

Core Municipal Bond

Management Team

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Objective

Seeks to provide a high level of tax-free income, after-tax return, and a lower level of price volatility than long-term bonds

Highlights

- The Municipal Bond team follows a disciplined, research-driven, risk-managed process to seek attractive relative value within the investment grade municipal universe
- Portfolio managers and credit research analysts select securities based on a rigorous internal quantitative and qualitative review. Security selection seeks to exploit sector, state and individual security relative value opportunities
- Interest rate risk is managed by targeting duration exposure within close proximity to the benchmark
- The maturity structure is actively adjusted relative to the benchmark to take advantage of current and anticipated changes to the shape of the yield curve
- Tax implications, including tax loss harvesting, can play an integral role in the relative value analysis conducted to evaluate investment alternatives
- Typical Portfolio Construction
 - Typical range of maturities: 1 – 17 Years
 - Typical average duration: 5.5 – 6.5 Years
 - Credit Quality: Investment Grade, Average AA
 - Sectors: Core Municipal

Benchmark

Bloomberg Managed Money
Intermediate Bond Index

Facts

Strategy inception	9/1/91
Composite inception	4/1/95
Strategy assets	\$3,930.5M
Composite assets	\$469.2M

Portfolio Characteristics[^]

	Composite	Benchmark
Average maturity	6.16 yrs	6.49 yrs
Average duration	6.17 yrs	5.99 yrs
Average acquisition yield	3.51%	-
Average yield	3.13%	2.88%
Average credit quality	AA2	AA2

Composite Performance (%) as of December 31, 2025

CUMULATIVE TOTAL RETURN			ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
GROSS	1.91	4.51	4.51	3.44	0.68	2.21	4.46
NET	1.83	4.18	4.18	3.11	0.35	1.89	4.07
BENCHMARK	1.66	5.16	5.16	3.47	0.63	2.24	4.57

Calendar Year Performance (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
GROSS	4.51	0.56	5.30	-7.40	0.92	5.11	7.61	1.14	5.00	0.18
NET	4.18	0.24	4.97	-7.70	0.60	4.78	7.27	0.82	4.67	-0.14
BENCHMARK	5.16	-0.32	5.69	-7.22	0.38	5.70	7.10	1.22	5.65	-0.12

As of 10/1/2017 the benchmark is the Bloomberg Managed Money Intermediate Bond Index. Prior to 10/1/2017 the benchmark is the Bloomberg 10 Year Municipal Bond Index.

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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. Returns for multi-year periods are annualized. 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.

Average Yield is Yield to Worst. Duration and Maturity for equity securities are deemed to be zero.



ASSET ALLOCATION (%)			SECTOR DISTRIBUTION (%)			TOP 10 STATE POSITIONS (%)			TOP 10 ISSUERS OWNED (%)	
	Composite	Benchmark		Composite	Benchmark		Composite	Benchmark		Composite
Revenue bonds	60.3	43.5	Local GO	26.2	22.9	California	16.8	17.6	New Jersey Transportation Trust	
General obligation bonds	28.0	42.1	Hospital	9.9	-	Texas	11.1	13.0	Fund Authority Transportation Program Bonds	1.5
Other	10.7	14.4	Leasing	10.2	8.1	New York	8.3	18.5	California	1.4
Cash & Equivalents	1.1	-	Transportation	9.4	8.2	Florida	8.2	2.7	Triborough Bridge & Tunnel Authority Payroll Mobility Tax Bonds	1.2
			Education	9.7	10.3	Illinois	5.6	1.5	New York State Personal Income Tax Revenue Bonds	1.0
			Special Tax	8.9	13.7	New Jersey	4.9	0.7	Los Angeles Department of Water & Power - Power System	1.0
			Electric	8.6	5.5	Colorado	4.0	1.7	Connecticut Special Transportation Fund: Debt Service	0.9
			Water & Sewer	9.0	11.2	Washington	3.1	4.9	New York City Transitional Finance Authority Future Tax Secured Revenue Bonds	0.8
			State GO	4.9	19.2	Arizona	2.9	1.3	University of California	0.8
			IDR / PCR	1.0	0.2	Michigan	2.8	1.0	Iowa Finance Authority: State Revolving Fund	0.8
			Other	1.3	0.7				Illinois	0.8

CREDIT QUALITY (%)			MATURITY DISTRIBUTION (%)			DURATION DISTRIBUTION (%)		
	Composite	Benchmark		Composite	Benchmark		Composite	Benchmark
US Treasurys	-	-	0 to 2 Yrs.	5.0	6.2	0 to 2 Yrs.	10.3	7.4
AAA	18.5	38.1	2 to 4 Yrs.	7.8	12.7	2 to 4 Yrs.	14.0	14.6
AA	67.6	61.9	4 to 6 Yrs.	8.7	13.7	4 to 6 Yrs.	10.4	23.4
A	12.2	-	6 to 8 Yrs.	7.9	14.8	6 to 8 Yrs.	24.0	32.6
BAA	0.6	-	8 to 10 Yrs.	8.0	14.0	8 to 10 Yrs.	34.9	20.0
BA	-	-	10 to 12 Yrs.	8.9	12.1	10 Yrs. or more	6.4	2.0
B	-	-	12 to 15 Yrs.	30.5	16.5			
CAA & Lower	-	-	15 Yrs. or more	23.2	10.2			
Not Rated	-	-						
Cash & Equivalents	1.2	-						

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, **Asset Allocation**, **Sector**, **Credit Quality**, **Duration** and **Maturity** distribution totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Top 10 State Positions** and **Top 10 Issuers Owned** may combine more than one security from the same issuer. There is no guarantee the portfolio continues to invest as indicated. **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 Treasurys. 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. Within **Asset Allocation**, **"Other"** includes sector not represented by General Obligation bonds, Revenue bonds, or Cash & equivalents. Within **Sector Distribution**, **"Other"** generally includes cash and sectors that are not included in the top 10 sectors by market weight. **Municipal markets** may be volatile and can be significantly affected by adverse tax, legislative or political changes and the financial condition of the issuers of municipal securities. **Fixed income securities** may carry one or more of the following risks: credit, interest rate (as interest rates rise bond prices usually fall), inflation and liquidity.

The Composite includes all discretionary accounts with market values of at least \$5 million managed by Loomis Sayles with guidelines prescribing investment in primarily U.S. Dollar denominated municipal bonds with target duration of 6 to 8 years and has a benchmark of the Bloomberg 10 Year Municipal Bond Index or similar index which reflect the Composite investment strategy and duration target. Taxable securities may comprise a portion of the portfolio's investment allocation, typically less than 25%. The Composite inception date is April 1, 1995. The composite was created in November 2003. For additional information on this and other Loomis Sayles strategies, please visit our website at www.loomisayles.com.