High Yield Securitized Credit

MANAGEMENT TEAM
Stephen L’Heureux, CFA
Alessandro Pagani, CFA

OBJECTIVE
Pursues high current income and total potential returns through a diversified credit exposure to securitized assets including asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), and non-agency residential mortgage-backed securities (RMBS).

HIGHLIGHTS
- Credit focused strategy that seeks to outperform through both security selection and sector allocation within the non-agency securitized asset classes
- Seeks to maintain a high yield risk profile but can hold securities rated above investment grade
- Ability to invest in distressed securities and residual/equity classes of securitizations
- Strategy has no restrictions based on credit ratings
- Securitized credit generally results in a portfolio with shorter duration than the overall fixed income market

BENCHMARK
ICE BofA Merrill Lynch US ABS & CMBS Index

FACTS
Strategy inception 12/15/11
Composite inception 2/1/12
Strategy assets $227.9M
Composite assets $227.9M

PORTFOLIO CHARACTERISTICS
Composite Index
Average maturity 4.30 yrs 4.02 yrs
Average duration 2.80 yrs 3.39 yrs
Average yield 7.57% 2.36%
Average credit quality BA1 AA2
Average number of issues 160 -
Weighted average coupon 4.53% 3.03%
OAS 719 bps 188 bps

COMPOSITE PERFORMANCE (%)

<table>
<thead>
<tr>
<th>CUMULATIVE RETURN</th>
<th>AVERAGE ANNUALIZED RETURN</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 YEAR</td>
</tr>
<tr>
<td>GROSS</td>
<td></td>
</tr>
<tr>
<td>-4.15</td>
<td>2.50</td>
</tr>
<tr>
<td>NET</td>
<td>-4.63</td>
</tr>
<tr>
<td>BENCHMARK</td>
<td>3.80</td>
</tr>
</tbody>
</table>

COMPOSITE PERIOD PERFORMANCE (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GROSS</td>
<td>6.11</td>
<td>4.81</td>
<td>8.92</td>
<td>6.08</td>
<td>3.79</td>
<td>6.75</td>
<td>6.70</td>
<td>21.71</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>NET</td>
<td>5.58</td>
<td>4.29</td>
<td>8.38</td>
<td>5.55</td>
<td>3.27</td>
<td>6.22</td>
<td>6.17</td>
<td>21.16</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>BENCHMARK</td>
<td>5.89</td>
<td>1.74</td>
<td>2.84</td>
<td>2.71</td>
<td>0.81</td>
<td>3.09</td>
<td>0.62</td>
<td>5.05</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

2012: since composite inception of 2/1/12

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.
### Key Risks


Due to rounding, **Currency, Sector, Credit Quality, Country, 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. Negative Cash & Equivalents reflect the market value of future trade commitments. Cash exposure for the Index represents accrued income provided by Bloomberg Barclays. **ABS**. Asset-Backed Securities. **Agency CMBS**. Agency Commercial Mortgage-Backed Securities. **Agency CMO**. Agency Collateralized Mortgage Obligations. **CMBS**. Commercial Mortgage-Backed Securities. **RMBS**. Residential Mortgage-Backed Securities.

Effective 6/30/2020 the Composite formerly known as High Yield Securitized changed its name. The Composite includes all discretionary accounts with market values greater than $25 million managed by Loomis Sayles with guidelines that allow for unrestricted allocation to Non-agency MBS, which are typically rated below investment grade, and benchmarked against broad securitized market indices. The Composite was created in 2012. For additional information on this and other Loomis Sayles Strategies, please visit our website at www.loomissayles.com.