

Taxable Fixed Income Portfolio - Enhanced Core

MODEL DATA

Inception date: **31 March 2018**

Weighted Average Gross Expense Ratio:¹ **1.00%**

Weighted Average Adjusted Expense Ratio: **0.50%**

The Weighted Average Adjusted Expense Ratio excludes certain investment expenses, such as interest expense from borrowings and repurchase agreements and dividend expense from investments on short sales, incurred directly by the Fund or indirectly through the Fund's investments in underlying PIMCO Funds (if applicable), none of which are paid to PIMCO.

¹The Expense Ratio is based on the Inst. Class Shares of the Underlying Funds. Model expense ratio is subject to change at time of model rebalance. PIMCO intends for its model portfolios to be implemented using the lowest fee class available to the financial professional, typically the Institutional Class Shares. Funds typically offer different share classes, which are subject to different fees and expenses (which may affect performance), having different minimum investment requirements, and are entitled to different services. It is the responsibility of the financial professional, implementing the portfolio to determine the appropriate share class for their client. The expense ratio for a financial professional selecting a different share class will vary. Expense ratio does not reflect any wrap program fees charged by the implementing financial professional or any other external fees or expenses.

PORTFOLIO MANAGERS

Emmanuel Sharef
Erin Browne

MODEL STATISTICS (AS OF 30 SEPTEMBER 2020)

Effective duration: **4.27**

Distribution Yield:² **3.11%**

As of 30 September 2020

²The model's distribution yield is the weighted average distribution yield of the Underlying Funds. For monthly and quarterly paying funds, the calculation uses the most recently published distribution yield. For annual paying funds, distribution yield is calculated as the last distribution divided by NAV as of the most recent month-end.

MODEL HOLDINGS (%)

PIMCO Total Return Fund	35
PIMCO International Bond Fund (U.S. Dollar-Hedged)	5
PIMCO Investment Grade Credit Bond Fund	15
PIMCO Mortgage Opportunities and Bond Fund	15
PIMCO Income Fund	30

As of 30 September 2020

Holdings are subject to change without notice. Portfolio holdings, characteristics and weightings will vary over time.

About the Model

The foundation of an investor's portfolio, fixed income provides several key benefits including the potential for income, total return, capital preservation and equity diversification. With these benefits under pressure from low yields and rising interest rate and credit risks, PIMCO's fixed income models follow our forward-looking investment process to balance the trade-offs offered by today's market.

The Enhanced Core model seeks to improve upon the low yields and high interest rate risk of passive core approaches, while preserving equity diversification benefits.

- **Allocations driven by PIMCO's forward-looking investment views** - PIMCO model portfolio allocations reflect the firm's forward-looking investment process, which has been refined over more than four decades. The allocations are reviewed at least quarterly; as market conditions and PIMCO's views evolve, so too do the models' allocations.
- **Broad opportunity set of actively-managed funds** - PIMCO has access to a deep bench of actively managed mutual funds that span a wide range of investment mandates, which allows the firm to pull a variety of potential levers in an attempt to generate an attractive return and yield.
- **Robust risk analytics infrastructure supports portfolio construction and risk management** - PIMCO has developed a set of proprietary analytics geared towards managing risk in fixed income portfolios and uses those risk management system to construct and monitor the Fixed Income Model portfolios.

Average annual total returns (%) as of 30 Sep '20	YTD	1-yr.	Inception
PIMCO Taxable Fixed Income Portfolio - Enhanced Core Composite	5.22	6.16	5.65
Bloomberg Barclays U.S. Aggregate Index ³	6.79	6.98	6.79
ICE BofAML 1-3 Year U.S. Treasury Index ⁴	3.05	3.58	3.33
ICE BofAML U.S. High Yield, BB-B Rated, Constrained Index ⁴	0.55	3.15	5.62

³Composite Benchmark

⁴PIMCO Taxable Fixed Income Portfolio - Enhanced Core is an outcome-oriented model and not designed to outperform a single benchmark. The indexes included are intended to provide a reference point for the performance of broad, common fixed income sectors.

Performance displayed is (%) after fees.

The PIMCO Models described in this material are available exclusively through investment professionals. PIMCO Models are created based on what Pacific Investment Management Company LLC (together with its affiliates, "PIMCO") believes to be generally accepted investment theory. In adjusting PIMCO models PIMCO considers, among other things, the results of quantitative modeling. Such quantitative modeling is designed to optimize each Model's allocation and align with the Model's investment objective, and takes into account various factors or "inputs", determined by PIMCO, including third party data, to generate a suggested allocation for the PIMCO Models. PIMCO's investment team then reviews the quantitative output and adjusts the output to reflect variables, which may include, among other things, the anticipated trade size, target total expense ratio for the Model, and qualitative investment insights. PIMCO Model allocations are ultimately subject to the discretion of PIMCO's investment team. PIMCO Models are for illustrative purposes only and may not be appropriate for all investors. PIMCO Models are not based on any particularized financial situation, or need, and are not intended to be, and should not be construed as, a forecast, research, investment advice or a recommendation for any specific PIMCO or other strategy, product or service. Individuals should consult with their own financial professionals to determine the most appropriate allocations for their financial situation, including their investment objectives, time frame, risk tolerance, savings and other investments. Volatility is historical and is likely to change over time. PIMCO has not undertaken, and will not undertake, any analysis to determine any specific models' suitability for specific investors. PIMCO Model allocations are licensed or otherwise made available to investment professionals. PIMCO Models' allocations are updated on a defined production cycle. The Underlying Funds are available by prospectus only. Implementing investment professionals may or may not implement the PIMCO Model's allocation as provided, and actual allocations to Underlying Funds may vary. There are expenses associated with the Underlying Funds in addition to any fees charged by implementing investment professionals. Additionally, the implementing investment professional may include cash allocations, which are not reflected herein.

Past performance is not a guarantee or a reliable indicator of future results. More information on PIMCO investment advisory fees are described in Part II of PIMCO's Form ADV. Portfolios included in the composite are not charged a direct management fee. Management fees are charged by the funds held in the portfolios and returns are presented net of Underlying Fund fees and expenses. If direct management fees were charged, performance results would be reduced further. Performance reflects changes in share price, reinvestment of dividends and capital gains distributions for each of the Underlying Funds. All periods longer than one year are annualized. **A word about risk:** All investments contain risk and may lose value. For risks specific to a particular Underlying Fund, please refer to the Fund's prospectus. Investors should consult their investment professional prior to making an investment decision.

PIMCO TAXABLE FIXED INCOME PORTFOLIO - ENHANCED CORE COMPOSITE

Year	Composite Return (%) After Fees	I-2 Share Return (%)* After Fees	Benchmark** Return (%)	Composite Dispersion Before Fees	Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	Number of Portfolios	Composite Assets (USD millions)	Total Firm Assets (USD billions)
2019	8.23	8.12	8.72	N/A	N/A	N/A	Five or Fewer	<0.1	1,899.1
Apr-Dec 18	0.74	0.66	1.49	N/A	N/A	N/A	Five or Fewer	<0.1	1,664.6

*The composite invests in the Institutional share class of the underlying funds. Performance has also been provided to reflect the expense ratio of the I-2 share class, which is 10 basis points higher, as supplemental information.

**Bloomberg Barclays U.S. Aggregate Index
The composite creation date is April 2018.

Model statistics are based on the weighted Underlying Fund allocation within the PIMCO Model. The sum of these weighted Funds make up the respective PIMCO Model statistic. The risks of a PIMCO Model's allocations will be based on the risks of the PIMCO mutual funds (each, a "Fund") included in the PIMCO Model's allocation ("Underlying Fund"). The PIMCO Model's allocations are subject to the risk that the Underlying Funds and the allocations and reallocation (or "rebalancing") of the PIMCO Model among the various Underlying Funds may not produce the desired result. The PIMCO Model allocations to Underlying Funds have changed over time and are expected to change in the future. As described above, the selection and weighting process across Underlying Funds is informed based on return estimates driven by PIMCO's quantitative models and forecasts for key risk factor inputs and forward looking view and risk estimates informed by PIMCO's analytic infrastructure ("Systems"). These Systems rely heavily on the use of proprietary and nonproprietary data, software, hardware, and intellectual property, including data, software and hardware that may be licensed or otherwise obtained from third parties. The use of such Systems has inherent limitations and risks. Although we take reasonable steps to develop and use Systems appropriately and effectively, there can be no assurance that we will successfully do so. Errors may occur in the design, writing, testing, monitoring, and/or implementation of Systems, including in the manner in which Systems function together. The effectiveness of Systems may diminish over time, including as a result of market changes and changes in the behavior of market participants. The quality of the resulting analysis, including the PIMCO Model allocations depends on a number of factors including the accuracy and quality of data inputs into the Systems, the mathematical and analytical assumptions and underpinnings of the Systems' coding, the accuracy in translating those analytics into program code or interpreting the output of a System by another System in order to facilitate a change in market conditions, the successful integration of the various Systems into the portfolio selection and trading process and whether actual market events correspond to one or more assumptions underlying the Systems. Management risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results, and that certain policies or developments may affect the investment techniques available to PIMCO in connection with managing the strategy.

Pacific Investment Management Company LLC (PIMCO) is an investment adviser registered with the U.S. Securities and Exchange Commission that provides global investment solutions to institutions, individuals, and government entities worldwide. For GIPS compliance purposes, PIMCO has been defined to include the investment management activities of its affiliate PIMCO Europe GmbH and the following subsidiaries: PIMCO Australia Pty Ltd, PIMCO Canada Corp., PIMCO Europe Ltd, PIMCO Japan Ltd, PIMCO Asia Pte Ltd, and PIMCO Asia Limited. In January 2010, the firm definition was expanded to include fixed income assets managed in collaboration with Allianz Global Investors (Allianz) using the PIMCO investment process. Prior to 2010, country-specific limitations restricted the full implementation of the PIMCO investment process for these assets. In addition, in March 2012, the firm was redefined to include assets managed on behalf of Allianz's affiliated companies.

PIMCO claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. PIMCO has been independently verified for the period January 1987 through December 2019. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. GIPS® is a registered trademark owned by CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The PIMCO Taxable Fixed Income Portfolio - Enhanced Core Composite includes all discretionary, U.S.-dollar based accounts that are managed to the standard Enhanced Core Taxable Fixed Income model. PIMCO's Taxable Fixed Income models follow a forward-looking investment process to balance the benefits of fixed income investing, including the potential for income, total return, capital preservation and equity diversification against the potential pressures of low yields and rising rates. The Enhanced Core model seeks to generate an attractive return above of passive core bond approaches, while preserving equity diversification benefits. The model typically allocates to a combination of PIMCO mutual funds. Portfolios that allow deviations from the standard model portfolio are excluded from the composite.

The composite strategy is not managed to match or exceed a particular market index. Index returns are presented as a general indicator of market performance during the time periods depicted. Bloomberg Barclays U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar

denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. The ICE BofAML 1-3 Year U.S. Treasury Index is an unmanaged index comprised of U.S. Treasury securities, other than inflation-protection securities and STRIPS, with at least \$1 billion in outstanding face value and a remaining term to final maturity of at least one year and less than three years. ICE BofAML U.S. High Yield, BB-B Rated, Constrained Index tracks the performance of BB-B Rated U.S. Dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Qualifying bonds are capitalization-weighted provided the total allocation to an individual issuer (defined by Bloomberg tickers) does not exceed 2%. Issuers that exceed the limit are reduced to 2% and the face value of each of their bonds is adjusted on a pro-rata basis. Similarly, the face value of bonds of all other issuers that fall below the 2% cap are increased on a pro-rata basis. It is not possible to invest directly in an unmanaged index.

Composite dispersion presented is the equal-weighted standard deviation of annual returns for all portfolios in the composite for the full year. Dispersion is not statistically meaningful for periods shorter than a year or for years in which five or fewer portfolios were included for the full year. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The three-year annualized ex-post standard deviation is not presented if 36 monthly returns are not available. A complete list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Funds held by portfolios included in the composite can and often do use derivatives as substitutes for physical securities. Futures, options, and swaps may be used to gain, hedge or restructure exposure to interest rates, volatility, spreads, foreign bond markets and currencies within the parameters allowed by individual portfolio guidelines. Use of these instruments may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested.

The composite has no fee schedule because portfolios managed to this strategy are not charged a direct management fee. Refer to the offering documents for the Underlying Funds held in the portfolios for information on the fees and expenses charged by the individual Funds. Fees charged to individual portfolios and Funds may vary.

Valuations are computed and performance is reported in U.S. dollars. Portfolios included in the composite are not charged a direct management fee; therefore, 100% of the composite assets are considered non-fee-paying for all time periods presented. Investment management fees are charged by the funds held in the portfolios and returns are presented net of Underlying Fund Institutional Share class fees and expenses. Performance net of I-2 share class fees and expenses is also presented as supplemental information. If direct management fees were charged, performance results would be reduced further. Actual fees incurred by client accounts may vary. When applicable, composite performance is net of any actual withholding tax paid and not reclaimable. Index returns are gross of withholding tax.

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