



Loomis Sayles Strategic Alpha: A Low Volatility Multisector Approach

Loomis Sayles Full Discretion Team

Fourth Quarter 2025





We believe a flexible, benchmark-agnostic fixed income strategy targeting 4-6% volatility can offer investors the ability to seek strong risk-adjusted returns, diversification benefits and a steady income stream.

The Strategic Alpha strategy is an actively managed, low duration offering that utilizes a dynamic approach to risk allocation across a broad universe of fixed income credit and interest rate markets.

Our Philosophy

- We believe the market is inefficient at pricing risk.
- Risk factors, including interest rates, credit, currencies, equity and liquidity, exhibit consistent patterns across cycles.
- We believe fundamental research is an effective approach to identifying and harvesting premiums.
- Multisector investing provides diversification benefits and helps to drive long-term returns.
- Risk management is integral, not an add-on.

Our Process

- Our approach is opportunistic, benchmark-agnostic and focused on total return and risk.
- We believe that fundamental and quantitative research based on a credit cycle framework offers our best approach to identifying attractive investment opportunities.

Our Edge

- We believe that a long-term, cycle-based framework and proprietary risk premium methodology is the basis for a repeatable investment process.
- Intrinsic value and our six pillars guide security selection, which is a key driver of performance.
- We lean into risk by seeking positive convexity, maintaining yield advantage and striving for low turnover.
- Integrated quantitative analysis and customized tools that are designed to fit our process.

About the Team

The Full Discretion team brings decades of expertise and collaboration to create tailored solutions for their clients.

27

Investment Professionals

23+

Avg. Years of Industry Experience
(Portfolio Management Team)

\$85.6

Team Assets Under Management
(Billion USD)

About the Strategy

Style	Global Unconstrained
Strategy Assets	\$5.96B
Composite Inception	May 2011
Primary Benchmark	ICE BofA 3-Month Treasury Bill Index
Secondary Benchmark	Bloomberg US Aggregate Index
Expected Volatility	4% to 6%
Typical Duration Range	-2 to 5 years
Credit Quality	+/- 50% non-investment grade net exposure

Source: Loomis Sayles, as of 12/31/2025

Average years of expertise reflected at portfolio management level. Although the Investment Manager actively seeks to manage risk for a targeted level, there is no guarantee that the portfolio will be able to maintain its targeted risk level. All figures are approximate and apply under normal market conditions. They are based on guidelines that are subject to change.

Diversification does not ensure a profit or guarantee against a loss. Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal. There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return. Please refer to the end of this material for additional important disclosures. For more information, please request a full presentation book for the Loomis Sayles Strategic Alpha Composite

Strategy Differentiators

Seek to Maximize Total Return Through a Risk-Controlled Approach

- Seek to maximize total return within a 4-6% target volatility range by using a fully integrated risk management process, diversification guidelines and a balanced allocation to spread and interest rate risk.

Focus on Income Generation

- Broad opportunity set across countries, sectors, industries, credit qualities and currencies provides distinct exposures with potentially favorable yields.
- Seek to incorporate a potential yield advantage compared to traditional fixed income benchmarks.

Flexibility Across Interest Rate Environments & Credit Cycles

- We believe having a duration range of -2 to +5 years results in less sensitivity to rising interest rates but provides flexibility to capture opportunities through duration and yield curve positioning.
- Our credit cycle framework and bottom-up security selection is designed to identify and analyze different phases of the credit cycle, which allows us to harvest risk premiums when expected returns outweigh the drawdown potential.

Investment Process Can Lead to Potential Diversification Benefits

- By diversifying the portfolio's risk profile and utilizing a dynamic approach to credit sectors and duration, the strategy tends to exhibit lower correlation to traditional, domestic core and core plus fixed income strategies, while also maintaining diversification relative to risk assets.

Transparency & Liquidity

- Portfolios are implemented primarily through physical bonds, which seek to offer investors with an adequate liquidity source.
- Liquid derivatives are used for hedging and investment purposes, utilized to dynamically adjust risk exposures.

Key Attributes

Risk Management

Risk profile appropriate for a diverse investor base, including sovereign wealth funds, corporate treasuries, pensions plans, endowments and foundations.

Dynamic Allocations

We utilize a dynamic approach to opportunistically adjust interest rate, credit and currency risks while seeking to harvest risk premiums throughout a full market cycle.

Complementary Exposures

We believe diverse credit exposures complement traditional, domestic fixed income strategies and tactical rotations augment dedicated high yield, bank loan, securitized and emerging markets allocations.

Liquidity

Unlike private debt strategies, which typically require a capital lock-up, the strategy is implemented through public securities that seek to provide investors with a liquidity source.

Although the strategy actively manages risk for a targeted level, there is no guarantee that the strategy will always maintain its targeted risk level.

Commodity, interest and derivative trading involves substantial risk of loss.

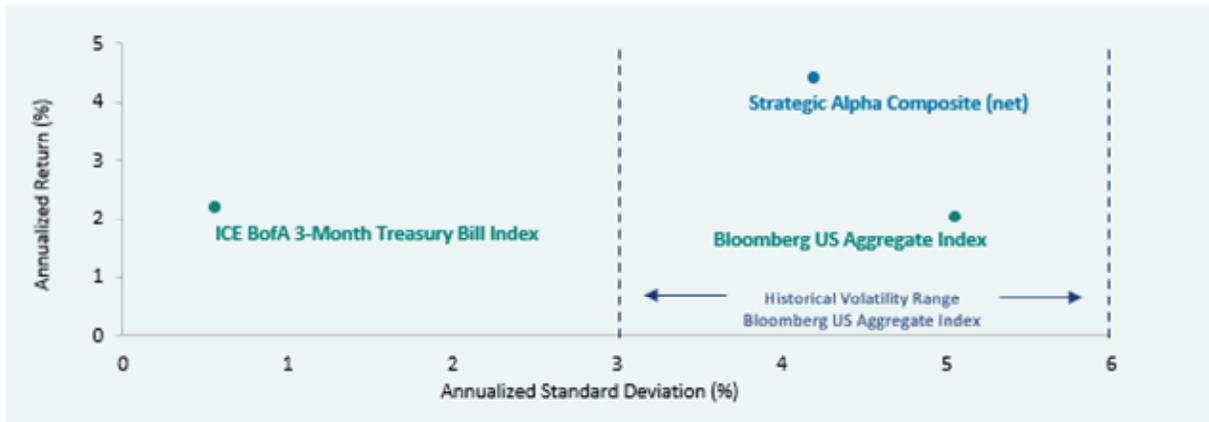
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Seek to Maximize Total Return Through a Risk-Controlled Approach

We seek to maximize total return using a broad investable universe and seek to deliver a risk profile consistent with traditional fixed income indices.

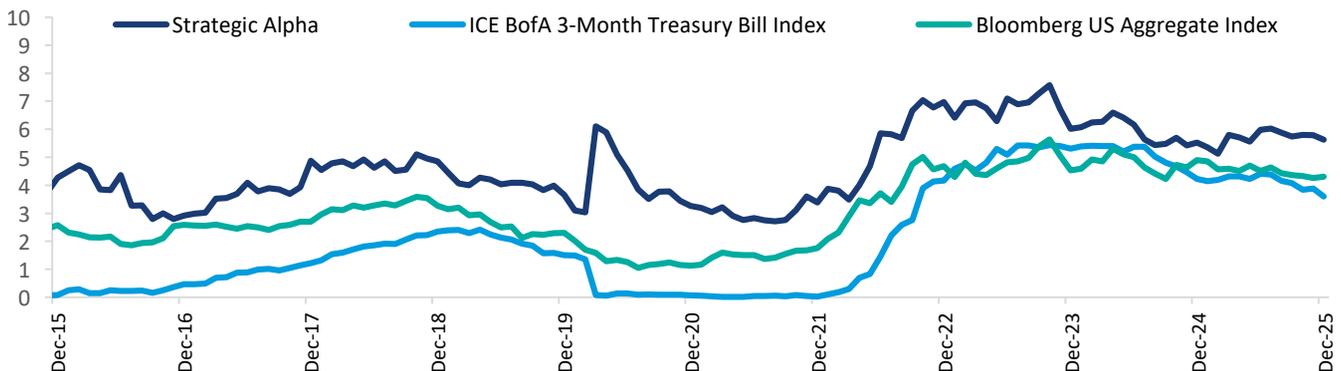
10 YEARS HISTORICAL RISK/RETURN



Focus on Income Generation

Historically, Strategic Alpha composite has delivered an average yield-to-worst advantage of +157bps over the Bloomberg US Aggregate Index.

YIELD TO WORST (%)*



*Performance and risk statistics 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.

Source: Loomis Sayles, Intercontinental Exchange Inc. (ICE), Bloomberg, as of 12/31/2025

The annualized standard deviation measures the variability of the net composite returns and the benchmark over a 10-year period.

Net returns are gross returns less effective management fees. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal.

Past performance is no guarantee of future results.

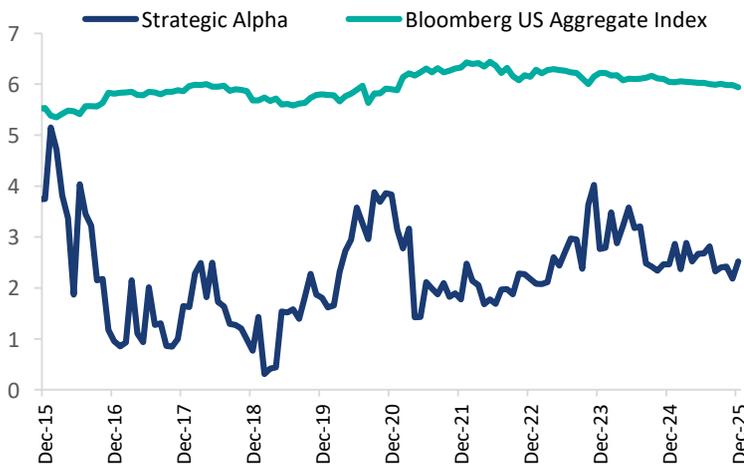
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Flexibility to Capture Opportunities Through Credit and Duration Positioning

Our dynamic approach provides the flexibility to tilt into credit and interest rate risks when our outlook is favorable and reduce risk when forward returns appear unattractive, in our view.

We will typically take more credit risk and less duration risk compared to traditional, domestic core and core plus strategies. Our balanced exposure to interest rate and spread risks has historically resulted in less performance sensitivity to interest rates.

DURATION (years)



CREDIT BETA* (%)



Investment Grade Corporates

Seeks to actively allocate across industry and quality exposures, and utilized as a ballast of stability and income

High Yield Corporates, Convertibles and Equities

Use of high yield corporates, convertibles, preferreds, equity-linked notes and equities to augment yield and total return potential

Securitized

Structural bias to target distinct exposures with favorable yields across asset-backed securities, CLOs, commercial mortgage-backed and non-agency residential mortgages

Global Sovereign & FX

Hard and local currency developed/emerging markets sovereign debt offer the potential for diversification and yield enhancement

Duration Management

US Treasuries and interest rate derivatives can be used to dynamically capture opportunities through duration and yield curve positioning

**Calculated as excess risk compared to BBB-rated corporate credit as we view this to be most closely representative of our median risk level.*

Source: Loomis Sayles and Bloomberg, as of 12/31/2025

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Potential Diversification Benefits

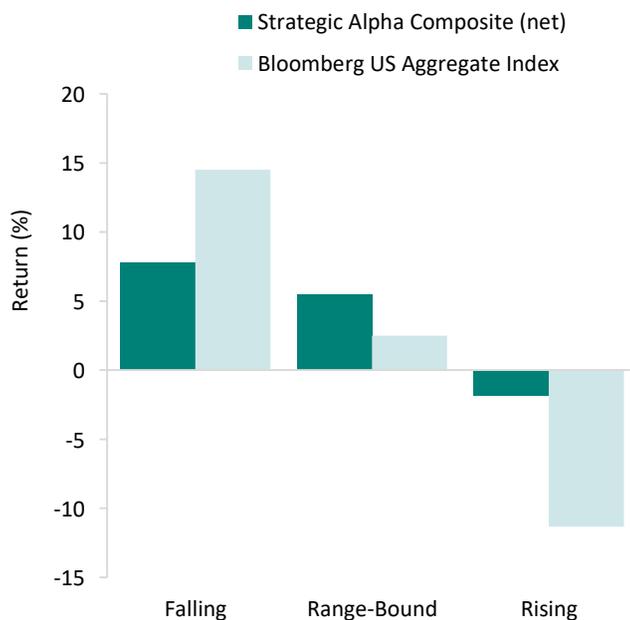
We believe the strategy tends to outperform in range-bound and rising interest rate environments, which have historically captured the majority of the interest rate cycle and tends to underperform in falling interest rate environments.

We expect interest rates to stay range-bound, which we believe is beneficial for the strategy given its yield

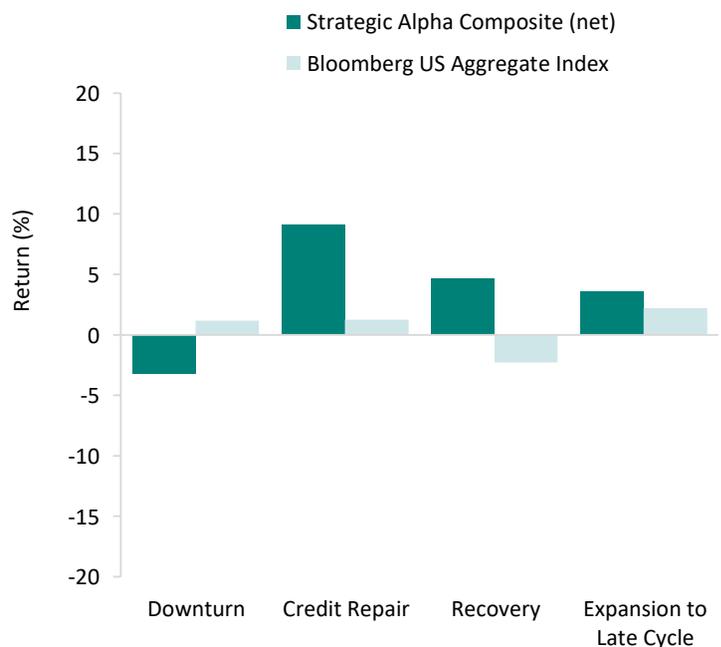
advantage over cash and flexibility to dynamically manage interest rate risk.

The strategy has outperformed the Bloomberg US Aggregate Index in credit repair, recovery and expansion to late cycle and underperformed in downturn due to its broader opportunity set, including non-investment grade and exposures lower in the capital structure.

INTEREST RATE REGIME PERIODS



CREDIT CYCLE REGIME PERIODS



	FALLING	RANGE-BOUND	RISING
Percentage of Time Periods	27%	49%	24%
Excess Return	-6.73	2.97	9.45

	DOWNTURN	CREDIT REPAIR	RECOVERY	EXPANSION TO LATE CYCLE
Percentage of Time Periods	2%	5%	4%	89%
Excess Return	-4.35	7.86	6.99	1.38

Source: Loomis Sayles and Bloomberg, as of 12/31/2025. Based on monthly returns from 12/31/2015 to 12/31/2025.

Rising periods are defined as periods when the price return of the US 10-Year Zero Coupon Treasury declines by more than -2.50% for a rolling period of three months or more based on monthly returns. Falling periods are defined as periods when the price return increases by more than +2.50% for the same period. Range-bound periods are defined as all other periods, which equates to when the US 10-Year Zero Coupon Treasury yield remains within a 50bps range over a 3-month period.

Net returns are gross returns less effective management fees. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

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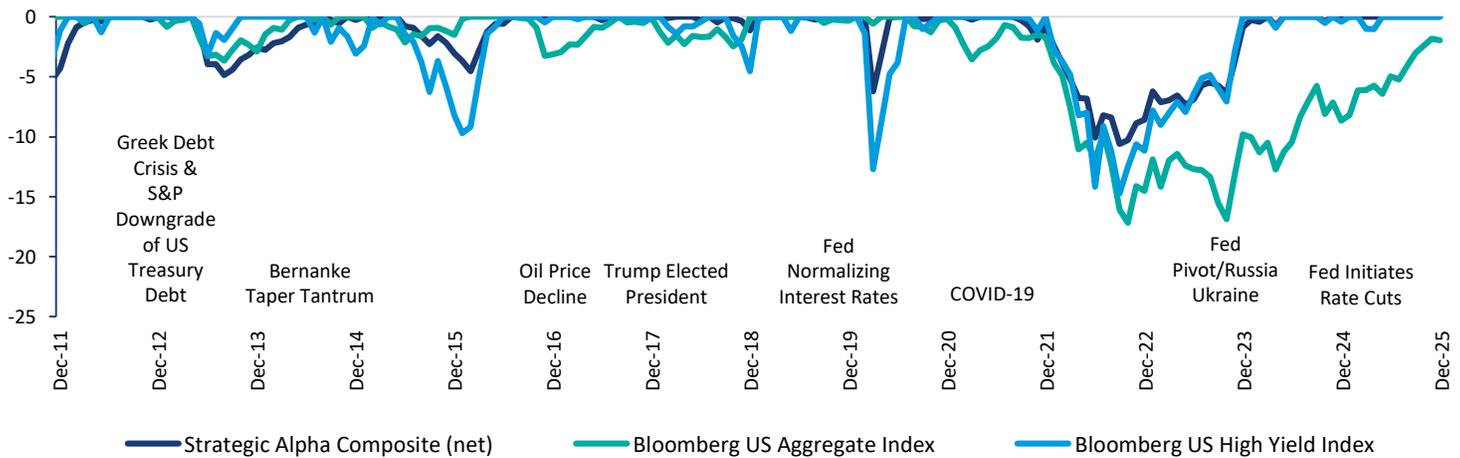
Drawdown Management

The strategy utilizes a wide set of investment risk management tools to help manage downside volatility to its 4-6% target but does not expect to eliminate drawdowns entirely.

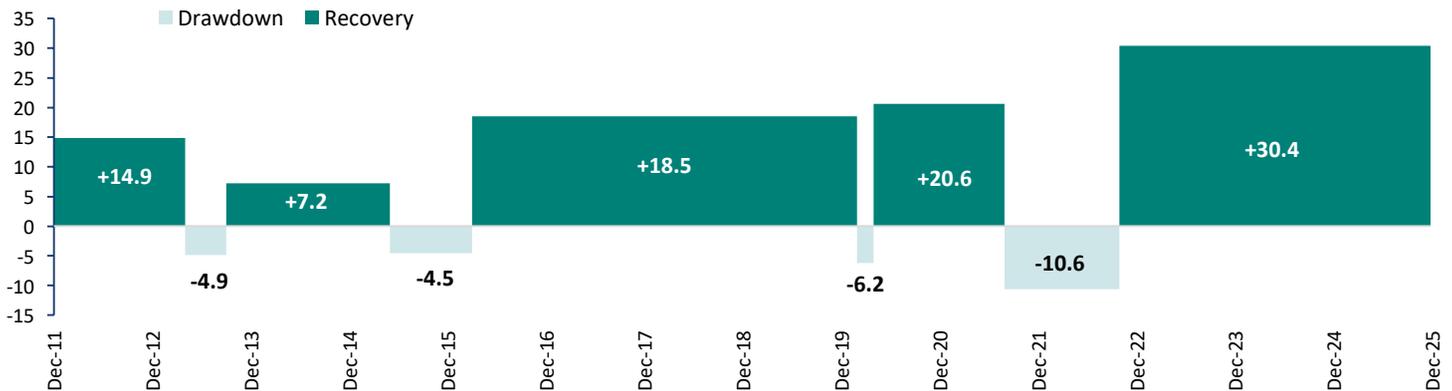
The strategy’s ability to dynamically adjust risk exposures has historically resulted in attractive recovery periods where investors have been compensated for realized drawdowns.

As an example, the Strategic Alpha composite (net of fees) outperformed the Bloomberg US Aggregate Index in the 2022 down market (-7.82% vs. -13.01%) as well as the up markets in 2023 (8.42% vs. 5.53%) and 2024 (8.08% vs. 1.25%).

DRAWDOWN (%)



CUMULATIVE RETURN (%)



Source: Loomis Sayles and Bloomberg, as of 12/31/2025

Although the strategy actively manages risk for a targeted level, there is no guarantee that the strategy will always maintain its targeted risk level.

Drawdown periods are calculated for drawdowns greater than one percent.

The Bloomberg US Aggregate Index and Bloomberg US High Yield Index are shown for reference only.

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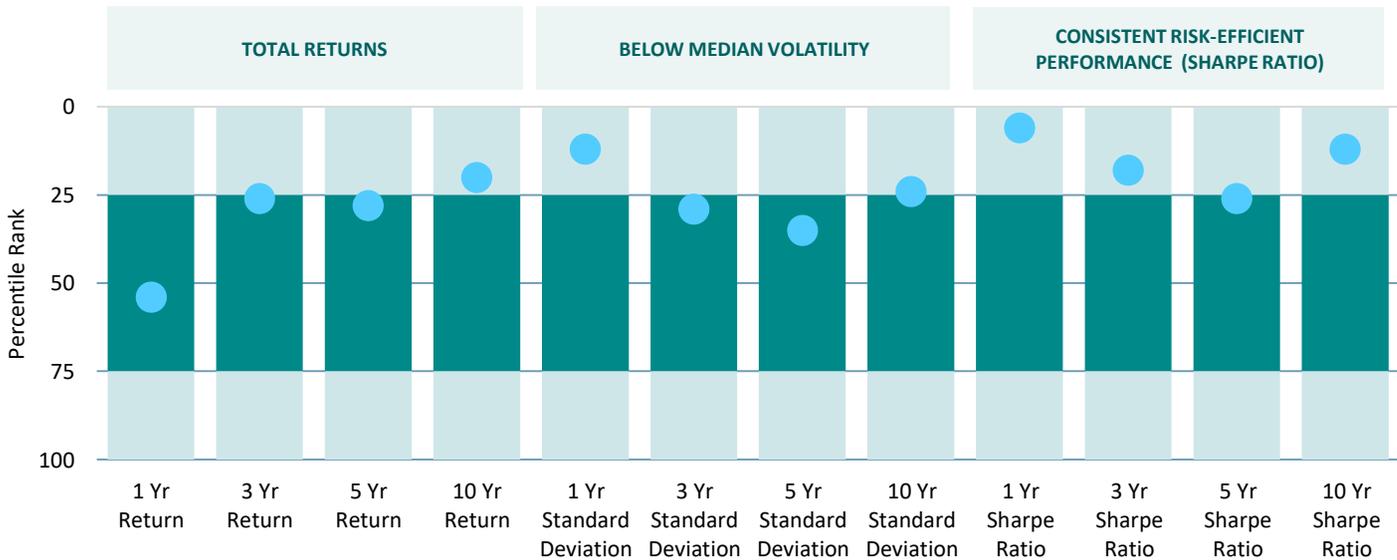
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Strategy Performance

Our team is experienced, disciplined and well-resourced with a repeatable investment process that we believe has delivered consistent and competitive risk-efficient performance over a full market-cycle.

STRATEGY PERCENTILE RANK



eVESTMENT GLOBAL UNCONSTRAINED FIXED INCOME UNIVERSE AS OF DECEMBER 31, 2025

	Annualized Trailing Returns (%)				Volatility (%)				Sharpe Ratio			
	1 Yr	3 Yr	5 Yr	10 Yr	1 Yr	3 Yr	5 Yr	10 Yr	1 Yr	3 Yr	5 Yr	10 Yr
● Strategic Alpha Composite (gross)	9.30	8.94	4.02	4.85	1.29	3.27	4.06	4.20	3.96	1.26	0.21	0.64
Strategic Alpha Composite (net)	8.79	8.43	3.56	4.40	1.29	3.27	4.06	4.20	3.57	1.11	0.10	0.53
25 th Percentile	14.25	9.00	4.12	4.72	1.72	3.18	3.58	4.24	2.79	1.02	0.22	0.52
Median	9.57	7.82	3.00	3.94	2.14	4.79	5.29	5.69	2.01	0.65	-0.05	0.36
75 th Percentile	7.87	6.51	1.68	3.21	5.49	8.27	8.95	8.81	1.63	0.31	-0.21	0.12
Observations	90	89	85	67	90	89	85	67	90	89	85	67

Source: Loomis Sayles and eASE Analytics System; eVestment Alliance is the ranking agency. Universe: eA Global Unconstrained Fixed Income. 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. Annualized performance is calculated as the geometric mean of the product's returns with respect to one year. Rankings are based on gross returns and do not take into account management fees or other fees and expenses. The highest (or most favorable) percentile rank is 1, and the lowest (or least favorable) percentile rank is 100. Rankings are subject to change. No compensation is received for ranking. Median is the value for the observations as of the end of each period shown. Although we believe it is reliable, we cannot guarantee the accuracy of data from a third-party source. This information cannot be copied, reproduced or redistributed without authorization in any form.

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Meet the Team

MATT EAGAN, CFA

Head of Full Discretion, Portfolio Manager

BRIAN KENNEDY

Portfolio Manager

SCOTT DARCI, CFA

Portfolio Manager, Associate Portfolio Manager, Convertibles & Equity Strategist

BRYAN HAZELTON, CFA

Portfolio Manager, Associate Portfolio Manager, Investment Grade Corporate Strategist

DAVID ZIELINSKI, CFA

Investment Director

CHERYL STOBER

Investment Director

KRISTEN DOYLE

Associate Investment Director

Team Philosophy

We have a legacy of independent thinking and leaning into the market when others may be pulling away. We take a deep-value, equity-like approach to credit selection across global fixed income markets. Our disciplined process helps give us confidence in seeking to identify macro trends, formulate a clear view on market sectors, and invest throughout the credit cycle.

For more than 40 years, we have been applying our distinctive style of bond picking to deliver portfolios designed to provide excess yield potential and have low correlations to traditional benchmark-focused fixed income strategies.

Important Disclosures

CREDIT CYCLE REGIME PERIODS

EXPANSION/LATE CYCLE:

4/1/1997- 8/31/2000; 3/1/2006-12/31/2007; 1/1/2014- 2/28/2020;
4/1/2021 - 9/30/2025 (PRESENT)

DOWNTURN:

9/1/2000 - 11/30/2001; 1/1/2008 - 6/30/2009; 3/1/2020 -
4/30/2020

CREDIT REPAIR:

12/1/2001 - 5/30/2003; 7/1/2009 - 5/31/2011; 5/1/2020-
10/31/2020

RECOVERY:

6/1/2003 - 2/28/2006; 6/1/2011-12/31/2013; 11/1/2020 -
3/31/2021

As of 12/31/2025

Regime periods are determined by Loomis Sayles Macro Strategies team based on a variety of subjective and objective factors, including past economic and asset performance metrics. Views and opinions expressed reflect the current opinions of the team, and are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.

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This material is provided for informational purposes only and it should not be construed as an investment advice. Investment decisions should consider the individual circumstances of the particular investor. Any opinions or forecasts contained herein reflect subjective judgments and assumptions of the author and do not necessarily reflect the views of Loomis, Sayles & Company, L.P. Investment recommendations may be inconsistent with these opinions. There can be no assurance that developments will transpire as forecasted. Proposed solutions and related analysis does not represent the actual or expected future performance of any Loomis products. We do not intend to imply that we managed actual portfolios with these characteristics during the periods shown or that we could construct actual portfolios with these characteristics and return experience. Accuracy of data is not guaranteed but represents our best judgment and can be derived from a variety of sources. Opinions are subject to change at any time without notice.

While the analysis provided may be shared with one or more investment team, it is not the only input into the investment process for any strategy and therefore should not be viewed as a primary source of investment decisions, which are a function of many variables.

ADDITIONAL IMPORTANT DISCLOSURE

The analysis is based on historical data and does not predict future results. Markets may behave very differently than history suggests, it is not possible for any methodology to accurately identify and interpret all relevant market events. Therefore, the use of this type of information to make investment decisions has inherent limitations.

There is no guarantee that future experience will be similar. The analysis reflected in this presentation is limited to certain periods. We make no representation that the experience of any other periods is comparable.

Unless otherwise specified, all analysis covers the period from 6/30/1996 to 12/31/2025

This marketing communication is provided for informational purposes only and should not be construed as investment advice. Investment decisions should consider the individual circumstances of the particular investor. Any opinions or forecasts contained herein, reflect the subjective judgments and assumptions of the authors only, and do not necessarily reflect the views of Loomis, Sayles & Company, L.P. Investment recommendations may be inconsistent with these opinions. There is no assurance that developments will transpire as forecasted and actual results will be different. Information, including that obtained from outside sources, is believed to be correct, but Loomis Sayles cannot guarantee its accuracy. This information is subject to change at any time without notice.

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Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time.

Market conditions are extremely fluid and change frequently.

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