

# Large Cap Growth Managed Account

MARKETING COMMUNICATION

## Management Team

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## Objective

Seeks to produce long-term, excess returns vs. the Russell 1000® Growth Index on a risk-adjusted basis over a full market cycle (at least 5 years) through bottom-up stock selection

### Facts

Composite inception	7/1/06
Strategy assets	\$89,700.0M

## Highlights

- Highly selective management with a long-term, private equity approach to investing
- High active share: typically greater than 80%<sup>1</sup>
- Low turnover: 11.3% annualized since inception 7/1/2006
- Seven-step research framework focuses on quality, growth and valuation
- High-conviction portfolio of typically 30 to 40 stocks
- Looks to identify high-quality companies—those with difficult-to-replicate business models
- Team must view growth as sustainable and profitable
- Stock valuations are modeled and regularly updated based on our four possible valuation scenarios: Best, Base, Bear and Worst Case scenarios<sup>2</sup>
- Seeks to create a margin of safety<sup>3</sup> by investing only when company is selling meaningfully below the team's estimate of intrinsic value
- Active risk management defines risk as a permanent loss of capital, not tracking error or short-term relative underperformance
- Historically, bottom-up stock selection drove excess returns

## Benchmark

Russell 1000® Growth Index

## Composite Performance (%) as of December 31, 2025

	CUMULATIVE RETURN		ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
PURE GROSS	0.40	15.77	15.77	33.68	15.83	17.81	15.04
NET TOTAL WRAP FEE	-0.34	12.43	12.43	29.87	12.49	14.42	11.72
NET MGMT FEE - INSTL	0.26	15.12	15.12	32.94	15.19	17.24	14.50
BENCHMARK	1.12	18.56	18.56	31.15	15.32	18.13	13.64

## Calendar Year Performance (%)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
PURE GROSS	15.77	35.04	52.81	-27.12	19.77	32.62	32.71	-1.72	34.03	6.54
NET TOTAL WRAP FEE	12.43	31.19	48.50	-29.31	16.32	28.83	28.92	-4.59	30.21	3.45
NET MGMT FEE - INSTL	15.12	34.29	51.97	-27.54	19.13	32.07	32.18	-2.12	33.49	6.10
BENCHMARK	18.56	33.36	42.68	-29.14	27.60	38.49	36.39	-1.51	30.21	7.08

  

	2015	2014	2013	2012	2011	2010	2009 <sup>2</sup>	2008 <sup>2</sup>	2007 <sup>2</sup>	2006 <sup>†</sup>
PURE GROSS	11.00	11.75	36.83	19.77	1.95	14.13	41.24	-28.04	11.79	11.04
NET TOTAL WRAP FEE	7.78	8.52	32.94	16.32	-1.02	10.83	37.22	-30.20	8.55	9.43
NET MGMT FEE - INSTL	10.58	11.41	36.37	19.31	1.56	13.57	40.45	-28.47	11.15	10.73
BENCHMARK	5.67	13.05	33.48	15.26	2.64	16.71	37.21	-38.44	11.81	10.10

<sup>†</sup>The portfolio manager for the Large Cap Growth Managed Account Composite joined Loomis Sayles May 19, 2010, and performance prior to that date was achieved at his prior firm.

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Please see additional key information on the next page of this document.

<sup>2</sup>Composite inception: 7/1/2006

Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted.

Pure Gross of fee account returns are time-weighted rates of return that do not reflect the deduction of any trading costs, fees, commissions or expenses, and are shown as supplemental information. Net of total wrap fee returns reflect the deduction of an annual fee of 3.00%, the highest fee a managed account sponsor would have charged. Net of Management (Institutional) fee returns are the gross returns less the effective management fees and are only applicable to institutional portfolios. Additional information about fees can be found in Loomis Sayles' Form ADV, which is available upon request. 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.



PORTFOLIO CHARACTERISTICS <sup>^</sup>			TOP 10 HOLDINGS (%)		SECTOR DISTRIBUTION (%)		
	Rep. Account	Benchmark		Rep. Account		Rep. Account	Benchmark
Price/earnings (trailing 12 mths)	31.20x	34.53x	NVIDIA Corporation	11.2	Information Technology	29.5	50.3
Est. P/E (forward 12 mths)	30.63x	33.13x	Alphabet Inc.	8.9	Communication Services	23.7	12.1
ROE (1-yr equal wtd)	27.96%	27.85%	Tesla, Inc.	8.6	Consumer Discretionary	17.5	13.4
3-5 yr EPS growth	13.30x	15.21x	Meta Platforms, Inc.	7.2	Health Care	11.6	8.1
Price/cashflow	24.67%	28.51%	Amazon.com, Inc.	5.8	Financials	7.6	6.4
Price/book	8.06	13.43	Netflix, Inc.	5.3	Industrials	6.7	6.0
Dividend yield	0.43%	0.53%	Oracle Corporation	4.7	Consumer Staples	2.8	2.4
Wtd avg market cap	\$1.53T	\$2.03T	Boeing Company	4.6	Energy	-	0.3
Median market cap	\$200.77B	\$24.76B	Microsoft Corporation	4.2	Materials	-	0.3
Median active share (since inception)	77.69%	-	Total	65.2	Real Estate	-	0.4
					Utilities	-	0.3
					Cash	0.7	-

*The Russell 1000<sup>®</sup> Growth Index is an unmanaged index that measures the performance of those Russell 1000 companies with higher price-to-book ratios and forecasted growth values. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.*

MARKET CAPITALIZATION (%)		
	Rep. Account	Benchmark
> \$50 Billion	93.9	92.2
\$25 to \$50 Billion	1.5	4.5
\$10 to \$25 Billion	3.9	2.4
< \$10 Billion	-	0.8
Cash	0.7	-

<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>1</sup>Active share indicates the proportion of the portfolio's holdings (by market value) that are different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.

<sup>2</sup>The team establishes a range of outcomes, or scenarios, that we label best case, base case, bear case and worst case. Our best-case price represents the scenario in which the company executes successfully on all opportunities for growth. Our base-case price represents our most likely estimate of intrinsic value scenario. Our bear-case price represents the scenario of what could likely go wrong with our base case. Our worst-case price represents the scenario when all goes wrong for the company. By linking our scenario analysis to key business drivers such as market penetration rates or profit margins, we hope to better understand the sources of both value creation and downside risks so that we may make better-informed, more objective decisions.

<sup>3</sup>Holding all else equal, the larger the discount between market price of a particular security and our estimate of its intrinsic value, the greater we view our margin of safety. Margin of safety is not an indication of the strategy's safety as all investments carry risk, including risk of loss.



**IMPORTANT INFORMATION ON RISK:** *Investing involves risk, including possible loss of principal. Equity securities are volatile and can decline significantly in response to broad market and economic conditions. Growth stocks may be more sensitive to market conditions than other equities as their prices strongly reflect future expectations. Currency exchange rates between the U.S. dollar and foreign currencies may cause the value of the portfolio's investments to decline.*

**DEFINITIONS:** *Price/earnings (trailing 12 mths)* is the sum of a company's price-to-earnings, calculated by dividing current stock price by trailing earnings per share for the past 12 months. *Est. P/E (forward 12 mths)* measures price-to-earnings ratio using forecasted earnings for the price-to-earnings calculation; the forward measure is not a forecast of the Portfolio's performance. *Return on Equity (ROE)* measures a company's profitability and reveals how much profit a company generates with money shareholders invested. ROE is calculated by dividing net income by shareholder equity. *ROE (1-year equal wtd)* is the 1-year ROE of all holdings divided by number of holdings. *3-5 Year EPS Growth* is sourced from FactSet and based on long-term EPS growth rate estimates gathered directly from brokers. The portfolio and benchmark statistic is a weighted average of company level estimates. *3-yr Historical EPS* is the average earnings per share value that the company reports quarterly over the trailing 3-year term, calculated by dividing earnings available to shareholders by total number of shares outstanding. *5-yr Historical EPS* is the average earnings per share value that the company reports quarterly over the trailing 5-year term, calculated by dividing earnings available to shareholders by total number of shares outstanding. *Price/Cash Flow* compares the price of a company's stock relative to how much cash flow the firm is generating, calculated by dividing the current market price of the share by the cash flow per share. *Price/Book* is a ratio that compares a stock's market value to its book value calculated by dividing current closing price of the stock by the latest quarter's book value per share. *Dividend Yield* is calculated by dividing the dividend per share by the net asset value per share as of the relevant ex-dividend date. *Weighted Avg Market Cap* is an average of the market capitalization of stocks held by a portfolio or comprising an index, adjusted by each stock's corresponding weight in the portfolio or index. *Median Market Cap* is the midpoint of market capitalization (market price multiplied by number of shares outstanding) of stocks in a portfolio. *Median Active Share (since inception)* indicates the proportion of the portfolio's holdings (by market value) that is different than the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio.

Due to rounding, *Market Capitalization and Sector Distribution* totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. *Top 10 Holdings* may combine more than one security from the same issuer and related depositary receipts. Portfolio weight calculations include accrued interest. Holdings are based on total gross assets before any fees are paid; any cash held is included. Reference to specific securities or holdings should not be considered recommendations for action by investors. There is no guarantee the portfolio continues to invest in the securities referenced. *Cash* may include unsettled trades, fees and/or derivatives.

Characteristics are shown for a representative account. Due to systems limitations, it may be difficult to analyze characteristics on a composite basis. The representative account was selected because it closely reflects the Loomis Sayles Large Cap Growth Managed Account investment strategy. Due to guideline restrictions and other factors, there may be some dispersion between the returns of this account and other accounts in the Loomis Sayles Large Cap Growth Managed Account Composite.

The Composite includes all discretionary Managed Accounts with market values greater than \$100 thousand managed by Loomis Sayles that seek to produce long-term excess returns at or below benchmark risk over a full market cycle relative to the Russell 1000 Growth Index and generally within the market capitalization range of the Index. As of November 1, 2020, the Composite was redefined to include only Managed Accounts. Prior to the redefinition, the Composite included separate and commingled accounts. Performance results prior to November 1, 2020 are those of the Large Cap Growth Composite. Prior to November 1, 2020 the Composite minimum account size requirement was \$1 million. The Composite inception date is July 1, 2006. The Composite was created in December 2019.

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