High Yield Conservative

MARKETING COMMUNICATION

Management Team

Portfolio Manager
Matthew J. Eagan, CFA
Brian P. Kennedy
Todd Vandam, CFA
Peter Sheehan

Associate Portfolio Manager
Christopher Romanelli, CFA

Objective

Seeks to maximize total return through research driven security selection while managing downside risk through careful portfolio construction

Highlights

- High conviction, active credit manager
- High yield strategy seeking to exploit cross-sector opportunities across global high yield markets
- Repeatable, deep value equity-like approach to fundamental research and issue selection
- Allocations to out-of-benchmark securities can help to provide value and diversification
- Risk awareness tools overlay fundamental investment process

Benchmark

Bloomberg US Corporate High Yield Index

Facts

Strategy inception	1/1/89
Composite inception	1/1/89
Strategy assets	$2,825.6M
Composite assets	$316.0M

Portfolio Characteristics^

	Composite	Index
Average maturity	4.09 yrs	3.72 yrs
Average duration	2.86 yrs	2.86 yrs
Average yield	6.80%	6.88%
Average credit quality	BA2	BA3
Average number of issues	390	-
Weighted average coupon	6.08%	6.60%
OAS	238 bps	254 bps

Composite Performance (%) as of May 31, 2026

	CUMULATIVE TOTAL RETURN		ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
GROSS	1.21	1.82	8.47	10.11	3.81	5.67	8.64
NET	1.09	1.63	7.97	9.60	3.33	5.16	8.27
BENCHMARK	0.98	1.68	7.57	9.36	4.39	5.88	7.52

Calendar Year Performance (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
GROSS	9.44	9.86	10.91	-12.70	4.43	9.53	12.45	-2.58	9.38	13.84
NET	8.93	9.35	10.39	-13.11	3.91	8.99	11.89	-3.07	8.83	13.28
BENCHMARK	8.62	8.19	13.44	-11.19	5.28	7.11	14.32	-2.08	7.50	17.13

Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted. *Returns for one and multi-year periods are annualized. Gross returns are net of trading costs. Net returns are gross returns less effective management fees. Returns may increase or decrease as a result of currency fluctuations.*
Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.
There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.
Average Yield is Yield to Effective Maturity. Duration and Maturity for equity securities are deemed to be zero.

Associate Portfolio Managers do not have discretion over the strategy.
^Performance and risk metrics are calculated on a gross-of-fee basis and do not reflect the deduction of fees and expenses. Please see the Composite trailing returns for standard gross and net performance.
Loomis, Sayles & Company, L.P. ("Loomis Sayles") is an independent advisory firm registered under the Investment Advisors Act of 1940. Registration does not imply a certain level of skill or training. For additional information on this and other Loomis Sayles strategies, please visit our website at www.loomissayles.com.

SECTOR DISTRIBUTION (%)

	Composite	Index
High Yield Credit	76.6	98.7
Bank Loans	11.2	-
Convertibles	3.1	-
Equity	1.6	-
Emerging Market Credit	1.1	0.8
Investment Grade Credit	1.0	0.5
Securitized	0.2	-
Cash & Equivalents	5.2	-

CURRENCY DISTRIBUTION (%)

	Composite	Index
US Dollar	100	100

COUNTRY DISTRIBUTION (%)

	Composite	Index
United States	87.6	87.3
Canada	4.8	3.8
United Kingdom	2.7	2.3
Germany	1.2	0.5
Israel	1.1	-
Japan	0.7	1.0
Australia	0.7	0.6
Italy	0.4	0.4
Netherlands	0.3	0.4
Other	0.4	3.6

CREDIT QUALITY (%)

	Composite	Index
US Treasurys	-	-
AAA	-	-
AA	0.1	-
A	0.1	-
BAA	1.6	0.5
BA	51.0	56.0
B	30.7	33.9
CAA & Lower	5.9	9.6
Not Rated	2.6	-
Cash & Equivalents	5.2	-

KEY RATE DURATION (%)

	Composite	Index
6 months	0.1	0.1
2 years	0.8	0.8
5 years	1.4	1.4
10 years	0.4	0.4
20 years	0.1	0.1
30 years	-	-

MATURITY DISTRIBUTION (%)

	Composite	Index
Less than 1 Yr.	7.8	9.9
1 to 3 Yrs.	23.9	30.2
3 to 5 Yrs.	35.4	41.4
5 to 7 Yrs.	17.2	10.1
7 to 10 Yrs.	8.6	6.6
10 Yrs. or more	1.9	1.7
Cash & Equivalents	5.2	-

KEY RISKS

Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Non-US Securities Risk, Currency Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal.

*Due to rounding, **Sector**, **Currency**, **Country**, **Credit Quality**, **Duration** and **Maturity** distribution totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. **Credit Quality** reflects the middle credit rating assigned to individual holdings of the composite among Moody's, S&P or Fitch; ratings are subject to change. **Cash & Equivalents** may include unsettled trades, fees and/or derivatives. **ABS/RMBS**: Asset-Backed Securities/Residential Mortgage-Backed Securities. **Agency MBS**: Agency Mortgage-Backed Securities. **CMBS**: Commercial Mortgage-Backed Securities. **Emerging Markets Debt** in the sector distribution is defined as US dollar denominated, non-investment grade bonds, which are from a country on the firm approved Emerging Markets list based on Bloomberg Emerging Markets Ex-Aggregate Index.*

The Composite includes all discretionary accounts with market values at least $5 million managed by Loomis Sayles with investment guidelines that allow greater than 50% in high yield but have a threshold on average quality of BB- or higher or restrict the use of securities below BB- to 30%. Where allowed by guidelines, accounts in the Composite may allow limited exposure to one or two of the following non-index sectors: foreign issuers, foreign currency or emerging market debt. Proprietary quantitative models are employed in portfolio construction and risk assessment. Loomis Sayles's security level research is a primary alpha source for this product. As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. The Composite inception date is January 1, 1989. The Composite was created in July 2003. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomissayles.com.