

Core Stable Value Fixed Income

MARKETING COMMUNICATION

Management Team

Portfolio Manager

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Highlights

- Benchmark aware strategy that is broadly diversified across the US investment grade bond market including US Treasuries, securitized markets and corporate bonds. Allocations of up to 10% in non-investment grade corporate bonds are available upon request.
- Strategy aims to generate a return in excess of the benchmark, generate alpha consistently and produce top of peer group performance outcomes.
- Bottom up and top down investment process focused on core competencies of security selection and active market exposure adjustments through a diversified portfolio. Duration is matched to the benchmark and is not an alpha generation tool.
- The primary drivers of alpha are security selection and sector allocation, or the active management of risk.

Objective

Seeks to outperform the Bloomberg US Aggregate Index while maintaining a benchmark-aware risk return objective

Benchmark

Bloomberg US Aggregate Index

Facts		Portfolio Characteristics [^]		
Strategy inception	3/1/16	Average maturity	Composite 6.72 yrs	Index 8.13 yrs
Composite inception	3/1/16	Average duration	4.97 yrs	5.84 yrs
Strategy assets	\$29,964.6M	Average yield	4.91%	4.73%
Composite assets	\$2,289.5M	Average credit quality	AA3	AA3
		Average number of issues	1,088	-
		Weighted average coupon	4.22%	3.72%
		OAS	54 bps	26 bps

Composite Performance (%) as of June 30, 2026

CUMULATIVE TOTAL RETURN			ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
GROSS	0.85	0.85	4.24	5.23	1.09	2.07	2.34
NET	0.78	0.70	3.94	4.93	0.83	1.82	2.09
BENCHMARK	0.67	0.62	3.79	4.16	0.08	1.54	1.80

Calendar Year Performance (%)

	2025	2024	2023	2022	2021	2020	1/1/2019- 4/30/2019**	8/1/2019- 12/31/2019**	2017	2016
GROSS	7.58	3.16	6.26	-11.17	-0.92	7.85	5.69	0.51	3.88	1.91
NET	7.27	2.86	5.96	-11.34	-1.11	7.65	5.50	0.23	3.60	1.68
BENCHMARK	7.30	1.25	5.53	-13.01	-1.54	7.51	8.72	0.01	3.54	0.54

^{*}Since composite inception 3/1/2016

[^]Performance and risk metrics are calculated on a gross-of-fee basis and do not reflect the deduction of fees and expenses. Please see the Composite trailing returns for standard gross and net performance.

Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted.

Gross returns are net of trading costs. Net returns are gross returns less effective management fees. Returns may increase or decrease as a result of currency fluctuations. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.

****Due to a break in the track record (5/1/2019-7/31/2019), we cannot calculate full 2019 calendar year performance. Trailing returns data shown since 8/1/2019, the date the continuous track record begins.**

Diversification does not ensure a profit or guarantee against a loss.

Duration and Maturity for equity securities are deemed to be zero.



SECTOR DISTRIBUTION (%)		
	Composite	Index
Investment Grade Corporate	42.1	24.1
Securitized Agency	22.6	24.5
US Treasuries	16.7	46.1
Securitized Credit	16.5	1.1
Government Related	0.2	3.3
US Agency	0.1	0.6
Municipals	-	0.4
Cash & Equivalents	1.9	-

CURRENCY DISTRIBUTION (%)		
	Composite	Index
US Dollar	100	100

COUNTRY DISTRIBUTION (%)		
	Composite	Index
United States	89.6	93.4
Canada	2.8	1.1
United Kingdom	2.3	0.9
Japan	1.1	0.5
France	0.9	0.1
Germany	0.7	0.3
Spain	0.5	0.1
Australia	0.5	0.2
Norway	0.3	-
Other	1.5	3.2

CREDIT QUALITY (%)		
	Composite	Index
US Treasuries	16.7	46.1
AAA	16.5	3.4
AA	30.6	29.5
A	18.3	11.4
BAA	16.2	9.6
BA	-	-
B	-	-
CAA & Lower	-	-
Not Rated	-	-
Cash & Equivalents	1.9	-

DURATION DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	8.1	1.4
1 to 3 Yrs.	20.3	26.6
3 to 5 Yrs.	32.4	24.2
5 to 7 Yrs.	10.7	19.5
7 to 10 Yrs.	17.1	11.7
10 Yrs. or more	9.5	16.5
Cash & Equivalents	1.9	-

MATURITY DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	6.8	1.1
1 to 3 Yrs.	17.5	22.9
3 to 5 Yrs.	31.2	19.4
5 to 7 Yrs.	7.2	15.0
7 to 10 Yrs.	24.3	23.5
10 Yrs. or more	10.9	18.1
Cash & Equivalents	1.9	-

KEY RISKS

Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal.

*Due to rounding, **Currency**, **Sector**, **Credit Quality**, **Duration** and **Maturity** distribution totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Credit Quality** ratings on underlying securities of the holdings within the Composite are received from S&P, Moody's and Fitch and converted to the equivalent Moody's major rating category. This breakdown is provided by Loomis Sayles and takes the highest rating of the three agencies with separate categories for Cash & Equivalents and US Treasuries. In absence of a rating from S&P, Moody's or Fitch, a rating determined by the Loomis Sayles Research Department will be used. Below investment grade is represented by a rating below Baa3. Not Rated securities do not necessarily indicate low quality. Ratings and portfolio credit quality may change over time. **Cash & Equivalents** may include unsettled trades, fees and/or derivatives.*

The Composite includes all discretionary accounts with market values greater than \$20 million managed by Loomis Sayles with stable value investment guidelines prescribing investment in U.S. dollar denominated bonds that do not allow high yield and with the following characteristics. The portfolio has a total rate of return objective with an annualized tracking error target of 75 to 125 basis points over a full market cycle. Proprietary quantitative models are employed in portfolio construction and risk assessment. Loomis Sayles's security level research and tactical sector allocation are primary alpha sources for this product. Yield curve and duration management are additional tools utilized by the portfolio management team. The Composite inception date is March 1, 2016. The Composite was created in October 2022. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomissayles.com.

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