

Short Duration Bond Strategy

June 2021

OBJECTIVE

The Short Duration Bond Strategy seeks to outperform the Bloomberg Barclays 1-3yr Gov/Credit Index through a credit focused approach. The Strategy focuses on BBB rated corporate bonds.

INVESTMENT STRATEGY

The Strategy invests primarily in short maturity investment grade corporate bonds. The Strategy may invest up to 30% in BB/B rated bank loans and high yield bonds. The Strategy expects to maintain a duration range of +/- 1 year to that of the Index.

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.

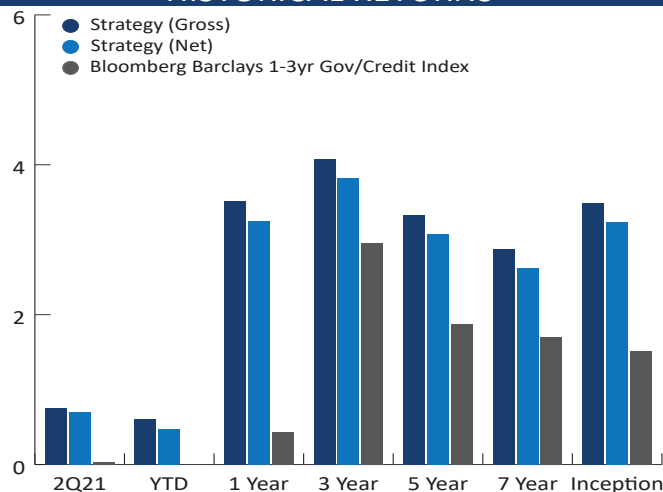
Investment team consists of 22 professionals who, on average, have 17 years investment experience and have worked together for over 9 years.

STRATEGY BENEFITS

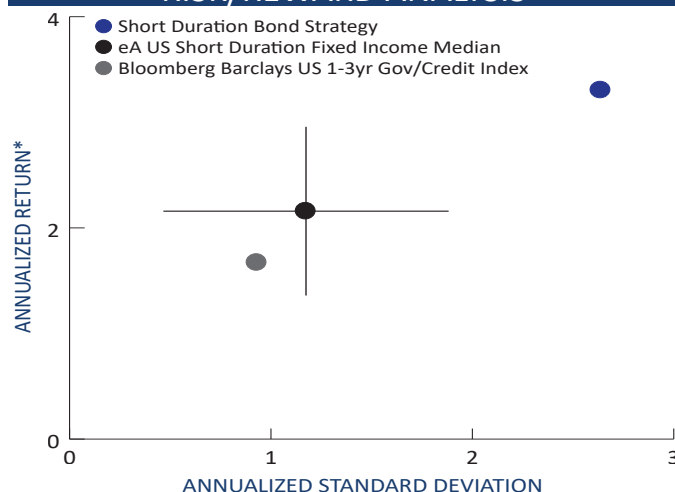
The Strategy provides investors a short maturity corporate bond portfolio with the ability to invest through the entire capital structure.

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

HISTORICAL RETURNS



RISK/REWARD ANALYSIS



ANNUALIZED - ENDING 2Q21	2Q21	1 Year	2 Year	3 Year	4 Year	5 Year	6 Year	7 Year	8 Year	9 Year	INCEPTION
Short Duration Bond Strategy (Gross)	0.76	3.51	3.57	4.08	3.47	3.33	3.12	2.87	3.20	3.28	3.49
Short Duration Bond Strategy (Net)	0.70	3.25	3.31	3.82	3.21	3.07	2.86	2.62	2.95	3.02	3.23
Bloomberg Barclays 1-3yr Gov/Credit Index	0.04	0.44	2.31	2.96	2.26	1.88	1.83	1.70	1.63	1.53	1.51

CALENDAR YEAR RETURNS	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Short Duration Bond Strategy (Gross)	0.61	4.55	6.27	1.35	3.13	3.39	1.51	1.59	3.33	7.60
Short Duration Bond Strategy (Net)	0.48	4.29	6.01	1.09	2.87	3.13	1.26	1.34	3.07	7.33
Bloomberg Barclays 1-3yr Gov/Credit Index	0.00	3.33	4.03	1.60	0.84	1.28	0.65	0.77	0.65	1.26

Inception of the Short Duration Bond 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.

Short Duration Bond Strategy

June 2021



Inception

January 2012

Benchmark

Bloomberg Barclays 1-3yr Gov/Credit Index

Strategy Assets

\$ 1,206m

Portfolio Managers (experience)

David Weismiller, CFA (24 years)

Michael Marzouk, CFA (24 years)

Ying Qiu, CFA (22 years)

SINCE INCEPTION RISK-REWARD STATISTICS

	Strategy	Index
Standard Deviation	2.50	0.96
Beta	0.54	1.00
Sharpe Ratio	1.15	0.92
Information Ratio	0.80	N/A

Source: eVestment, as of 6/30/2021

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 Short Duration Bond Strategy consists of fixed income portfolios comprised primarily of short maturity corporate bonds.

RETURNS - presented gross and net of fees.

BENCHMARK DESCRIPTION - The Bloomberg Barclays 1-3 Year Gov/Credit Index covers Government and Credit Securities of 1-3 year maturities.

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	1.63	1.94
Yield to maturity (%)	1.54	0.37
Average maturity	5.30	2.00
Average price	101.80	102.65
Average quality	A-	AA+/AA
Average coupon (%)	2.14	1.70
# of issues	370	1,635
# of issuers	273	499

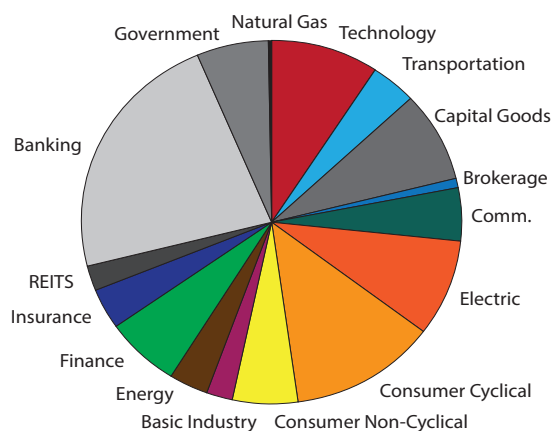
CREDIT QUALITY (%)

Cash	4	0
AAA	23	74
AA	4	4
A	20	12
BBB	31	10
BB	7	0
B	11	0
CCC or below	0	0

ASSET BREAKDOWN (%)

Government	4	77
Corporate Bonds	49	23
High Yield Bonds	4	0
Bank Loans	17	0
ABS	22	0
CMBS	0	0
Cash	4	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.