Small/Mid Cap with Managed Accounts

Management Team

Joseph R. Gatz, CFA
Jeffrey Schwartz, CFA

Objective

Seeks to generate consistent, long-term investment performance in excess to the Russell 2500™ Index

Highlights

- The investment universe includes all stocks generally within the market cap range of the benchmark at initial purchase
- We believe that known and recurring inefficiencies are available in the small cap market causing stock prices to deviate from their intrinsic value
- These inefficiencies can be categorized into three areas: misunderstood franchises, underfollowed and special situations
- A repeatable investment process can uncover higher quality businesses that are trading at a discount to intrinsic value utilizing rigorous fundamental research
- Disciplined bottom-up portfolio construction within a risk aware framework
- Sector guidelines: typical range is +/- 50% for benchmark sectors over 10%
- Individual security exposure: typical position range is 0.5% to 2.5% with a maximum weight of 3%
- 65 to 90 stocks typically; turnover: 20% to 40% annually

Facts

Strategy inception	4/1/98
Composite inception	4/1/98
Strategy assets	$1,715.0M
Composite assets	$786.3M

Benchmark

Russell 2500™ Index

Small/Mid Cap with Managed Accounts Performance (%)

	CUMULATIVE TOTAL RETURN		ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
PURE GROSS	15.67	16.40	28.27	18.51	10.59	13.05	11.18
NET WRAP FEE	14.86	14.73	24.60	15.09	7.39	9.78	7.96
NET MGMT FEE	15.43	15.90	27.15	17.46	9.65	12.11	10.43
BENCHMARK	20.26	22.71	36.72	18.40	8.30	12.25	9.35

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

The Small/Mid Cap Managed Account Composite's returns are calculated on a total return basis, and assume the reinvestment of dividends, capital gains and other earnings. Returns for one and multi-year periods are annualized. Pure Gross of fee account returns are time-weighted rates of return that do not reflect the deduction of any trading costs, fees, commissions or expenses. Net of total wrap fee results reflect the deduction of an annual fee of 3.00%, the highest applicable fee for a managed account. Net of fee account returns are the gross returns less the effective management fee for the measurement period and is shown as supplemental information. This managed account fee includes all charges for trading costs, portfolio management, custody and other administrative fees. For periods since November 1, 2020, 100% of the accounts are Managed/Bundled fee accounts. Prior to November 1, 2020, 0.00% of the accounts are Managed/Bundled fee accounts. 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 objectives will be realized or that the strategy will generate positive excess returns.

Past performance is no guarantee of future results.

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PORTFOLIO CHARACTERISTICS

	Rep Account	Index
Price/earnings (trailing 12 mths)*	17.24x	17.62x
Est. P/E (forward 12 mths)	15.63x	16.68x
5 Year Historical EPS Growth	11.86%	9.81%
3-5 yr EPS growth	19.46%	14.67%
ROE (1-yr equal wtd)	14.93%	14.67%
Free Cash Flow Yield	5.29%	3.27%
Wtd avg market cap	$13.47B	$9.25B
Median market cap	$10.80B	$1.84B
Median active share (since inception)	87.75%	-

MARKET CAPITALIZATION (%)

	Rep Account	Index
> $10 Billion	55.8	39.9
$5 to $10 Billion	22.8	29.2
$3 to $5 Billion	10.5	14.3
< $3 Billion	7.8	16.6
Cash	3.0	-

TOP 10 HOLDINGS (%)

	Rep Account
Qnity Electronics, Inc.	2.9
MOOG Inc.	2.8
TD SYNNEX Corporation	2.6
ITT Inc.	2.4
TechnipFMC plc	2.0
Ralliant Corporation	2.0
Crane NXT, Co.	2.0
Charles River Laboratories International, Inc.	1.8
APi Group Corporation	1.7
PDF Solutions, Inc.	1.7
Total	21.9

SECTOR DISTRIBUTION (%)

	Rep Account	Index
Industrials	25.5	20.1
Financials	16.7	16.1
Information Technology	16.4	14.7
Consumer Discretionary	9.5	10.2
Health Care	8.9	14.3
Materials	6.0	5.1
Energy	4.8	4.0
Communication Services	2.5	2.6
Utilities	2.3	2.8
Consumer Staples	2.3	3.2
Real Estate	2.1	6.8
Cash	3.0	-

Source: FactSet.

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Key Risks: Equity Risk, Market Risk, Non-US Securities Risk, Liquidity Risk. Investing involves risk including possible loss of principal.

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

Characteristics are shown for a representative account. Due to systems limitations, it is difficult to analyze characteristics on a composite basis. The representative account was selected because it closely reflects the Loomis Sayles Small/Mid Cap with Managed Accounts investment strategy. Due to guideline restrictions and other factors, there is some dispersion between the returns of this account and other accounts in the Loomis Sayles Small/Mid Cap Managed Account Composite.

**The characteristics shown above are provided by our third party vendor Factset and exclude negative values in the calculation (i.e. companies with negative trailing 12 month earnings are not included in the P/E statistic). This methodology can distort the relative comparison for each characteristic as the index has historically contained a higher percentage of nonearning companies versus the strategy.*

*Due to rounding, **Market Capitalization** and **Sector Distribution** totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Top 10 Holdings** may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest. Holdings are based on total gross assets before any fees are paid; any cash held is included. Reference to specific securities or holdings should not be considered recommendations for action by investors. There is no guarantee the account continues to invest in the securities referenced. **Cash** may include unsettled trades, fees and/or derivatives. **Median Active Share (since inception)** indicates the proportion of the portfolio's holdings (by market value) that is different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.*

The Small/Mid Cap with Managed Accounts Composite includes all discretionary separate, commingled, and managed accounts with market values greater than $100,000 managed by Loomis Sayles that seek to identify attractively-valued, small and mid-sized companies with the potential for above average capital appreciation. The strategy objective is to generate consistent, long-term investment performance over a full market cycle superior to the Russell 2500 Index, and generally within the market capitalization range of the Index. As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. The Composite inception date is April 1, 1998. The Composite was created in July 2024. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomissayles.com.