

Investment Grade Corporate/Credit Bond

Management Team

Richard G. Raczkowski
Devon M. McKenna, CFA

Objective

Seeks total investment return through a combination of current income and capital appreciation within benchmark-aware risk and return objectives

Highlights

- Benchmark aware strategy that is broadly diversified across issuers and industries of the US corporate/credit bond market
- Tactical allocation through beta adjustment and bottom-up security selection help drive portfolio construction
- Duration and yield curve typically managed in line with the benchmark
- Primarily invested in USD-denominated corporate bonds. Allows up to 20% in non-investment grade issues
- The primary drivers of alpha are security selection and sector allocation

Benchmark

Benchmark 1: Bloomberg US Credit Bond Index

Benchmark 2: Bloomberg US Corporate Investment Grade Index

Facts		Portfolio characteristics [^]		
		Composite	Index ¹	Index ²
Strategy inception	10/1/03			
Composite inception	10/1/03			
Strategy assets [†]	\$33,124.8M			
Composite assets	\$1,042.1M			
Average maturity		9.96 yrs	9.96 yrs	10.22 yrs
Average duration		6.72 yrs	6.54 yrs	6.70 yrs
Average yield		5.30%	5.06%	5.13%
Average credit quality		A3	A3	A3
Average number of issues		540	-	-
Weighted average coupon		4.52%	4.45%	4.50%
OAS		106 bps	83 bps	89 bps

Composite Performance (%)

	CUMULATIVE TOTAL RETURN		AVERAGE TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
GROSS	-0.50	-0.50	4.91	5.07	1.09	3.48	4.72
NET	-0.57	-0.57	4.59	4.76	0.80	3.21	4.47
BENCHMARK1	-0.48	-0.48	4.84	4.62	0.77	2.70	4.01
BENCHMARK2	-0.54	-0.54	4.78	4.70	0.76	2.81	3.45

Composite Period Performance (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
GROSS	7.95	2.72	9.15	-16.00	-0.37	11.68	15.77	-2.27	7.23	7.44
NET	7.63	2.41	8.82	-16.21	-0.61	11.42	15.50	-2.50	6.98	7.18
BENCHMARK1	7.83	2.03	8.18	-15.26	-1.08	9.35	13.80	-2.11	6.18	5.63
BENCHMARK2	7.77	2.13	8.52	-15.76	-1.04	9.89	14.54	-2.51	6.42	6.11

**Strategy assets are comprised of all accounts managed in the Investment Grade Corporate/Credit Bond, Investment Grade Corporate Bond or Investment Grade Intermediate Corporate Bond investment style*

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

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[^]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.



SECTOR DISTRIBUTION (%)

	Composite	Index ¹	Index ²
Investment Grade Corporate	80.6	86.3	99.8
US Treasuries	7.4	-	-
Securitized Credit	6.8	-	-
High Yield Corporate	2.5	0.1	0.2
Government Related	1.8	12.0	-
Municipals	-	1.6	-
Cash & Equivalents	0.9	-	-

CURRENCY DISTRIBUTION (%)

	Composite	Index ¹	Index ²
US Dollar	100	100	100

COUNTRY DISTRIBUTION (%)

	Composite	Index ¹	Index ²
United States	82.0	76.4	86.5
United Kingdom	3.7	3.2	3.8
Germany	2.1	1.2	0.4
Japan	2.0	1.9	1.9
Canada	1.6	3.9	3.0
Spain	1.0	0.5	0.6
Mexico	0.9	1.3	0.2
Cayman Islands	0.9	-	-
Australia	0.8	0.8	0.9
Other	5.0	10.7	2.7

CREDIT QUALITY (%)

	Composite	Index ¹	Index ²
US Treasuries	7.4	-	-
AAA	4.6	7.5	1.7
AA	11.7	16.8	15.8
A	38.4	40.5	45.1
BAA	34.7	35.2	37.4
BA	1.8	-	-
B	-	-	-
CAA & Lower	-	-	-
Not Rated	0.5	-	-
Cash & Equivalents	0.9	-	-

DURATION DISTRIBUTION (%)

	Composite	Index ¹	Index ²
Less than 1 Yr.	1.6	2.3	2.4
1 to 3 Yrs.	21.2	22.7	21.7
3 to 5 Yrs.	24.5	20.6	19.8
5 to 7 Yrs.	14.1	18.5	19.0
7 to 10 Yrs.	11.7	10.9	10.7
10 Yrs. or more	26.1	24.9	26.4
Cash & Equivalents	0.9	-	-

MATURITY DISTRIBUTION (%)

	Composite	Index ¹	Index ²
Less than 1 Yr.	3.6	1.8	1.7
1 to 3 Yrs.	18.6	21.0	20.0
3 to 5 Yrs.	20.5	19.9	19.1
5 to 7 Yrs.	13.5	11.3	11.8
7 to 10 Yrs.	17.8	16.2	16.2
10 Yrs. or more	25.1	29.8	31.1
Cash & Equivalents	0.9	-	-

¹ Bloomberg US Credit Bond Index² Bloomberg US Corporate Investment Grade Bond Index

Key Risks

Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Non-US Securities Risk, Currency Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal

Due to rounding, Sector, Currency, Country, 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.

Effective March 31, 2020, the Investment Grade Corporate Bond Composite changed its name to the Investment Grade Corporate/Credit Bond Composite. The Composite includes all discretionary separate accounts with market values greater than \$20 million managed by Loomis Sayles and invests primarily in investment grade US domestic credit securities with a maximum allocation of up to 20% in high yield securities. As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. Prior to June 1, 2015 the Composite minimum account size requirement was \$5 million. The Composite inception date is October 1, 2003. The Composite was created in August 2004. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomisayles.com.