

High Yield Bond Strategy

March 2021

OBJECTIVE

The High Yield Bond Strategy seeks to outperform the Bloomberg Barclays High Yield 2% Capped Index.

INVESTMENT STRATEGY

The Strategy seeks its objective by investing primarily in non-investment grade corporate debt securities.

The Strategy's investment process is fundamental credit analysis with a top-down overlay. The process emphasizes relative value and liquidity, allowing flexibility and enables us to express our views with conviction.

DIFFERENTIATING FEATURES

We focus on fundamental corporate credit research across the credit spectrum. Our single integrated research and portfolio management team's coverage through the capital structure provides the perspective to identify opportunities and relative value through all areas of the credit markets.

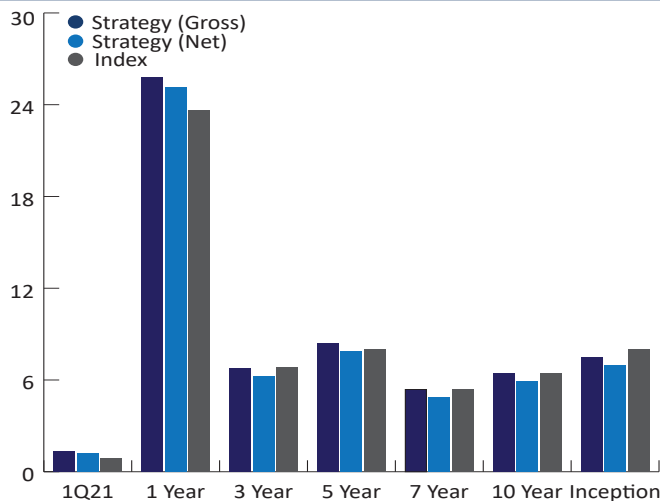
Investment team consists of 22 professionals who, on average, have 17 years investment experience and have worked together for over 11 years.

STRATEGY BENEFITS

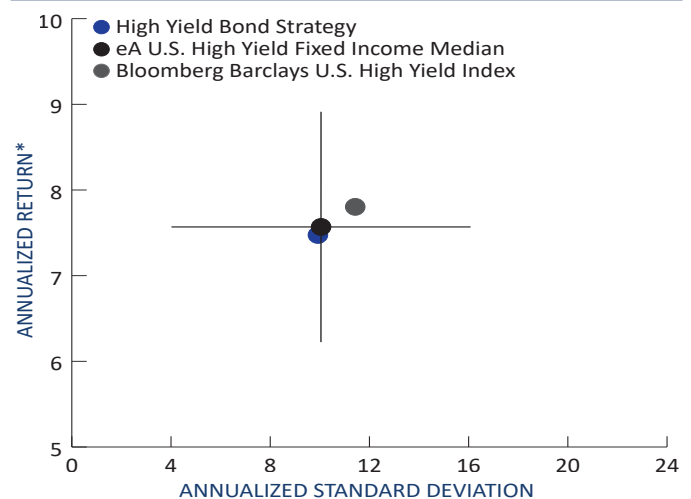
High Yield bonds provide investors higher income and return potential than investment grade bonds. Additionally, High Yield bonds have provided diversification to an overall portfolio through lower correlation and interest rate sensitivity than investment grade bonds.

The Strategy provides investors exposure to High Yield bonds with a flexibility to invest across the capital structure, providing access to our investment team's expertise throughout the credit spectrum.

HISTORICAL RETURNS



RISK-REWARD ANALYSIS



ANNUALIZED - ENDING 1Q21

	1Q21	1 Year	3 Year	5 Year	7 Year	10 Year	INCEPTION
High Yield Bond Strategy (Gross)	1.32	25.78	6.78	8.43	5.38	6.42	7.47
High Yield Bond Strategy (Net)	1.19	25.16	6.25	7.89	4.86	5.89	6.94
Bloomberg Barclays U.S. High Yield Index 2% Cap	0.86	23.65	6.82	8.04	5.42	6.47	7.98

CALENDAR YEAR RETURNS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
High Yield Bond Strategy (Gross)	6.64	15.64	-3.13	9.29	16.06	-4.09	1.00	7.94	16.04	4.07	15.26
High Yield Bond Strategy (Net)	6.11	15.07	-3.62	8.75	15.49	-4.57	0.50	7.41	15.47	3.55	14.69
Bloomberg Barclays U.S. High Yield Index 2% Cap	7.05	14.32	-2.08	7.51	17.13	-4.43	2.46	7.44	15.78	4.96	14.94

Inception of the High Yield Bond Strategy is April 1, 2008. 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.

High Yield Bond Strategy

March 2021



Inception

April 1, 2008

Benchmark

Bloomberg Barclays High Yield 2% Capped Index

Strategy Assets

\$ 159m

Portfolio Managers (experience)

Bob Boyd (22 years)

Brian Robertson, CFA (17 years)

SINCE INCEPTION RISK-REWARD STATISTICS

	Strategy	Index
Standard Deviation	10.41	11.90
Beta	0.84	1.00
Sharpe Ratio	0.66	0.62
Information Ratio	-0.15	N/A
Upside Capture	96.45	N/A
Downside Capture	100.84	N/A

Source: eVestment, as of 3/31/2021

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 High Yield Strategy consists of portfolios primarily invested in non-investment grade securities.

RETURNS - presented gross and net of fees.

BENCHMARK DESCRIPTION - The Bloomberg Barclays High Yield Index covers the universe of fixed rate, non-investment grade debt.

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

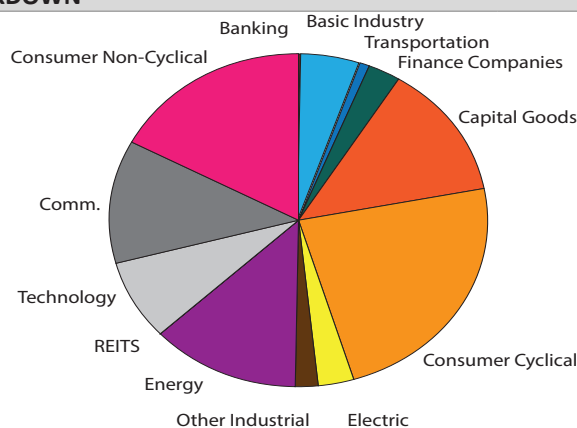
OBTAINING A COMPLIANT PRESENTATION along with a list of the firms composite descriptions can be obtained by emailing compliance@PacificAM.com.

CHARACTERISTICS	Strategy	Index
Duration	3.33	3.86
Yield to worst (%)	4.87	4.24
Yield to maturity (%)	5.52	4.96
Average maturity	6.83	6.50
Average price	104.37	104.11
Average quality	B+	BB-/B+
Average coupon (%)	6.15	5.92
# of issues	313	2,187
# of issuers	174	912

CREDIT QUALITY (%)	Strategy	Index
Cash	1	0
BBB or above	4	0
BB	41	53
B	36	34
CCC or below	16	13
Other / Not Rated	2	0

ASSET BREAKDOWN (%)	Strategy	Index
Corporate	4	0
High Yield	85	100
Bank Loans	4	0
Equities	2	0
ABS	4	0
Cash	1	0

SECTOR BREAKDOWN



IMPORTANT NOTES AND DISCLOSURES

For U.S. Institutional Investor use only. The opinions expressed are not intended as an offer or solicitation with respect to the purchase or sale of any security. The information presented in this material has been developed internally and/or obtained from sources believed to be reliable; however Pacific Asset Management does not guarantee the accuracy, adequacy, or the completeness of such information. This material has been distributed for informational purposes only without regard to any particular user's investment objectives, financial situation, or means, and Pacific Asset Management is not soliciting any action based upon such information, and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Statements concerning financial market trends are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions, and each investor should evaluate their ability to invest for the long-term. The information provided herein should not be construed as providing any assurance or guarantee as to returns that may be realized in the future from investments in any asset or asset class described herein. This material contains forward-looking statements that speak only as of the date they are made, Pacific Asset Management assumes no duty to and does not undertake to update forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission.