Core Plus Fixed Income

MANAGEMENT TEAM
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HIGHLIGHTS
- Portfolio guidelines are broad, offering considerable investment flexibility
- 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
- Duration is managed in a narrow range to the benchmark
- May invest up to 20% of the portfolio in high yield securities at the time of purchase
- May invest up to 10% in non-US dollar denominated securities
- Allocations to emerging markets debt securities are allowed
- Typical portfolio: approximately 175 to 225 issuers, 300 to 400 issues
- Issuer maximum of 5% 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, mortgage-backed securities (MBS), asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), investment grade corporate bonds, Yankee bonds, high yield corporate bonds, emerging markets debt and non-US dollar bonds

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

BENCHMARK
Bloomberg Barclays US Aggregate Index

FACTS
- Strategy inception: 1/1/86
- Composite inception: 1/1/89
- Strategy assets: $27,860.6M
- Composite assets: $6,530.6M

PORTFOLIO CHARACTERISTICS
- Average maturity: 9.56 yrs
- Average duration: 6.78 yrs
- Average yield: 2.28%
- Average credit quality: A1
- Average number of issues: 384
- Weighted average coupon: 3.21%
- OAS: 143 bps

COMPOSITE PERFORMANCE (%)
- CUMULATIVE RETURN
<table>
<thead>
<tr>
<th>3 MO</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>GROSS</td>
<td>5.60</td>
</tr>
<tr>
<td>NET</td>
<td>5.53</td>
</tr>
<tr>
<td>BENCHMARK</td>
<td>2.90</td>
</tr>
</tbody>
</table>
- AVERAGE ANNUALIZED RETURN
<table>
<thead>
<tr>
<th>1 YEAR</th>
<th>3 YEAR</th>
<th>5 YEAR</th>
<th>10 YEAR</th>
<th>SINCE INCEPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>GROSS</td>
<td>9.93</td>
<td>6.19</td>
<td>5.23</td>
<td>5.70</td>
</tr>
<tr>
<td>NET</td>
<td>9.63</td>
<td>5.90</td>
<td>4.94</td>
<td>5.43</td>
</tr>
<tr>
<td>BENCHMARK</td>
<td>8.74</td>
<td>5.32</td>
<td>4.30</td>
<td>3.82</td>
</tr>
</tbody>
</table>

COMPOSITE PERIOD PERFORMANCE (%)
  | GROSS | 9.66 | -0.25 | 5.62 | 7.29 | -2.82 | 6.91 | -0.18 | 11.58 | 8.18 | 11.05 |
  | NET  | 9.36 | -0.52 | 5.33 | 6.99 | -3.08 | 6.66 | -0.39 | 11.34 | 7.94 | 10.81 |
  | BENCHMARK | 8.72 | 0.01 | 3.54 | 2.65 | 0.55 | 5.97 | -2.02 | 4.21 | 7.84 | 6.54 |

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

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 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.

The Core Plus Fixed Income Composite includes all discretionary separate accounts with market values greater than $20 million managed by Loomis Sayles with investment guidelines which seek a maximum total return and allow a limited, yet discretionary, use of non-investment grade issues (greater than 10% up to a maximum of 25%). Investment in other non-benchmark sectors are also utilized, including non-USD denominated securities (typically ranging between 5% and 20%). Prior to June 1, 2015 the Composite minimum account size requirement was $5 million. 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.