



# Investment Grade Bond Managed Account

## Marketing Communication

### Management Team

#### Portfolio Manager

Matthew J. Eagan, CFA  
Brian P. Kennedy

#### Associate Portfolio Manager\*

Bryan Hazelton, CFA

### Highlights

- High conviction, active credit manager
- Core plus strategy seeking to exploit opportunities across credit qualities and sectors
- Repeatable, deep value equity-like approach to fundamental research and issue selection
- Risk awareness tools overlay fundamental investment process
- May invest up to 40% in certain commingled funds for diversification purposes

### Objective

Seeks high total investment return through a combination of current income and capital appreciation

### Benchmark

Bloomberg US Aggregate Index

#### Facts

|                     |             |
|---------------------|-------------|
| Strategy inception  | 1/1/89      |
| Composite inception | 8/1/24      |
| Strategy assets     | \$42,345.5M |
| Composite assets    | \$870.4M    |

#### Portfolio Characteristics<sup>^</sup>

|                            | Composite | Benchmark |
|----------------------------|-----------|-----------|
| Average maturity           | 6.29 yrs  | 8.17 yrs  |
| Average effective duration | 5.09 yrs  | 6.00 yrs  |
| Average yield to worst     | 4.91%     | 4.37      |
| Average credit quality     | A3        | AA3       |
| Number of issues           | 1,160     | 13,855    |
| Weighted average coupon    | 3.08%     | 3.60%     |

### Composite Performance (%) as of September 30, 2025

|                             | CUMULATIVE TOTAL RETURN |      | ANNUALIZED TOTAL RETURN |        |        |         |                 |
|-----------------------------|-------------------------|------|-------------------------|--------|--------|---------|-----------------|
|                             | 3 MO                    | YTD  | 1 YEAR                  | 3 YEAR | 5 YEAR | 10 YEAR | SINCE INCEPTION |
| <b>GROSS</b>                | 2.37                    | 7.14 | 4.72                    | -      | -      | -       | 6.84            |
| <b>NET TOTAL WRAP FEE</b>   | 1.99                    | 5.96 | 3.18                    | -      | -      | -       | 5.27            |
| <b>NET MGMT FEE - INSTL</b> | 2.27                    | 6.82 | 4.31                    | -      | -      | -       | 6.42            |
| <b>BENCHMARK</b>            | 2.03                    | 6.13 | 2.88                    | -      | -      | -       | 4.92            |

*\*Associate Portfolio Managers do not have discretion over the strategy.*

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

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

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<sup>^</sup>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 of total wrap fee returns reflect the deduction of an annual fee of 1.50%, the highest fee a managed account sponsor would have charged. Net of management fee (institutional) returns are gross returns less effective management fees and are only applicable to institutional portfolios. Additional information about fees can be found in Loomis Sayles Form ADV, which is available upon request. 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 Benchmark |      |
|-------------------------|---------------------|------|
| Investment Grade Credit | 54.0                | 25.9 |
| Securitized             | 24.8                | 26.3 |
| High Yield Credit       | 6.8                 | -    |
| US Treasury             | 5.9                 | 45.4 |
| Emerging Market Credit  | 1.3                 | 1.3  |
| Bank Loans              | 0.6                 | -    |
| Equity                  | 0.4                 | -    |
| Convertibles            | 0.1                 | -    |
| Municipals              | -                   | 0.5  |
| Other                   | -                   | 0.6  |
| Cash & Equivalents      | 6.0                 | -    |

## CURRENCY DISTRIBUTION (%)

|           | Composite Benchmark |     |
|-----------|---------------------|-----|
| US Dollar | 100                 | 100 |

## COUNTRY DISTRIBUTION (%)

|                | Composite Benchmark |      |
|----------------|---------------------|------|
| United States  | 96.7                | 93.4 |
| Israel         | 1.2                 | 0.1  |
| Cayman Islands | 1.0                 | -    |
| Canada         | 0.3                 | 1.1  |
| United Kingdom | 0.3                 | 0.9  |
| Australia      | 0.1                 | 0.2  |
| Germany        | 0.1                 | 0.3  |
| France         | 0.1                 | 0.1  |
| Ireland        | 0.1                 | 0.1  |
| Other          | 0.2                 | 3.8  |

## CREDIT QUALITY (%)

|                    | Composite Benchmark |      |
|--------------------|---------------------|------|
| US Treasuries      | 5.9                 | 45.4 |
| AAA                | 5.6                 | 3.6  |
| AA                 | 18.4                | 29.9 |
| A                  | 10.3                | 11.3 |
| BAA                | 43.5                | 9.8  |
| BA                 | 5.6                 | -    |
| B                  | 2.2                 | -    |
| CAA & Lower        | 0.8                 | -    |
| Not Rated          | 1.6                 | -    |
| Cash & Equivalents | 6.0                 | -    |

## KEY RATE DURATION (%)

|          | Composite Benchmark |     |
|----------|---------------------|-----|
| 6 months | 0.1                 | 0.1 |
| 2 years  | 0.4                 | 0.6 |
| 5 years  | 1.9                 | 1.3 |
| 10 years | 1.9                 | 1.3 |
| 20 years | 0.7                 | 1.7 |
| 30 years | 0.2                 | 1.0 |

## MATURITY DISTRIBUTION (%)

|                    | Composite Benchmark |      |
|--------------------|---------------------|------|
| Less than 1 Yr.    | 3.6                 | 1.1  |
| 1 to 3 Yrs.        | 14.5                | 23.2 |
| 3 to 5 Yrs.        | 13.8                | 20.1 |
| 5 to 7 Yrs.        | 20.2                | 13.3 |
| 7 to 10 Yrs.       | 31.7                | 24.1 |
| 10 Yrs. or more    | 10.2                | 18.2 |
| Cash & Equivalents | 6.0                 | -    |

The Bloomberg US Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage passthrough securities, and assetbacked securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

## IMPORTANT INFORMATION ON RISK:

*Investing involves risk, including possible loss of principal. Fixed-income securities may be susceptible to general movements in the bond market and are subject to credit and interest rate risks. Credit risk arises from an issuer's ability to make interest and principal payments when due, as well as the prices of bonds declining when an issuer's credit quality is expected to deteriorate. Interest rate risk occurs when interest rates rise causing bond prices to fall. The issuer of a debt security may be able to repay principal prior to the security's maturity, known as **prepayment (call) risk**, because of an improvement in its credit quality or falling interest rates. In this event, this principal may have to be reinvested in securities with lower interest rates than the original securities, reducing the potential for income.*

## DEFINITIONS:

***Average Maturity** is the individual maturity date of each bond weighted relative to the total market value to arrive at the average number of years until the bonds reach maturity. **Average Effective Duration** is the interest rate sensitivity, or the rate of change in the price relative to the change in interest rates subject to certain embedded options that can change the maturity such as call options or put options. **Average Yield to Worst (YTW)** is the lowest potential yield that can be received on a bond without the issuer actually defaulting. The YTW is calculated by making worst-case scenario assumptions on the issue by calculating the return that would be received if the issuer uses provisions, including prepayments, calls, or sinking funds. This metric is used to evaluate the worst-case scenario for yield to help investors manage risks and ensure that specific income requirements will still be met even in the worst scenarios. **Average Credit Quality** of an investment portfolio is a weighted average of the credit ratings of all the debt securities it holds, providing a snapshot of the overall creditworthiness and risk. Please see our Credit Quality Methodology in the Important Disclosure section. **Number of Issues** is the quantity of individual bonds held in the portfolio. **Weighted Average Coupon** is the yield paid by a fixed-income security; a fixed-income security's coupon rate is simply the annual coupon payments paid by the issuer relative to the bond's face or par value. The coupon rate is the yield the bond paid on its issue date. **Key Rate Duration** is a measure of bond price sensitivity to changes at different points along the yield curve.*

**IMPORTANT DISCLOSURE**

*Due to rounding, Sector, Currency, Country, Credit Quality, 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. **Sector Distribution**, "Other" generally includes sectors that are not included in the above stated sectors, by market weight. In some instances the sectors will vary and, due to rounding, totals may not equal 100%. **Emerging Market Credit** is defined as US dollar denominated, non-investment grade bonds, which are from countries with middle or low income economies, as designated by the World Bank, also taking into consideration capital market liquidity and accessibility. **Cash & Equivalents** may include unsettled trades, fees and/or derivatives. **Country Distribution**, "Other" generally includes cash and countries that are not included in the above stated countries, by market weight. In some instances the countries will vary and, due to rounding, totals may not equal 100%.*

*The Composite includes all discretionary managed accounts with market values at least \$100,000 managed by Loomis Sayles with investment guidelines prescribing investment in liquid bonds. The outright purchase of non-US dollar denominated, equity, convertible, bank loan and derivative securities is not permitted. However, these may be accessed indirectly through the Composite's ability to invest up to 40% total in the Loomis Sayles Securitized Asset Fund, Loomis Sayles High Income Opportunities Fund or other funds permissible by investment guidelines. Security selection is the primary alpha source for this product. Yield curve and duration management are additional tools utilized by the portfolio management team. Proprietary quantitative models are employed in portfolio construction and risk assessment. The Composite inception date is August 1, 2024. The Composite was created in October 2024.*

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