Core Fixed Income

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

HIGHLIGHTS
- Individual investment ideas are evaluated on the basis of their investment return potential and contribution to portfolio risk
- Top-down macroeconomic analysis combined with bottom-up security selection drives portfolio construction
- Create portfolios diversified by sector, industry and issuer
- Investment flexibility is constrained to the investment grade portion of the US fixed income markets
- Duration bands: +/- 1 year (typically within +/- 0.25 year) relative to the index
- Typical portfolio: approximately 150 to 200 issuers, 250 to 350 issues
- All investments must be US dollar denominated
- Issuer maximum of 3% or the benchmark weight plus 2% (whichever is greater at the time of purchase), Treasurys and GSEs excluded
- Industry maximum of 25% or the benchmark weight plus 10%, (whichever is greater at the time of purchase)
- Investment universe typically includes US Treasurys, agencies, asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), investment grade corporate bonds, mortgage-backed securities (MBS), and Yankee bonds

BENCHMARK
Bloomberg Barclays US Aggregate Index

FACTS
Strategy inception 1/1/84
Composite Inception 1/1/89
Strategy assets $12,147.0M
Composite assets $5,769.9M

PORTFOLIO CHARACTERISTICS
<table>
<thead>
<tr>
<th></th>
<th>Composite</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average maturity</td>
<td>7.60 yrs</td>
<td>7.74 yrs</td>
</tr>
<tr>
<td>Average duration</td>
<td>5.69 yrs</td>
<td>5.65 yrs</td>
</tr>
<tr>
<td>Average yield</td>
<td>2.72%</td>
<td>2.50%</td>
</tr>
<tr>
<td>Average credit quality</td>
<td>AA3</td>
<td>AA2</td>
</tr>
<tr>
<td>Average number of issues</td>
<td>336</td>
<td>-</td>
</tr>
<tr>
<td>Weighted average coupon</td>
<td>2.96%</td>
<td>3.23%</td>
</tr>
<tr>
<td>OAS</td>
<td>78 bps</td>
<td>47 bps</td>
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</tbody>
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COMPOSITE PERFORMANCE (%)

CUMULATIVE RETURN

GROSS
3 MO 7.42
YTD 7.19

NET
3.37 7.08

BENCHMARK
3.08 6.11

BENCHMARK
3.08 6.11

AVERAGE ANNUALIZED RETURN

1 YEAR 3.88
3 YEAR 3.67
5 YEAR 5.46
10 YEAR 6.54
SINCE INCEPTION 6.83

COMPOSITE PERIOD PERFORMANCE (%)

GROSS 0.24 4.53 4.14 1.05 7.22 -1.04 7.62 7.85 9.84 15.86
NET 0.04 4.32 3.93 0.85 7.03 -1.22 7.36 7.59 9.57 15.56
BENCHMARK 0.01 3.54 2.65 0.55 5.97 -2.02 4.21 7.84 6.54 5.93

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Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted. Returns are shown in US dollars and are annualized for one and multi-year periods. Gross returns are net of trading costs. Net returns are gross returns less effective management fees.

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return. Average Yield is Yield to Effective Maturity. Duration and Maturity for equity securities are deemed to be zero.

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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 reflects the highest credit rating assigned to individual holdings of the composite among Moody’s, S&P or Fitch; ratings are subject to change. Cash & Equivalents may include unsettled trades, fees and/or derivatives. ABS/RMBS: Asset-Backed Securities/Residential Mortgage-Backed Securities. Agency MBS: Agency Mortgage-Backed Securities. CMBS: Commercial Mortgage-Backed Securities. Emerging Markets Debt in the sector distribution is defined as US dollar denominated, non-investment grade bonds, which are from a country on the firm approved Emerging Markets list based on Bloomberg Barclays Emerging Markets Ex-Aggregate Index.

The Core Fixed Income Composite includes all discretionary separate and commingled accounts with market values greater than $20 million managed by Loomis Sayles with 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. Prior to June 1, 2015 the Composite minimum account size requirement was $5 million. Beginning October 1, 2014 the Composite was redefined to include commingled accounts, previously only separate accounts were included. The Composite was created in 1993. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomissayles.com.