Loomis, Sayles & Company
One Hundred Years & Still Active

UK *Stewardship Code* Report 2025



Committed to Being an Effective Steward of Our Clients' Capital



This 2025 report has been submitted to the Financial Reporting Council for annual review.

Introduction from the Chief Executive Officer



Loomis Sayles welcomes the high stewardship standards set by the UK Stewardship Code and is committed to being an effective steward of our clients' capital.

We have long recognised the importance of responsible allocation, management and oversight of investment capital to create long-term value for our clients. We see effective stewardship as key to achieving our goal of delivering superior long-term risk-adjusted returns and inherent in our fiduciary duty to our clients.

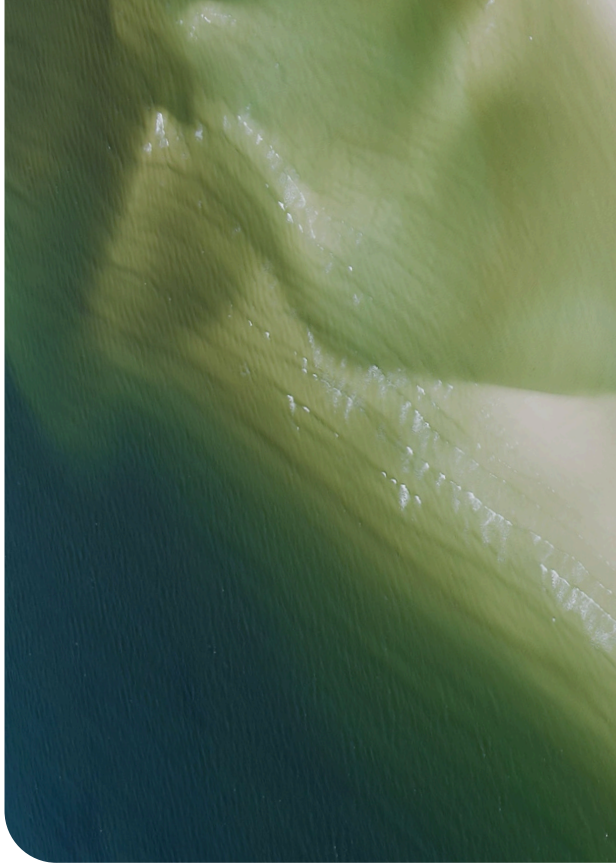
We manage investment strategies for our global clients across many asset classes. Our investment teams are empowered with deep fundamental research, data, training, and the tools and resources to enable effective stewardship consistent with each team's investment philosophy and each client's goals. This approach is supported by a robust governance structure committed to providing the strategic direction, resources, risk management and oversight necessary to support our stewardship activities.

We are pleased to have been a signatory to the Code for the past 12 years and welcome the opportunity it provides to assess our firm-wide stewardship efforts, demonstrate past achievements and reflect on our experiences. This is firmly aligned with Loomis Sayles' commitment to continually assess and advance our approach to stewardship in order to help meet our clients' investment needs.

Sincerely,



Kevin P. Charleston
Chairman & CEO



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PRINCIPLE ONE
Signatories integrate stewardship and investment to deliver long-term sustainable value for their clients and beneficiaries.

PRINCIPLE TWO
Signatories identify and respond to market-wide and systemic risks to promote well-functioning financial markets.

PRINCIPLE THREE
Signatories engage to maintain or enhance the value of assets.

PRINCIPLE FOUR
Signatories actively exercise their rights and responsibilities.

PRINCIPLE FIVE
Not included, as this principle applies to signatories who delegate asset management to external managers.

PRINCIPLE SIX
Signatories monitor and hold to account stewardship service providers.



Part I:
Policy & Context



Disclosure A

ORGANIZATION, INVESTMENT BELIEFS AND STEWARDSHIP APPROACH

Describe your organisation, your investment beliefs, your clients or beneficiaries and how that informs your approach to stewardship.

Disclosure A

Everything we do at Loomis Sayles is borne out of our mission to be a trusted fiduciary partner to our clients, helping them achieve their financial objectives through disciplined investment processes that result in superior long-term performance and exceptional investment solutions.

We strive to be one of the world's premier active managers and believe our distinct culture, which prioritises respect, collaboration and client-centricity, will continue to be the driving force of meeting that objective. We firmly believe in fostering a work environment that is inclusive, supportive and places the needs of our clients at the core of all our actions.

What We Do

Loomis Sayles has helped fulfil the investment needs of institutional & retail clients worldwide for *100 years.*

Our performance-driven investors integrate deep proprietary research and risk analysis to make informed, judicious decisions. Using foresight and flexibility, our investment teams look far and wide for value — across traditional asset classes and alternative investments — to pursue attractive, risk-adjusted returns for clients.

To deliver on our goals and responsibilities, we focus on three key areas that shape our corporate, investment and individual conduct:

1. Our foundations for investment excellence and the responsible stewardship of client assets
2. Our values, our culture and our working environment
3. Our impact in our community

Our foundations for investment excellence and responsible stewardship of client assets.

Delivering sustainable performance demands the ability to understand and synthesise a wealth of global analytical inputs, then act on them with confidence to make informed investment decisions.

Six pillars underpin all of our investment strategies. We believe these pillars provide the foundation for success in delivering superior long-term risk-adjusted returns.

1

A SOUND PHILOSOPHY

Every Loomis Sayles strategy starts with a solid foundation or "alpha thesis." This alpha thesis seeks to identify market inefficiencies and the investment process necessary to exploit them.

2

INCORPORATED SUSTAINABILITY FACTORS

Our investment teams each use a tailored approach to incorporate ESG factors and engage with issuers and companies to meet our clients' objectives. We do not view ESG as an overlay to our investment processes. We view it as an integral component throughout.

3

PROPRIETARY RESEARCH

In this information age, being well informed is no longer a competitive advantage. High-conviction, prudent risk taking requires deep insights that can only be generated through proprietary research. Tailored research, distinct to each alpha thesis, is an inextricable part of the investment process.

4

A RIGOROUS, REPEATABLE PROCESS

Investment processes must take an exacting, consistent approach to idea generation, portfolio construction, reward-to-risk assessment and decision making in any market environment. But discipline should never mean dogma; each team continually evaluates and refines its investment process in line with the core tenets of its strategy.

5

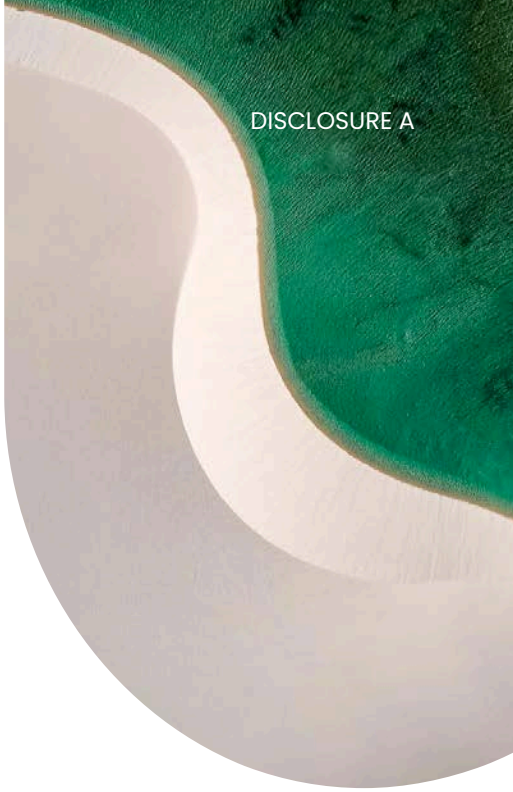
INTEGRATED RISK MANAGEMENT

Risk management is central to alpha generation, not ancillary. Our integrated risk management capabilities are customised to each investment strategy—an approach we believe optimises each team's ability to identify, analyse and utilise risk. We describe our approach to risk management in Principle 4.

6

DISCIPLINED PORTFOLIO CONSTRUCTION

Though our strategies have different return patterns and time horizons, they all seek strong risk-adjusted returns. Disciplined portfolio construction requires constant assessment of reward-to-risk at the security and portfolio levels. Investment teams look for asymmetric reward-to-risk opportunities and minimise exposure when information is lacking or insufficient.



Our Sustainable Investing Philosophy

We believe risks and opportunities associated with material ESG factors are inherent to investment decision making and our clients' long-term financial success. In service of our fiduciary duty, we believe the best way to consider sustainability is through integration that aims to identify the financial materiality of ESG factors. Integration contributes to our ability to seek value and deliver superior, long-term results.

Our integration model focuses on four key facets:

1 Research

We believe a proprietary research framework is the best mechanism for identifying and understanding material ESG considerations. Forward-looking ESG analysis, customised data capabilities, curated ESG information and proprietary technology platforms are all critical tools that aid this understanding.

2 Valuation

As active managers responsible for enhancing returns and mitigating risks, we believe that integrating financially material ESG factors is necessary to fully value securities and understand opportunities and risks. Disciplined portfolio construction requires constant assessment of these considerations at the security and portfolio levels.

3 Engagement

Engagement is an essential component of our proprietary analysis across all asset classes. Financially material ESG factors are an inextricable part of our engagement. We believe direct engagement promotes transparency, raises awareness of risks and opportunities and can unlock investment value. Active engagement enhances our ability to analyse risk and reward potential and informs our forward-looking views. Exercising our proxy voting responsibility is an important component of engagement for our equity strategies.

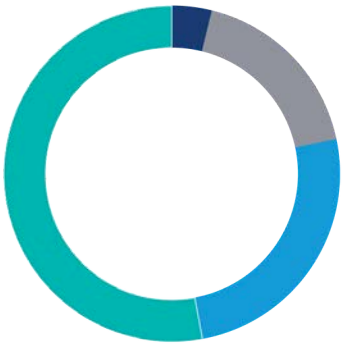
4 Client Focus

We believe it is important to meet clients where they are and to offer ideas and tools to help them realise their unique sustainability objectives. As client sustainability preferences evolve, we will continue to be nimble and flexible in providing customised solutions that reflect client-specified goals and values. Our goal is to be a trusted, rational advisor to our clients.

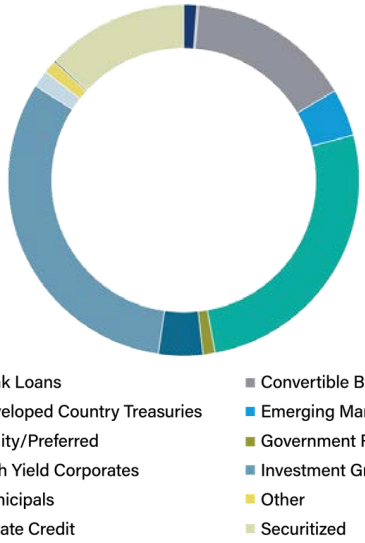
Loomis Sayles provides investment management services to a wide range of clients, including institutional investors such as public funds, endowments, pension plans, corporations, foundations and insurance companies, as well as retail clients through mutual funds and separately managed accounts.

As of 31 December 2025, our firm had assets under management (AUM) totalling £321 billion:

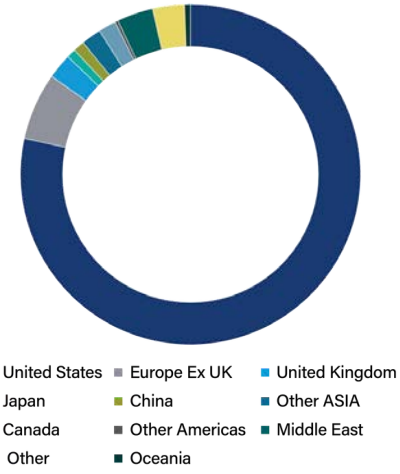
LOOMIS SAYLES AUM BY CLIENT BASE



LOOMIS SAYLES AUM ACROSS ASSET CLASSES



LOOMIS SAYLES AUM BY DOMICILE OF ACCOUNT





Investment Capabilities

BREADTH OF STRATEGIES POWERED BY PROPRIETARY RESEARCH & INFRASTRUCTURE

EQUITY

Large Cap (US)
- Large Cap Growth
- All Cap Growth

Small Cap (US)
- Small Cap Growth
- Small Cap Value

Small/Mid Cap (US)
- Mid Cap Growth
- Small/Mid Cap Growth
- Small/Mid Cap (Core)

Global*
- Global Equity Opportunities
- Global Growth

International*
- International Growth

FIXED INCOME

US Broad Market
- Short Duration
- Intermediate Duration
- Core
- Core Plus
- Multisector

Corporates
- Investment Grade
- High Yield
- Bank Loans

Emerging Markets
- Corporate Debt
- Local Currency
- Short Duration Credit
- Asia Credit
- Blended

Euro Credit
- Sustainable Euro IG Credit
- Euro Investment Grade Credit
- Euro High Yield Credit

Global
- Bond
- Credit
- Unconstrained
- Sustainable
- High Yield

Liability Driven Strategies
- Corporates/Credit
- Government Credit

Municipals
- Short
- Intermediate
- Core
- Crossover

Mortgage and Structured Finance
- Agency MBS
- Core Securitized
- IG & Opportunistic Credit
- Dedicated CLOs
- Euro ABS

Treasury
- Active Treasury
- Inflation Protected

ALTERNATIVES

- Absolute Return
- Long/Short Equity
- Risk Premia

MULTI-ASSET

- Multi-Asset Credit
- Multi-Asset Income
- Global Allocation

PRIVATE CREDIT

- Investment Grade

BESPOKE SOLUTIONS

Our highly flexible investment infrastructure enables strategy customization for distinct client requirements and goals.

Insurance
Cash Flow Matching
Buy & Maintain

LDI Solutions
Managed Accounts
Sustainability

**International excludes US holdings; Global includes all world assets.*
As of 12/31/2025

Our values, our culture and our working environment

We firmly believe in fostering a work environment that is inclusive, supportive and places the needs of our clients at the core of all our actions.

We believe a working culture that prioritises respect, collaboration and client-centricity is a key factor in delivering investment success for our clients as well as providing an enriching working environment for our employees.

Defining our values

The Loomis Sayles IDEALS represent the core characteristics of who we aspire to be as employees, colleagues and trustworthy partners to our clients and global stakeholders.

We draw upon them in service of our mission and goals.

I **INCLUSIVE**

We value the lived experiences and alternative viewpoints of all colleagues. An inclusive and equitable workplace that reflects the diverse communities in which we work and live fosters innovation, creative thinking and best-in-industry solutions that help us exceed client expectations.

D **DEDICATED TO TEAMWORK**

We believe respect, partnership and collaboration across teams and departments make us better. We support and share success with our teammates and colleagues. We aim to inspire the people around us to be their best.

E **EXCELLENT**

We hold ourselves to the highest standards, both individually and for the sake of our clients. Every employee brings unique expertise and skills to our organisation. Our collective success is dependent on the development and retention of our talented individuals and we respect and honour their contributions to our shared purpose.

A **ACCOUNTABLE**

We honour the commitments we make to our clients, teammates, colleagues and selves. We do not make excuses but instead take responsibility for our actions. We are honest, transparent and are always seeking opportunities to be better.

L **LEADERS**

We help ourselves and our colleagues by modelling behaviour that inspires the people around us, including respect, humility, gratitude, empathy and encouragement.

S **SOLUTIONS-ORIENTED**

We are critical thinkers and passionate problem solvers. We assess issues and identify opportunities to deliver innovative solutions to our clients and colleagues. We firmly believe in fostering a work environment that is inclusive, supportive and places the needs of our clients at the core of all our actions.

Diversity, Equity & Inclusion

Loomis Sayles is committed to fostering an environment where every employee is represented, respected, valued and empowered to contribute fully to the firm.

We embrace diverse voices supported by shared values, and we cultivate a collaborative culture that invests in and advances employees from a wide range of backgrounds across all levels. Our commitment extends beyond our workforce: we also monitor our vendor relationships to identify and expand partnerships with minority- and women-owned businesses.







Community Investments

The mission of the Community Investments Team is to represent the passions and interests of our employees, support nonprofit organizations that work with individuals and families in the areas of our regional cities most in need while being authentic stakeholders in the communities where we work and live.



Disclosure B

GOVERNANCE & RESOURCES

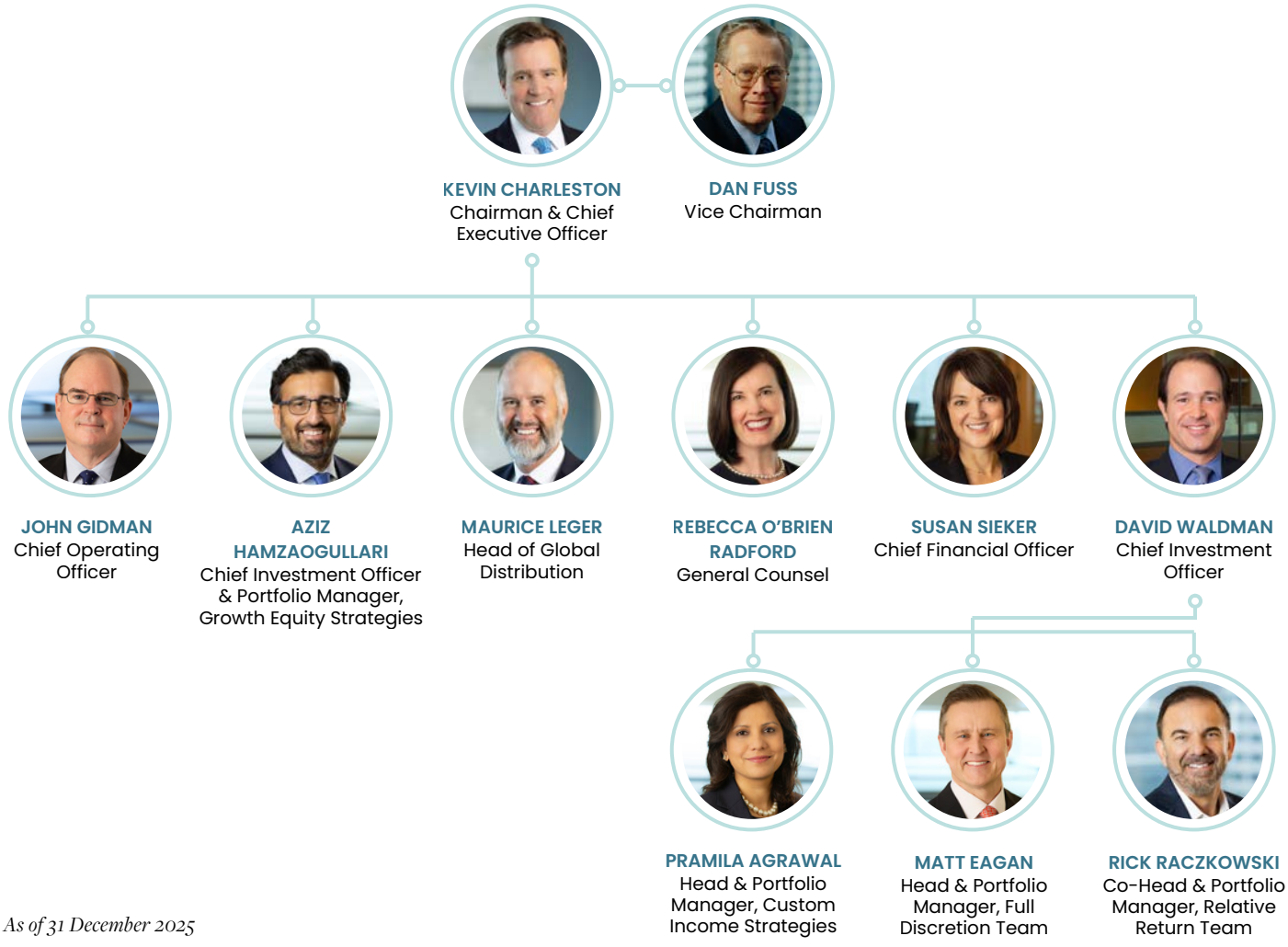
Describe how your resources enable effective stewardship

Disclosure B

The Loomis Sayles Management Committee is chaired by our CEO and Chairman of the Loomis Sayles Board of Directors.

Its members include the Chief Investment Officer (CIO), Chief Financial Officer (CFO), General Counsel, Chief Operating Officer (COO), and the heads of Loomis Sayles' major business units. The Management Committee is responsible for setting policy and strategy for the firm and overseeing the activities of Loomis Sayles' functional committees. It sets the tone at the top by articulating, implementing and overseeing the realisation of the organisation's strategy and values and by maintaining our culture of accountability, transparency and compliance.

LOOMIS SAYLES MANAGEMENT COMMITTEE



As of 31 December 2025

Risk Management Committee

The Risk Management Committee, chaired by our CEO, is the firm's key oversight committee.

This committee also includes our Head of Trading, Head of Investment Operations, Director of Quantitative Research & Risk Analysis, Chief Sustainability Officer, COO, Chief Investment Risk Officer (CIRO), Head of Investment Strategy and Risk Management, Head of Credit Research, Model Risk Officer, Head of Global Distribution, Head of Global Product Management, General Counsel, Chief Operating Officer-Growth Equity Strategies, Chief Compliance Officer, Assistant General Counsel, CFO, CIO, Regulatory Compliance Specialist and Risk Officer. It meets quarterly to identify and monitor all areas of firm and investment risk, including stewardship activities. The committee is responsible for reviewing and evaluating reports that assess how effectively governance is supporting all firm risk controls and establishing corrective measures where necessary. The Chief Sustainability Officer and the CIRO are members of the Committee and are responsible for reporting on many of the stewardship activities undertaken by the firm and our investment teams.

We believe that our governance structures and processes have been very effective in supporting stewardship. For example, the flexibility of our multi-subcommittee system enables the firm to address a wide range of issues related to stewardship. We are flexible and adapt our structure to meet evolving stewardship needs, most recently demonstrated by the formation of the Artificial Intelligence (AI) oversight committees.



Investment Risk Review Process

Loomis Sayles' investment teams regularly participate in an investment risk review process conducted by their respective CIO and the CIRO.



The investment risk review process is intended to examine the investment philosophies and activities of each investment team, including those related to environmental, social and governance decisions, to determine if those activities are consistent with the investment styles of the products and firm policies established regarding risk or other parameters placed on the teams' investment activities.

The effectiveness of stewardship activities forms an important part of this investment risk review process. For example, it highlights whether investments pose sustainability risks, whether engagement with companies and issuers is being effectively fed back into portfolio management decisions and whether material risks identified as part of engagement activities have been adequately accounted for by portfolio managers.

The CIO and CIRO are members of the Loomis Sayles Risk Management Committee (RMC) and our Sustainability Leadership Team, both of which report to our Board of Directors. Information on the findings of the CIO Investment Risk Review Committee and the CIRO Investment Risk Review Committee, including meeting minutes and summary pages of key data, are included in each quarterly RMC Investment Report. Areas of concern, including those specific to stewardship, are highlighted to the RMC Committee. The RMC is comprised of Board members and senior representatives across all departments. The CEO conveys matters of importance regarding the Investment Report at the Loomis Sayles Board of Directors meetings.

At 'ground level,' our CCO designates a 'policy owner' in the Legal and Compliance Department to oversee and ensure the accuracy and relevance of each policy. The CCO or his designee reviews each policy on a regular basis, generally annually unless prompted by a change in circumstances such as a regulatory update, to ensure it is current, accurate and effective. For additional layers of review and assurance, we rely on internal audits and several internal oversight bodies and processes to ensure that our policies and procedures are effective. This multi-layered approach provides a framework for ensuring clear ownership of policies alongside independent oversight and assurance.

Sustainability

Our dedicated Sustainability Team is responsible for identifying and advancing the firm's sustainability initiatives.

It partners with the investment teams to provide forward-looking insights on sustainability, helps to identify transition risks and opportunities related to industry trends, and assists in navigating regulatory changes to help meet clients' evolving sustainability needs.

SUSTAINABILITY LEADERSHIP TEAM

Our decision-making body provides strategic support, guidance and governance

DEDICATED SUSTAINABILITY TEAM MEMBERS



COLLEEN DENZLER, CFA
Chief Sustainability Officer



JUSTIN DUTCHER
Associate Director of Sustainability



JUSTINE GEARIN
Sustainability Analyst



ALEXANDER SHOBER
Sustainability Analyst



STEPHANIE MITTAZ
Sustainability Senior Associate

BOARD & SENIOR LEADERSHIP TEAM MEMBERS



KEVIN CHARLESTON
Chairman & Chief Executive Officer



JOHN GIDMAN
Chief Operating Officer



REBECCA O'BRIEN RADFORD
General Counsel



MAURICE LEGER, CFA
Head of Global Distribution



DAVID WALDMAN
Chief Investment Officer



HOLLIE BRIGGS, CFA, CAIA
Head of Global Product Management, Growth Equity Strategies



MICHAEL GILES, CFA, CAIA, FRM
Chief Investment Risk Officer, Head of Investment Strategy and Risk Management



SHANNON O'MARA, CFA
Head of Credit Research



ERIN HEARD
Head of Global Communications



GENE MORRISON, CFA
Head of Global Product Management



CHRIS YIANNAKOU, CFA
Head of EMEA Institutional Services

Sustainability Leadership Team

The team meets nearly weekly to make decisions regarding the allocation of resources, the implementation of initiatives and the selection of tools and data to support those initiatives at the firm. The members of this group include, among others, the Chief Sustainability Officer, CEO, General Counsel, CIO, COO, Head of Global Distribution, CIRO, Head of Credit Research, Head of Global Product Management, Head of Global Product Management Growth Equity Strategies and the Head of Global Communications. Five of these individuals are also members of the firm's Management Committee and Board of Directors.

Research

Our in-house research expertise, which includes more than **160** research professionals across all asset classes, is core to our investment strategies and fundamental to delivering on stewardship outcomes.

While our research structure differs by asset class, the common goal is to develop a thorough understanding of an issuer or company's track record, governance, management strength and strategy, its use of and impact on human and natural resources as well as regulatory and political risks.

We draw on discussions with company management teams and sovereign officials regarding sustainability issues, as well as subscribing to third-party ESG data as part of our research. Analysts develop independent views on material factors impacting fundamentals in their valuation assessments.

"Our in-house research, which includes more than 160 research professionals across all asset classes, is core to our investment strategies and is fundamental to delivering on stewardship outcomes."

Fixed Income

The coverage of our centralised research analysts spans the credit spectrum and includes issuers in developed and emerging markets.

Credit recommendations include research of financially material ESG issues and combine rigorous fundamental analysis with comprehensive relative-value assessments. Credit research analysts are integrated into sector teams who offer market and research insight through collaboration with portfolio managers, strategists, product analysts and traders.

The structural differences between the equity and fixed income markets are well known; however, we also recognise that there are vagaries even among the various fixed income asset classes, such as corporates, sovereigns and bank loans. The organization of our fixed income central resources allows for the differences stemming from the geographic location of issuers, especially for emerging versus developed markets. Our central Credit Research and Macro Strategies teams have analysts located on three continents, North America, Europe and Asia, who all adhere to our consistent approach of reviewing each asset class regardless of the issuer's location. This approach allows us to compare each issuer within a particular asset class regardless of its location or analytical assignment.

Our fixed income analysts focus on financially material ESG factors, which have direct impacts on the scope and depth of their analysis and engagement. We have created our own proprietary materiality maps and an ESG Scoring System that are integrated into our proprietary fixed income portfolio construction tools. These are available to all of our fixed income investment professionals. Each fixed income investment team has ready access to the central research team's ESG, fundamental and relative value views of the holdings in their respective portfolios. The decision whether to include a particular asset class, geography or issuer ultimately rests with each team's investment strategy and those of their individual investment mandates/accounts.

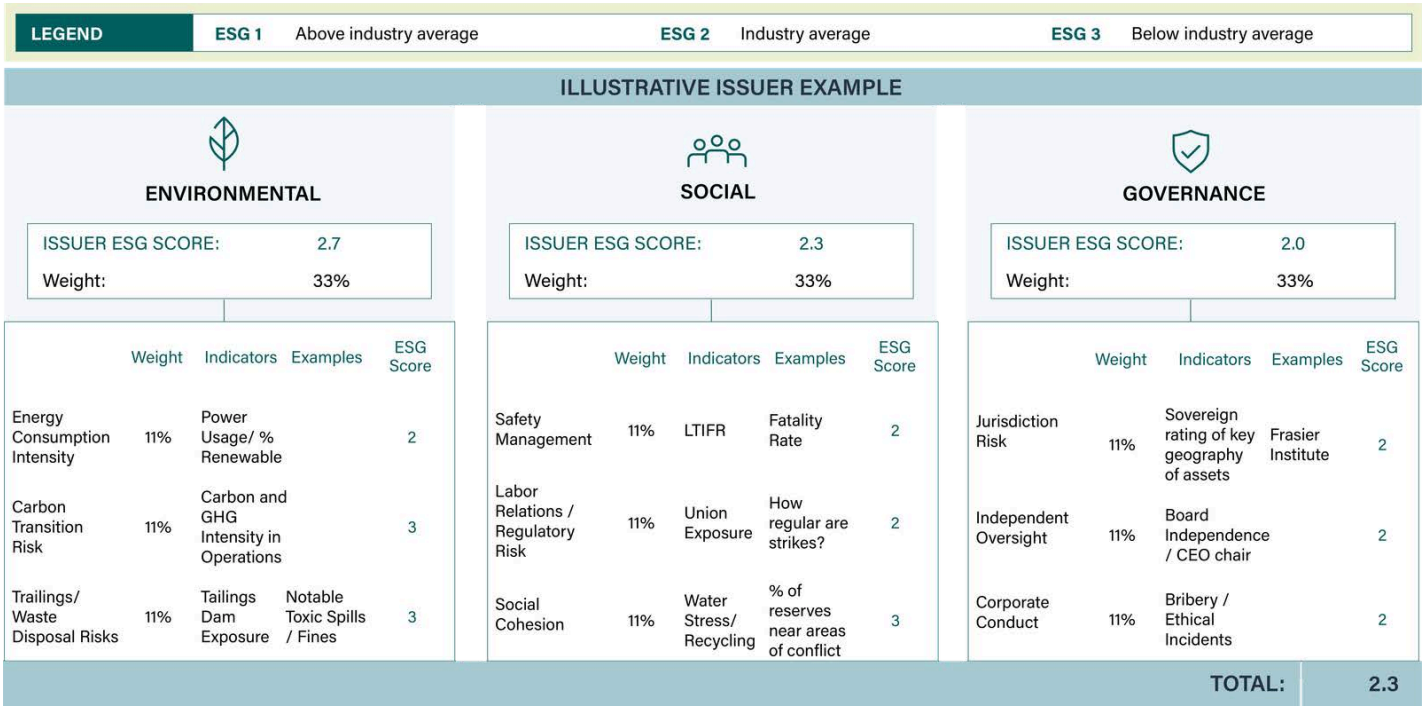
Our central Credit Research and Macro Strategies teams cover all fixed income asset classes (corporates, sovereigns, bank loans and public finance) with the notable exception of securitised instruments, which are the responsibility of our Structured Finance Team.

CREDIT RESEARCH analyses issuers in the corporate bond, bank loan and US public finance markets.	Each credit analyst is aligned into the Investment Grade or Leveraged Finance asset class (which includes high yield bonds and bank loans in developed markets). Most analysts cover more than one industry and focus on the debt issuance within that industry and asset class. Analysts rate the credit risk of every holding in client portfolios, with few exceptions, using the Loomis Sayles internal credit rating system. Our credit ratings are developed independently and are used by portfolio managers as a means of comparison to the rating agencies' assessments, as well as the markets' opinion of a given issuer's creditworthiness. Analysts' opinions include both a credit and trend rating for the issuer.
SOVEREIGN, COMMODITY AND MACROECONOMIC RESEARCH assess the global macro investment environment and analyses sovereign issuers and commodity markets.	Macro and Sovereign Strategies' role in the investment process is to provide a research and data-driven assessment of global macro investment conditions, opportunities and risks. The analysts conduct independent, top-down research on economies and markets in over 100 developed and emerging market countries. The work includes proprietary valuation models, independent credit ratings and evaluation of global credit cycles to assess opportunities in rates, currency and spread markets. The sovereign analysts provide both top-down (country views) and bottom-up (curve, currency and credit) assessments. Our macro analysts build on that foundation to create a top-down market view for portfolio managers that helps them assess the overall investment environment. These views are shared and debated internally through frequent publications and firm-wide meetings.
SECURITISED ASSETS RESEARCH covers the ABS, MBS, RMBS and CMBS markets.	Our Securitized Assets Research group is responsible for research and strategy recommendations to the firm across all sectors of the securitized market: agency MBS, asset-backed securities, commercial mortgage-backed securities and non-agency RMBS. The team uses a fundamental top-down approach in formulating broad sector and capital structure allocation/tranche recommendations. The security selection process uses a bottom-up approach aimed at assigning an independent credit rating, which is used to test the suitability for client portfolios. Scenario analysis is used to understand the risk/return profile of a security.
QUANTITATIVE RESEARCH provides quantitative research and risk-profile information to the investment teams.	Quantitative analysts apply macroeconomic and relative-value models, scenario analysis and systematic methodologies to enhance Product and Sector Team investment analysis. Their quantitative perspectives on market risk, issue-specific risk and structural risk complement the efforts of our credit analysts.

FIXED INCOME MATERIALITY MAPPING

In fixed income, one of the tools we use is our sectoral materiality maps to identify the sustainability issues most likely to affect the financial performance of an issuer in a given sector.

The diagram below illustrates how our fixed income analysts use materiality maps to produce an in-house ESG score. This is done by first identifying specific financially material ESG factors and metrics, then assigning an appropriate weighting to each ESG factor and finally benchmarking the issuer against the industry as a whole. The ESG score is not an overlay on the internal Loomis Sayles rating of each credit, but a 'subset' of the credit analysis: it shines a light on the material ESG factors—both risks and opportunities. The materiality maps and issuer scores are housed in a proprietary application, which allows analysts to adjust their views in real time.



Materiality maps provide the foundation for analyst-led engagements, supporting analysts in their efforts to identify issues with the potential to move credit spreads. We continually review our materiality maps and ESG scores to ensure they fully encapsulate forward-looking financial materiality. As part of this ongoing process, our Chief Sustainability Officer and Sustainability Analyst periodically review sectoral material maps to help identify any additional risks related to environmental, social and governance factors that can materially affect each industry covered by our Credit Research Group.

Equity

Equity research analysts are dedicated to specific investment teams to enable them to focus on that particular team's investment philosophy and process.

Through disciplined and proprietary fundamental analysis, their research includes material ESG and sustainability issues, as well as valuation perspectives applied over various time horizons and opportunity sets. Analysts are charged with developing company, industry and sector expertise, and use this knowledge to identify the companies within their coverage that they believe fit best with the investment team's approach to equity investing and can offer the best total-return opportunity over a specified time horizon.

GROWTH EQUITY STRATEGIES (GES)

The GES team is an active manager with a long-term, private equity approach to investing. Through its proprietary bottom-up fundamental research framework, the team looks to invest in those few high-quality businesses with sustainable competitive advantages and profitable growth when they trade at a significant discount to its estimate of intrinsic value. In the team's view, investors and other stakeholders can benefit when long-term structural, strategic and financially material ESG considerations are an integral part of an active, long-term, research-driven investment process. Guided by its alpha thesis and with an owner's mindset, the GES team seeks to develop a deep understanding of the drivers, opportunities and limits of each company, including material ESG considerations, through its disciplined and thorough bottom-up fundamental analysis.

SPECIALTY GROWTH STRATEGIES

The team's traditional fundamental research is the driving force behind its decision-making process and they largely rely on internal, proprietary research. The goal is for a lower-volatility approach to high growth investing. Idea generation consists of methodologies that help target undiscovered secular growth stocks.

GLOBAL EQUITY OPPORTUNITIES

The team believes investing in companies with the alpha drivers of quality, intrinsic value growth and valuation can help deliver long-term outperformance. The team's primary source of idea generation is through fundamental research. Research analysts seek to identify quality companies globally that are mispriced in the market and have a duration effect (compounding effect of the quality and intrinsic value growth alpha drivers, i.e., they can add value to a stock over time), effectively targeting two market inefficiencies.

SMALL CAP VALUE

The team utilises a disciplined, fundamental, bottom-up active approach to investing. The investment philosophy is rooted in the belief that known and recurring inefficiencies are available in the small cap market causing stock prices to deviate from their intrinsic value. The team uses a repeatable investment process to uncover higher-quality businesses and seeks inefficiencies in companies that are misunderstood, underfollowed or in the midst of a special situation.

Data & Technology

The firm is deeply committed to building and continuously enhancing proprietary systems that underpin and strengthen our stewardship activities.

We have allocated substantial resources—across technology, data and dedicated expertise—to develop tools that enable rigorous analysis, informed engagement and consistent oversight across our investment universe. These in-house capabilities are designed to evolve alongside market practices and regulatory expectations, ensuring that our stewardship approach remains robust, forward-looking and fully integrated into our investment decision-making.

Our proprietary technology houses external and internal ESG data. This includes internal proprietary fixed income ESG scores driven by our analysts' materiality maps, as well as various external metrics useful in our analysis for all portfolios, both equity and fixed income. Our portfolio managers use these proprietary tools to assess ESG metrics within their portfolios and relative to their respective benchmarks.

Engagement is an important component of our stewardship activities, and the firm has developed a proprietary Engagement Database designed to systematically capture discussions with company management teams and sovereign officials. The application enables investment professionals to record, review and monitor issuer interactions over time, supporting firm-wide oversight and continuity. We continue to enhance our ability to track, analyse and extract insights from the information collected.



Our Sustainability Team has developed a proprietary quantitative tool designed to analyse the acute and chronic physical impacts of climate change and how these downside risks may affect future valuations. The Physical Hazard Investment Risk Exposure model, or PHIRE™, tracks acute, event-driven physical risks. These event-driven risks are characterized by the increased severity of extreme weather events (hurricanes, floods, heat and cold waves). The model also tracks chronic risks, which are longer-term shifts in climate patterns, such as changing precipitation patterns or sustained higher temperatures.

PHIRE™ is a trademark of Loomis Sayles & Company, L.P.

PROXY VOTING

Our Director of Proxy Voting oversees and facilitates shareholder voting activities for all clients who grant the firm proxy voting authority.

The firm's centralized proxy voting platform, Sephos, is designed to track all ballots received for Loomis Sayles' client holdings and provide investment teams with all relevant information needed to vote in the best interests of our clients, as the ultimate owners of the securities. Investment teams are notified of each shareholder meeting for their holdings and can review meeting agendas and all available supporting materials before submitting their voting instructions. Votes are then processed by the Proxy Team and transmitted to the custodian.

The system allows different investment teams who hold stock in the same company to vote on the same proposal differently, reflecting mandate-specific views, and enables clients to apply bespoke or thematic voting policies that differ from the Loomis Sayles Proxy Voting Policy, without requiring clients to manage the operational aspects of vote execution.

DATA VENDORS

At Loomis Sayles, we engage with third-party vendors ("suppliers") to meet the needs of our operations. We also engage a vendor (the 'oversight vendor') to assist in our vendor due diligence and oversight responsibilities.

We have leveraged the oversight vendor's library of due diligence questionnaires through the 'Know Your Third Party' vendor oversight programme ('KY3P questionnaire') to aid our evaluation of a vendor's controls and procedures across all relevant areas of operations. In addition, the Risk Management Committee is charged with identifying, monitoring and managing the primary risks inherent in the firm's business, including risks presented by vendors. If necessary, the Risk Management Committee will recommend necessary steps to be taken to mitigate any risks presented by a vendor's failure to satisfactorily perform its obligations.

We may depend on external data for certain elements of our investment decision making and client reporting. This data may be used in proprietary models to generate both valuation insight and to produce performance attribution critical to investment decision making. The proper data to deploy and which models will be incorporated in both investment team and client reporting requires oversight. The firm's Data Oversight Committee is responsible for reviewing how external data and proprietary valuation models are deployed, particularly as they relate to external reporting and creating policies to ensure fair presentation.

Our Sustainability Team is responsible for sourcing and overseeing external ESG research, data, tools and training. Our vetting process includes a rigorous assessment of vendors and service providers before entering into an agreement, and continued dialogue, to stay abreast of developing methodologies and offerings that may benefit our clients.

We also actively encourage high-quality and transparent third-party ESG services. For example, we attend many ESG conferences held by the sell-side and industry organisations. In addition, we communicate with many vendors to provide feedback, ideas for enhancement and to ask questions about conflicting methodologies. These interactions demonstrate our efforts to encourage quality, standardisation and data transparency.

We continually review stewardship resources, focusing on providing value to our investment teams and improving their ability to incorporate stewardship within the context of their investment philosophy and process.

Disclosure C

POLICIES, PROCESS AND REVIEW

Describe your stewardship policies and processes, and how you review them.

Disclosure C

Loomis Sayles maintains comprehensive policies and procedures which address our stewardship activities.

Among these policies, we view our Sustainability Policy (inclusive of our engagement practices), Conflicts of Interest Policy, Proxy Voting Policies and Procedures, Cybersecurity Policy and our Artificial Intelligence Policy as most germane to our stewardship efforts. By embedding governance, risk management and oversight mechanisms into our operating model, we ensure that stewardship is not an abstract ideal but a practical discipline.

Each of the investment teams at Loomis Sayles implement stewardship practices in a manner consistent with its specific investment thesis, client mandates and regulatory requirements.

Review of Policies and Practices

The CCO requires that all policies be reviewed internally by the policy owner. The policy owner, in turn, is required to verify annually that these policies remain accurate, reflect regulatory requirements and that the associated procedures are consistent with the policy.

Sustainability Leadership Team

The Sustainability Leadership Team, which is described in detail in Disclosure B, provides oversight and coordination across stewardship activities and monitors the progress of the firm's stewardship initiatives. All firm policies and processes related to stewardship are reviewed annually by the Sustainability Leadership Team.

> This framework accommodates differences across asset classes and teams in how stewardship is implemented and approached. For example, certain aspects of stewardship—such as direct engagement—may not be practical or appropriate for every investment team. Structured finance is one such area where traditional engagement methods are often not feasible, requiring alternative strategies to uphold stewardship principles.



As a fiduciary and a good steward of our clients' capital, we are unequivocally focused on all investment risks and opportunities.

This means that, whether investing in equity or fixed income securities, monitoring and engaging with investee companies is integral to Loomis Sayles' investment processes.

Our stewardship activities include engagement with current and prospective investee companies prior to investment and during the holding period. We consider this to be an essential component both in the research process we use to evaluate companies and in our ongoing efforts to ensure investee companies are creating value for their investors.

Why we engage

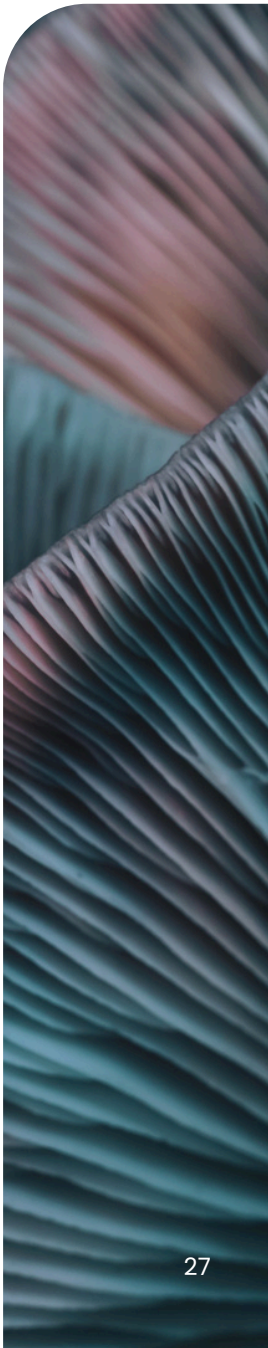
Engagement is core to our rigorous investment research and to our duty of care in the responsible allocation of client assets. Direct engagement by our fixed income and equity investment professionals allows us, as active managers, to have an ongoing dialogue with management on all areas of strategic or material significance. Strong, long-term relationships and robust discussions with company management give us the opportunity to ensure alignment with strategy and behaviour that will benefit our clients' investments (as well as helping educate and inform ourselves).

When we engage

Materiality is the key factor in prioritising our engagement activities. As a long-term investor, we are particularly apt to engage on topics that affect issuers over the long term. We believe value for our clients can be realised by engaging with companies to align and enhance companies' strategic directions and to drive continuing improvement in performance (focusing on areas we have identified from the vast external and internal data sources Loomis Sayles has at its disposal).

Our focus on materiality is driven by our understanding that engagement on material issues helps us achieve superior long-term investment results. Our engagement activities are generally not driven by client input, but rather by our fundamental research identifying areas of strategic and material significance.

The relevant issues vary from company to company, from one industry to another and from investment team to investment team. For example, when issues such as climate transition plans, incentive structures and factors that could pose a reputational risk to consumer-facing businesses are deemed material, we look to engage.



The main areas of focus in our engagement

In our engagement meetings with companies or issuers, discussions that are determined to be financially material could range from an aspect of a company's strategy (e.g. business strategy, environmental strategy, social strategy, etc.), to performance, to the management of the company's risks. Because these meetings occur regularly, they form an ongoing conversation and facilitate follow-up on previously discussed items.

How we engage

Primary responsibility for engaging with investee companies and issuers lies with our research analysts, for both fixed income and equity, although they also maintain a close dialogue with portfolio managers. With respect to our fixed income strategies, we have a centralised fixed income research function. For equity-based strategies, analysts are dedicated to each investment team. In calls and meetings with investee companies and issuers, our analysts may discuss business strategy, performance, governance and risk management, among other topics determined by each investment team to be financially material.

Typically, we engage with companies in several ways. The choice of which method to pursue sits with our analysts, based on their judgement of the best path to success, ease of access and the severity of the issue. The process for engagement varies depending on asset class and/or investment team.

For fixed income, our centralised analysts have a common process they use to identify and prioritise opportunities for engagement. For equity strategies, the engagement process is unique to each investment team in accordance with their philosophy, process and investment universe.

The preferred method of engagement will therefore align with the investment process and access for that team. Additionally, equity teams use proxy voting rights to express our opposition to or support of management or shareholder resolutions.

As noted in Disclosure A, we monitor our engagement activity and outcomes through our proprietary Engagement Database. The majority of our engagements throughout 2025 was conducted via regular one-to-one discussions with company managements.



Fixed Income – Engagement with Corporate Bond Issuers

Our centralized credit analysts have a three-step process to set the goals and expected timings for our engagement with corporate bond issuers and potential steps for escalation if required.

CORPORATE BOND ENGAGEMENT FRAMEWORK

OBJECTIVE

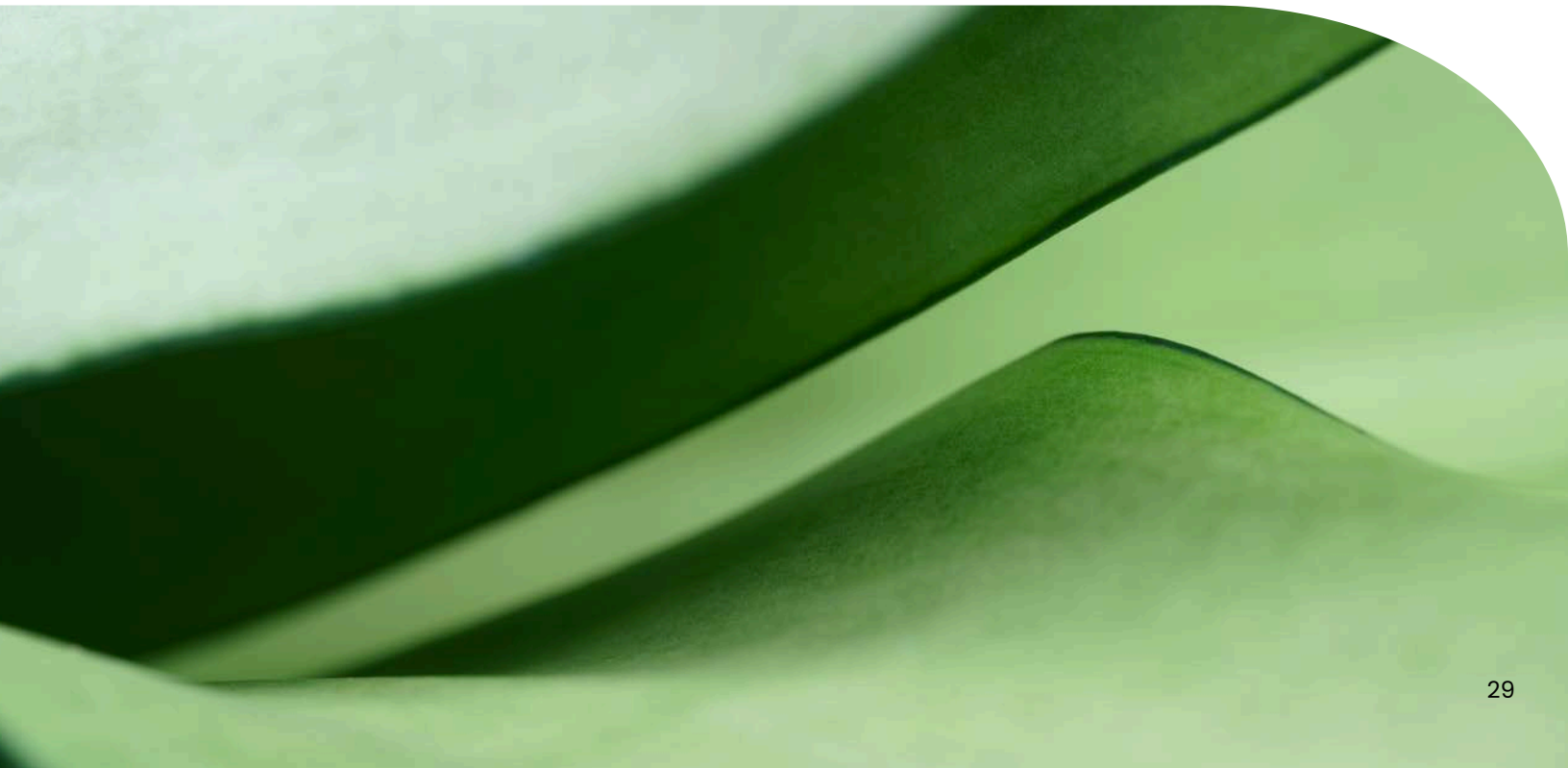
What is the goal of the engagement? Why are we engaging and, specifically, what do we hope to accomplish? What would it take for the company to achieve a better ESG score?

TIMELINE

Setting realistic timelines that we can monitor to ensure we circle back both internally and externally with management to assess if progress toward the goal has been achieved.

ESCALATION

What is the escalation policy if there is no progress towards the objective within the timeline?

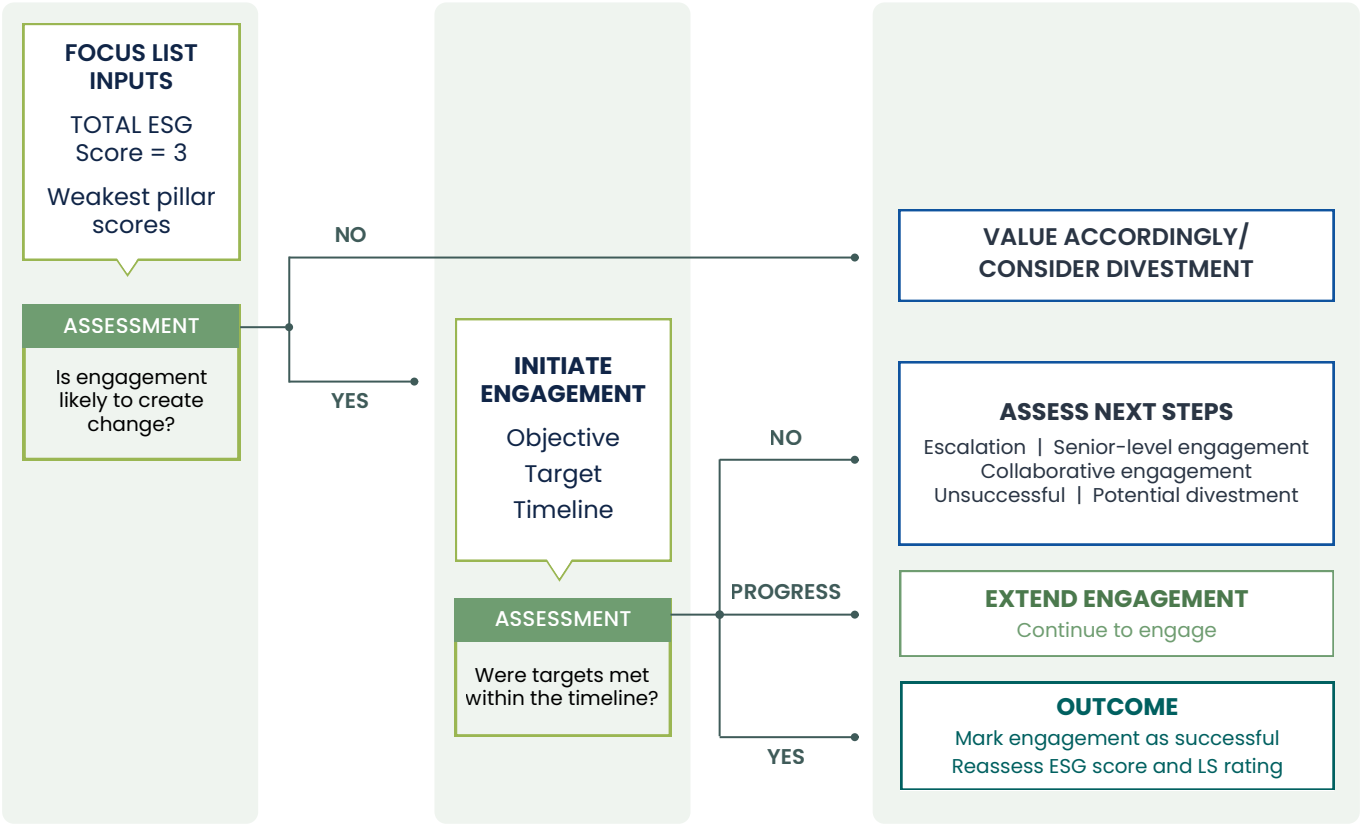


We believe it is important to create objectives that are achievable through time and effort.

Essentially, we want realistic objectives that are a step within a longer process of engagement towards a bigger goal. We take the view that we are on a journey with companies and sovereigns—an understanding that allows for much deeper relationships and the possibility of better outcomes. For fixed income teams, the decision to engage on ESG topics is informed by our credit analysts' fixed income materiality mapping of issues, as well as the broader research our analysts produce.

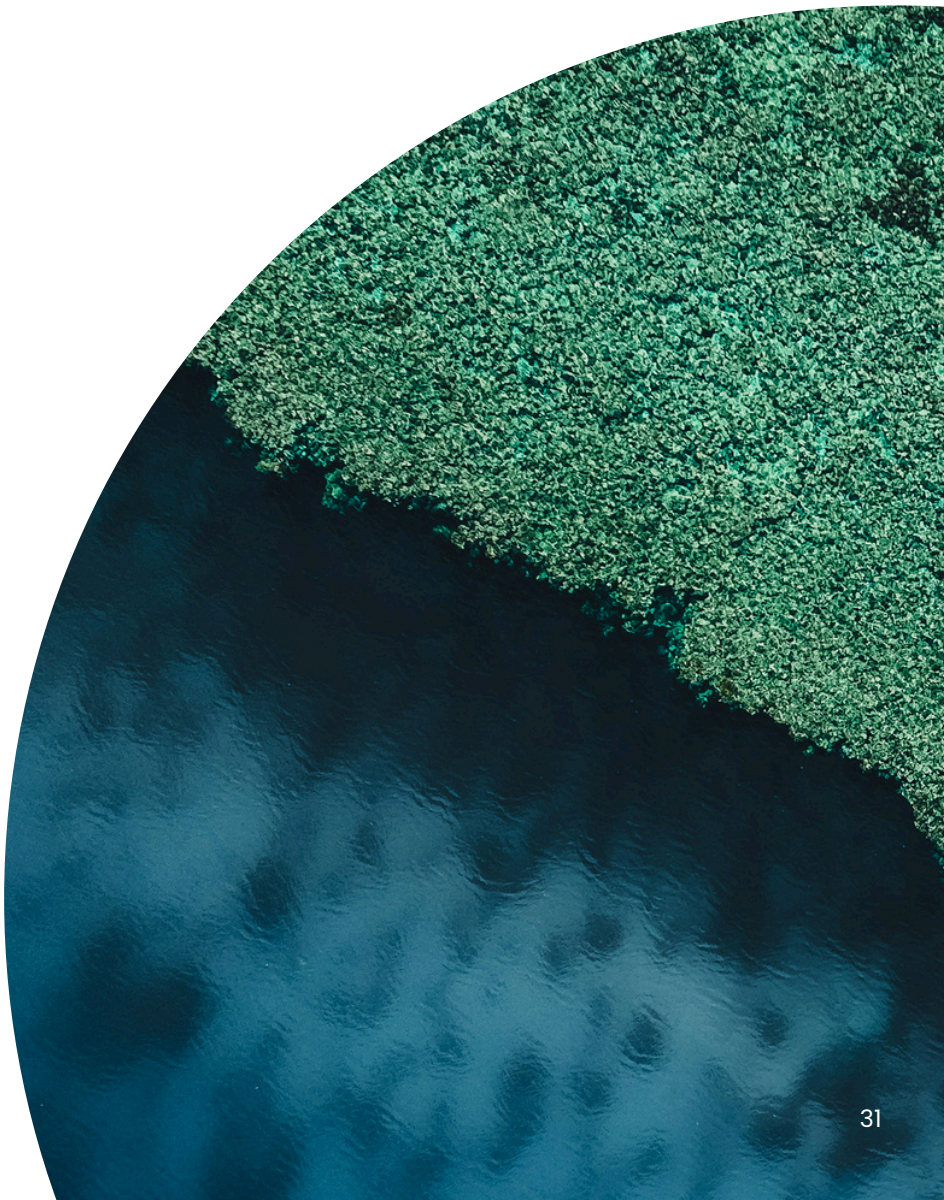
Our engagement approach for corporate bond issuers is centered on ensuring that our efforts are focused on companies and activities where there are the greatest scope, feasibility and requirement for change. With respect to ESG concerns, our credit analysts undertake the process outlined below, which leverages our proprietary materiality maps and ESG scoring.

ENGAGEMENT PROCESS FOR CORPORATES



The Euro Credit Team views engagement as a tool to identify ESG deficiencies, raise issuer awareness and encourage improvements in fundamental performance.

Discussing ESG practices and conduct is a routine part of the team's issuer interactions. Where a portfolio manager determines that identified deficiencies warrant deeper attention, a targeted engagement is initiated to promote change. The Euro Credit team believes that improvements in an issuer's ESG profile can help unlock long-term value for all stakeholders. Their current engagement efforts are focused on climate change and issuers with weaker ESG profiles.



Equity Engagement

Engagement with investee companies by our equity investment teams is a fundamental part of all our equity team's respective investment philosophies and processes.

Growth Equity Strategies Team

In common with all Loomis Sayles investment capabilities across asset classes, our equity teams focus on financial materiality and a forward-looking view of companies' abilities to succeed and create value for investors and wider stakeholders.

The Growth Equity Strategies (GES) Team's approach to engagement is fundamentally shaped by its investment philosophy and is an integral part of its active, long-term, research-driven process:

The GES Team is an active manager with a long-term, private equity approach to investing. Through its proprietary bottom-up research framework, the Team looks to invest in those few high-quality businesses with sustainable competitive advantages and profitable growth when they trade at a discount to the team's estimate of intrinsic value.

The GES Team's long-standing insights about investing are structured around three key criteria: **Quality-Growth-Valuation.** Guided by its alpha thesis and with an owner's mindset, the Team seeks a deep understanding of the drivers, opportunities and limits of a company, including ESG criteria, for each company over the Team's long investment horizon.



Growth Equity Strategies Team

The GES Team develops long-term constructive relationships with management through regular and recurring dialogue regarding key decision-making criteria, including long-term structural, strategic and financially material ESG matters integral to their long-term investment thesis for each company.

The Team believes the structural opportunities and risks associated with ESG matters are linked to business activities, including the analysis of business models, competitive advantages, operating efficiency, management strategy and integrity, profitable growth and the Team's estimate of intrinsic value. The Team believes that company management must necessarily weigh and manage the interests of various stakeholders including employees, customers, supply chain partners and local communities, as well as resource stewardship.

Therefore, ESG considerations can be structural to each step of the GES proprietary seven-step research framework.

The GES Team's investment process begins with the art of trying to identify high-quality companies with unique, difficult-to-replicate business models and sustainable competitive advantages. Many ESG considerations are embedded in our quality assessment of a company, which are incorporated in the first four steps of our seven-step research process. Meeting the criteria of the Team's quality analysis is binding for the investment team. Not only can ESG considerations strengthen the virtuous cycle of quality characteristics that help sustain and extend competitive advantages, they can also help manage downside risks. Ongoing engagement and robust dialogue are critical elements of the Team's assessment.





Growth Equity Strategies Team

Why do we engage with investee companies?

The Team's research and engagement are focused on the future strategic decision-making of companies. High-quality businesses are rare. Less than one percent of companies globally are able to sustain their competitive advantages beyond a decade. Empirical evidence also shows that fewer than one percent of companies can generate sustainable above-average growth beyond a decade. The GES Team evaluates global industry value chains and profit pools to discern the companies they believe will be structural winners and losers over the long term. Engagement is a critical part of the Team's assessment of high-quality growth companies, from idea generation to decision making on capital allocation and material ESG factors.

Because the Team invests as if buying into a private business, a long investment time horizon is central to its investment philosophy and process. The Team believes that short-termism, so prevalent in today's market, is detrimental to sustainability and value creation and that a long-term orientation is fundamental to a strategic decision-making framework. Therefore, the GES Team seeks to invest with management teams who share its long-term perspective and who view ESG integration as a launch pad for innovation, competitive differentiation and continuous improvement. The GES Team believes relevant ESG considerations must be integral to a company management's long-term strategic decision-making, not merely a check-the-box exercise.



When do we engage?

Identifying these rare businesses means that for the GES Team, engagement begins with idea generation. It is a key component during its research process, which identifies high-quality growth companies. It is ongoing with portfolio candidates in its investment library. And it is critical to the Team's continuous assessment of portfolio holdings. As of result of its disciplined and thorough analysis, the GES Team's library of investable ideas consists of only about 250 companies, globally, which the Team would like to own across its five growth equity strategies–at the right price.

Growth Equity Strategies Team

The Growth Equity Strategies Team's engagement is not a task with a definite beginning and end, but a continuous process.

ENGAGEMENT IN OUR INVESTMENT PROCESS

IDEA GENERATION

In addition to meeting with the company management of a portfolio candidate, we also analyse and meet with competitors, customers and suppliers around the world in order to develop an independent assessment of each company's global value chain, competitive positioning and overall profit pool.

RESEARCH PROCESS

The opportunities and risks associated with ESG matters are linked to business activities and strategy, and are therefore integral to the analysis of business models, competitive strategy and advantages, operating efficiency, corporate management strategy and integrity, profitable growth and our intrinsic valuation.

INVESTMENT LIBRARY

We apply the same approach to engagement whether a company is a portfolio holding or an investable idea in our investment library.

PORTFOLIO HOLDINGS

We develop long-term constructive relationships with management through regular and recurring dialogue regarding key decision-making criteria. We believe a long-term orientation is fundamental to a strategic decision-making framework.

At Loomis Sayles we recognise the potential impact of collaborative engagement to influence issuers, and we consider participation in the right circumstances.

We actively engage with other market participants through our participation in a range of industry bodies and working groups, and we participate in initiatives to encourage responsible investment practices across the industry.

Senior leaders across our business play an active part in industry groups and bodies that attempt to broadly influence issuers as a group, to provide proper disclosure on financially material topics, and improve the functioning of financial markets.

Collective Engagement

The decision to engage collectively will be made on a case-by-case basis. Whenever Loomis Sayles engages with an issuer it is to protect and enhance shareholder or bondholder rights.

Collective Engagement (contd.)

In order to undertake any collaborative engagement with issuers, we make sure that the circumstances and parties involved meet three important criteria:

1 **COMPLIANCE WITH MARKET ABUSE AND COMPETITION LAW**

We are mindful of our obligations under antitrust law and, therefore, will not communicate directly with other investment managers in respect of particular issuers where this may risk competition law infringements.

2 **OUR PROPRIETARY RESEARCH AND INTELLECTUAL CAPITAL ARE PROTECTED**

We believe that alpha in investment performance is rare and as a fiduciary of our client's assets it is important that we protect the proprietary research and processes of our investment teams. We are unwilling to share the research of our investment teams with other asset managers. This can include which areas of engagement we believe are financially material or of particular concern for our holdings. If a collaborative engagement opportunity is not able to protect our proprietary research and intellectual capital, we will not participate.

3 **ALIGNMENT ON MATERIALITY AND OBJECTIVES**

The other important criteria for collaborative engagement is full alignment with potential parties on the precise focus and materiality of the topic of engagement and the intended outcomes. Our rationale and objectives for engagement and the focus of our ongoing dialogue with issuers (in any asset class) is usually a specific topic as determined by our detailed, proprietary fundamental and ESG analysis. If we can identify collaborative initiatives that are fully aligned with our focus, we are advocates of taking such an approach. However, if we are unable to identify any initiatives precisely aligned with our focus, our analysts will continue to engage with the relevant issuer(s) on a one-to-one basis.

These engagement activities led by analysts are entered into our engagement database, along with other types of engagement.

Proxy Voting

Loomis Sayles' Proxy Voting Committee is responsible for, among other things:

1 Reviewing the Proxy Voting Policies and Procedures to ensure consistency with regulatory and internal policies, including confirming that they are reasonable and effective, and designed to ensure that votes are cast in clients' best interests.

2 Reviewing existing voting guidelines and developing additional guidelines to assist in the review of proxy proposals.

3 Reviewing the proxy voting process and addressing any general issues that relate to it.

We also regularly review our votes to verify that they have been cast in accordance with our policies and procedures. To that end, Loomis Sayles has engaged Ernst & Young to perform an annual Type II SOC 1 audit (formerly SSAE 16 and SAS 70), which includes a review of our votes cast versus our policies and procedures.

We also discuss our Proxy Voting Policies and Procedures further in our Activities and Outcomes portion of this report.

Stewardship Reporting

Externally, Loomis Sayles seeks to be transparent in our reporting on stewardship activities, including our client reporting. The contents of this reporting are based on individual client requirements or regulations and specific to the mandate. Our client reporting has been well received and our ongoing dialogue with clients helps us to ensure it is fair, balanced and understandable.

We engage with clients concerning their stewardship objectives and expectations and we use their feedback as a gauge of how fair and balanced our communications are, as well as the clarity of the information we provide. This information is provided in a variety of ways, including responses to due diligence questionnaires, reports created pursuant to client requests, client meetings and individual inquiries addressed to clients' specific interests and concerns. Marketing communications are reviewed by the Associate Director of Sustainability and the Sustainability Marketing Manager as well as other subject matter experts depending on the materials. The review is required in order to ensure that stewardship and sustainability dialogues are presented in a fair and balanced manner, are easy to understand and are accurate.





Disclosure D

CONFLICTS OF INTEREST

Describe how you manage stewardship-related conflicts of interest to put the best interests of clients and beneficiaries first

Disclosure D

Our Conflicts of Interest Policy sets out the principles and guidelines for identifying, managing recording and, where relevant, disclosing existing or potential conflicts and protecting the interests of Loomis Sayles' clients.

We regularly review our business to identify potential conflicts of interest and ensure that already identified conflicts continue to be managed effectively. When assessing a potential conflict of interest, we consider things such as whether Loomis Sayles:

1. is likely to make a financial gain, or avoid financial loss, at the expense of the client;
2. has an interest that is separate and distinct from that of the client in the outcome of the service provided to the client or of a transaction carried out on behalf of the client;
3. has a financial or other incentive to favour the interest of one client or group of clients over the interests of another client or groups of clients; or
4. receives or will receive, from a person other than the client, an inducement in relation to the service provided to the client, such as in the form of higher fees.

Each Loomis Sayles employee is responsible for:

1. identifying actual or potential conflicts of interest and reporting them to the Chief Compliance Officer (CCO);
2. discussing any questions or concerns about possible conflicts with the CCO; and
3. managing and mitigating conflicts fairly and in accordance with applicable policies and procedures.





In accordance with our Procedures for Maintaining the Loomis Sayles & Company Compliance Manual, our CCO or his designee reviews the Conflicts of Interest policy on an annual basis.

It is also reviewed and approved annually by the Board to ensure it remains accurate and up to date. Our Conflict of Interest Policy is available on our Website, which is available: Loomis Sayles COI Policy

Annually, employees are required to pass a compliance exam. In part, the exam includes questions designed to address areas of potential conflicts of interest and our fiduciary responsibility to clients.

In addition, the firm has several oversight committees that monitor our business practices and risks, including potential conflicts of interest. We take our fiduciary duty to clients seriously and believe we have robust policies and procedures in place to effectively manage conflicts of interest and always act in our clients' best interests.

We have identified specific examples where potential conflicts could arise in relation to our stewardship activities. Many of these conflicts are managed through our Proxy Voting Policies and Procedures, which are designed and implemented in a way to ensure that proxy matters are handled in the best interests of clients.

The Proxy Voting Procedures describe how Loomis Sayles will vote on the most common proxy proposals.

Topics include director nominees, proxy contest defences, ratifying auditors, tender offer defences, governance provisions, capital structure, executive and director compensation, incorporation domiciles, mergers, acquisitions, corporate restructurings and ESG matters. The Proxy Committee determines how the firm will vote on those matters not specifically covered by the Proxy Voting Policies and Procedures.

Investment teams have discretion to vote differently from the firm's default position determined by the Proxy Voting Policies and Procedures or Proxy Committee, after taking the following steps: (1) conducting a review for any material conflict of interest Loomis Sayles may have and (2) if any material conflict is found to exist, excluding anyone at the firm who is subject to that conflict of interest from participating in the voting decision in any way. Further details of our Proxy Voting Policies and Procedures are provided in the Activities and Outcomes portion of this report.

Below we set forth general areas where we expect conflicts to arise in connection with our stewardship and proxy voting matters, as well as actual instances where our policies effectively addressed situations where conflicts may have otherwise occurred in the reporting year.

EXAMPLES OF POTENTIAL CONFLICTS THAT COULD ARISE IN RELATION TO OUR STEWARDSHIP ACTIVITIES INCLUDE:

CONFLICT	MITIGANT
Different investment teams invested in the same asset may have a different preferred outcome on a particular voting proposal. This could be due to varying investment philosophies or as a result of being invested in different levels of the capital structure. For example, Loomis Sayles' equity and fixed income teams may have divergent interests in a proposal for a merger and acquisition or debt restructuring.	In the event that investments teams have differing views regarding the impact of the proposal on their clients' investment interest, we may cast a split vote, despite the stated policies in our Proxy Voting Policies and Procedures.
We may engage with an investee company whose pension scheme is also a client.	Our proxy voting is not influenced by our client base and thorough checks are undertaken prior to all votes in order to identify any relationships between the investee company and Loomis Sayles that could result in a perceived conflict. In this instance, we would alleviate any potential conflict by voting in accordance with our Proxy Voting Policies and Procedures.
Employees may have a personal interest in the outcome of a voting proposal that conflicts with the interests of a client.	When submitting a voting recommendation, employees must certify the recommendation is made in the client's best interest and they are not aware of any personal conflicts affecting their recommendations. For example, the existence of a personal or professional relationship with members of the investee company board. All employees are subject to our Code of Ethics.
Our engagement and stewardship policies may conflict with those of our clients.	Clients may dictate specific terms with respect to proxy proposals that conflict with the stated policies set out in the Firm's Voting Policy and Procedures. In these situations, we will direct the proxy vote in accordance with our client's wishes.



Disclosure E

DIALOGUE WITH CLIENTS AND/OR BENEFICIARIES

Describe how you maintain a dialogue with clients and/or beneficiaries

Disclosure E

We work closely with our clients to help meet their investment needs, including any unique guidelines or values they may have.

From the outset, each of our clients is provided with a relationship management contact, whose role is to facilitate engagement with the client to determine their needs and expectations, including those related to stewardship. The relationship manager, alongside a specialised group of individuals focused on client intake, works with these clients during the onboarding process to outline these requirements in the written agreements governing our relationship. This relationship manager remains the client's ongoing contact at Loomis Sayles and they ensure that portfolio managers and other parties are apprised of any evolving client needs.

The discussions we have with clients on sustainability issues vary across clients, investment strategies and geographies. Our clients' needs and preferences on ESG issues span a broad spectrum and we often accommodate client specifications.

At Loomis Sayles, we place a high priority on providing effective client service through our dedicated client service group.

Every client is assigned a portfolio manager, a client relationship manager and a client portfolio analyst. The relationship manager (RM) serves as the client advocate in the investment process and is the primary client conduit for portfolio and investment information. Portfolio managers focus on direct implementation of an account's investment strategy.

A client generally meets with their portfolio manager annually and with the client relationship manager as often as necessary to ensure full investment transparency. The client portfolio analyst (CPA) is the person responsible for supporting the client relationship manager in gathering and disseminating investment data and any reports that are needed to service the client.

Client administration managers (CAMs) also provide support to clients and client relationship managers. The client administration manager collaborates with internal departments to facilitate internal and external management of clients' needs, and helps ensure all contractually required services are delivered to clients in a timely manner.

Investment directors are members of the investment team who participate as observers in portfolio management discussions, and are well-versed in the rationale for portfolio strategy and positioning. As such, they often serve as the primary conduits for portfolio and investment information.



Our client service is tailored to each client's needs and begins with a thorough understanding of client objectives, risk profile and the overall role the product is expected to play in the client's investment strategy. We maintain a high standard of accountability both in tracking investment decisions and in communicating investment information to our clients. These proactive measures from our Client Service Team keep clients abreast of significant portfolio activity. The Client Service Team also relates how managerial decisions reflect their portfolio objectives, our investment philosophy and the investment environment. We also monitor the number of clients overseen by the portfolio manager and client relationship manager to ensure a consistent application of the investment process and quality client service.

Our goal is to deliver superior long-term risk-adjusted returns and effective investment solutions to meet our fiduciary duty to our clients.

We offer a wide array of traditional and alternative investments to help meet the needs of institutional and retail investors. Although we do not subscribe to a single investment process, a shared set of investment pillars and values underpins each investment team's philosophy and process. We build our client-focused investment capabilities on a foundation of diverse, proprietary expertise in global credit, equity, macroeconomic and quantitative research.

Generally, our clients have long-term investment horizons. However, time horizon can vary greatly from clients with near-term liquidity objectives to foundations and endowments with perpetual investment horizons. Though our strategies have different return patterns and time horizons, they all seek strong risk-adjusted returns.

The majority of our business involves managing segregated portfolios on behalf of institutional investors. Business development activities typically require several years of engagement with prospective clients before being hired and then investing on their behalf. During this time, we seek to understand their investment objectives as well as provide analysis, information and education directly to the prospective client or via third-party consultants and databases. This process helps identify appropriate investment solutions, and investment time horizons, for each potential investor.

We have found that direct engagement with our clients allows us to effectively educate them on our investment capabilities and understand how we can best address their varied needs.

Every Loomis Sayles strategy starts with a solid foundation or "alpha thesis," which seeks to identify market inefficiencies and the investment process necessary to capitalise on them. An investment time horizon can be core to an alpha thesis.

The appropriate investment solution may be an existing proprietary Loomis Sayles strategy or it may be customised to meet bespoke client objectives. For portfolios with client-defined investment objectives, the approach taken by each investment team reflects the appropriate client-specific investment time horizon. Often, these clients require particular portfolio restrictions and reporting in connection with stewardship matters. As a result, in support of our fiduciary duty, we must comply with client directives and/or requests in our stewardship activities and reporting in those instances.

At Loomis Sayles, we also offer a wide array of commingled investment vehicles, such as mutual funds in the US as well as Luxembourg- or Dublin-registered UCITS funds for investors outside the US. This includes a number of Sustainable Finance Disclosure Regulation (SFDR) Article 8 designated funds, as well as sustainable funds. We have offices in London and Utrecht with teams that help support our clients across the region. Distribution of these vehicles is primarily through large retail institutions where the decision to make our strategies available to end investors resides primarily with gatekeeper analysts for institutions.

The needs-based selling process here is similar to the institutional process described above. Given the investment time horizon is pre-established for these commingled investment vehicles, the focus is on matching investor objectives to an appropriate fund. If one of our strategies is selected, ongoing support, analysis, information and education is provided for the gatekeeper analyst as well as client-facing teams.



Tailoring ESG strategies and reporting to help meet evolving client needs

In addition to robust ESG integration across asset classes, each of our investment strategies can be tailored to a degree according to the needs of the client.

This may involve overlaying one of our strategies with a bespoke ESG-based exclusion list in accordance with client requests, such as excluding companies with revenue derived from munitions, alcohol, gambling and tobacco. Moreover, Loomis Sayles will accept screens as requested by our clients in order to meet their evolving ESG goals throughout the life of the client relationship.

"We work closely with our clients to help meet their investment needs, including any unique ESG guidelines or values they may have."

In recent years, the number of client mandates with unique ESG guidelines has increased. Concurrently, the requirements of our parent company, Natixis, as well as those from industry associations and consultants to report on our assets under management with such guidelines have grown.

We generally provide written reports to separately managed account clients on either a monthly or a quarterly basis. Standard reports include a complete list of account holdings and performance information. These reports and related account information are also available on the Loomis Sayles website through our e-service platform. Certain clients may receive additional information if specifically requested and required by their advisory agreement. For clients who are focused on sustainability issues, each investment team develops customised data and reporting schedules catered to the client's individual requirements.

Our client-focused approach is also reflected in our **Proxy Voting Policies and Procedures** and reporting. The level of client engagement on the matter of exercising proxy votes varies and we cater to individual needs as required. For example, clients may provide Loomis Sayles with their own proxy voting guidelines to follow, and we can also provide a tailored analysis of the proxy votes and the rationale at the client's request.

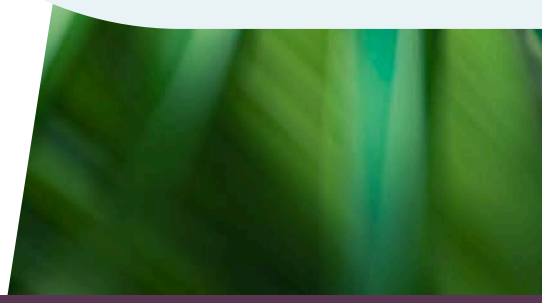
Meeting expanding client reporting requirements

We continue to see client demand for bespoke sustainability and stewardship reporting.

We have clients who request detailed reporting on ESG characteristics of portfolios or engagement activities and others for whom receiving this information is not a priority. We continue to address these client-specific needs individually, rather than providing such reporting as a matter of course to all clients. Client-directed engagements are integrated into our broader stewardship and investment processes, with outcomes monitored and, where relevant, communicated back to the client.

Our bespoke approach enables us to address a myriad of metrics and requirements that vary by client domicile, type and market-specific regulations. For example, certain clients are now required to have climate related portfolio reporting. We have reporting capabilities for those mandates and utilise metrics that align with the Task Force on Climate-Related Disclosure (TCFD) requirements to effectively address the needs of our clients.

We are continually evaluating the effectiveness of our client-focused method to meeting clients' distinct ESG and Stewardship reporting, in the everyday course of our client interactions.



Global Equity Strategies Team

DEDICATED TO OUR CLIENTS' ESG DATA NEEDS

Since 2018, the GES Team has overseen the implementation of custom client-driven responsible investing policies to ensure portfolios align with client values. Led by their dedicated ESG data analyst, the GES Team recently implemented a significant transition to a new data reporting and portfolio assessment methodology for its largest Socially Responsible Investing (SRI) client. The project involved a comprehensive mapping exercise with a methodical and iterative approach to ensure continued alignment to the client's SRI policies. The Team's ESG data analyst also provides client-specific ESG and controversy commentary, as well as regulatory and quarterly reporting on ESG characteristics and portfolio outcomes tailored to client-specific and product-specific requirements.





In response to more of our clients seeking comprehensive climate reporting and to help them manage to any of their mandate-specific net-zero objectives, our Sustainability Team has developed a bespoke portfolio-level net-zero reporting module.

Through a highly customised, partnership-driven approach, we help clients address their net-zero commitments. Rather than applying a single framework, we work closely with each client to understand their specific climate goals, constraints, and transition roadmap, and we tailor portfolio construction, reporting, and engagement strategies accordingly. This flexibility allows us to design solutions that reflect each client's unique net-zero ambitions, including monitoring issuer revenues from specific industries (thermal coal, gas, oil), and setting interim targets in accordance with Science Based Target initiatives (SBTi) while maintaining disciplined investment outcomes. Our custom report comprises a menu of climate metrics such as, current carbon footprint, scenario alignment, and exposure to transition investment themes, that can be tailored to help meet clients' needs.

This tool allows us to work with clients to help them understand how to reduce the emissions trajectory of their portfolio—specifically, helping them recognize necessary adjustments on their journey toward reduced emissions and progress toward the likelihood of reaching 1.5°C alignment by 2050. Additionally, portfolio managers can also utilise this tool to determine what modifications are required to achieve their clients' emissions goals. The tool ties these goals to engagements happening with both analysts and portfolio managers.

In the everyday course of our client interactions, we are continually evaluating how we effectively meet our clients' distinct ESG and stewardship reporting needs. For example, quarterly portfolio updates provide investment teams with a natural opportunity to discuss whether the reporting meets a need or requirement for that particular client.

These ongoing connections and conversations offer continuous opportunities to help ensure our approach meets each client's evolving needs, including sustainability requirements.



Part II:
Activities & Outcomes



Principle One



Principle One

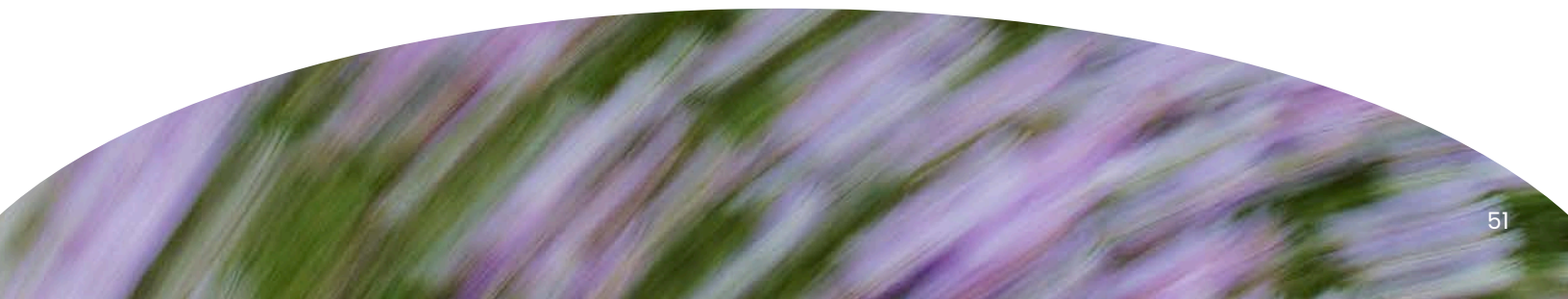
Signatories integrate stewardship and investment to deliver long-term sustainable value for their clients and beneficiaries.

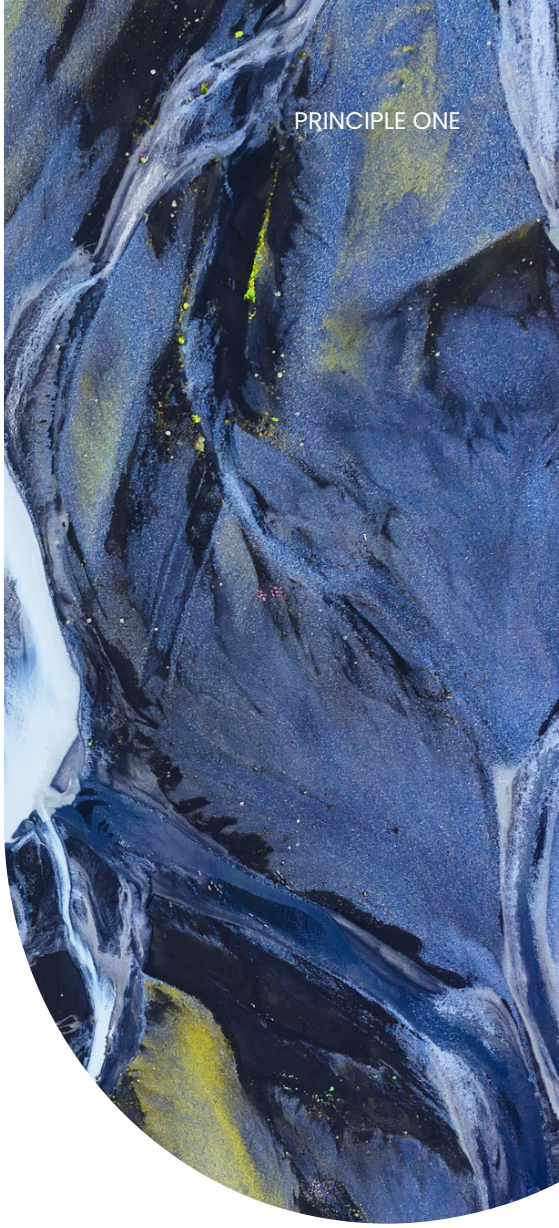
We believe effective stewardship is essential to achieving superior long-term, risk-adjusted outcomes for our clients.

At Loomis Sayles, our investment teams embed stewardship activities into their individual practices in ways that are inherent to their proprietary investment processes. We take a bottom–up approach to prioritizing our stewardship activities based on financial materiality assessments.

For most of our fixed income teams, stewardship activities are handled primarily by our centralized research groups. Our equity investment teams each have dedicated analysts, who are responsible for stewardship activities. This approach recognises that effective stewardship is most impactful when it reflects the distinct drivers of value creation within each of our investment teams, while remaining consistent with our fiduciary duty to our clients.

Across Loomis Sayles, our active investment management practices use the information gathered from stewardship activities to inform investment decisions. Depending on the topic and circumstances, this can lead to further research and exploration of certain management strategies and portfolio positioning. When financially material, it may also lead portfolio managers to elect not to purchase a security.





Proprietary Research

In a world of ubiquitous information, we believe advantage comes from insight that can only be acquired through deep, proprietary fundamental research.

High-conviction, disciplined risk-taking is grounded in a deep fundamental understanding, generated through proprietary research. Our career analysts specialize by industry, sector, region, business model and asset class. Across asset classes analysts play a core role in the investment process by deepening insights, challenging assumptions, and adding rigor to each alpha thesis.

Our investment teams are supported by more than 160 research professionals across all asset classes, providing analytical depth and expertise to inform stewardship activities.

DEDICATED RESEARCH

Credit	Sovereign, Commodity and Macroeconomic	Securitised Assets	Quantitative	Equity
54	**15**	**19**	**10**	**26**
analyses issuers in the corporate bond, bank loan and US public finance markets	assesses the global macro investment environment and analyses sovereign issuers and commodity markets	covers the ABS, MBS, RMBS and CMBS markets	provides quantitative research and risk profile information to the investment teams	applies proprietary, team-specific, fundamental analysis to identify companies within their coverage that best fit the team's investment approach and total-return objectives

Details on specific activities and outcomes that occurred throughout 2025 can be found below:

Fixed Income

Credit Research

In 2025, our Credit Research Group's coverage model was realigned to better support the team's ongoing ability to produce and deliver differentiated, alpha-generating insights.

The new structure aligns analysts by credit asset class: Investment Grade and Leveraged Finance (encompassing high yield and bank loans in developed markets), each led by a tenured senior credit analyst.

This evolution increases analyst specialization and capacity while maintaining the connectivity and cross-capital structure perspective that have long been hallmarks of the Loomis Sayles Credit Research platform. Our previous credit research model was one in which credit analysts covered corporate credits across both the investment grade and high yield universes within their respective industries in developed markets.

As detailed in Disclosure B, our credit research analysts and sovereign analysts maintain proprietary materiality maps for their respective areas of coverage. The review and assessment of these maps help to ensure they reflect and incorporate topical forward-looking risks and opportunities. In 2025, our Sustainability and Credit Research Teams partnered across multiple industry groups, including consumer discretionary and non-discretionary, financials and commodities and basic industry, to reassess financially material topics, identify emerging issues and retire or consolidate outdated inputs. This multi-month, highly collaborative effort, including experienced and newly assigned analysts in more than 20 working sessions, resulted in more robust and meaningful maps, strengthening insight and helping to identify targeted engagement opportunities.

Euro Credit Team Materiality Maps

In 2025, the Euro Credit team continued the development and implementation of their bespoke materiality maps. Materiality maps are the cornerstone of integration for ESG considerations in the Team's fundamental issuer analysis. The use of materiality maps provides structured, consistent and comparable assessments of the ESG profiles of the issuers in their investment universe. Within the three ESG areas-Environment, Social, and Governance–the Team evaluates a combination of quantitative metrics and qualitative factors that differ from sub sector to sub sector. This sub-sector–specific approach enhances the relevance of analysis and facilitates efficient and meaningful comparisons of issuers versus their peers.

The outcomes of an issuer's ESG profile assessment may lead to excluding an issuer from investment consideration, requiring a higher risk premium, identifying areas for ongoing monitoring, initiating a targeted engagement, or recognizing ESG characteristics as a source of competitive advantage.

Resources

In May of 2025, **Alex Schober** joined the Sustainability Team as a Sustainability Analyst. Alex is responsible for conducting sustainability analysis of sovereigns, sub-sovereigns and emerging markets. He partners with sovereign analysts and portfolio managers to support their analysis of longer-term risks and opportunities related to financially material sustainability factors. Alex has a unique background, having worked in both sustainability and as a sovereign analyst.



ALEX SCHOBER



Equity

As noted in Disclosure B, equity research analysts are aligned with specific investment teams, allowing them to work closely within each team's investment philosophy and process. By developing deep company, industry and sector expertise, analysts identify the companies within their coverage that best align with the team's approach to equity investing and offer the strongest total-return potential over a defined time horizon. In 2025, two new analysts were hired across our equity teams.

Proxy Voting

Exercising our proxy voting responsibility is an important component of engagement for our equity investment teams. In the first half of 2025, equity investment teams began using the firm's new centralized proprietary proxy voting platform, Sephos, to review meeting agendas and supporting materials to facilitate their voting instructions.

Compliance Procedures

As discussed in Disclosure D, we conduct an annual review of our Procedures for Maintaining the Loomis Sayles & Company Compliance Manual and administer a mandatory employee compliance exam; following the 2025 review, updates were made to the manual as required, and all employees completed the compliance exam.



Growth Equity Strategies Team
A Fundamental and Long-Term Approach to ESG

Our alpha thesis encapsulates a deeply held system of persistent beliefs, a rigorous, repeatable investment process, and substantive proof points. In our view, investors and other stakeholders can benefit when long-term, structural, strategic and financially material ESG considerations are an integral part of an active, long-term, research-driven investment process.

We assess long-term structural, strategic, and financially material ESG considerations integral to a company's decision-making, including investments in R&D to innovate products and solutions that drive better environmental or social outcomes, as well as efforts to advance sustainable manufacturing techniques, inputs and sourcing.



Case Study: *Circular Economy*

Leading Global Healthcare Company

GROWTH EQUITY STRATEGIES TEAM

The company is a global healthcare leader with over a century of innovation in protein science and diabetes care. Its focus on the biology and causes of diabetes has led to unparalleled expertise and competitive advantages in endocrine and metabolic disorders, establishing the company as the longstanding global leader in the diabetes market. The company's deep understanding of the biology of diabetes also served as the foundation for the company as the leading innovator and first mover in the use of GLP-1s to treat obesity. GLP-1 refers to glucagon-like peptide-1, a naturally occurring hormone that helps control blood sugar and appetite.

Headquartered in Europe, the company employs over 60,000 people globally and markets its products in 170 countries. We believe this expertise, commercial scale and manufacturing footprint, combined with its relentless commitment to ongoing innovation, provides the basis for sustained growth.

We seek to invest with management teams who share our long-term perspective and who view ESG integration as a launch pad for innovation, competitive differentiation, and continuous improvement. Recognizing that millions of people worldwide rely on medical devices for chronic disease management—devices that often end up in landfills or incinerators— the company is taking steps to address the environmental challenges of climate change, resource scarcity, pollution and plastic waste. As the patient population using its solutions grows, so does the company's commitment to sustainable practices.

The company has pledged to reach net-zero emissions across its entire value chain by 2045, in alignment with the Science Based Targets initiative's Corporate Net-Zero Standard. In 2024, the company set a new target to reduce its plastic footprint per patient by 30% by 2033. Central to these goals is adopting a circular mindset—designing products so they can be reused or recycled—to minimize environmental impact. Through its circularity focused strategy, launched in 2019, the company began redesigning its pre-filled injection pens to minimize waste throughout their entire lifecycle, reducing the use of virgin fossil-based plastics and transitioning to more sustainable alternatives. Another key focus of this strategy is ensuring that materials from these pens can be recovered and reintroduced into the production cycle, by repurposing waste into new, useful products.

Supporting this effort is a device take-back and recycling program launched in 2020 that enables users to return used injection pens for recycling. Disposal practices for used pens vary by country, but they often end up in general household waste and ultimately in landfills or incineration plants. To counter this, the company is collaborating with patients, organizations, pharmacies, authorities and industry partners to build collection and recycling systems. Once returned, pens are transported to an external recycling partner, where they are crushed and separated into material fractions. These materials undergo a series of processes to prepare them for reuse in new products—such as office furniture, including chairs and lamps—designed in collaboration with design firms.

Case Study | *Circular Economy* (contd.)

GROWTH EQUITY STRATEGIES TEAM

The recycling program is currently available in parts of Europe, Asia and Latin America, with plans for broader global expansion. The initiative remains a core element of the company's circularity strategy for medical devices, supporting the collection and recycling of used injection pens in response to their widespread use. These efforts complement broader device-level design and treatment innovations that contributed to a reduction in the company's plastic footprint per patient in 2025, reflecting progress in decoupling patient growth from plastic use. Every year, the company produces and distributes more than 550 million pen devices worldwide, underscoring the scale and importance of these sustainability initiatives.

The company also draws inspiration from an established industrial symbiosis model in Scandinavia, collaborating with local authorities and other major manufacturers across sectors to share surpluses of energy, water and materials, so that one company's surplus can provide value to another. This industrial symbiosis initiative, established in the early 1970s, is considered the world's first industrial symbiosis initiative, comprising a collaborative network of public and private companies that operate under a circular economy model.

In addition to this collaborative effort, the company is advancing its sustainability goals through several key actions. These include improving energy efficiency and site-level optimization, expanding the use of renewable electricity across its operations, and reducing emissions throughout the value chain, including air, sea and road freight. In 2025, the company achieved 86% renewable electricity coverage across its production sites. This reflects continued progress in its global energy transition, even as newly acquired sites without renewable electricity arrangements were integrated into the production network. Progress has been driven by the company's energy-savings program, which focuses on optimizing sites and processes, rethinking infrastructure to enable a more resource-efficient energy supply and working closely with suppliers to support their transition to renewable electricity. As part of this approach, all Tier 1 suppliers are required to source 100% renewable electricity by 2033. The company is also a member of RE100, a global corporate renewable energy initiative that brings together hundreds of large and ambitious businesses committed to sourcing 100% renewable electricity, further reinforcing its sustainable energy practices.



Case Study | *Circular Economy* (contd.)

GROWTH EQUITY STRATEGIES TEAM

Together, these initiatives illustrate the company's commitment to long-term strategic investing in research and development to innovate products and solutions that drive better environmental or social outcomes.



By embedding circular economy principles throughout its operations, the company is advancing its environmental objectives by seeking to develop sustainable manufacturing techniques, inputs and sourcing.

We believe embedded expectations imply moderating growth from the existing product portfolio, but that competition will eventually erode the growth potential of existing products and underappreciate the long-term value in the company's pipeline. Conversely, we believe the company's value is underpinned by its expanding scale, compounding competitive advantages, and continuous results from innovation. As a result, we believe the shares are selling at a significant discount to our estimate of intrinsic value and represent a compelling reward-to-risk opportunity.

An active manager, with a long-term private equity approach to investing, the GES Team has consistently executed the same investment philosophy, research framework and investment process since 1 July 2006. With an owner's mindset, we seek a deep understanding of the drivers, opportunities and limits, including ESG criteria, for each company over our long investment horizon.



Principle Two

Principle Two

Signatories identify and respond to market-wide and systemic risks to promote well-functioning financial markets.



Market-wide and systemic risks during the reporting period

We believe that successful management of client assets is built on an intelligent assessment and understanding of risk.

At Loomis Sayles, the identification and management of risk is embedded in each investment team's decision-making process. Long-term client interests come first in everything we do. The identification and management of risk is a central part of our investment decisions. In their assessment of market-wide and systemic risks, our investment teams may choose to access our Macro Strategies research team, which is responsible for assessing the global macro investment environment, including identifying marketwide systemic risks. Research analysts in our sector and product teams also play a role in identifying asset class and sector-specific risks, as well as interpreting how market-wide issues are likely to affect particular sectors, companies and issuers.

We use proprietary risk management systems and employ various metrics customised to the needs of each investment team to ensure investment decisions are made following a robust assessment of risk.

The firm's Risk Management Committee is responsible for ensuring that the firm is identifying, monitoring and managing the primary risks (investment, operational and legal) inherent in the firm's business. This committee meets quarterly and includes board members and senior representatives from various departments.

During the course of the reporting period, we identified and monitored, among other matters, the following areas of potential economic and or systemic market risks:

- Artificial Intelligence
- Physical Risk
- Geopolitical Risk

Artificial Intelligence (AI)

GOVERNANCE

AI is increasingly integral to modern business operations, offering unprecedented opportunities for innovation, efficiency and growth. While this technology has the potential to enhance productivity, streamline operations and unlock innovation across the firm, AI usage comes with risks that require appropriate oversight and safeguards. These risks include biased decision-making, confidentiality breaches, data license concerns and other unintended consequences that could harm our clients, employees and reputation.

Loomis Sayles is committed to using AI to enhance the quality of our services and will embrace experimentation and evolution in this rapidly developing area, to make sure that all activity serves our clients' best interests and that risks have been properly mitigated.

With this in mind, we established an AI Steering and AI Risk Management Committee comprised of senior members of the firm from several cross-functional groups charged with oversight and governance over AI systems. Both committees continued their efforts throughout 2025, reviewing and approving updated Artificial Intelligence Policies and Procedures ("AI Procedures"), thereby enabling the use of AI systems aligned with the firm's principles of fairness, transparency, accountability and privacy. We aim to ensure that AI systems are employed in a manner that benefits our clients and the firm, while minimizing potential risks.

The primary objectives of the AI Procedures are to:

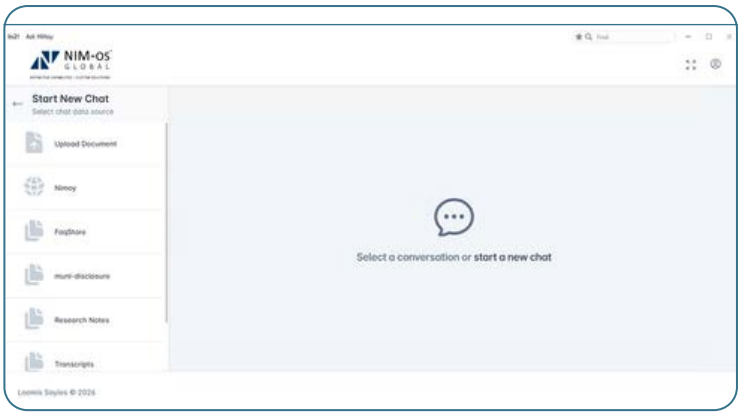
- Ensure ethical and responsible use of AI systems consistent with our fiduciary duty.
- Mitigate potential risks associated with AI systems.
- Ensure that the intended use of AI aligns with the firm's overall strategy, risk tolerance and compliance framework.
- Promote transparency and accountability in AI decision-making processes.
- Safeguard data privacy and security.
- Comply with relevant regulations and industry standards applicable to AI.

GOVERNANCE (contd.)

In 2025, we also added AI procedures questions to our Annual Code of Ethics and Fiduciary Duty Tutorial, as well as AI compliance representations to the quarterly code certifications required by all Loomis Sayles employees.

USE

In 2025 the firm released proprietary AI systems for employees that can be used similarly to ChatGPT, Microsoft Copilot (which the Firm also uses), and other AI systems. These systems are safe to use with licensed data, confidential and non-public information, and support both regulated and unregulated activities with a common platform for a consolidated audit trail, record keeping, information safekeeping, data loss prevention and information security.



Loomis Sayles uses Natural Language Processing to support analysis of sales & client meetings and Natural Language Generation to support client reporting of performance attribution. Machine learning may potentially be used as one of many inputs to components of certain systematic investing strategies. Generative artificial intelligence and AI agents can be used to support the research process as explained below.

Loomis Sayles may utilise models to aid its investment processes in certain investment strategies. These models vary in level of complexity, and a limited number may rise to the level of being considered AI. With respect to the Loomis models that are more systematic in nature, an investment team member reviews the model output before any recommended transactions are executed. With respect to the remaining Loomis models, the model output is supplemental to the overall fundamental investment decision-making process. Loomis Sayles has a robust Model Risk Management (MRM) Program, with a MRM Committee that reports into the firm's Risk Management Committee, and formal MRM Policies and Procedures that govern the MRM Program. The AI Risk Management Committee works with the MRM and Risk Management Committees on anything AI related in the investment process.

While some of our research and investment processes incorporate AI and/or machine learning models, the investment decisions are made by the investment team. As AI models make predictions based on defined datasets and assumptions, their results carry a risk of being skewed due to error and bias. The use of AI automation does not equate to accuracy or objectivity.

Fixed Income

Our Credit Research team utilises AI as a tool to assist with processes to identify financially material comments and developments in earnings transcripts and other issuer filings.

The team also interacts with AI indirectly when utilising Bloomberg, Microsoft CoPilot, AlphaSense, and rating agency output, as they are increasingly utilising AI themselves when creating their content and analysis. Given how quickly AI and its functionality is evolving, it's likely that our usage will be incorporated into our analytical and workflow processes in other ways.

We are also exploring big data to screen company earnings reports and/or filings for specific references (e.g., ESG commentary) but this is in very preliminary stages.

ANALYSIS

Our fundamental research frameworks examine financially material risks and opportunities for each issuer we cover, including those related to AI. Our analysts consider AI-related issues specific to their areas of coverage as part of their robust research process, including but not limited to water usage, energy efficiency, social ramifications and potential regulatory implications.

Below are examples of fixed-income research conducted in 2025 by our central credit research analysts on AI-related themes across industries:

- Increasing energy demand due to the rapid adoption of AI, prompting utilities and infrastructure owners to modernize electrical grids and invest in new capabilities. This highlights the tension between operational improvements and the energy strain on regions with older power systems or inadequate resources.
- Increased productivity and efficiency across multiple industries (energy, manufacturing, logistics, financial services and consumer products), supporting everything from predictive maintenance and supply chain automation to personalization in shopping. These same advances raise concerns about the reduced demand for labor in repetitive or lower-skill roles, potentially pressuring employment over time.
- AI could cause the widening of the competitive gap. Companies with strong data, advanced technology and resources can better harness AI's benefits, while smaller firms, or those with legacy systems, may struggle to keep up, increasing risk of disruption in certain sectors.

Equity

Across our equity investment teams, generative AI emerged as a productivity enhancement tool across different platforms, such as FactSet, where content is summarized with direct and integrated source citing and links. Decision-making and comprehensive analysis remain with the investment analysts, employing each team's proprietary, bottom-up fundamental research framework.

Physical Risk

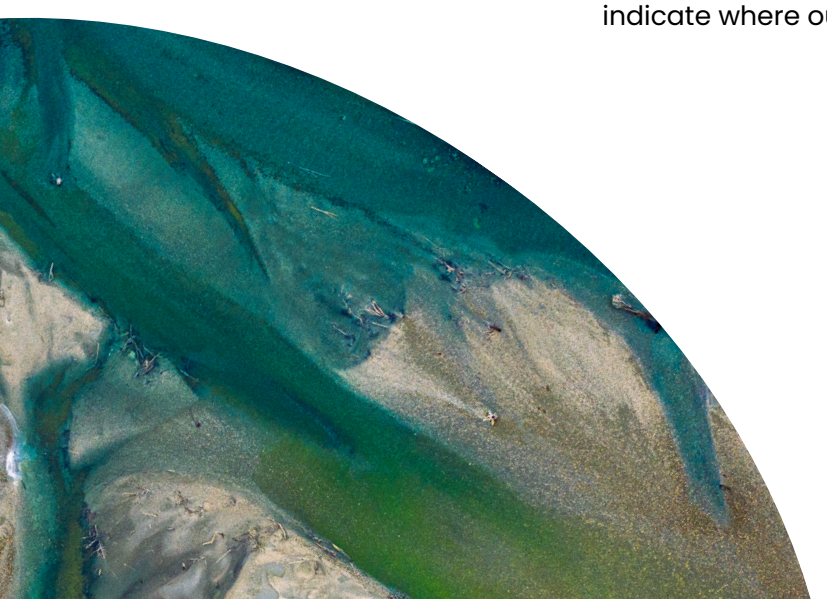
In 2025, Loomis Sayles continued its research with regard to increased physical risks—such as risks from climate-related events like floods or wildfires— and related investment implications.

Our Sustainability Team further deepened its research on physical risk, evaluating the potential effect on future valuations and creating long-term value for our clients. We believe one of the challenges investors face with physical risk is that the market has not begun to understand how these risks could change over time. We believe this is likely to result in unintended exposures, potentially leading to asset devaluation or unexpected financial losses.

To date, event risk has been the main cause of valuation changes. We believe this dynamic could be poised for change as the awareness of chronic risk increases, particularly in market segments like insurance. As chronic risks are considered more thoroughly and embedded into valuations, prices will likely change.

As described in Disclosure B, in 2025 our Sustainability Team developed a proprietary quantitative tool designed to analyse the acute and chronic physical impacts of climate change and how these downside risks may affect valuations in the near term. In the first six months of the tool's development, the Sustainability Team spent substantial resources vetting data providers to ensure access to the most robust datasets and refining various aspects of the model to accommodate unique asset classes and use cases, such as water resiliency, utilities and data centers, and began building a proprietary application. In the latter half of 2025, the Sustainability Team focused its efforts on providing investment teams with specialized training and portfolio-specific analysis.

By analysing these attributes, we can then tie them back to the sovereigns and corporates in our investment universe and use their physical location and exposures to assess these risks and ultimately indicate where our clients are most vulnerable.



Geopolitical Risks

Throughout 2025, the global investment environment was shaped by heightened geopolitical uncertainty, reflecting shifting policy priorities under a new U.S. administration, increased trade and policy tensions, and ongoing geopolitical conflicts and fragmentation. These dynamics contributed to greater volatility across markets, disruption to global trade and supply chains and elevated uncertainty for issuers and investors alike. Against this backdrop, geopolitical developments represented a material systemic risk with implications for long-term economic stability, capital allocation and investment outcomes, reinforcing the importance of active monitoring and informed stewardship. The examples below demonstrate insights gleaned through Loomis Sayles fundamental research and analysis in 2025.

KEY RISKS

Global risks remain tilted toward downside uncertainty, particularly in China and Europe. In China, ongoing property market deflation and weak consumer confidence continue to weigh on domestic demand, with spillover risks for broader emerging markets and Southeast Asia. Structural overcapacity and limited scope for consumption-led rebalancing constrain China's ability to absorb external shocks, suggesting that growth may remain export-dependent and vulnerable to global trade frictions. In Europe, while fiscal stimulus has been announced, delays in implementation risk pushing out the expected growth inflection. At the same time, evolving market structures—including the expansion of private credit, increased ETF penetration in high yield and shifting supply-demand dynamics across sectors—potentially introduce new sources of volatility and transmission risk.

US–China trade tensions remain a central global risk, but tariffs are unlikely to resolve the underlying imbalance. China's chronic overproduction and structurally weak consumption—driven by negative wealth effects from falling housing prices, subdued wage growth, limited financial income and demographic headwinds—constrain its ability to pivot toward domestic demand. As a result, trade flows may adjust at the margin, but the fundamental asymmetry between China's role as a global producer and the US as a global consumer is likely to persist. Against this backdrop, markets remain sensitive to second-order effects, including earnings momentum, consumer spending trends, fiscal policy execution and the interaction between geopolitical risks, monetary policy expectations and supply-side dynamics such as AI adoption and deregulation.

Other factors we're watching include the positive impact of AI and deregulation on supply-side dynamics, the possibility of less-dovish federal funds rate expectations if the US economy booms and ever-present geopolitical risks. We'll be closely monitoring earnings momentum, consumer spending and global fiscal policies as we believe these factors will be critical to sustaining the current expansion.

We believe tariffs may change trade flows at the margin, but they are a surface-level fix for a deeper problem. In our view, the real source of imbalance lies within China's own domestic economy—its weak consumption and chronic overproduction. Until those structural issues are addressed, we believe trade between the US and China will remain lopsided.

We participate in industry-wide initiatives to address market-wide issues and systemic risks as appropriate and beneficial to our clients .

We continually assess the functioning of the markets in which we invest and our relationships with investee companies, counterparties, clients and other stakeholders, and we selectively engage in collective efforts where we believe collaboration can improve capital market outcomes and the management of client assets without undue cost or unintended consequences.

For example, our Head of Credit Research is a current member of the Credit Roundtable, which attempts to address market wide and systemic risks of particular relevance to bondholders. Further background and details on 2025 activities can be found below.

Credit Roundtable

The Credit Roundtable promotes strong and consistent bondholder protections to support fair and efficient corporate bond markets. Established in 2007, it engages in education, outreach, and advocacy under the oversight of antitrust counsel to address covenant erosion and corporate actions that may disadvantage creditors. Its work includes maintaining the Covenant Whitepaper, a living document of model covenant provisions, and organizing bondholder groups and task forces focused on covenant protections, underwriting practices, tender and consent processes and market transparency and liquidity.

At a 2025 autumn in-person meeting, Credit Roundtable discussions covered a wide swath of topics and potential market-wide economic implications, including:

- Rising systemic risks due to opaque leverage and policy misalignment.
- Rapid growth of non-bank financial institutions, particularly private credit with significantly less capital scrutiny than banks.
  - Concerns over regulatory arbitrage as banks extend credit to less transparent vehicles.
  - View that risk-weighted capital measures may understate true exposure, with leverage ratios seen as more reliable.
- Federal Reserve independence and the rationale for interest rate cuts.
- Unresolved structural inflation pressures—especially housing supply constraints—have remained, while limited fiscal discipline and regulatory rigor add to downside risk.
- Bifurcated economic outlook with slowing growth and elevated tail risks
  - Consumer spending increasingly driven by higher-income households through equity and housing wealth effects.
  - Heightened market vulnerability to an equity correction.
- Headwinds - trade and immigration uncertainty, the restart of student loan payments (with rising delinquencies and credit score impacts), and the risk of stagflation as inflation remains sticky even as growth slows.
- AI as a major systemic risk: heavy, concentrated capex spending, uncertain productivity gains, early signs of labor displacement and the potential for a bubble that could unwind sharply.

As an asset manager, Loomis Sayles assesses systemic risks through a market-wide lens, recognising that geopolitical, macroeconomic and financial system vulnerabilities can affect long-term investment outcomes across portfolios.

Judicious participation in industry initiatives and peer groups is an important component of this approach, supporting informed risk assessments and encouraging improved and more consistent disclosures of ESG risks and deficiencies among corporations, issuers and investment managers. In 2025 Loomis Sayles participated in the following industry groups to support this effort:

- Member, International Financial Reporting Standards (IFRS) Sustainability Alliance Membership (since 2019)
- Member, Transition Pathway Initiative (since 2020)
- Signatory, CDP (formerly Carbon Disclosure Project) (since 2020)





Principle Three

Principle Three

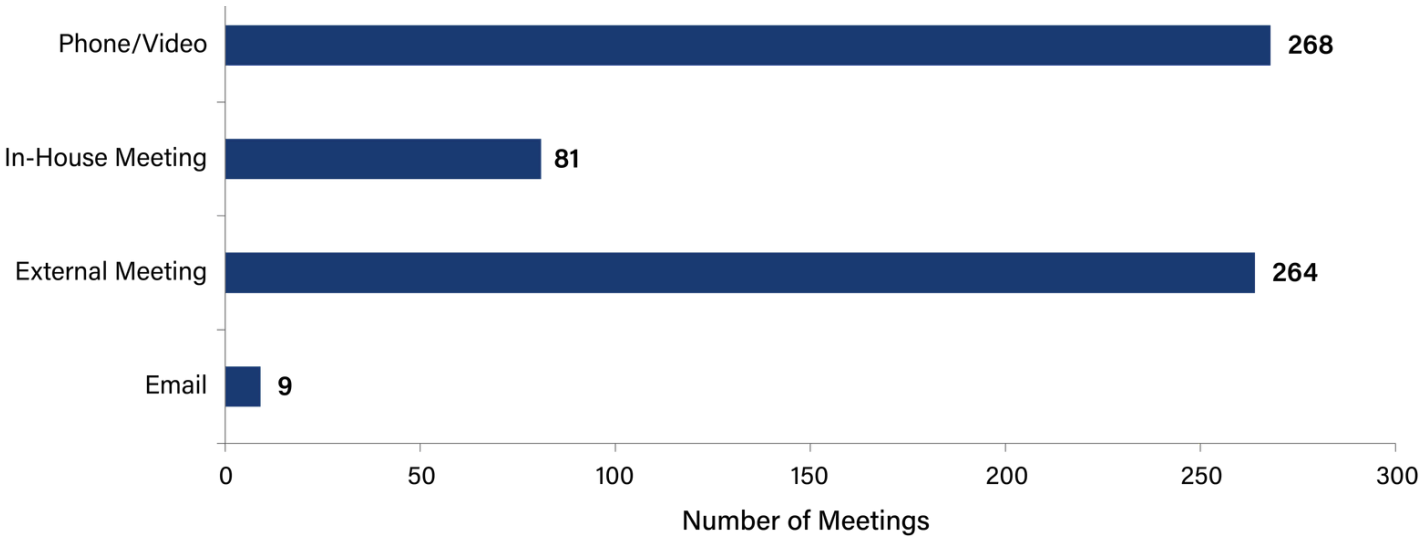
Signatories engage to maintain or enhance the value of assets.

Engagement is a core component of our stewardship approach. We engage with issuers before investment and throughout the holding period to deepen our understanding of issuer-specific risks and opportunities, to monitor material issues, and, where appropriate, to seek improvements in practices that support long-term value creation for clients.

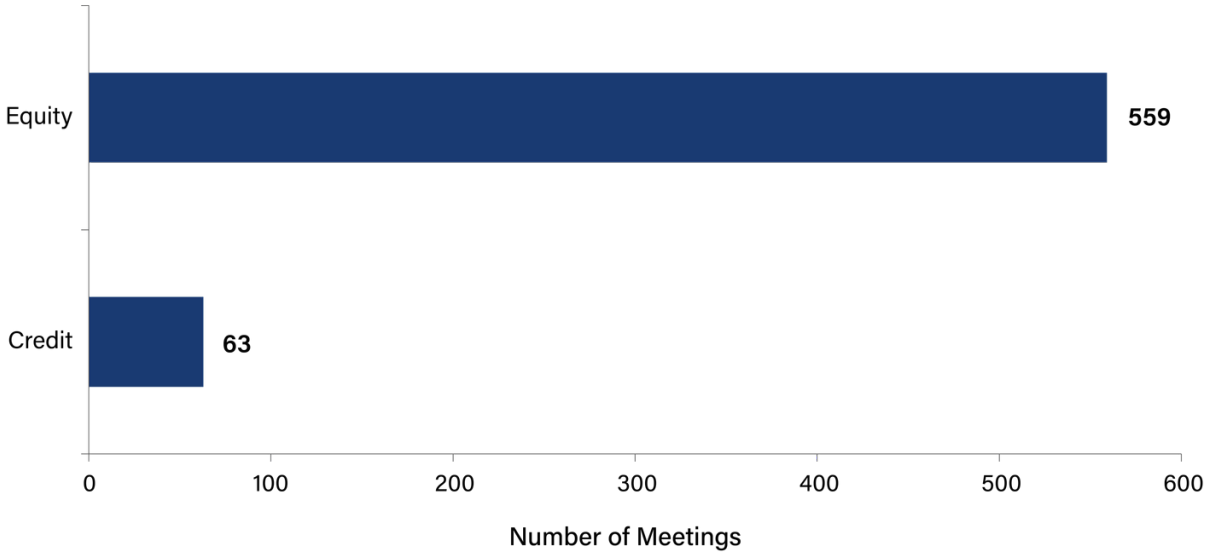
Some examples of engagemet topics inlcude: management succession, board dynamics and transitions, growth strategy, labour issues, climate change and safety, expanding access to affordable financial services, emissions policy and disclosure, AI strategy as it relates to energy efficiency and public health - patient safety.

Our engagement activities across asset classes in 2025 can be summarized as follows:

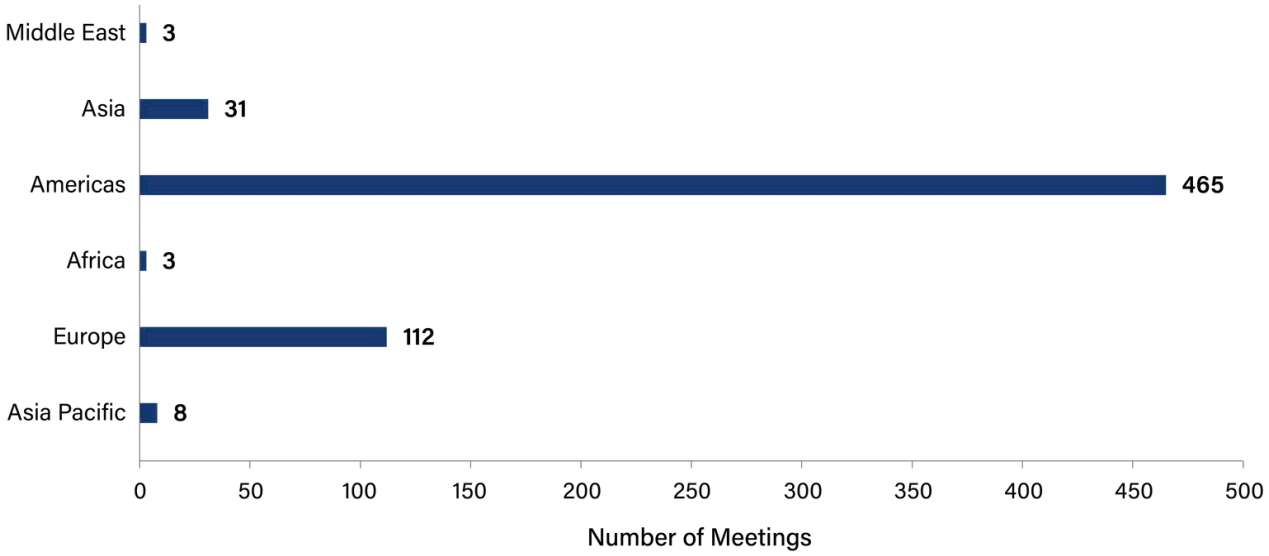
2025 ENGAGEMENTS BY MEETING TYPE



2025 ENGAGEMENTS BY ASSET TYPE



2025 ENGAGEMENTS BY REGION



We have a focused engagement approach for corporate bond issuers, with regard to ESG issues, as described in Disclosure C. Throughout 2025 we continued to work on our focused corporate bond engagement process. Below are samples of these focused engagements.

CORPORATE BOND CLOSED ENGAGEMENT SUMMARY

CLOSED	INDUSTRY	TOPIC	TARGET
Positive	US Banks, Canadian Banks, and Credit Cards	Labour practices & employee health/safety	Stop outflow of senior women, improve corporate culture
Positive	Railroads & Transportation Services	Workforce health, safety, wellness	Progress on labour attrition and labour safety
Negative	Railroads & Transportation Services	Environmental targets & initiatives	Change in tone toward having an SBTI-approved target
Negative	Railroads & Transportation Services	Environmental targets & initiatives	Publish a sustainability report or ESG information
Negative	Midstream Oil & Gas	Disclosure	Publish a sustainability report. Targets on reducing emissions from operations
Negative	Metals & Mining	Tailings/waste disposal risks	Deliver a biodiversity plan related to mine in Southeast Asia
Positive	European Utilities	Affordability of products/services	Nuclear output from 2024 to 2025
Negative	Retailers & Supermarkets	Energy management	Publish environmental policies and carbon emissions reduction targets
Negative	Emerging Markets Latam Communications	Corporate conduct, ethics & litigation	Add a woman to the management team
Negative	Emerging Markets Latam Consumer Cyclical	Corporate conduct, ethics & litigation	25% female representation on the board
Negative	Emerging Markets Latam Communications	Corporate conduct, ethics & litigation	25% female representation on the board
Negative	Emerging Markets Latam Consumer Non-Cyclical	Corporate conduct, ethics & litigation	Increase female board representation to 25% (currently 23.5%), implement whistleblower system
Negative	Beverage	Corporate conduct, ethics & litigation	Increase independent board members to 25% (currently 18.8%). Add female member to the board (currently 0)
Negative	Emerging Markets Latam Corp Basic Materials	Corporate conduct, ethics & litigation	Increase number of females on board to 25%
Negative	Technology-Hardware	Emissions, effluents waste	Provide disclosure on minimizing harmful exposures/wastes from spreading and contamination
Positive	Technology-Hardware	Sourcing/supply chain management	Push management to solely source from suppliers that have submitted Conflict Minerals Reporting materials vs. 85% noted

Case Study

CLOSED ENGAGEMENT

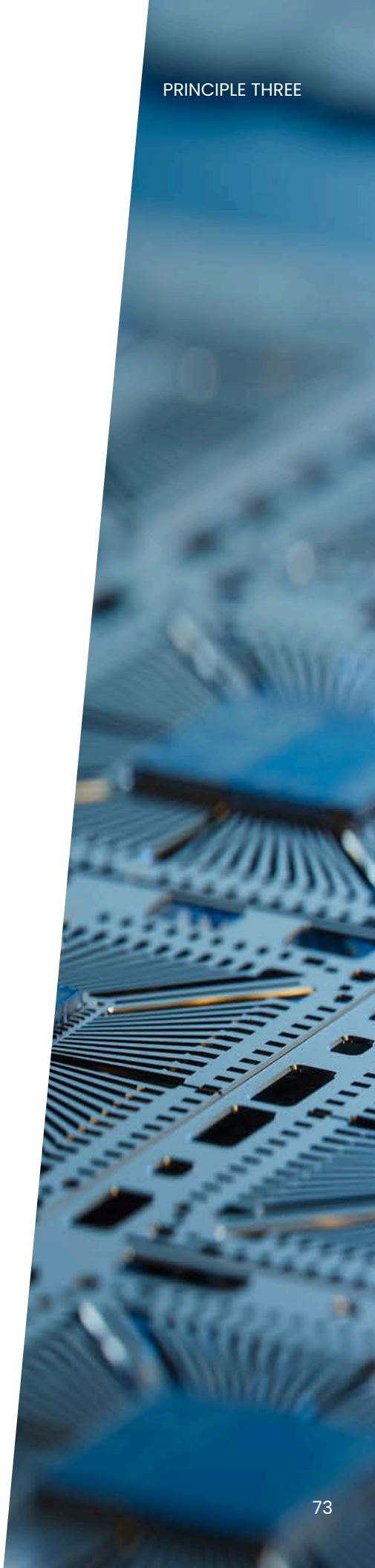
ISSUER:	Semiconductors, Photonics, and Laser Manufacturing
ASSET CLASS:	Corporate bonds
INDUSTRY:	Technology-hardware
THE ISSUE:	Supply chain sourcing
OBJECTIVE:	Encourage sourcing solely from suppliers that have submitted Conflict Minerals Reporting materials.
HOW WE ENGAGED:	Met with issuer beginning in 2024 to discuss its supply chain sourcing, and encourage exclusive procurement from suppliers who participate in the Conflict Minerals Report (CMR). CMR requires SEC-listed issuers to disclose if its products contain tin, tantalum, tungsten or gold (3TG) sourced from the Democratic Republic of the Congo or adjoining countries. Participating issuers must perform supply chain due diligence, often using the Responsible Minerals Initiative (RMI) CMRT, to identify smelters and confirm the conflict-free status of their products.
OUTCOME:	Issuer has continued to make solid progress on sourcing conflict materials from trustworthy suppliers who have submitted proper documentation. This is an evergreen goal for the company.
RESULT:	Closed positively



Case Study

CLOSED ENGAGEMENT

ISSUER:	Semiconductors, Photonics, and Laser Manufacturing
ASSET CLASS:	Corporate bonds
INDUSTRY:	Technology-hardware
THE ISSUE:	Emissions, Effluents, and Waste
OBJECTIVE:	Provide disclosures and/or procedures to minimize harmful exposure, waste, and the risk of contamination.
HOW WE ENGAGED:	Met with issuer beginning in 2024 to express concerns regarding lack of appropriate disclosure and procedure regarding exposure and spread of harmful waste.
OUTCOME:	The issuer did not provide evidence of sufficient disclosure or procedures to address our concerns regarding minimizing harmful exposure and the spread of contamination throughout its manufacturing processes. Management noted compliance with all applicable regulations regarding environmental wastes/exposures and stated they have procedures in place to minimize the generation of such wastes in the first place. Our analyst believed all of this to be true, but determined further engagement on the topic would not be productive or result in additional change.
RESULT:	Closed negatively





Case Study

ESCALATION

ISSUER: Global Bank
ASSET CLASS: Corporate bonds
INDUSTRY: Banking and financial services industry

THE ISSUE: Corporate conduct, ethics, litigation

OBJECTIVE: Improve governance, risk control and overall culture to reduce and/or eliminate conduct-related issues.

HOW WE ENGAGED: Following a fine levied by the local government for market manipulation and shortcomings with its credit provisioning policies discovered by the regulator, our analyst escalated engagement with the bank. The issuer was a former long-term engagement of ours that was closed positively as it appeared its major governance issues had improved.

Our analyst, joined by colleagues from credit research, the global bond investment team and Sustainability team, held a call with several senior executives from the bank to gain clarity on the recent fine and the legacy governance issues. The purpose of the call was to better understand, specifically: how and why they occurred, to ascertain if they were one-off problems or indicative of a more systemic pattern, to better understand if the company had protections to prevent reoccurrence and reiterate the importance of improvements in governance in order to maintain our investment.

OUTCOME: Though the financial impact of these recent events was modest, the issuer acknowledged the seriousness of these allegations given the issuer's past offenses. With regard to the fine for market manipulation, the transgression was self reported to the authorities, which we viewed as positive against the backdrop that policies and procedures to seek out these types of behavior after the fact are working. It also indicates that these actions didnot necessarily reflect the views from top management but were more likely a result of individual bad actors. We recommended the issuer review compensation and incentives in order to help prevent these types of problems from occurring in the first place. We also noted that many of these problems came from global business units outside of their home market, which may indicate a systemic problem that needs to be addressed. The issuer's representatives noted that, following the money-laundering case, all international business units for regional subsidiaries were migrated to a common technology platform. They also highlighted local managerial oversight as an effective control in this instance. The central bank expressed satisfaction with the resolution and the issuer reported no customer attrition as a result.

Case Study (contd.)

ESCALATION

OUTCOME: (contd.)

With regard to the review of provisioning policies, the issuer noted that this was a routine inspection by its regulator, performed across the industry. They noted 650 executive orders had been made within the past year and itsmost recent was considered to be minor. Some of the problems were due to individual errors, which representatives claimed were corrected. This gave us some concern given the bank's history overcharging clients. Other corrections were more about timing, such as the nuance of when a loan should move from stage 2 to 3. They noted none of the problems were with stage 3 loans, which would have been more problematic. This does seem to be somewhat of a routine fine tuning of provisioning policies rather than wholesale changes, but we noted to the issuer that even small changes make it more difficult for us to trust the financial information we are given.

RESULT:

Overall we viewed the issuer's efforts to address these areas of concern as encouraging given the issuer was taking these problems seriously and many of the checks and balances put in place over the past few years were working to catch problems after they occurred. The small financial penalty indicates these transgressions were minor enough that they may fall into normal banking risk, but we will continue to monitor that these cases do not continue. We currently assign a score of 3 (the lowest possible) to the issuer for corporate conduct, so there was no change to our LS ESG score. Continue to monitor.

Following 12 months of post-escalation monitoring, the issuer has exited its probationary period with no further citations. Our analyst believes culture and systems have improved sufficiently such that governance is no longer expected to drive spreads.

Closed positively.

Case Study - *Euro Credit Team*

CLOSED ENGAGEMENT

As discussed in Disclosure C, the Euro Credit investment team may identify deficiencies they believe warrant deeper attention, where targeted engagement is initiated to promote change. The below example demonstrates this process.

ISSUER:	Multinational electric company
ASSET CLASS:	Corporate bonds
INDUSTRY:	European utilities
THE ISSUE:	Safety management
OBJECTIVE:	Clarify whether ESG rating agencies link the issuer to controversial or nuclear weapons.
HOW WE ENGAGED:	In March of 2024, the issuer announced that, on the back of a government request, it would provide irradiation services at a nuclear plant in support of the government's defense activities, in particular, the production of tritium, a component of nuclear weapons. We closed the engagement positively one year later, encouraged that MSCI ESG had not changed the business involvement of the issuer. At the time of the meeting, the issuer had not spoken to any vendor regarding potential ESG implications-namely whether or not they would be flagged by MSCI ESG for controversial weapons. The issuer did not view its participation in the government defense project to be associable with the production of controversial weapons. Namely, because tritium is not uranium, and it only provided an irradiation service whose material could have several applications.



Case Study | *Euro Credit Team (contd.)*

CLOSED ENGAGEMENT

HOW WE ENGAGED: *(contd.)*

Additionally, the issuer will remain under the control and supervision of the French Nuclear Safety Authority and the Euratom - both of whom are civil nuclear supervisory bodies. Our analyst viewed the likelihood of the issuer being classified as a company linked to controversial weapons as a low tail risk.

Our analyst did not believe the issuer would be associated with controversial or nuclear weapons. The service provided has multiple end uses, is not directly linked to weapons production and represents a negligible, non-core activity from which the issuer derives no economic benefit.

OUTCOME:

We closed the engagement positively and are encouraged that MSCI has not changed the business involvement of the issuer.

RESULT:

Closed positively



Case Study

ONGOING ESCALATION

ISSUER: Colombia

ASSET CLASS: Sovereign bonds

THE ISSUE: Government breach of fiscal rule.

OBJECTIVE: Emphasize the importance of preserving the credibility of fiscal institutions, which is a key element of our sovereign governance assessment, through adherence to fiscal frameworks in both letter and spirit, supported by transparent fiscal data.

HOW WE ENGAGED: We met with the Ministry of Finance and Public Credit while on an investor trip to Colombia in early 2025 and exchanged views on fiscal policy. The authorities claimed the government complied with the fiscal rule in 2024. In our analyst's view the government's calculation of the fiscal deficit relied on nonstandard accounting and the excessive use of technical exceptions.

OUTCOME: We accounted for weakened fiscal credibility in our assessment of sovereign creditworthiness for Colombia.

RESULT: Next steps: We continue to monitor this issue. Fiscal credibility could improve depending on the outcome of the 2026 election.



Global Equity Strategies is our largest equity team, and its investment process has a strong focus on deep and ongoing engagement with companies, as illustrated in the case study below:

Case Study:
Financial Services Technology Platform Company

GROWTH EQUITY STRATEGIES TEAM ENGAGEMENT

ACTIVITY

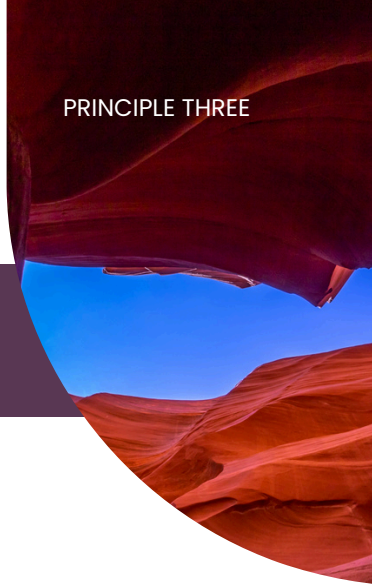
A portfolio holding since the first quarter of 2022, we have built a dialogue of constructive engagement with the company over the years. In 2025, those conversations continued and included nine instances of direct engagement with the company. We engaged on social topics in five meetings and on governance topics in all meetings.

TOPIC: FINANCIAL INCLUSION

Financial inclusion is widely recognized as a key societal objective and a critical enabler of the United Nations Sustainable Development Goals (SDGs), with companies playing an important role by expanding access to affordable financial services, improving credit availability for underserved populations and using technology to address structural barriers. Large segments of the population remain unbanked, underbanked or excluded from traditional credit models due to systemic inequities, slow legacy payment systems, and outdated underwriting practices.

By leveraging modern digital infrastructure and offering simplified, low-cost financial tools, companies can help reduce these frictions while broadening their accessible markets and strengthening engagement with underserved customers. We believe these efforts—focused on expanding access, speed, transparency and financial autonomy—have the potential to significantly disrupt the traditional banking profit pool, reinforce competitive positioning, support regulatory alignment and contribute to sustainable long-term shareholder value.





Case Study (contd.) | *Financial Services Technology Platform Company*

GROWTH EQUITY STRATEGIES TEAM ENGAGEMENT

OUTCOME

During direct engagements with the Co-founder/CEO/Chairman, CFO, Head of Risk and Business Lead and Investor Relations, we discussed how the company uses technology, alternative data and product innovation to expand access to financial services for populations historically underserved by traditional banking systems. Management pointed out that financial inclusion is not an isolated initiative but the core purpose that unifies the company's various ecosystems. For the company, financial inclusion is not a bolt-on ESG topic but a critical foundation of its strategy encompassing product design, innovation, market fit and capital allocation. Management also outlined its financial-inclusion framework, emphasizing the use of behavior-based and cash-flow underwriting models that differ fundamentally from traditional credit-bureau scoring. These models allow responsible expansion of credit access to lower-income users, younger populations, independent earners and individuals with thin or inconsistent credit files.

We reviewed the company's internal credit-scoring methodology, which has enabled lending to customers often excluded from traditional systems due to low or no FICO scores. Management shared examples of strong repayment performance across higher-risk segments, supporting its view that many borrowers labeled "subprime" by conventional metrics demonstrate responsible financial behavior when evaluated using real-time earnings, spending and repayment patterns.

Our conversations also addressed the company's role in supporting small businesses and micro-entrepreneurs through simplified point-of-sale tools, efficient onboarding and streamlined credit access. Management described its strategy to integrate AI-driven decision tools, natural-language automation and data-enabled insights to reduce friction for small-business operators and improve underserved customers' ability to manage money, build credit and avoid high-cost alternatives.

We also discussed the company's broader ecosystem strategy, including connections across consumer and merchant finance products, autonomous financial-management tools, and initiatives to support users with irregular income streams. These solutions can help bridge gaps for users who typically rely on physical cash, enhancing digital access for customers who would otherwise remain excluded. These segments often have strong demand for payments, credit, savings tools and money-management services.

Expanding participation effectively drives user growth, engagement, product adoption, and revenue diversification. Over time, we believe innovation in inclusive financial products should strengthen the company's competitive advantage and contribute to long-term shareholder value.

CONCLUSION

We believe current market expectations are substantially underestimating the company's multiple long-term secular growth drivers and the strength of the company's business model and competitive positioning. As a result we believe the shares trade at a substantial discount to our estimate of intrinsic value and offer a compelling reward-to-risk opportunity.



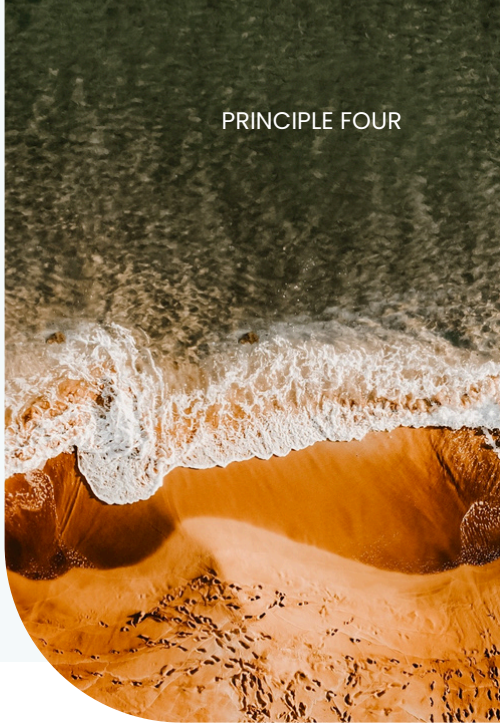
Collective Engagement

As described in Disclosure C, collaborative engagement activities are led by analysts across asset classes and entered into our engagement database, along with other types of engagement.

While we have no collaborative engagement activity with issuers to report for the 2025 period, we did explore how the CDP Non-Disclosure campaign may align with our own individual engagement areas. In the end we did not find a fit for the initiative alongside our own efforts.



Principle Four



Principle Four

Signatories actively exercise their rights and responsibilities.

Proxy Voting

The Loomis Sayles Proxy Voting Policies and Procedures ('PVPPs') help guide the firm on how to vote on the most common proxy proposals.

Topics covered include the Board of Directors, Proxy Contests and Defenses, Auditors, Tender Offer Defences, Governance Provisions, Capital Structure, Executive and Director Compensation, State of Incorporation, Mergers and Corporate Restructurings, Mutual Fund Proxies and Social and Environmental Issues. We do not vary our approach to proxy voting relative to the geographic location of a company. The PVPPs are published on our website. However, our default position under the Proxy Voting Policies and Procedures can be overridden if we believe this to serve the best interests of long-term shareholder value creation. Loomis Sayles will not vote in favour of a particular resolution that it believes is not in the best interests of its clients. This is true for resolutions proposed by management of investees, as well as outside parties. During 2025, the firm voted on 335 shareholder proposals, as shown.

CATEGORY	PROPOSALS
Animal Welfare	3
Article Amendments	10
Artificial Intelligence	11
Auditor Related	5
Board Related	8
Capital Structure Related	2
Climate	39
Corporate Governance	40
Director Election	21
Diversity, Equity & Inclusion	57
E&S Proposal	3
Environmental	17
Equity Compensation Plan	1
Health & Safety	10
Human Rights	15
Lobbying Payments	4
Non-Routine Business	1
Political Contributions	5
Recapitalization Plans	3
Remuneration Policy & Implementation	11
Severance Agreement	17
Shareholder Rights	37
Social Proposal	14
GRAND TOTAL	**335**

During 2025, over 99% of all shares for accounts that granted Loomis Sayles proxy voting authority were voted.

A small percentage of ballots received were not voted in the following circumstances:

- In our best judgment, the costs or disadvantages resulting from voting outweighed the economic benefits of voting,
- the ballot delivery instructions had not been processed by a client's custodian,
- a ballot was not received in a timely manner and
- other circumstances beyond Loomis Sayles' control.

The firm voted with management 84% of the time and 16% of the time we voted contrary to management's recommendation.

→ 2025 LS Annual Proxy Voting Report

Case Studies

CASE STUDY ONE: ADVISORY VOTE ON EXECUTIVE COMPENSATION

MANAGEMENT: FOR
LOOMIS SAYLES: SPLIT

This leading global professional services and investment management company specializes in commercial real estate, providing brokerage, landlord and tenant representation, and advisory services for property occupiers and owners. Its investment management services represent over $100 billion in assets, focusing on alternative asset classes, infrastructure and traditional real estate.

At the company's annual shareholder meeting in 2025, management put forth its advisory vote on the executive compensation approach. The Specialty Growth Strategies Team supported the proposal, citing the executive team's strong performance relative to peers over the past two decades, while our Small/SMID Equity Opportunities Team voted against the proposal.

The proposal passed with 65% of the votes cast in favour of it.



CASE STUDY TWO: HOME IMPROVEMENT RETAILER SHAREHOLDER PROPOSAL CALLING FOR SEPARATION OF CHAIRMAN AND CEO ROLES

MANAGEMENT: AGAINST
LOOMIS SAYLES: SPLIT

This global chain is one of the world's largest home improvement retailers, with over 2,000 stores across North America. The company integrates physical stores with a massive e-commerce platform offering over one million products online, compared to roughly 35,000–40,000 kept in-stock at physical locations, serving the do-it-yourself audience, as well as licensed contractors.

At the company's annual shareholder meeting in 2025, a shareholder put forth a proposal that the company adopt a policy wherein the positions of Chairman of the Board and Chief Executive Officer be held by two separate people, and never the same person. Management recommended a vote against this proposal. Our Global Equity Opportunities team did not agree that this was an appropriate solution at the time for the retailer and voted against the proposal. Meanwhile, two other investment teams, Multi-Asset Income and Full Discretion, voted in favor of the proposal.

The proposal failed with 73% of the votes cast against it.





Principle Six



Principle Six

Signatories monitor and hold to account stewardship service providers.

In 2025 Loomis Sayles did not outsource proxy voting decision-making for accounts and funds for which we have been granted voting authority. All issues presented for shareholder vote are considered under the direction of the Proxy Committee and when necessary, the investment team(s) managing shares of the company.

We utilised Glass Lewis for research and recommendations, and Institutional Services Inc. (ISS) to provide proxy voting agent services.

For all clients that have granted proxy voting authority to Loomis Sayles, we monitor asset holdings to identify upcoming shareholder meetings on a global basis.

We work in tandem with our proxy voting vendor, on a best efforts basis, to obtain all possible ballots from our clients' custodians in advance of a shareholder meeting. Reports are run by the proxy voting team for all meetings to match shares held on a record date to the ballots received from the custodians. Should a ballot not be received for a meeting, the custodian is contacted and Loomis Sayles will work to resolve the situation going forward. As noted in Disclosure B, the firm built a proprietary centralized proxy voting platform, Sephos, designed to track all ballots received for Loomis Sayles' client's holdings. We are currently developing a reconciliation tool within Sephos to ensure that every client ballot is fully accounted for and voted; at present, this reconciliation is performed outside the system.

Our proxy voting records are available on our website. Clients may also receive a report of their account's proxy voting activities upon request.

Loomis Sayles does not engage in securities lending on behalf of its client portfolios. However certain subadvised funds for which we provide investment advisory services may engage in securities lending. We have engaged Glass Lewis to monitor the portfolio securities of those funds for material issues that may come to a vote. While we will not recall on routine issues, we will request that the subadvised fund's custodian recall securities in order to vote proxies on material issues.

Proxy Advisors

In respect of our proxy voting procedures, the Proxy Committee is tasked with engaging with and overseeing third-party vendors in relation to proxy voting, including, but not limited to:

- Determining and periodically reassessing whether the service provider has the capacity and competency to adequately analyse proxy issues. This assessment involves consideration of, amongst other matters, the adequacy and quality of the service provider's staffing, personnel and technology.
- Providing ongoing oversight to ensure that proxies continue to be voted in the best interests of clients and in accordance with our policies and procedures. For example, verification that votes have been cast in accordance with our policies is part of our annual System and Organization Controls (SOC) 1 audit.
- In the event that the Proxy Committee becomes aware that a recommendation of the Proxy Voting Service was based on a material factual error (including materially inaccurate or incomplete information), it will investigate the error, consider the nature of the error and the related recommendation and determine whether the Proxy Voting Service has taken reasonable steps to reduce the likelihood of similar errors in the future.



We have categorised one of our proxy advisors as a key vendor and as such this proxy advisor is subject to the highest level of due diligence and ongoing monitoring that we apply to service providers.

Each key vendor is assigned a Loomis Sayles employee as relationship owner, who is responsible for completing appropriate due diligence and ongoing oversight. These relationships are reviewed and the list of key vendors is presented to the Risk Management Committee at least annually. This reflects the importance we place in exercising our proxy voting rights in a way that enhances the long-term value of our investee companies and protects the interests of our clients.

The Sustainability Team undertook a comprehensive, firmwide review of ESG data vendors and data usage in 2025.



This rigorous process involved cataloguing all ESG datasets in use across alpha engines, assessing the scope and quality of data available, identifying data gaps and evaluating the relevance and usefulness of existing datasets, including the rationalization of immaterial data.

As a result of this review, Loomis Sayles entered into a contract with Intercontinental Exchange, Inc. (ICE) to obtain:

- Climate data covering physical and transition risks for sovereigns and corporates
- Nature and biodiversity metrics
- Geospatial location datasets
- Sustainability data for municipal issuers

These datasets were selected to enhance the integration of financially material risks and opportunities into investment decision-making across asset classes and to strengthen the firm's research capabilities. Additionally, they provide the flexibility to analyse physical risks, and biodiversity characteristics at the portfolio level for our client investments, providing valuable insights for our investment teams.

During 2025, we continued to evolve our Vendor Code of Conduct through the work of a cross-functional Vendor Oversight Taskforce, which met quarterly. Chaired by our Associate Director of Sustainability, the group's remit included reviewing and implementing minor updates to the Vendor Code of Conduct and Modern Slavery Statement, identifying next steps to strengthen ongoing oversight of modern slavery risks, incorporating targeted modern slavery questions into our key vendor review process, engaging with building management and conducting additional due diligence on select vendors operating in higher-risk sectors.

Important Disclosures

This UK Stewardship Code Statement ('Statement') is issued by Loomis, Sayles & Company, L.P., a Delaware limited partnership that is registered as an investment adviser with the US Securities and Exchange Commission ('SEC') and Loomis Sayles Investments Limited, a company incorporated under the laws of England and Wales and authorised and regulated by the UK Financial Conduct Authority ('FCA') in the United Kingdom (collectively 'Loomis Sayles').

Examples above are provided to illustrate the investment process for the strategy used by Loomis Sayles and should not be considered recommendations for action by investors. They may not be representative of the strategy's current or future investments and they have not been selected based on performance. Loomis Sayles makes no representation that they have had a positive or negative return during the holding period.

Scores do not have any predictive value, and do not indicate the probability of any level of future return.

***Any charts presented above are shown for illustrative purposes only**. Some or all of the information on these charts may be dated, and, therefore, should not be the basis to purchase or sell any securities.*

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Diversification does not ensure a profit or guarantee against 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.

Actual accounts have the potential for loss as well as profit.

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