

TCW Concentrated Core Composite Performance

ASSET-WEIGHTED AND TIME-WEIGHTED RATES OF RETURN

	Annual Return		Russell 1000® Growth Index (%)	# of Portfolios	Total Composite Assets at End of Period (U.S.\$ millions)	% of Non-Fee Paying Assets	Composite Internal Dispersion	Composite 3-Year Standard Deviation Annualized	Benchmark 3-Year Standard Deviation Annualized	Total Firm Assets (MSD)* (U.S.\$ millions)
	Gross (%)	Net (%)								
	2008	-36.45								
2009	43.81	42.84	37.21	29	3,222.99	—	0.74	19.74	20.01	59,123
2010	17.75	16.92	16.71	32	2,741.00	—	0.29	21.95	22.42	40,805
2011	5.00	4.27	2.64	40	3,450.14	—	0.41	17.04	18.01	81,764
2012	16.65	15.84	15.26	39	4,047.40	—	0.24	15.92	15.88	102,490
2013	29.97	29.06	33.48	48	5,224.26	—	0.29	12.46	12.35	109,920
2014	8.29	7.53	13.05	41	4,677.85	—	0.31	11.87	9.73	144,768
2015	12.93	12.14	5.67	34	4,332.24	—	0.25	13.22	10.85	165,036
2016	-7.19	-7.84	7.08	32	3,137.40	—	0.50	14.62	11.31	177,187
2017	33.44	32.51	30.21	34	3,185.38	—	0.44	13.58	10.69	191,104

The TCW Group, Inc. is divided into three divisions: the Marketable Securities Division; the Alternative Products Division; and the Managed Accounts Division. On February 23, 2010, The TCW Group, Inc. acquired Metropolitan West Asset Management. On January 1, 2011, the Marketable Securities Division and Metropolitan West Asset Management completed a merger. Accordingly, effective January 1, 2011, Metropolitan West Asset Management was included within the Firm definition.

- Effective January 1, 2000, the Marketable Securities Division was established to provide investment advisory services in the marketable securities area. *The Marketable Securities Division is defined as the Firm for purposes of reporting performance in accordance with the Global Investment Performance Standards.
- The Marketable Securities Division of TCW Group, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. The Marketable Securities Division has been independently verified for the periods January 2000 through December 2017. The verification reports are 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.
- From January 2010 onward, results are for portfolios present for an entire month. Prior to 2010, results were calculated using portfolios present for an entire quarter. The Composite includes all portfolios managed in the strategy, except for those subject to material client restrictions, which are, therefore, deemed non-discretionary.
- Results are time-weighted and geometrically linked to yield quarterly returns, and include all items of income, gain and loss.
- Results are based on trade-date transactions.
- A complete list and description of Firm composites is available upon request.
- The internal dispersion of annual returns is measured by the standard deviation across asset-weighted portfolio returns represented within the composite for the full year. Periods with five or fewer portfolios are not statistically representative and are not presented.
- Asset-weighted results use beginning of period market values. Unless stated otherwise, asset-weighted results are shown for the entire period. Equal-weighted results represent the simple average of all composite portfolios present for the entire period.
- The currency used to express performance is U.S. dollars.
- Gross results do not reflect the deduction of management fees and other custodial fees. Including these costs would reduce the shown returns. Net results reflect the deduction of the maximum standard fee charged to U.S. institutional clients without taking into account breakpoints. Certain clients could pay a significantly higher or lower fee which would result in different net returns. A fee which is 0.50% higher than the standard U.S. institutional fee will result in the total return being reduced, over five years, by 2.53% on a compound basis. Net results do not include the deduction of custodial fees or other administrative expenses, which will also reduce the returns shown. Prior to August 2010 net returns were calculated arithmetically, afterwards net returns were calculated geometrically.
- TCW makes no representation that future investment performance will conform to past performance and it should never be assumed that past performance foretells future performance.
- Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Source: TCW

- There currently is no minimum asset level for portfolios included in the composite. From 2Q 2000 through 3Q 2017 the minimum asset level was \$5 million.
- These results have been prepared and presented in compliance with GIPS® for the periods shown beginning in January 1988. Results prior to this date are not in compliance as we are unable to show "composite as a percentage of Firm assets" information due to the lack of Marketable Securities Division assets data. The first account managed in this fashion and included in the composite had an inception date of October 1, 1987.
- This GIPS®-compliant composite was created in 1Q 2002.
- The Composite is composed of portfolios whose objective is to outperform the benchmark over the long term by investing in a concentrated portfolio of large capitalization companies with strong and enduring business models and unique business franchise characteristics. While TCW's objective is to outperform the stated benchmark, it does not imply that this strategy shall share, or attempt to share, the same or similar characteristics of the benchmark or attempt to track the benchmark.
- The benchmark is the Russell 1000® Growth. The Russell 1000® Growth Index measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.
- The Composite's U.S. institutional fee schedule is as follows: 0.70% on all assets
- Leverage or derivatives are not used in the management of this composite.
- Withholding tax is not deducted from the portfolios contained in the composite.
- There are not any known inconsistencies between the local laws that the composite adheres to and the GIPS®.
- There are not any known inconsistencies between the chosen source of exchange rates and those of the benchmark.
- The performance of the Concentrated Core composite for the period from inception to March 1998 reflects performance of portfolios greater than \$5,000,000 that were managed by Glen Bickerstaff while at Transamerica Investment Services. Thereafter, it represents the performance while at TCW. The original TCW Concentrated Core performance is available upon request. For the period from November 1998 to December 31, 2004, a team of portfolio managers under the guidance and oversight of Glen Bickerstaff, who retained final authority for all buy and sell decisions, were responsible for the Concentrated Core strategy. As of January 1, 2005, Mr. Bickerstaff became senior portfolio advisor to the strategy, and the remaining team members assumed full responsibility for managing the portfolios in the composite. As of February 6, 2008 Craig Blum became sole portfolio manager.
- The benchmark changed from the S&P 500 to the Russell® 1000 Growth, effective 3Q 2002, because, based on a statistical assessment of the investment style, the new index better reflects the strategy.
- There currently is no security limitation for portfolios included in the composite. From 1Q 2006 through 3Q 2017 portfolios with a security limitation of 7.5% or less were excluded from the composite. Prior to 1Q 2006, the limitation was 5%.