor's expertise and investment process. This process includes both top-down and bottom-up decision-making inputs to identify multiple sources of value. Top-down strategies focus on both short-term and longer-term global macroeconomic considerations and are utilized as part of regional and sector selection. Bottom-up strategies examine the profiles of individual securities and instruments and are key to the Investment Advisor's ability to select undervalued securities and instruments spanning the global securitized fixed income markets.

The remainder of the Fund's assets may be invested in other types of Fixed Income Instruments which include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private sector entities. The average portfolio duration of this Fund normally varies from (negative) 1 year to positive 8 years based on the Investment Advisor's forecast for interest rates. Duration is a measure used to determine the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates.

The Fund may invest in high yield securities ("junk bonds") that are rated Ccc or higher by Moody's or equivalently rated by S&P or Fitch, if unrated, determined by the Investment Advisor to be of comparable quality.

No more than 10% of the Fund's net assets may be invested in equity securities, other equity-related securities (such as preferred stock) and convertible securities (such as convertible bonds) which may or may not embed leverage.

The Fund may hold both non-USD denominated investment positions and non-USD denominated currency positions. The Fund may invest up to 10% of its net assets in non-USD currency positions. Therefore movements in both non-USD denominated investments and non-USD currencies can influence the Fund's

return. The Fund's exposure to currencies may be actively managed on an opportunistic basis where the Investment Advisor believes it would be beneficial to do so. Any active currency positions and currency hedging will be implemented using instruments such as forward foreign exchange contracts and currency futures, options and swaps in accordance with the Central Bank's requirements.

Currency hedging activities and currency positions may be implemented according to prevailing economic conditions using spot and forward foreign exchange contracts and currency futures, options and swaps. The Fund may use various efficient portfolio management techniques (including without limitation when issued, delayed delivery, forward commitment, currency transactions, repurchase agreements and reverse repurchase agreements) which are subject to the limits and conditions set down by the Central Bank from time to time and are more fully described under the heading "**Efficient Portfolio Management**". There can be no assurance that the Investment Advisor will be successful in employing these techniques.

Subject to the Regulations as set forth in Appendix 4 and as more fully described under the headings "**Efficient Portfolio Management**" and "**Characteristics and Risks of Securities, Derivatives, Other Investments and Investment Techniques**", the Fund may use derivative instruments such as futures (including volatility futures), options (including barrier options), options on futures, contracts for difference and swap agreements (which may be listed or over-the-counter) and may also enter into currency forward contracts. Swaps used by the Fund (including total return swaps, interest rate swaps, credit default swaps and variance/volatility swaps) will be based on asset classes contemplated under the investment policy of the Fund as set out above in addition to permissible indices, currencies and interest rates. Such derivative instruments may be used (i) for hedging purposes and/or (ii) for investment purposes. For example, the Fund may use derivatives (which will be based only on underlying assets or indices which are permitted under the investment policy of the Fund) (i) to hedge a currency exposure, (ii) as a substitute for taking a position in the underlying asset where the Investment Advisor feels that a derivative exposure to the underlying asset represents better value than a direct exposure, (iii) to tailor the Fund's exposure to the Investment Advisor's outlook for various markets, and/or (iv) to gain an exposure to the composition and performance of a fixed income related index. Details of any financial indices used by the Fund will be provided to Shareholders by the Investment Advisor on request and will be set out in the Company's semi-annual and annual accounts. Further information is set out in the Prospectus under the heading "**Financial Indices**". Any such indices will be cleared by the Central Bank or will meet its requirements. Only derivative instruments listed in the Company's risk management process and cleared by the Central Bank may be utilised. In respect of any instrument which contains an embedded derivative, the derivative component of that instrument shall be of a type which the Fund could otherwise invest in directly.

The use of derivative instruments (whether for hedging and/or for investment purposes) may expose the Fund to the risks disclosed under the headings "**General Risk Factors**" and detailed under "**Characteristics and Risks of Securities, Derivatives, Other Investments and Investment Techniques**". Position exposure to underlying assets of derivative instruments (other than index based derivatives which meet the Central Bank's requirements) (whether for hedging purposes and/or for investment purposes), when combined with positions resulting from direct investments, will not exceed the investment limits set out in Appendix 4. The use of derivatives (whether for hedging or investment purposes) will give rise to an additional leveraged exposure. The level of leverage for the Fund is expected to range from 0% to 600% of Net Asset Value. However, the Fund's leverage may increase to higher levels, for example, at times when the Investment Advisor deems it most appropriate to use derivative instruments to alter the Fund's interest rate, currency or credit exposure. The leverage figure is calculated using the sum of the notionals of the derivatives used as is required by the Central Bank and as such does not take into account any netting and hedging arrangements that the Fund has in place at any time.

Where the Investment Advisor believes it appropriate to do so as a result of detailed investment analysis, the Fund may use derivatives to create synthetic short positions. Synthetic short positions are positions which are in economic terms equivalent to short positions and will be implemented through the use of financial derivative instruments in accordance with the Central Bank's requirements. The Fund will take long and synthetic short positions over a variety of time periods in accordance with the requirements of the Central Bank. Further information on the Fund's use of derivatives is set out below. The proportion of long to short exposure in the Fund will depend on the market conditions at any given time. It is possible that the Fund may have long only exposure, or conversely short only exposure at any point in time. Although under normal market conditions it is not anticipated that the Fund would be directionally short, on a net basis. Such positions may be taken across various

asset classes contemplated under the investment policy of the Fund as set out herein. When calculated using the gross notional value of any derivatives in the Fund and the market value of any direct investments, the combination of total gross long positions and total gross short positions are not expected to exceed 800% of the Net Asset Value of the Fund. For further information, please refer to the paragraph in this section of the Supplement outlining the level of leverage expected for the Fund which is calculated using the sum of the notionals of the derivatives used.

The market risk associated with the use of derivatives will be covered and will be risk managed using the Value at Risk (“VaR”) methodology in accordance with the Central Bank’s requirements. VaR is a statistical methodology that predicts, using historical data, the likely maximum daily loss that the fund could lose calculated to a one-tailed 99% confidence level. However there is a 1% statistical chance that the daily VaR number may be exceeded. The VaR approach uses a historical observation period and thus the VaR result may be biased if abnormal market conditions are not prevalent or are omitted from the historical observation period. Accordingly, the Fund could suffer significant financial losses in abnormal market conditions. The Manager will attempt to minimize such risks by conducting regular back testing and stress testing of the VaR model in accordance with Central Bank requirements.

The Fund intends to use the Absolute VaR model. Accordingly, the VaR of the Fund’s portfolio will not exceed 20% of the NAV of the Fund and the holding period shall be 20 days. The historical observation period shall not be less than one year. It should be noted that the above limit is the current VaR limit required by the Central Bank. However, should the VaR model for the Fund or the Central Bank limits change, the Fund will have the ability to avail of such new model or limits by updating this Supplement and the Risk Management Process of the Company accordingly. The measurement and monitoring of all exposures relating to the use of derivative instruments will be performed on at least a daily basis.

The Fund may invest up to 10% of its net assets in units or shares of other collective investment schemes. The Fund may also invest up to 10% of its net assets in illiquid securities (including bonds and other Fixed Income Instruments as set out in this investment policy, which are illiquid) which are described in further detail in the Prospectus under the heading “**Transferable Illiquid Securities**” and in loan participations and loan assignments (which may be securitised or unsecuritised) which constitute money market instruments.

The Fund may invest up to 10% of its net assets in emerging markets securities.

The Fund may also hold and maintain ancillary liquid assets and money market instruments, including but not limited to asset-backed securities, commercial paper, certificates of deposit.

The exchanges and markets in which the Fund may invest are listed in **Appendix 1** to the Prospectus.

Investment Advisor

Pacific Investment Management Company LLC

Base Currency

The Base Currency of the Fund is USD.

Fees and Expenses

Fees Payable to the Manager:

The fees payable to the Manager shall not exceed 2.50% per annum of the Net Asset Value of the Fund.

Class	Management Fee (%)	Service Fee (%)	Trail Fee (%)	Distribution Fee (%)	Unified Fee (%)
Institutional	0.69	-	-	-	0.69
G Institutional	0.69	-	-	-	0.69

H Institutional	0.86	-	-	-	0.86
R Class	0.87	-	-	-	0.87
Investor	0.69	0.35	-	-	1.04
Administrative	0.69	-	0.50	-	1.19
E Class	1.59	-	-	-	1.59
T Class	1.59	-	-	0.40	1.99
M Retail	1.59	-	-	-	1.59
G Retail	1.59	-	-	-	1.59
Z Class	0.00	-	-	-	0.00

Further detail in respect of the fees payable to the Manager including the “Management Fee”, “Service Fee” and Z Class Fee are set out in the section of the Prospectus headed “**Fees and Expenses**”.

A detailed summary of each of the fees and expenses of the Fund and the Company is set out in the section of the Prospectus headed “**Fees and Expenses**”.

Establishment Costs

The cost of establishing the Fund and the preparation and printing of the relevant Supplement is expected not to exceed USD 50,000 and will be charged to the Fund and amortised over the first year of the Fund’s operation or such other period as the Directors may determine.

Dealing Day

Any day on which banks are open for business in the United States or such other days as may be specified by the Directors with the approval of the Depositary provided there shall be one Dealing Day per fortnight and all Shareholders will be notified in advance. Notwithstanding the foregoing, it will not be a Dealing Day for the Fund where either as a result of public holidays or market/stock exchange closures in any jurisdiction, it makes it difficult (i) to administer the Fund or (ii) value a portion of the Fund’s assets.

For further details on proposed Fund closures throughout the year, Shareholders and prospective investors should contact the Administrator or consult the Funds Holiday Calendar (a copy of which is also available from the Administrator).

For further details on the purchase sale or exchange of Shares in the Fund please refer to the sections of the Prospectus headed “**Key Information Regarding Share Transactions**”, “**How to Purchase Shares**”, “**How to Redeem Shares**” and “**How to Exchange Shares**”.

Initial Offer Period and Issue Price

As set out in greater detail in Schedule A to this Supplement, the Fund issues Institutional, Investor, Administrative, Class H Institutional, E Class, G Institutional, G Retail, M Retail, Z Class, T Class and R Class Share Classes. Within each Class, the Fund may issue either or all Income Shares (Shares which distribute income), Income II (which seeks to provide an enhanced yield) and Accumulation Shares (Shares which accumulate income).

The Initial Issue Price for any new Class of Shares in the Fund shall be, depending on the denomination of the Share Class, AUD 10.00, BRL 10.00, CAD 10.00, CHF 10.00, CZK 10.00, CLP 100.00, EUR 10.00, GBP 10.00, HKD 10.00, HUF 10.00, ILS 10.00, JPY 1,000, MXN 100.00, NOK 100.00, NZD 10.00, PLN 10.00, RMB 100.00, SEK 100.00, SGD 10.00, USD 10.00, (exclusive of any Preliminary Charge or Exchange Charge payable).

Shares in the Fund will be offered from 9.00 a.m. (Irish time) on 23 December, 2016 to 4.00 p.m. (Irish time) on 23 June, 2017 (the “**Initial Offer Period**”) at the Initial Issue Price and subject to acceptance of applications for Shares by the Company and will be issued for the first time on the first Dealing Day after expiry of the initial offer period. The initial offer period may be shortened or extended by the Directors. The Central Bank will be notified in

advance of any extension if subscriptions for Shares have been received and otherwise on an annual basis. After closing of the initial offer period Shares in the Fund will be issued at the Net Asset Value per Share.

Dividends and Distributions

Save for the G Institutional and G Retail Classes, dividends paid in respect of any income class Shares in the Fund will be declared monthly and, depending upon the Shareholder's election, paid in cash or reinvested in additional Shares after declaration.

In the case of the G Institutional and G Retail Classes, dividends will be declared annually and depending upon the Shareholder's election, paid in cash or reinvested in additional Shares on an annual basis. The G Institutional Income and G Retail Income Classes may pay distributions out of capital. The rationale for providing for payment of dividends out of capital is to allow for the ability to provide a stable and consistent level of distribution to investors seeking income oriented investment solutions.

Dividends declared, if any, will typically be paid on the last Business Day of the quarter, month or year or reinvested on the penultimate Business Day of the quarter, month or year. Further detail on the Dividend policy of the Company is set out in the section of the Prospectus headed "**Dividend Policy**" and a detailed dividend calendar, which includes up to date distribution dates, is available from the Investment Advisor upon request.

In the case of the Income II Class (which seeks to provide an enhanced yield to Shareholders) the Directors may, at their discretion, pay fees out of capital as well as take into account the yield differential between the relevant hedged Share Class and the base Share Class (which constitutes a distribution from capital). The yield differential can be positive or negative and is calculated on the basis of the difference between the implied yield of the relevant hedged Share Class currency and the base currency of the Fund. In addition, in the event that realised profits on the disposal of investments less realised and unrealised losses is negative the Fund may still pay dividends to the Income II Class out of net investment income and/or capital. The rationale for providing for the payment of dividends out of capital is to allow the Fund the ability to maximise the amount distributable to investors who are seeking a higher dividend paying Share Class.

As highlighted above, it should be noted that Management Fees and any other fees, or a portion thereof, may be charged to capital of the Income II Class and that as a result capital may be eroded and income may be achieved by foregoing the potential for future capital growth. The rationale for charging to capital is to maximise the amount distributable to investors.

Profile of a Typical Investor

Typical investors in the Fund will be investors who are looking to maximise long-term return, through a combination of both income and capital growth and are looking for exposure to global mortgage-related fixed income markets and are willing to accept the risks and volatility associated with investing in such markets, including non investment grade securities, and who have an investment horizon over the medium to long term.

Risk Factors

The attention of investors is drawn to the sections of the Prospectus headed "**General Risk Factors**" which may all be applicable to the Fund and "**Characteristics and Risks of Securities, Derivatives, Other Investments and Investment Techniques**" for information on risks relating to those securities, instruments and markets which form part of the Fund's investment policy as outlined in the "Investment Objective and Policies" section above. Specifically, we draw the attention of investors to certain risks associated with this Fund, as outlined in the sections above, which include, but are not limited to "Credit Risk", "Currency Risk", "Derivatives Risk", "Interest Rate Risk" and "Liquidity Risk".

CRTs have similar risks and characteristics to those associated with other types of mortgage related securities and in this regard investors attention is drawn to the section of the Prospectus entitled "Mortgage-Related and Other Asset-Backed Securities" in the **Characteristics and Risks of Securities, Derivatives, Other Investments and Investment Techniques** section of the Prospectus for further information.

Please refer to the synthetic risk and reward indicator (the “**SRRI**”) as disclosed in the “Risk and reward profile” section of the Key Investor Information Document for the relevant share class in which you are invested in or proposed to invest in. The SRRI is based on the volatility of the Fund calculated in accordance with UCITS requirements. The higher the risk grading in the SRRI may mean that the net asset value of the Fund is likely to experience higher levels of volatility.

The Directors of PIMCO Funds: Global Investors Series plc whose names appear in the Prospectus accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

SCHEDULE A

Details of the Share Classes available for subscription in the Fund are set out below. For each of the types of Share Classes, the Fund offers Share Classes in its base currency. Share Classes are also available in each of the other currency denominations set in the section “**Initial Offer Period and Issue Price**” (and which are available in Hedged and unhedged versions). Confirmation of whether the Share Class has launched and its date of launch are available from the Administrator upon request.

Institutional	Acc
Institutional	Inc
Institutional	Inc II
G Institutional	Inc
G Institutional	Inc II
H Institutional	Acc
H Institutional	Inc
H Institutional	Inc II
Investor	Acc
Investor	Inc
Investor	Inc II
Administrative	Acc
Administrative	Inc
Administrative	Inc II
E Class	Acc
E Class	Inc
E Class	Inc II
G Retail	Inc
G Retail	Inc II
M Retail	Inc
M Retail	Inc II
R Class	Acc
R Class	Inc
R Class	Inc II
T Class	Acc
T Class	Inc
T Class	Inc II
Z Class	Acc
Z Class	Inc
Z Class	Inc II

