

Strategic Credit Strategy

September 2020

OBJECTIVE

The Strategy seeks to outperform the Bloomberg Barclays Aggregate Index through a multi-sector credit approach.

INVESTMENT STRATEGY

The Strategy focuses on high yield bonds though has the ability to allocate across the entire credit spectrum. The investment team determines allocations based on a process that actively seeks the best opportunities across high yield, bank loan, and corporate securities.

DIFFERENTIATING FEATURES

The Strategy seeks to capitalize on the investment team's experience and research structure of evaluating the entire capital structure.

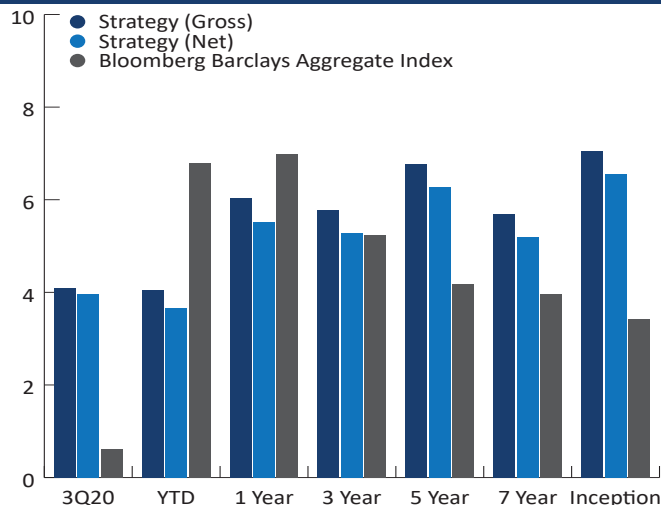
The Strategy is an understandable approach to multi-sector credit focused primarily on high yield, bank loan, and corporate bonds.

STRATEGY BENEFITS

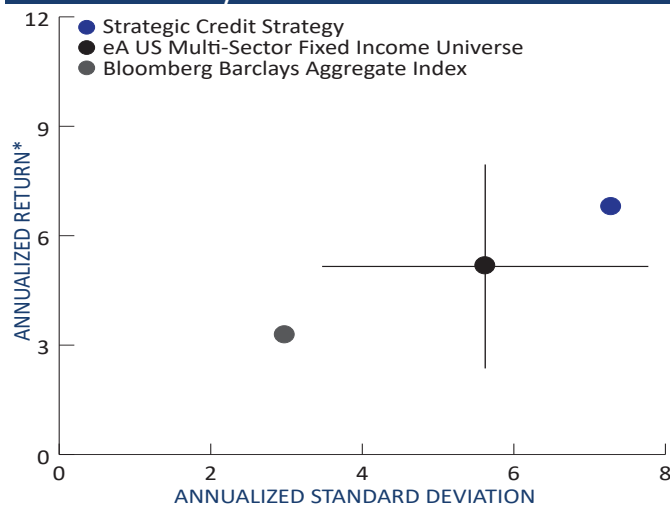
The Strategy provides investors a multi sector credit approach that will actively and nimbly focus on the best relative value across the credit spectrum.

This flexible approach provides access to our investment team's expertise throughout the credit spectrum in managing Investment Grade, High Yield, and Bank Loan securities.

HISTORICAL RETURNS



RISK/REWARD ANALYSIS



ANNUALIZED - ENDING 3Q20	1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	7 Year	8 Year	INCEPTION
Strategic Credit Strategy (Gross)	6.04	6.98	5.77	5.87	6.77	5.23	5.68	6.11	7.05
Strategic Credit Strategy (Net)	5.51	6.46	5.27	5.37	6.28	4.75	5.19	5.63	6.56
Bloomberg Barclays Aggregate Index	6.98	8.63	5.24	3.93	4.18	3.97	3.97	3.24	3.42

CALENDAR YEAR RETURNS	3Q20	YTD	2019	2018	2017	2016	2015	2014	2013	2012
Strategic Credit Strategy (Gross)	4.09	4.04	14.41	-2.09	7.61	12.11	-2.05	2.77	8.43	18.28
Strategic Credit Strategy (Net)	3.96	3.65	13.85	-2.53	7.13	11.62	-2.49	2.31	7.94	17.76
Bloomberg Barclays Aggregate Index	0.62	6.79	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	4.22

Inception of the Strategy was January 2012. Past performance is not indicative of future results. Indexes are unmanaged and unavailable for investment. Gross-of-fee returns are presented before management fees but after all trading expenses. Net-of-fee returns are presented after management fees and trading expenses.* Risk/Reward Analysis chart provides annualized inception return and annualized inception standard deviation. Risk/Reward Analysis performance represents gross-of-fee returns.

Strategic Credit Strategy

September 2020



Inception
January 2012

Benchmark
Bloomberg Barclays U.S. Aggregate Index

Strategy Assets
\$ 738m

Portfolio Managers (experience)
Brian Robertson, CFA (17 years)
David Weismiller, CFA (23 years)
Michael Marzouk, CFA (23 years)

SINCE INCEPTION RISK-REWARD STATISTICS

	Strategy	Index
Standard Deviation	7.27	3.04
Beta	0.45	1.00
Sharpe Ratio	0.88	0.90
Information Ratio	0.49	N/A

Source: eVestment, as of 9/30/2020

Pacific Asset Management claims compliance with the Global Investment Performance Standards (GIPS®).

FIRM DEFINITION - Pacific Asset Management LLC, specializes in institutional fixed income management with a focus on corporate credit. The Firm definition changed on December 31, 2019. Prior to that date, the firm definition referred to Pacific Asset Management, a business division of Pacific Life Fund Advisors LLC ("PLFA"). As part of an internal restructuring initiative, the business division of PLFA, known as Pacific Asset Management, was reorganized into Pacific Asset Management LLC, an SEC registered investment adviser and an indirect wholly-owned subsidiary of Pacific Life Insurance Company (Pacific Life).

COMPOSITE DESCRIPTION - The Strategic Credit Strategy consists of fixed income portfolios comprised primarily of credit securities.

RETURNS - presented gross and net of fees.

BENCHMARK DESCRIPTION - The Bloomberg Barclays Aggregate Index covers the U.S. investment grade fixed income bond market.

CURRENCY - Valuations are computed and performance is reported in U.S. dollars.

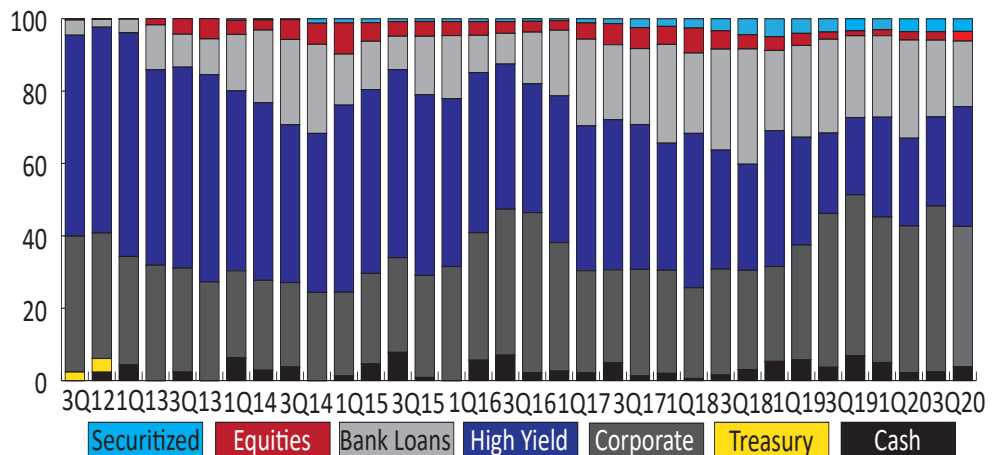
OBTAINING A COMPLIANT PRESENTATION along with a list of the firms composite descriptions can be obtained by emailing compliance@PacificAM.com.

CHARACTERISTICS	Strategy	Index
Duration	4.43	6.12
Yield to maturity (%)	4.88	1.19
Yield to worst (%)	4.77	1.18
Average maturity	8.59	8.18
Average price	101.62	110.09
Average quality	BB-	AA+/AA
Average coupon (%)	4.75	2.90
# of issues	308	11,902
# of issuers	193	1,025

CREDIT QUALITY (%)	Strategy	Index
Cash	4	0
AAA	0	70
AA	2	3
A	7	12
BBB	33	14
BB	16	0
B	28	0
CCC or below	10	0

ASSET ALLOCATION (%)	Strategy	Index
Government	0	43
Corporate	39	27
High Yield	33	0
Bank Loans	18	0
Agency MBS	0	27
Equities	3	0
ABS/CMBS	3	3
Cash	4	0

HISTORICAL ASSET ALLOCATION (%)



IMPORTANT NOTES AND DISCLOSURES

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