

# Investment Grade Corporate/Credit Bond

## Management Team

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## Objective

Seeks total investment return through a combination of current income and capital appreciation within benchmark-aware risk and return objectives

## Highlights

- Individual investment ideas are evaluated on the basis of their investment return potential and contribution to portfolio risk
- Risk is managed through carefully monitoring company fundamentals and spread-to-risk analysis
- Fundamental research from Loomis Sayles' credit research is a primary source for investment ideas
- Duration is managed within a narrow range to the benchmark
- Portfolio guidelines allow opportunistic allocations to high yield corporate debt, emerging markets and non-US dollar per client guidelines
- Issuer maximum of 5% or the benchmark weight plus 2% (whichever is greater at the time of purchase), Treasuries and GSEs excluded
- Industry maximum of 25% or the benchmark weight plus 10% (whichever is greater at the time of purchase)

## Benchmark

Benchmark 1: Bloomberg US Credit Bond Index

Benchmark 2: Bloomberg US Corporate Investment Grade Index

| Facts                        |             | Portfolio characteristics <sup>^</sup> | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|------------------------------|-------------|--|-----------|--------------------|--------------------|
| Strategy inception           | 10/1/03     | Average maturity                       | 10.06 yrs | 10.00 yrs          | 10.25 yrs          |
| Composite inception          | 10/1/03     | Average duration                       | 6.80 yrs  | 6.64 yrs           | 6.79 yrs           |
| Strategy assets <sup>*</sup> | \$33,108.0M | Average yield                          | 4.94%     | 4.75%              | 4.81 %             |
| Composite assets             | \$1,059.8M  | Average credit quality                 | A3        | A3                 | A3                 |
|                              |             | Average number of issues               | 525       | -                  | -                  |
|                              |             | Weighted average coupon                | 4.44%     | 4.42%              | 4.46 %             |
|                              |             | OAS                                    | 91 bps    | 73 bps             | 77 bps             |

## Composite Performance (%) as of September 30, 2025

|                   | CUMULATIVE RETURN |      | AVERAGE ANNUALIZED RETURN |        |        |         |                 |
|-------------------|-------------------|------|---------------------------|--------|--------|---------|-----------------|
|                   | 3 MO              | YTD  | 1 YEAR                    | 3 YEAR | 5 YEAR | 10 YEAR | SINCE INCEPTION |
| <b>GROSS</b>      | 0.89              | 7.95 | 7.95                      | 6.57   | 0.26   | 3.96    | 4.80            |
| <b>NET</b>        | 0.81              | 7.63 | 7.63                      | 6.25   | -0.02  | 3.69    | 4.55            |
| <b>BENCHMARK1</b> | 0.87              | 7.83 | 7.83                      | 5.98   | -0.05  | 3.15    | 4.08            |
| <b>BENCHMARK2</b> | 0.84              | 7.77 | 7.77                      | 6.10   | -0.09  | 3.27    | 3.55            |

<sup>^</sup>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.

<sup>\*</sup>Strategy assets are comprised of Investment Grade Corporate Bond, Investment Grade Corporate/Credit Bond and Investment Grade Intermediate Corporate Bond.

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## Composite Period Performance (%)

|                   | 2024 | 2023 | 2022   | 2021  | 2020  | 2019  | 2018  | 2017 | 2016 | 2015  |
|-------------------|------|------|--------|-------|-------|-------|-------|------|------|-------|
| <b>GROSS</b>      | 2.72 | 9.15 | -16.00 | -0.37 | 11.68 | 15.77 | -2.27 | 7.23 | 7.44 | -1.08 |
| <b>NET</b>        | 2.41 | 8.82 | -16.21 | -0.61 | 11.42 | 15.50 | -2.50 | 6.98 | 7.18 | -1.31 |
| <b>BENCHMARK1</b> | 2.03 | 8.18 | -15.26 | -1.08 | 9.35  | 13.80 | -2.11 | 6.18 | 5.63 | -0.77 |
| <b>BENCHMARK2</b> | 2.13 | 8.52 | -15.76 | -1.04 | 9.89  | 14.54 | -2.51 | 6.42 | 6.11 | -0.68 |

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.



## SECTOR DISTRIBUTION (%)

|                            | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|----------------------------|-----------|--------------------|--------------------|
| Investment Grade Corporate | 81.5      | 100                | 100                |
| US Treasuries              | 6.3       | -                  | -                  |
| Securitized Credit         | 6.2       | -                  | -                  |
| High Yield Corporate       | 2.9       | -                  | -                  |
| Government Related         | 2.1       | -                  | -                  |
| Municipals                 | -         | -                  | -                  |
| Cash & Equivalents         | 1.1       | -                  | -                  |

## CURRENCY DISTRIBUTION (%)

|           | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|-----------|-----------|--------------------|--------------------|
| US Dollar | 100       | 100                | 100                |

## COUNTRY DISTRIBUTION (%)

|                | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|----------------|-----------|--------------------|--------------------|
| United States  | 82.8      | 76.5               | 86.3               |
| United Kingdom | 2.9       | 3.3                | 3.8                |
| Germany        | 2.2       | 1.2                | 0.4                |
| Canada         | 1.8       | 3.9                | 3.1                |
| Japan          | 1.4       | 1.9                | 1.9                |
| Spain          | 1.0       | 0.5                | 0.6                |
| France         | 1.0       | 0.2                | 0.3                |
| Mexico         | 0.8       | 1.2                | 0.3                |
| Ireland        | 0.8       | 0.3                | 0.4                |
| Other          | 5.2       | 10.8               | 9.2                |

## CREDIT QUALITY (%)

|                    | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|--------------------|-----------|--------------------|--------------------|
| US Treasuries      | 6.3       | -                  | -                  |
| AAA                | 4.5       | 7.6                | 1.8                |
| AA                 | 11.7      | 16.4               | 15.5               |
| A                  | 37.8      | 40.3               | 44.8               |
| BAA                | 36.0      | 35.6               | 37.9               |
| BA                 | 2.2       | -                  | -                  |
| B                  | -         | -                  | -                  |
| CAA & Lower        | -         | -                  | -                  |
| Not Rated          | 0.4       | -                  | -                  |
| Cash & Equivalents | 1.1       | -                  | -                  |

## DURATION DISTRIBUTION (%)

|                    | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|--------------------|-----------|--------------------|--------------------|
| Less than 1 Yr.    | 0.5       | 1.6                | 1.7                |
| 1 to 3 Yrs.        | 23.1      | 25.7               | 22.7               |
| 3 to 5 Yrs.        | 22.1      | 20.2               | 19.5               |
| 5 to 7 Yrs.        | 14.0      | 18.0               | 18.4               |
| 7 to 10 Yrs.       | 13.2      | 11.1               | 11.1               |
| 10 Yrs. or more    | 25.9      | 25.3               | 26.7               |
| Cash & Equivalents | 1.1       | -                  | -                  |

## MATURITY DISTRIBUTION (%)

|                    | Composite | Index <sup>1</sup> | Index <sup>2</sup> |
|--------------------|-----------|--------------------|--------------------|
| Less than 1 Yr.    | 4.2       | 0.9                | 0.9                |
| 1 to 3 Yrs.        | 18.8      | 21.5               | 20.7               |
| 3 to 5 Yrs.        | 20.3      | 19.1               | 18.1               |
| 5 to 7 Yrs.        | 13.0      | 12.3               | 12.8               |
| 7 to 10 Yrs.       | 17.5      | 15.9               | 16.0               |
| 10 Yrs. or more    | 25.0      | 30.3               | 31.5               |
| Cash & Equivalents | 1.1       | -                  | -                  |

<sup>1</sup> Bloomberg US Credit Bond Index<sup>2</sup> Bloomberg US Corporate Investment Grade Bond Index

## 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 highest credit rating assigned to individual holdings of the composite among Moody's, S&P or Fitch; ratings are subject to change. **Cash & Equivalents** may include unsettled trades, fees and/or derivatives.

Effective March 31, 2020, the Investment Grade Corporate Bond Composite changed its name to the Investment Grade Corporate/Credit Bond Composite. The Composite includes all discretionary separate accounts with market values greater than \$20 million managed by Loomis Sayles and invests primarily in investment grade US domestic credit securities with a maximum allocation of up to 20% in high yield securities. As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. Prior to June 1, 2015 the Composite minimum account size requirement was \$5 million. The Composite inception date is October 1, 2003. The Composite was created in August 2004. For additional information on this and other Loomis Sayles strategies, please visit our web site at [www.loomisayles.com](http://www.loomisayles.com).