BOARD OF PENSION TRUSTEES
FOR THE
CITY OF JACKSONVILLE RETIREMENT SYSTEM
Thursday, May 2, 2024, at 12:30 PM
City Hall Conference Room 3C

AGENDA

1. **CALL TO ORDER**

2. **PUBLIC COMMENT**

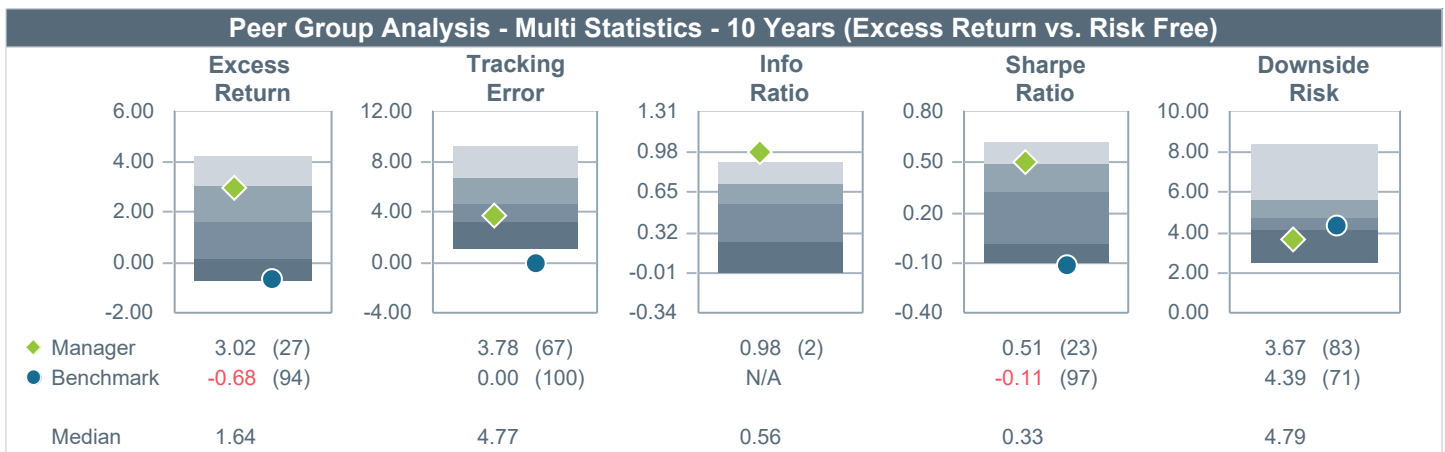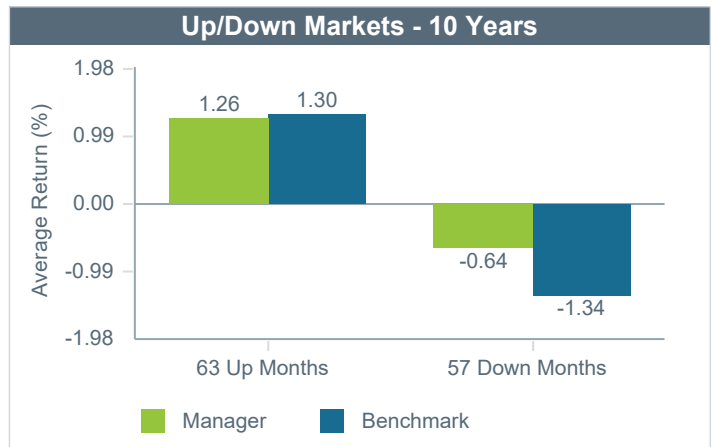3. **INVESTMENT AND FINANCIAL MATTERS**

   Loomis Sayles – Fixed Income

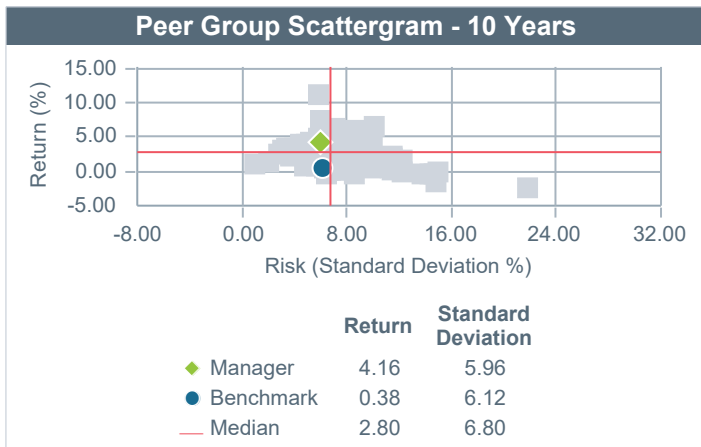4. **INFORMATION**

   a. Next regular BOT meeting scheduled for Thursday, May 23, 2024, at 2 PM
   b. Schroder Secured Fixed Income discussion scheduled for Thursday, June 6, 2024, at 12:30 PM
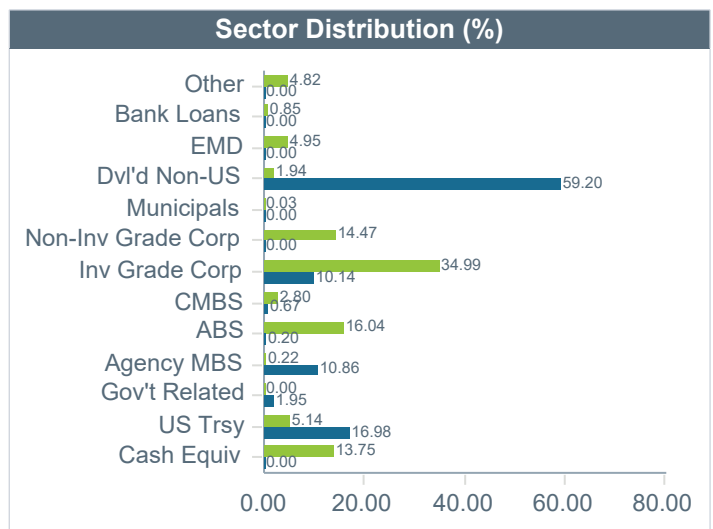
5. **PRIVILEGE OF THE FLOOR**

6. **ADJOURNMENT**

Performance

	QTD	1 Year	3 Years	5 Years	7 Years	10 Years	2022	2021	2020	2019	2018
Manager	7.68	8.56	-1.36	3.93	4.04	4.16	-12.09	0.55	15.08	9.79	0.09
Benchmark	8.10	5.72	-5.51	-0.32	0.62	0.38	-16.25	-4.71	9.20	6.84	-1.19
Difference	-0.42	2.84	4.15	4.25	3.42	3.78	4.16	5.26	5.88	2.95	1.28
Peer Group Median	7.34	8.75	-1.46	3.07	3.04	2.80	-12.28	0.44	8.42	9.72	-1.76
Rank	44	52	49	37	30	26	49	48	7	49	24
Population	180	180	176	166	156	146	216	228	242	252	266

Peer Group Scattergram - 10 Years

	Return	Standard Deviation
◆ Manager	4.16	5.96
● Benchmark	0.38	6.12
— Median	2.80	6.80

Up/Down Markets - 10 Years

Manager / Benchmark
63 Up Months: 1.26 / 1.30
57 Down Months: -0.64 / -1.34

Peer Group Analysis - Multi Statistics - 10 Years (Excess Return vs. Risk Free)

	Excess Return	Tracking Error	Info Ratio	Sharpe Ratio	Downside Risk
◆ Manager	3.02 (27)	3.78 (67)	0.98 (2)	0.51 (23)	3.67 (83)
● Benchmark	-0.68 (94)	0.00 (100)	N/A	-0.11 (97)	4.39 (71)
Median	1.64	4.77	0.56	0.33	4.79

Portfolio Characteristics

	Portfolio	Benchmark
Effective Duration	5.87	6.70
Spread Duration	3.56	N/A
Avg. Maturity	5.74	8.53
Avg. Quality	Baa2	N/A
Yield To Maturity (%)	5.76	3.51
Coupon Rate (%)	3.76	2.60
Current Yield (%)	4.30	N/A
Holdings Count	829	29,477

Sector Distribution (%)

Sector	Manager	Benchmark
Other	4.82	0.00
Bank Loans	0.85	0.00
EMD	4.95	0.00
Dvl'd Non-US	1.94	59.20
Municipals	0.03	0.00
Non-Inv Grade Corp	14.47	0.00
Inv Grade Corp	34.99	10.14
CMBS	2.80	0.67
ABS	16.04	0.20
Agency MBS	0.22	10.86
Gov't Related	0.00	1.95
US Trsy	5.14	16.98
Cash Equiv	13.75	0.00

Performance shown is gross of fees and product specific. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.
Allocation to "Other" consists of preferred equity, convertibles and hedge funds.

RVK

City of Jacksonville Retirement System

LS CIT MSFD

MAY 2, 2024

presented by:

BRIAN KENNEDY
Portfolio Manager

LEVI DWYER
Institutional Strategy & Development

MATTHEW BUXTON
Director of Public Fund Relationship Management

contents

LOOMIS SAYLES ®

loomis sayles **at a glance**

$348.4
US BILLION

ASSETS UNDER MANAGEMENT
BY CLIENT BASE

- US institutional
- Non-US institutional
- US retail
- Non-US retail

SERVING CLIENTS **WITH INTEGRITY**
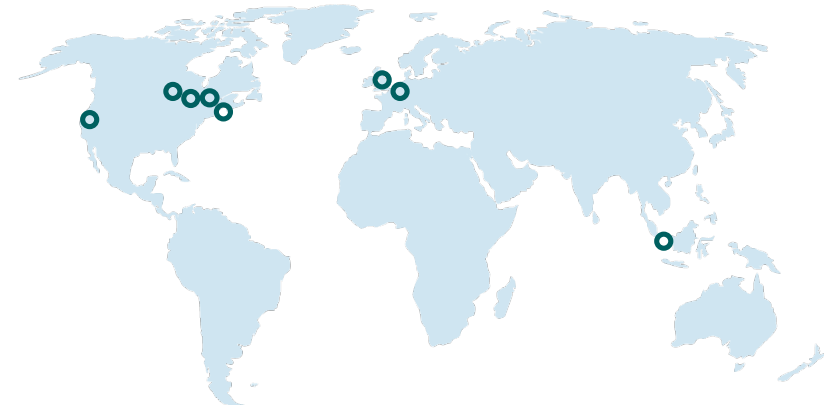## & A **GLOBAL PERSPECTIVE** SINCE

1926

ASSET BREAKDOWN
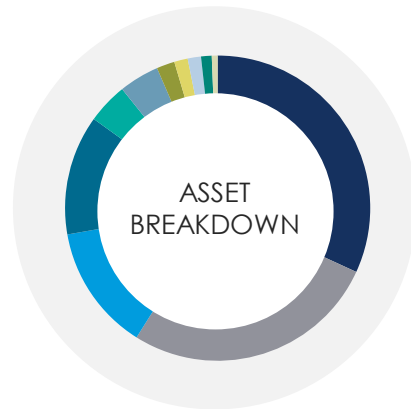
INVESTMENT EXPERTISE
ACROSS ASSET CLASSES

Fixed income: **$252.2 B**   Equity: **$96.2 B**

- Investment Grade Corporates
- Equities
- Developed Country Treasurys
- Mortgage & Structured Finance
- Emerging Market Debt
- High Yield Corporates
- Municipals
- Other
- Government Related
- Bank Loans
- Convertible Bonds

BOSTON • CHICAGO •

DETROIT • MINNEAPOLIS • SAN FRANCISCO

LONDON • SINGAPORE • UTRECHT

As of 3/31/2024. The Utrecht office opened on November 1, 2020.
Due to rounding, pie chart total may not equal 100%. Other includes cash & equivalents and derivatives.
Total AUM includes the assets of both Loomis, Sayles & Co., LP, and Loomis Sayles Trust Company, LLC. ($41.8 billion for the Loomis Sayles Trust Company).
Loomis Sayles Trust Company is a wholly owned subsidiary of Loomis, Sayles & Company, L.P.

LOOMIS | SAYLES ®

foundation for alpha

CREDIT RESEARCH

Alpha generation through differentiated insights

Providing insight and differentiated perspectives across the credit classes, risk spectrum, and capital structure

EQUITY

Driving alpha through independent thinking

Active long-term strategies built on differentiated non-consensus insight

MACRO STRATEGIES

Focused insights for investment team impact

Tailor-made research and data driven assessments of global macro investment conditions, opportunities and risks

MORTGAGE & STRUCTURED FINANCE

Opportunities outside traditional asset classes

Deploying fundamental research to uncover hidden alpha potential in complex structured markets

QUANTITATIVE RESEARCH & RISK ANALYSIS

Bringing together the art and science of investing

Translating market data and investor intuition into actionable signals

TRADING

Beyond trade execution

+50 trading professionals integrated within all investment processes every step of the way

ESG

Integrate and engage

Education and tools for investment teams to incorporate material ESG factors

INVESTMENT RISK OVERSIGHT

Ensuring investment teams meet client objectives

A common foundation underlying all strategies:
- Sound philosophy
- Rigorous, repeatable process
- Proprietary research
- Disciplined portfolio construction
- Integrated risk management

TECHNOLOGY

Translating data into insight

Tapping the power of our proprietary In2! technology platform, integrating more than 5 billion data points each day

BUSINESS INFRASTRUCTURE

Specialized expertise for critical services

Integrated legal, compliance, distribution, marketing, relationship management & client service teams

LOOMIS | SAYLES ®

alpha engines

FIXED INCOME

ALPHA STRATEGIES	DISCIPLINED ALPHA	EMERGING MARKET DEBT	EURO CREDIT	FULL DISCRETION	GLOBAL	MORTGAGE & STRUCTURED FINANCE	MUNICIPAL	PRIVATE CREDIT †	RELATIVE RETURN
Credit Asset	Core	Corporate	Euro Investment Grade Credit	Core Plus Full Discretion	Global Bond	Agency MBS	Short	Private Fixed Income	Short Duration
Emerging Market Debt Blended	Intermediate	Local Currency	Sustainable Euro Investment Grade Credit	Multisector Full Discretion	Global Credit	Core Securitized	Intermediate	Investment Grade Private Fixed Income	Inter. Duration
World Credit Asset	Corporate	Short Duration	Euro High Yield Credit	Multisector Credit	Global Debt Unconstrained	IG Securitized Credit (ERISA)	Medium		Core
Multi-Asset Income	Intermediate Credit	Asia Credit		Strategic Alpha	Global Disciplined Alpha**	Opportunistic Securitized Credit	Crossover***		Core Plus
Inflation Protected (TIPS)	Long Corporate			Flexible Income	International Bond	Dedicated CLOs			IG Corporate
Systematic Investing Strategies	Long Gov't Corp			High Yield Full Discretion					IG Inter. Corp
	Long Credit			High Yield Conservative					Long Corporate
	Global Disciplined Alpha**			US High Yield					Long Credit
				Global High Yield Full Discretion					Long Gov't/Credit
				Global High Yield					US Active Treasury
				Senior Loan					
				Senior Floating Rate & Fixed Income					
				CLO					
$10.1 B*	**$19.1 B**	**$3.5 B**	**$2.3 B**	**$69.1 B**	**$28.4 B**	**$17.3 B***	**$6.4 B**	**-**	**$110.5 B**

EQUITY

GROWTH EQUITY STRATEGIES	GLOBAL EMERGING MARKETS EQUITY	GLOBAL EQUITY OPPORTUNITIES	SPECIALTY GROWTH STRATEGIES	SMALL CAP VALUE
All Cap Growth	Global Emerging Markets Equity	Global Allocation	Small Cap Growth	Small Cap Value
Global Growth	Global Emerging Markets Equity Long/Short	Global Equity Opportunities	Small/Mid Cap Growth	Small/Mid Cap Core
International Growth			Mid Cap Growth	
Large Cap Growth				
Long/Short Growth Equity				
$77.8 B	**$417.9 M**	**$16.1 B**	**$6.4 B**	**$2.8 B**

As of 3/31/2024.
*Includes accounts that may also be counted as part of other strategies **Co-managed investment strategy. ***Accounts may be co-managed along with other teams as appropriate. † The Private Credit team joined the firm in January 2022.

Firm Overview

LOOMIS | SAYLES ®

6

full discretion investing

TEAM BELIEFS & CAPABILITIES

The market is inefficient at pricing specific risk.

We believe fundamental research paints a clearer picture of intrinsic value. We use this foundation to help identify mispriced securities when markets are short-term focused, illiquid, or irrational due to factors including fear and greed.

A credit cycle view can help identify opportunities and risks.

We follow a disciplined top-down framework to analyze the factors driving the macroeconomic cycle, evaluate how they might affect asset valuations, and seek to harvest credit risk premiums.

Risk management is integral, not an add-on.

We believe in a rigorous investment process that seeks to balance risk/reward tradeoffs effectively and integrates risk management at every step.

CORE PLUS	MULTISECTOR				LEVERAGED FINANCE	
Core Plus Full Discretion	Multisector Full Discretion	Multisector Credit	Strategic Alpha Strategic Alpha Opportunistic	Flexible Income	High Yield Full Discretion High Yield Conservative US High Yield Global High Yield Full Discretion	Senior Loan Senior Floating Rate & Fixed Income CLO

CUSTOM SOLUTIONS		
Insurance	Buy & Maintain	Liability-Driven Investing

LOOMIS | SAYLES ®

full discretion product

LOOMIS SAYLES FULL DISCRETION TEAM ASSETS UNDER MANAGEMENT

$69.1 billion as of March 31, 2024

	ASSETS ($ MILLIONS)
CORE PLUS	
Core Plus Full Discretion	28,929
MULTISECTOR	
Multisector Full Discretion	24,736
Strategic Alpha	4,664
Multisector Credit	270
Flexible Income	224
LEVERAGED FINANCE	
High Yield	
US High Yield	2,742
High Yield Full Discretion	2,584
High Yield Conservative	2,443
Global High Yield Full Discretion	212
Bank Loans	
Senior Loan	1,456
Senior Floating Rate & Fixed Income	803

Bank Loans, $2,559M
High Yield, $7,981M
Strategic Alpha, $4,664M
$69.1 billion
Multisector Full Discretion, $24,736M
Core Plus Full Discretion, $28,929M
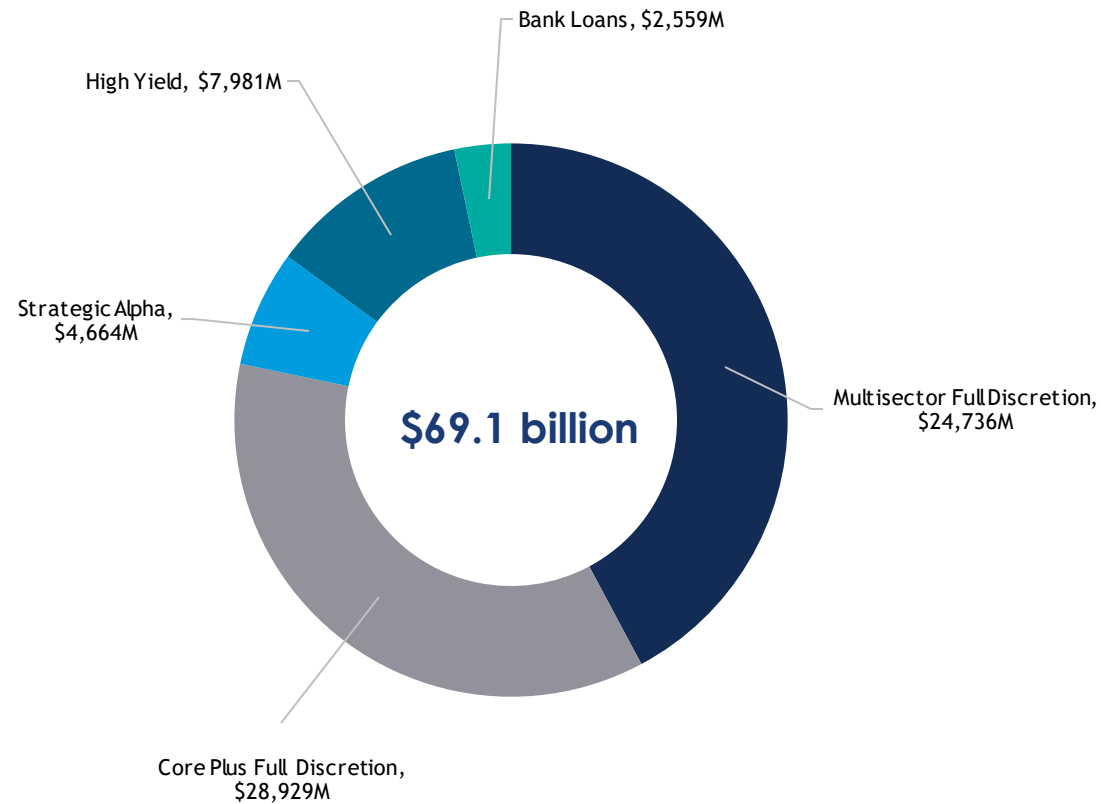
As of 3/31/2024.
Due to rounding, pie chart total may not equal 100%. Total strategy assets include all assets managed by the respective team.

investment team

HIGHLY EXPERIENCED TEAM SUPPORTED BY DEEP FIRM RESOURCES

Full Discretion

CORE PLUS	MULTISECTOR				LEVERAGED FINANCE	
Core Plus Full Discretion[1]	**Multisector Full Discretion[2]**	**Multisector Credit**	**Strategic Alpha[3]**	**Flexible Income**	**High Yield[4]**	**Bank Loans[5]**
Portfolio Managers Matt Eagan, CFA Brian Kennedy	**Portfolio Managers** Matt Eagan, CFA Brian Kennedy	**Portfolio Managers** Matt Eagan, CFA Brian Kennedy Peter Sheehan	**Portfolio Managers** Matt Eagan, CFA Brian Kennedy Todd Vandam, CFA	**Portfolio Managers** Matt Eagan, CFA Scott Darci, CFA	**Portfolio Managers** Matt Eagan, CFA Brian Kennedy Todd Vandam, CFA Peter Sheehan	**Portfolio Managers** Michael Klawitter, CFA Heather Young, CFA
Associate Portfolio Manager Bryan Hazelton, CFA	**Associate Portfolio Manager** Bryan Hazelton, CFA	**Associate Portfolio Managers** Bryan Hazelton, CFA Chris Romanelli, CFA	**Associate Portfolio Manager** Scott Darci, CFA		**Associate Portfolio Manager** Chris Romanelli, CFA	

STRATEGISTS

Peter Sheehan - **Credit**	Bryan Hazelton, CFA - **Investment Grade**	Chris Romanelli, CFA - **High Yield**
Steve LaPlante, CFA - **Securitized**	Scott Darci, CFA - **Equity & Derivatives**	Hassan Malik, PhD, CFA - **Sovereign & FX**

KEY SUPPORT

RESEARCH ANALYSTS	INVESTMENT DIRECTORS	INVESTMENT ANALYSTS		PORTFOLIO SPECIALISTS
Nicole Ranzinger Ryan Yackel James Davie*	David Zielinski, CFA Cheryl Stober Kristen Doyle Matthew Green	Shong Xiao, CFA Chidiebere Okpoebo Elizabeth DiTomasso, CFA	Jack Rotondi, CFA Alex Thieck Meredith Sweeney	Rigas Gartaganis Boeurn Kan-Crawford Matt Tierney Amy Steede

FIRM RESOURCES (TEAM MEMBERS)

Macro Strategies (16)	Credit Research (62)	Quant. Research & Risk Analysis (12)	Private Credit (5)
Fixed Income Trading (48)	Mortgage & Structured Finance (18)	Investment Strategy & Risk Management (10)	ESG (4)

As of 3/31/2024
*James Davie is a member of the Credit Research team.
Additional products managed by the respective teams include: ¹Investment Grade Bond, Investment Grade Fixed Income ²Bond, Fixed Income, Strategic Income ³Strategic Alpha Opportunistic ⁴High Yield Full Discretion, Global High Yield Full Discretion, High Yield Conservative, US High Yield, Global High Yield, High Income, High Income Opportunities, Institutional High Income ⁵Senior Loan, Senior Floating Rate, and Fixed Income.
The strategies described herein may be offered through separate accounts or commingled vehicles. Investment vehicles are subject to eligibility and availability. Separate accounts are available based on client preference and mandate size.
This material should not be considered a solicitation to buy, or an offer to sell, any product or service to any person in any jurisdiction where such activity would be unlawful.

LOOMIS | SAYLES ®

strategy overview

MULTISECTOR FULL DISCRETION

- High conviction, active credit manager
- Multisector strategy seeking to exploit cross-sector opportunities across broad global fixed income markets
- Repeatable, deep value equity-like approach to fundamental research and issue selection
- Risk awareness tools overlay fundamental investment process

OBJECTIVE	BENCHMARK	RISK PROFILE*
Seeks to maximize total return through research driven security selection while managing downside risk through careful portfolio construction	Bloomberg U.S. Government/Credit Index	Expected volatility of 4-8% over a full market cycle Lower correlation to traditional core strategies

PORTFOLIO EXPOSURE	SECTOR								REGION			DURATION	FX & DERIVATIVES	
	Investment Grade Corps	High Yield Corps	Bank Loans	Converts	Preferreds	Equity	Securitized	US Treasury & Agency	US	Non-US Developed	Emerging Markets	Duration	Foreign Currency	Derivatives
TYPICAL RANGE	25-60%	10-40%	0-15%	5-15%	0-10%	0-10%	5-30%	5-30%	65-100%	0-25%	0-20%	+/- 3 yrs vs Bench	0-20%	For Hedging And Exposure Purposes

*Although the Investment Manager actively seeks to manage risk for a targeted risk level, there is no guarantee that the portfolio will be able to maintain its targeted risk level.
All figures are approximate and apply under normal market conditions. They are based on guidelines that are subject to change.
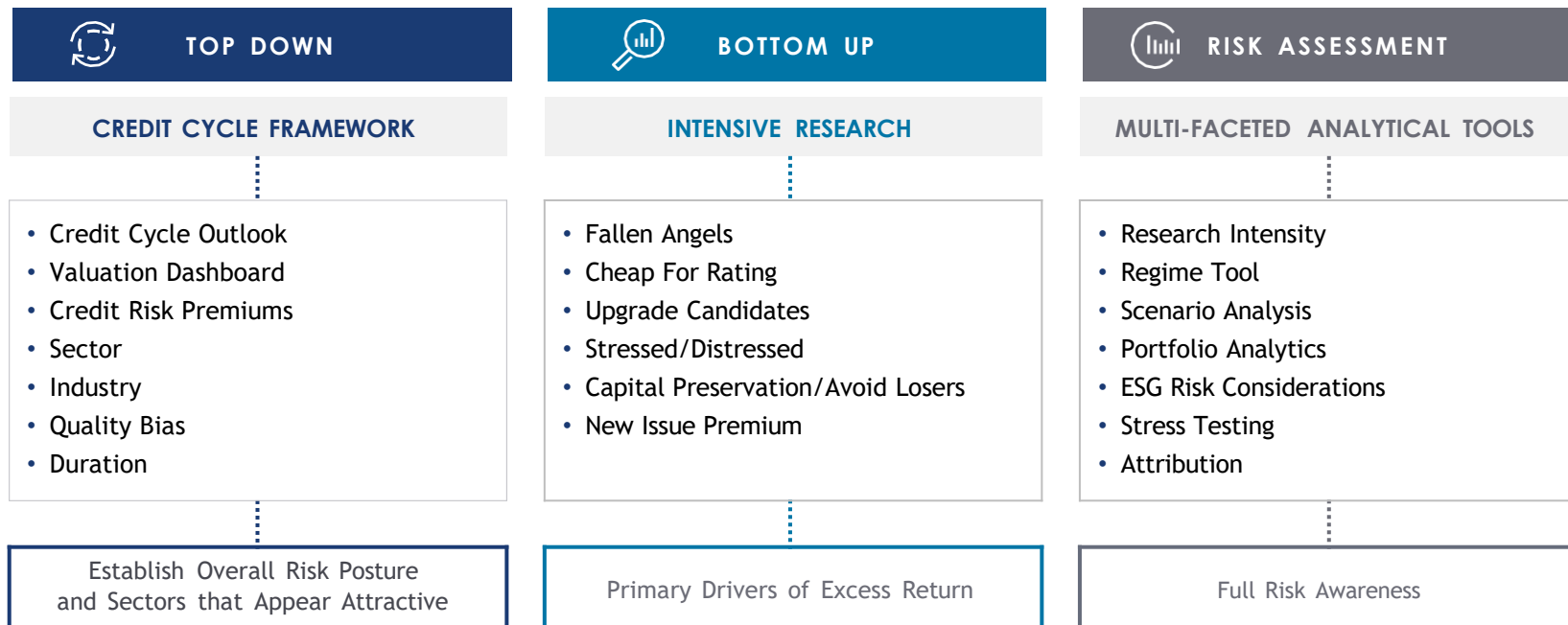Commodity, interest and derivative trading involves substantial risk of loss.
There is no guarantee that investment objective will be realized or that the strategy will generate positive or excess return.
Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal.

investment process

OUR RIGOROUS INVESTMENT PROCESS COMBINES A TOP-DOWN FRAMEWORK, BOTTOM-UP RESEARCH AND RISK ASSESSMENT

TOP DOWN	BOTTOM UP	RISK ASSESSMENT
CREDIT CYCLE FRAMEWORK	**INTENSIVE RESEARCH**	**MULTI-FACETED ANALYTICAL TOOLS**
• Credit Cycle Outlook • Valuation Dashboard • Credit Risk Premiums • Sector • Industry • Quality Bias • Duration	• Fallen Angels • Cheap For Rating • Upgrade Candidates • Stressed/Distressed • Capital Preservation/Avoid Losers • New Issue Premium	• Research Intensity • Regime Tool • Scenario Analysis • Portfolio Analytics • ESG Risk Considerations • Stress Testing • Attribution
Establish Overall Risk Posture and Sectors that Appear Attractive	Primary Drivers of Excess Return	Full Risk Awareness

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return. Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal.

LOOMIS | SAYLES®

top down - credit cycle

UNDERSTANDING OF GLOBAL CREDIT CYCLES HELPS DRIVE PORTFOLIO RISK DECISIONS

CYCLE STAGE RETURNS BY SECTOR 12/31/2003 – 3/31/2024

	EXPANSION / LATE CYCLE	DOWNTURN	CREDIT REPAIR	RECOVERY	ENTIRE PERIOD
	AVG RETURN	AVG RETURN	AVG RETURN	AVG RETURN	AVG RETURN
BLOOMBERG US TREASURY 10-YEAR BELLWETHER	2.41%	7.67%	3.47%	1.06%	2.64%
BLOOMBERG US SECURITIZED	2.22%	5.93%	5.78%	2.01%	2.90%
BLOOMBERG US CORPORATE INVESTMENT GRADE	3.51%	1.29%	11.74%	3.01%	4.16%
MORNINGSTAR LSTA US LEVERAGED LOAN	4.44%	-6.80%	15.92%	5.91%	5.14%
BLOOMBERG US CORPORATE HIGH YIELD	4.66%	-4.03%	23.02%	8.81%	6.99%
JPM CEMBI DIVERSIFIED BROAD	4.19%	-2.38%	16.85%	6.10%	5.55%
BLOOMBERG GLOBAL AGGREGATE	1.46%	3.98%	8.30%	1.06%	2.37%
S&P 500	11.38%	-20.39%	26.60%	16.97%	11.39%

CHARACTERISTICS OF CYCLE STAGES

EXPANSION/LATE CYCLE	DOWNTURN	CREDIT REPAIR	RECOVERY
• Debt > Profit growth • Monetary policy is tight • Tight economic slack • Fading risk appetite • Liquidity tightening	• Profit contraction • Central bank is cutting rates • Recession • Liquidity and risk appetites are low	• Debt contraction • Easy monetary policy • Growth is rebounding • High liquidity • Improving risk appetite	• Profit > Debt growth • Monetary policy is about neutral • Growth near trend • Diminishing liquidity • Improving risk

Data source: Bloomberg.
Average (Avg) Return: annualized total return, average of all cycles. Economic cycles defined using Loomis Sayles proprietary models to assess historical data. **Please see the Credit Cycle Regime**
Periods slide later in the book for more details.
Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.
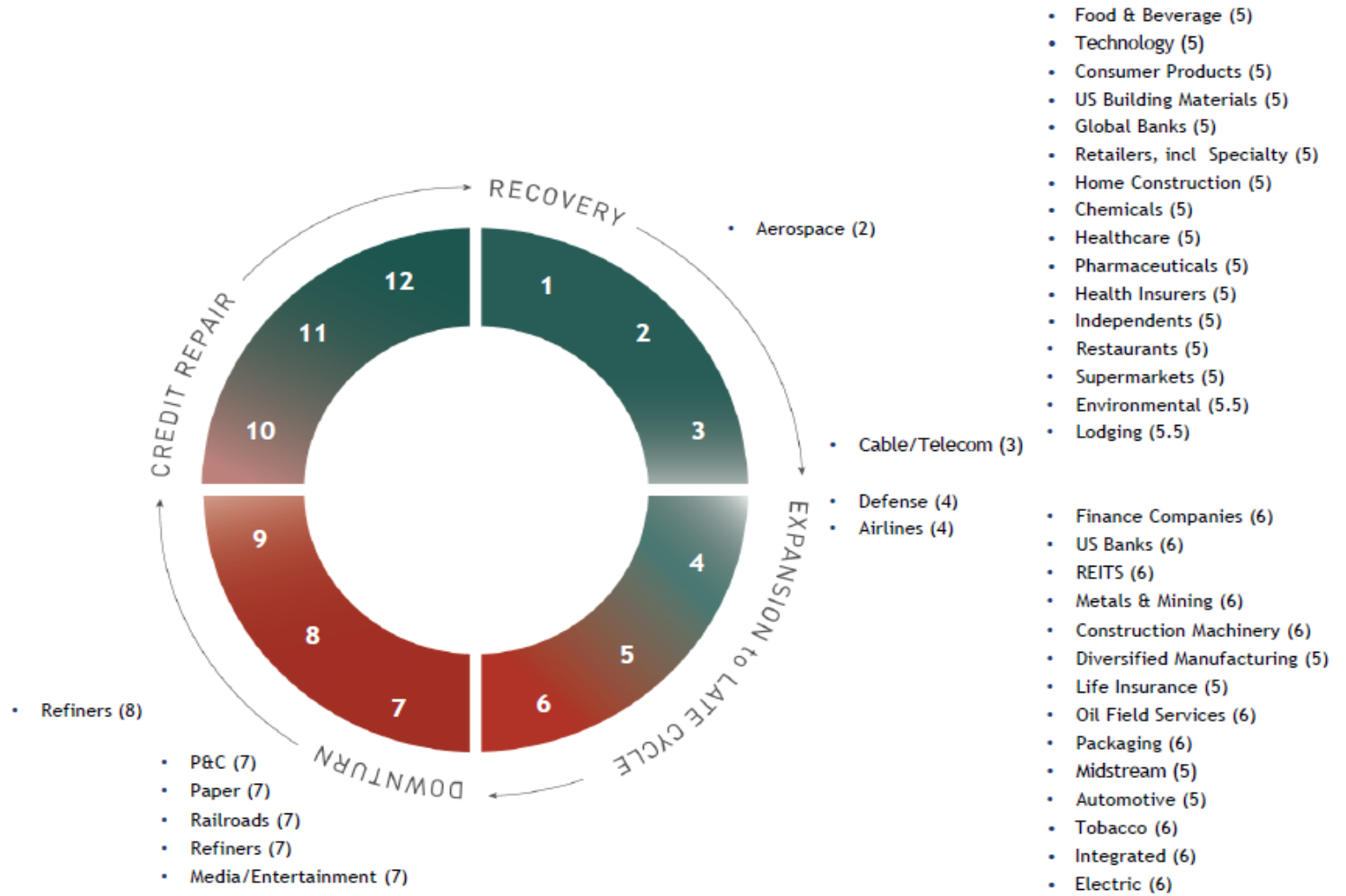*Views and opinions are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.*
Diversification does not ensure a profit or guarantee against a loss.
Past performance is no guarantee of future results.

LOOMIS | SAYLES ®

top down - credit cycle

## ANALYSIS OF GLOBAL INDUSTRY CREDIT CYCLE PROVIDES BASIS FOR IDENTIFYING VALUE

Credit cycle wheel diagram showing phases: RECOVERY, EXPANSION to LATE CYCLE, DOWNTURN, CREDIT REPAIR, numbered 1-12.

- Food & Beverage (5)
- Technology (5)
- Consumer Products (5)
- US Building Materials (5)
- Global Banks (5)
- Retailers, incl Specialty (5)
- Home Construction (5)
- Chemicals (5)
- Healthcare (5)
- Pharmaceuticals (5)
- Health Insurers (5)
- Independents (5)
- Restaurants (5)
- Supermarkets (5)
- Environmental (5.5)
- Lodging (5.5)

- Aerospace (2)
- Cable/Telecom (3)
- Defense (4)
- Airlines (4)

- Finance Companies (6)
- US Banks (6)
- REITS (6)
- Metals & Mining (6)
- Construction Machinery (6)
- Diversified Manufacturing (5)
- Life Insurance (5)
- Oil Field Services (6)
- Packaging (6)
- Midstream (5)
- Automotive (5)
- Tobacco (6)
- Integrated (6)
- Electric (6)

- Refiners (8)
- P&C (7)
- Paper (7)
- Railroads (7)
- Refiners (7)
- Media/Entertainment (7)

# top down - credit risk premiums

SEEK TO IDENTIFY BROAD ASSET CLASSES WITH FAVORABLE RISK PREMIUMS

- We separate spreads into 'default' and 'premium' components
- Credit risk premiums are calculated as spread less expected downgrade and default losses (left chart) and translated into a probability of positive excess returns over the next 6 months (right chart)

ESTIMATED HIGH YIELD RISK PREMIUM COMPONENTS OVER TIME
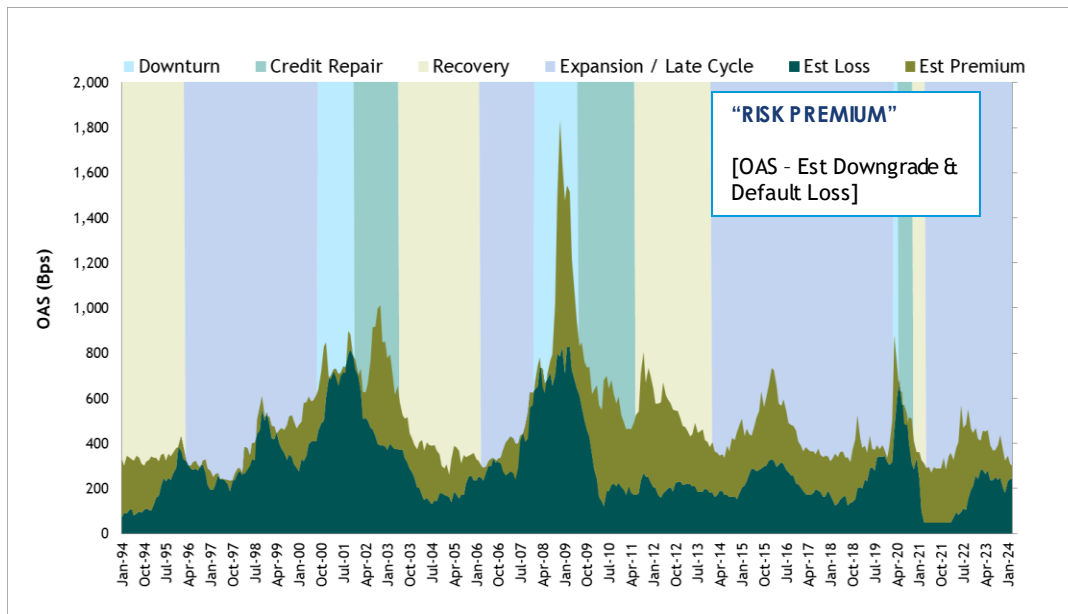
ESTIMATED HIGH YIELD RISK PREMIUM & PROBABILITY OF POSITIVE EXCESS RETURN OVER NEXT 6 MONTHS
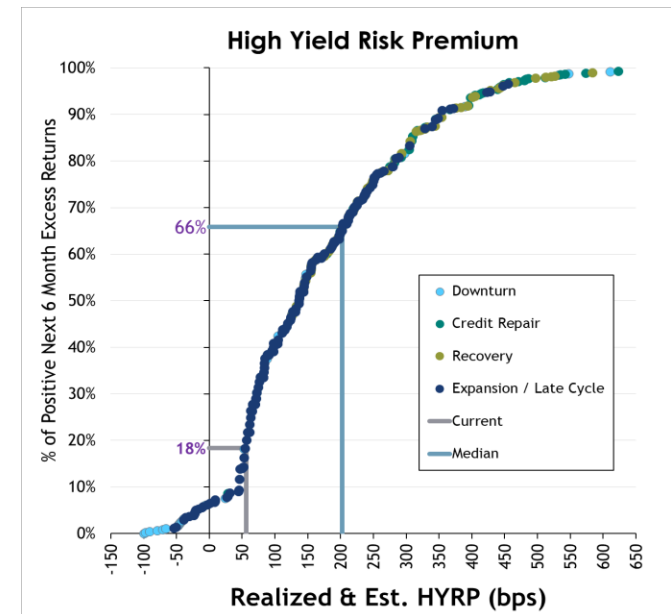
Source: Loomis Sayles, Bloomberg, Moodys, as of 3/31/2024. OAS is based on the Bloomberg US Corporate High Yield Index.

Charts are illustrative for presentation 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. The information is not intended to represent any actual portfolio managed by Loomis Sayles.*

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

Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal.
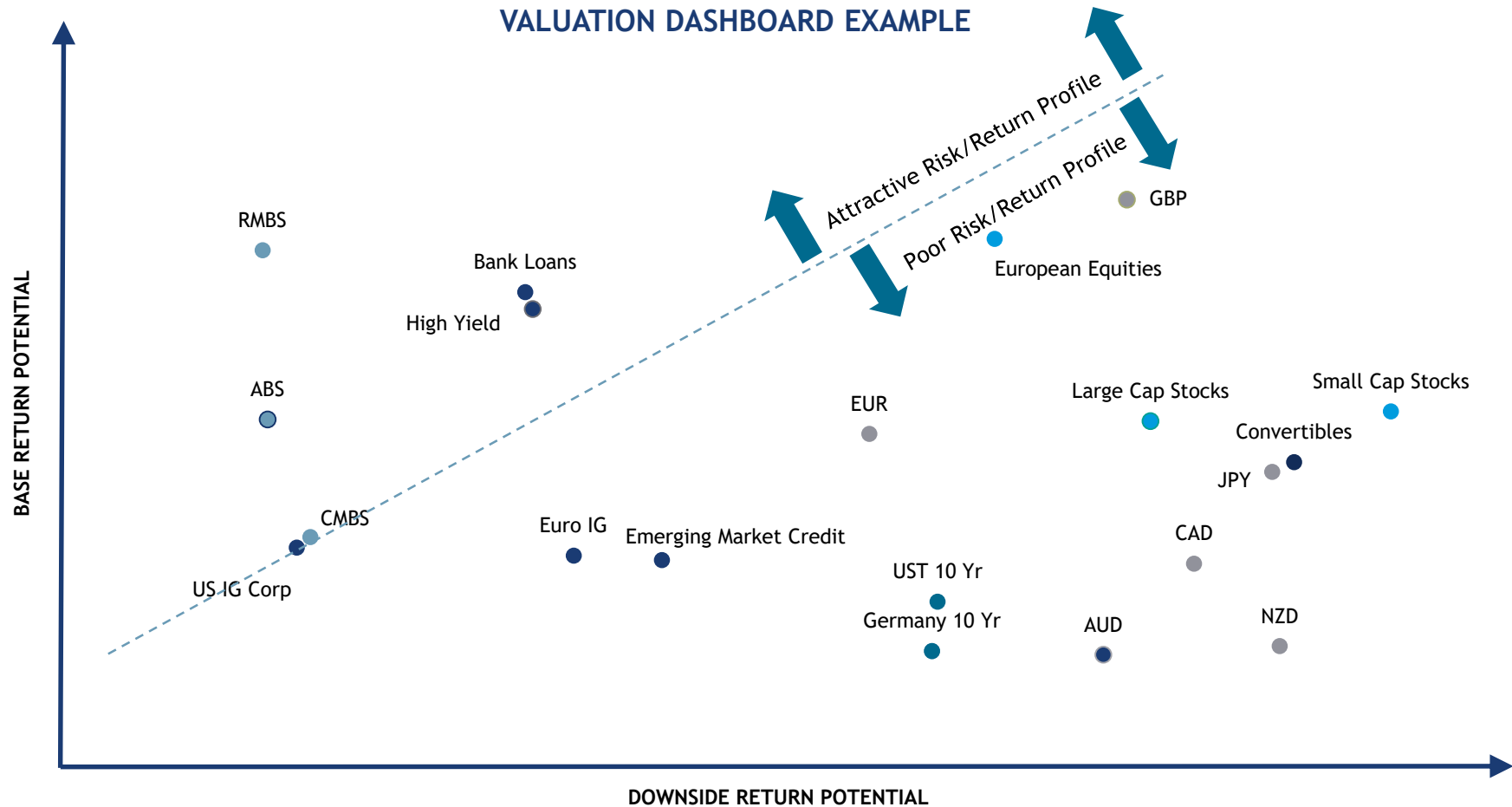
Please see the Risk Premium Disclosure Statement for additional important information.

Past performance is no guarantee of future results.

top down - valuation dashboard

DETERMINE GLOBAL ASSET CLASSES WITH FAVORABLE REWARD/RISK POTENTIAL

VALUATION DASHBOARD EXAMPLE

Scatter plot with axes labeled BASE RETURN POTENTIAL (vertical) and DOWNSIDE RETURN POTENTIAL (horizontal). A dashed trend line runs diagonally, with labels "Attractive Risk/Return Profile" and "Poor Risk/Return Profile" with double-headed arrows. Plotted points include: RMBS, Bank Loans, High Yield, ABS, GBP, European Equities, Large Cap Stocks, Small Cap Stocks, Convertibles, EUR, JPY, CMBS, Euro IG, Emerging Market Credit, CAD, US IG Corp, UST 10 Yr, Germany 10 Yr, AUD, NZD.

Charts are illustrative for presentation purposes only as a sampling of risk management tool output. Some or all of the information contained in this chart may be dated, and therefore, this chart should not be the basis to purchase or sell any securities. The information is not intended to represent any actual portfolio managed by Loomis Sayles. Scenario analysis has inherent limitations and should not be viewed as predictive of future events. It relies on opinions, assumptions and mathematical models, which can turn out to be incomplete or inaccurate. Actual results will be different. The views do not represent the actual or expected future performance of any Loomis Sayles product. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

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

Past performance is no guarantee of future results.
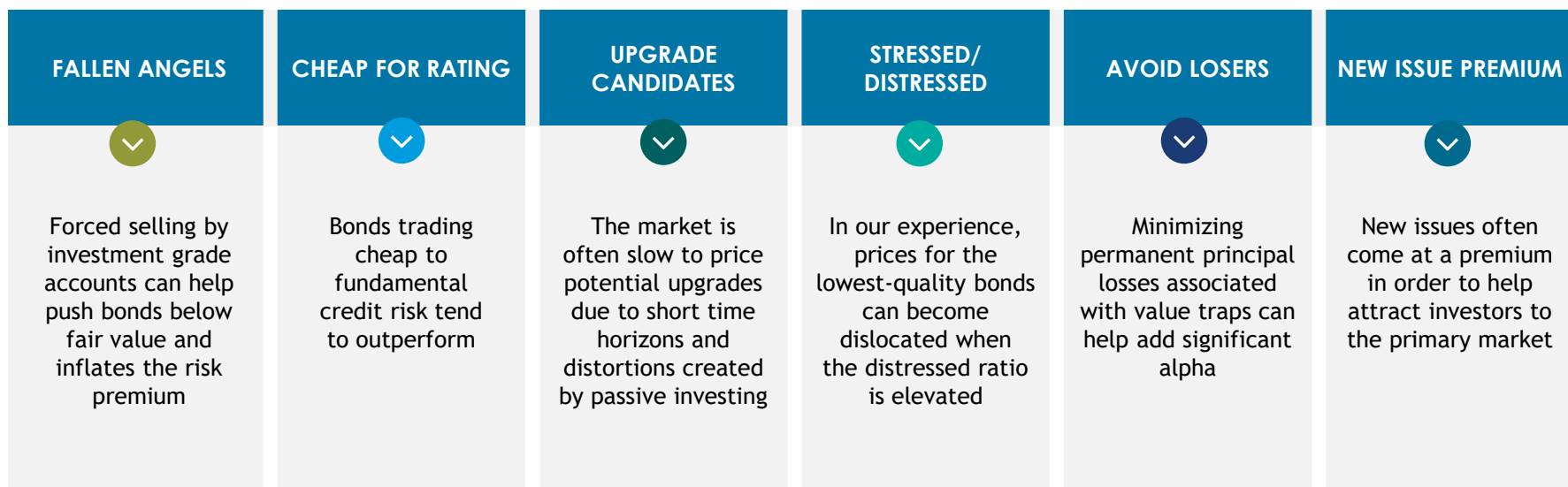
bottom up - core philosophy

WHAT DISTINGUISHES LOOMIS SAYLES FULL DISCRETION INVESTING

ENTERPRISE VALUE	• We follow an equity-like approach to valuation by focusing on long-term enterprise value and identifying risks to that value. • This gives us the conviction to buy in dislocated markets and take contrarian positions.
POSITIVE CONVEXITY	• We are deep value investors, targeting discount bonds backed by call protection and strong fundamentals. • By building positive convexity into our portfolios, we seek to maximize total return while minimizing downside risks.
REPEATABLE STRATEGIES	• Enterprise value and portfolio convexity are the core of what we do. • We consistently use six security selection strategies—each rooted in these core principles—to help identify and capitalize on mispricings throughout market cycles.

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 objective will be realized or that the strategy will generate positive or excess return.

bottom up - pillars of security selection

A RIGOROUS, REPEATABLE PROCESS BUILT ON INTENSIVE FUNDAMENTAL RESEARCH

PROCESS
Seek to drive excess return through our top ideas

RESEARCH
Deep research is key to uncovering mispriced securities

DEFINING VALUE
A common language for every investment idea is essential in a process that pursues multiple sources of alpha potential

FALLEN ANGELS	CHEAP FOR RATING	UPGRADE CANDIDATES	STRESSED/ DISTRESSED	AVOID LOSERS	NEW ISSUE PREMIUM
Forced selling by investment grade accounts can help push bonds below fair value and inflates the risk premium	Bonds trading cheap to fundamental credit risk tend to outperform	The market is often slow to price potential upgrades due to short time horizons and distortions created by passive investing	In our experience, prices for the lowest-quality bonds can become dislocated when the distressed ratio is elevated	Minimizing permanent principal losses associated with value traps can help add significant alpha	New issues often come at a premium in order to help attract investors to the primary market

Views and opinions are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.
There is no guarantee that the objective will be realized or that the strategy will generate positive or excess return.

guideline summary

BENCHMARK

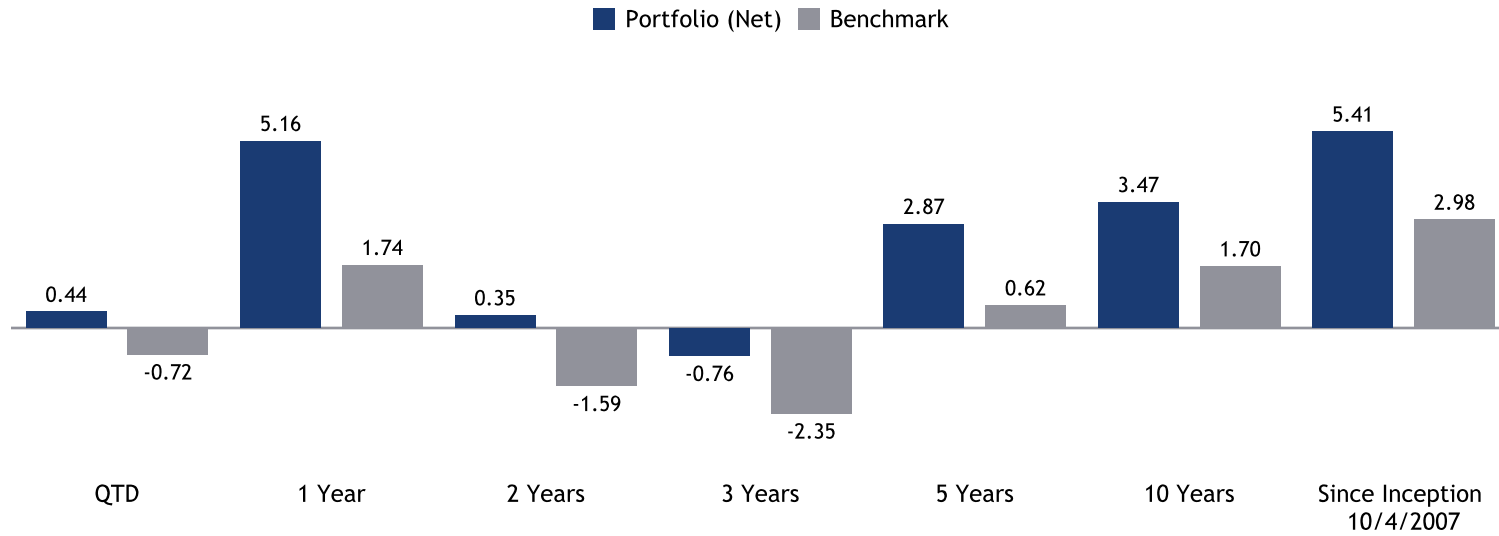- Bloomberg Capital US Government/Credit Index

GUIDELINES & LIMITATIONS

- Minimum Credit Quality: Account must hold at least 65% MV rated equal to or above Moody's, S&P or Fitch, Baa3/BBB-/BBB-, at the time of purchase. Loomis rating applies if security is not rated by S&P, Moody's, or Fitch.

- Split Rated Securities: Higher rating will govern split-rated securities.

- Issue: May not hold more than 5% MV in any one issue, excluding US Treasuries & Government Agencies, the Senior Floating Rate Fund LLC and the LS Full Discretion Securitized Asset Fund at the time of purchase.

- Investment Classes: The portfolio may invest up to 15% in the LS Full Discretion Institutional Securitized Fund at the time of purchase.

- Investment Classes: Account may not purchase or hold mutual funds excluding the Senior Floating Rate Fund LLC and the Loomis Sayles Full Discretion Institutional Securitized Fund

- Convertibles & Residual Equity: 10% in Common stock, at the time of purchase.

- Industry Concentration: No industry, as defined by Bloomberg Barclays Capital, except securities issued or guaranteed by the U.S. Government, its agencies, instrumentalities, or government sponsored entities will comprise more than 25% of the market value of the Fund, at the time of purchase.

- Currency: 60% minimum in US dollar denominated securities, including cash and cash equivalents, at the time of purchase.

Guideline summary is not a complete restatement of guidelines. The slide is intended to be a summary to aid in the review process.

LOOMIS | SAYLES ®

performance

TRAILING RETURNS AS OF 3/31/2024 (%)

■ Portfolio (Net)   ■ Benchmark

	QTD	1 Year	2 Years	3 Years	5 Years	10 Years	Since Inception 10/4/2007
Portfolio (Net)	0.44	5.16	0.35	-0.76	2.87	3.47	5.41
Benchmark	-0.72	1.74	-1.59	-2.35	0.62	1.70	2.98
Excess Return (Net)	+1.16	+3.42	+1.94	+1.59	+2.25	+1.77	+2.43

PORTFOLIO VALUATION (USD)

	Portfolio 3/31/2023	Portfolio 3/31/2024
Total	106,301,220	111,785,040

Benchmarks: BBG Govt Credit (10/4/2007 - 3/31/2024).
The current benchmark is Bloomberg U.S. Government/Credit Index.

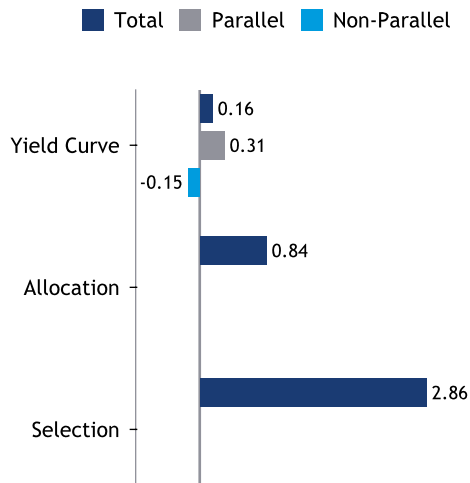LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

19

performance

CALENDAR YEAR RETURNS AS OF 3/31/2024 (%)

■ Portfolio (Net) ■ Benchmark
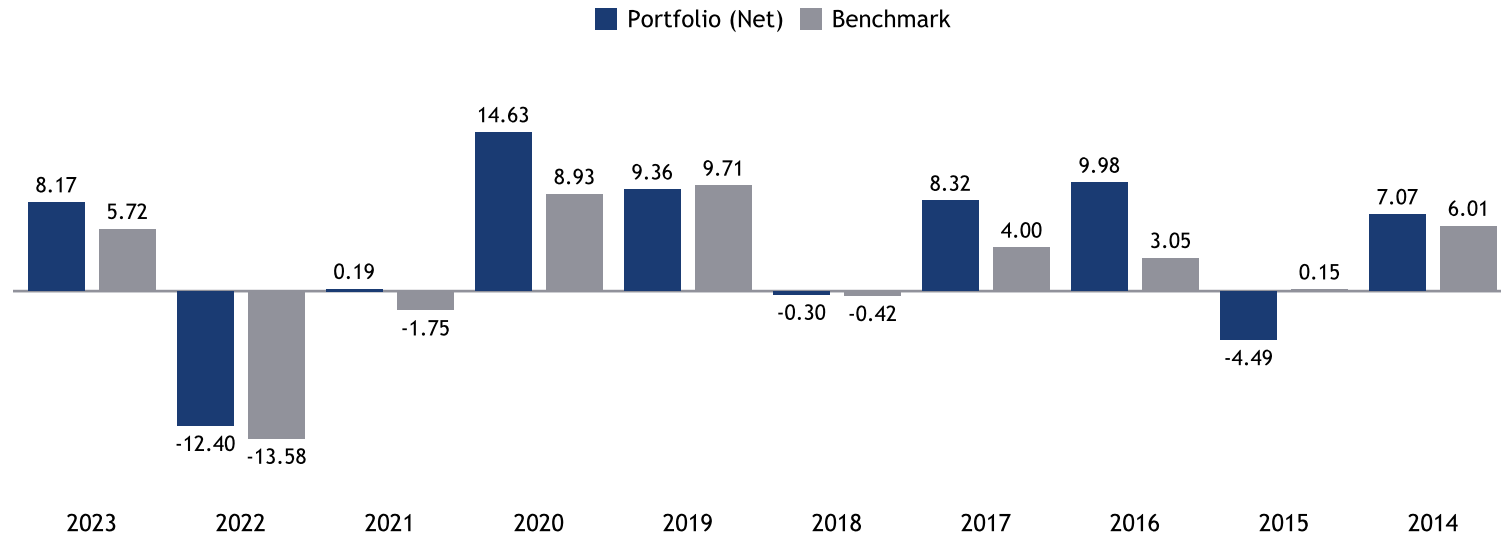
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Excess Return (Net)	+2.45	+1.18	+1.94	+5.71	-0.35	+0.11	+4.32	+6.94	-4.64	+1.06

Portfolio (Net) values: 8.17 (2023), -12.40 (2022), 0.19 (2021), 14.63 (2020), 9.36 (2019), -0.30 (2018), 8.32 (2017), 9.98 (2016), -4.49 (2015), 7.07 (2014)

Benchmark values: 5.72 (2023), -13.58 (2022), -1.75 (2021), 8.93 (2020), 9.71 (2019), -0.42 (2018), 4.00 (2017), 3.05 (2016), 0.15 (2015), 6.01 (2014)

City of Jacksonville Retirement System

Benchmarks: BBG Govt Credit (10/4/2007 - 3/31/2024).
The current benchmark is Bloomberg U.S. Government/Credit Index.

LOOMIS SAYLES®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

20

attribution analysis

3/31/2023 TO 3/31/2024

TOTAL RETURNS

	Total Return
Portfolio Return	5.53
Benchmark Return	1.73
Excess Return	3.80

EXCESS RETURN ATTRIBUTION

■ Total   ■ Parallel   ■ Non-Parallel

Yield Curve
- 0.16
- 0.31
- -0.15

Allocation
- 0.84

Selection
- 2.86

EXCESS RETURN ATTRIBUTION BY SECTOR

Cash/Equivalents	0.64
US Treasury	-1.04
Securitized	1.50
Municipals	-0.01
Investment Grade Credit	1.19
High Yield Credit	0.99
Bank Loans	0.02
Emerging Market Credit	0.04
Non-US Dollar	0.02
Convertibles	0.37
Equity	0.14
Other	-0.02
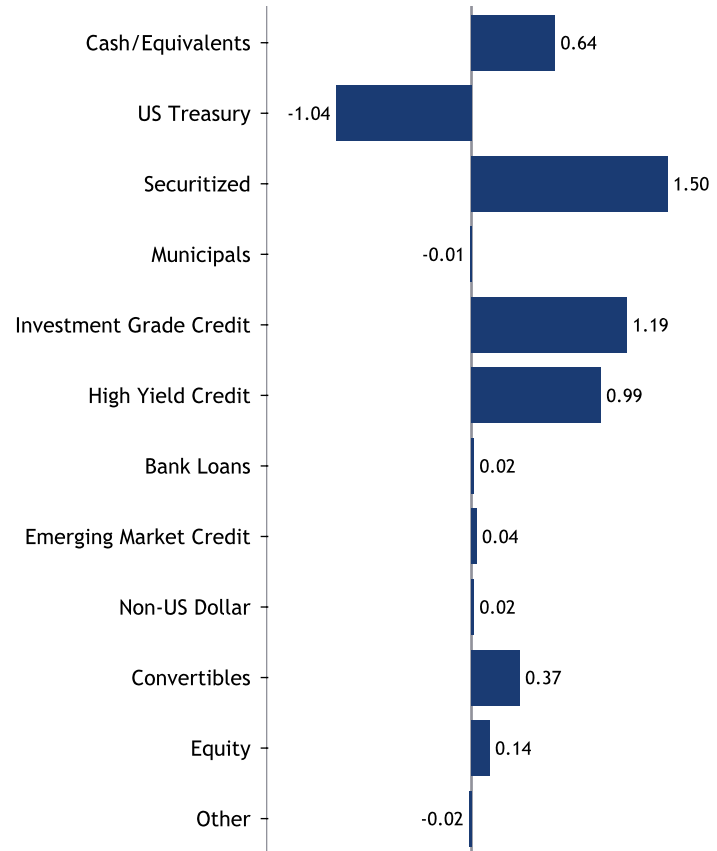
Figures on the bar chart may not add up to total excess return as they exclude impact of trading and pricing differences.
Other includes the following industries: Government Guarantee, Government Sponsored, and Owned No Guarantee.
The current benchmark is Bloomberg U.S. Government/Credit Index.

LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

21

attribution analysis

3/31/2023 TO 3/31/2024

SECTOR DISTRIBUTION

	Portfolio Final Weight	Benchmark Final Weight	Portfolio Average Weight	Benchmark Average Weight	Portfolio Return	Benchmark Return	Total Effect
Securitized	20.42	0.00	19.19	0.00	10.07	1.73	1.50
Investment Grade Credit	34.89	37.88	35.67	37.62	7.83	4.24	1.19
High Yield Credit	14.11	0.00	14.04	0.00	9.01	2.91	0.99
Cash/Equivalents	2.24	0.00	11.68	0.00	5.30	1.73	0.64
Convertibles	3.65	0.00	4.25	0.00	10.51	1.73	0.37
Equity	0.54	0.00	0.56	0.00	27.32	1.73	0.14
Emerging Market Credit	7.35	1.88	5.55	1.89	2.68	2.90	0.04
Non-US Dollar	4.61	0.00	1.55	0.00	3.81	1.73	0.02
Bank Loans	1.36	0.00	0.64	0.00	9.74	1.73	0.02
Municipals	0.00	0.81	0.00	0.86	0.00	2.83	-0.01
Other	0.00	1.25	0.00	1.47	0.00	3.05	-0.02
US Treasury	10.82	58.18	6.86	58.15	-2.00	0.05	-1.04

Total Effects are impacted by sector returns, allocation shifts and market timing. Total Effect includes yield curve impact.
Other includes the following industries: Government Guarantee, Government Sponsored, and Owned No Guarantee.
The current benchmark is Bloomberg U.S. Government/Credit Index.

LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

22

attribution analysis

3/31/2023 TO 3/31/2024

TOP 10 INDUSTRIES BY TOTAL EFFECT

	Portfolio Weight	Benchmark Weight	Total Effect
Treasuries	17.93	58.15	1.33
Consumer Cyclical	8.21	2.45	0.66
Communications	8.79	2.99	0.42
Energy	5.64	2.42	0.41
Finance Companies	5.55	0.40	0.40
ABS Other	4.30	0.00	0.40
Home Equity	4.53	0.00	0.30
Banking	6.58	8.12	0.28
Car Loan	4.27	0.00	0.27
Basic Industry	4.55	0.93	0.25

BOTTOM 10 INDUSTRIES BY TOTAL EFFECT

	Portfolio Weight	Benchmark Weight	Total Effect
Futures	0.00	0.00	-1.89
Financial Other	0.66	0.02	-0.29
Transportation	0.73	0.77	-0.02
Government Sponsored	0.00	0.69	-0.01
Local Authorities	0.09	1.17	-0.01
Reits	0.66	0.94	-0.01
Electric	0.84	2.73	-0.01
Government Guarantee	0.00	0.75	0.00
Fxderivative	0.29	0.00	0.00
Natural Gas	0.03	0.23	0.00

Out-of-benchmark allocations defaulted to security selection.
The current benchmark is Bloomberg U.S. Government/Credit Index.

LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

23

attribution analysis

3/31/2023 TO 3/31/2024

TOP 10 ISSUERS BY TOTAL EFFECT

	Portfolio Weight	Benchmark Weight	Total Effect
U S Treasury	16.81	58.18	1.34
DISH Network Corp	1.77	0.00	0.26
Uber Technologies Inc	1.82	0.00	0.17
Teva Pharmaceutical Industries Ltd	1.53	0.00	0.13
Ally Financial Inc	0.89	0.04	0.12
Rocket Mortgage LLC	1.50	0.00	0.11
Micron Technology Inc	1.43	0.04	0.10
Cemex SAB de CV	0.99	0.00	0.10
Norwegian Cruise Line Holdings Ltd	0.48	0.00	0.09
Continental Resources Inc/OK	1.06	0.01	0.08

BOTTOM 10 ISSUERS BY TOTAL EFFECT

	Portfolio Weight	Benchmark Weight	Total Effect
Futures	0.00	0.00	-1.89
Kaisa Group Holdings Ltd	0.04	0.00	-0.08
CommScope Inc	0.30	0.00	-0.08
Country Garden Holdings Co Ltd	0.02	0.00	-0.04
BioMarin Pharmaceutical Inc	0.69	0.00	-0.04
Agile Group Holdings Ltd	0.03	0.00	-0.04
Sino-Ocean Group Holding Ltd	0.01	0.00	-0.03
Southwest Airlines Co	0.29	0.02	-0.03
Central China Real Estat	0.02	0.00	-0.03
Sunac China Holdings Ltd	0.04	0.00	-0.03

The current benchmark is Bloomberg U.S. Government/Credit Index.

LOOMIS SAYLES®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

24

attribution analysis

3/31/2023 TO 3/31/2024

CURRENCY DISTRIBUTION

	Portfolio Weight Pre-Hedge	Portfolio Weight Post-Hedge	Currency Contribution	Bond Contribution	Hedging Effect	Total Effect
Argentine Peso	0.00	0.00	0.00	0.00	0.00	0.00
Australian Dollar	0.08	0.08	0.00	0.01	0.00	0.00
Brazilian Real	0.13	0.13	-0.01	0.00	0.00	-0.01
British Pound Sterling	0.08	0.08	0.00	0.00	0.00	0.00
Canadian Dollar	0.03	-0.02	0.00	0.00	0.00	0.00
Euro	0.31	0.04	-0.01	0.05	0.01	0.05
Indonesian Rupiah	0.27	0.27	-0.02	0.01	0.00	-0.01
Mexican Peso	0.21	0.21	0.01	0.01	0.00	0.02
New Zealand Dollar	0.08	0.08	-0.01	0.01	0.00	0.00
Norwegian Krone	0.08	0.08	-0.01	0.00	0.00	-0.01
South African Rand	0.30	0.30	-0.02	0.00	0.00	-0.02
US Dollar	98.43	98.43	0.00	3.83	0.00	3.83
Unrealized FX Gain/Loss	0.00	0.00	0.00	0.00	0.00	0.00

Weights reflect end of period holdings. Effects are as of the entire period. Bond Contribution is the sum of Country Allocation and Local Market effects.
The current benchmark is Bloomberg U.S. Government/Credit Index.

City of Jacksonville Retirement System

portfolio summary

AS OF 3/31/2024

	Portfolio 3/31/2024	Benchmark 3/31/2024	Portfolio 3/31/2023	Benchmark 3/31/2023
Yield to Worst (%)	6.42	4.77	6.38	4.35
Effective Duration (years)	6.42	6.27	6.52	6.47
Effective Maturity (years)	6.55	8.76	6.25	8.87
OAS * (bps)	191	34	239	52
Coupon (%)	4.60	3.19	3.46	2.74
Current Yield (%)	4.99	3.50	3.91	3.00
Average Quality	BAA2	AA3	BAA2	AA3
Number of Securities	849	9,467	831	9,060
Number of Issuers	393	1,093	363	1,086

Quality	Portfolio 3/31/2024	Benchmark 3/31/2024	Portfolio 3/31/2023	Benchmark 3/31/2023
AAA	17.33	61.88	25.13	62.92
AA	3.87	7.21	1.71	6.36
A	8.20	16.06	6.86	15.68
BAA	43.61	14.84	40.23	15.02
BA	18.12	0.00	14.71	0.00
B	3.21	0.00	5.85	0.01
CAA	2.61	0.00	1.65	0.00
CA	0.01	0.00	0.02	0.00
C	0.11	0.00	0.09	0.00
NR	2.93	0.00	3.76	0.01

OAS is option adjusted spread.
Client Guideline Quality Methodology presented.
The current benchmark is Bloomberg U.S. Government/Credit Index.

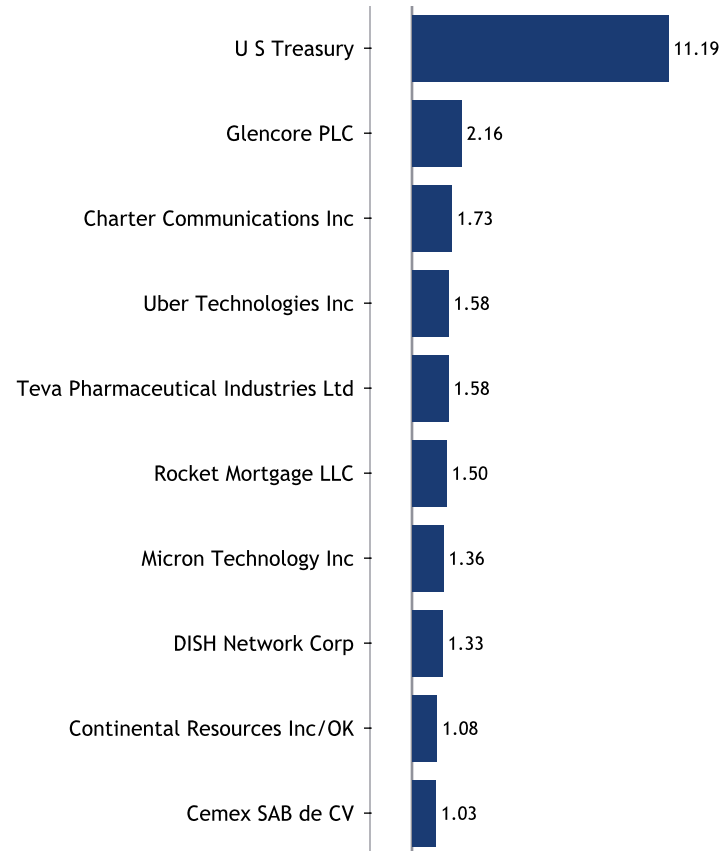LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

26

sector allocation

3/31/2023 TO 3/31/2024 (%)

SECTOR DISTRIBUTION

	Portfolio 3/31/2024	Over/Under Weight
Cash/Equivalents	2.24	2.24
US Treasury	10.82	-47.36
Securitized	20.42	20.42
Municipals	0.00	-0.81
Investment Grade Credit	34.89	-2.99
High Yield Credit	14.11	14.11
Bank Loans	1.36	1.36
Emerging Market Credit	7.35	5.47
Non-US Dollar	4.35	4.35
Convertibles	3.65	3.65
Equity	0.54	0.54
Other	0.00	-1.25
Hedge	0.27	0.27

SECTOR ALLOCATION CHANGE
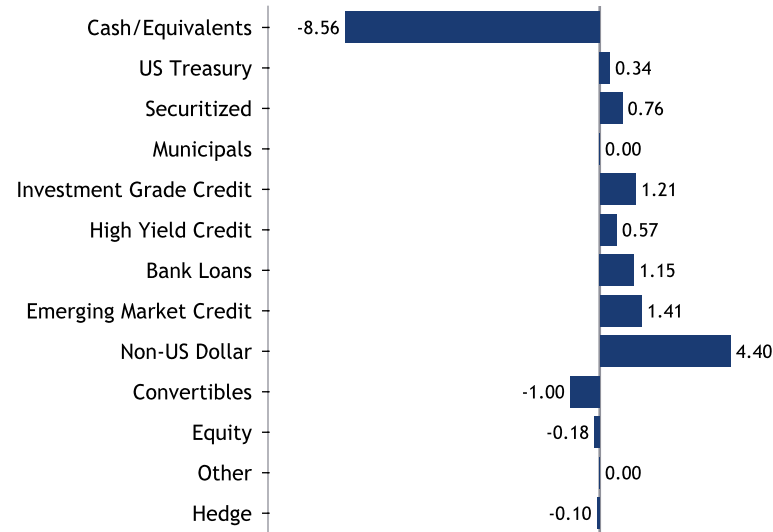
Cash/Equivalents	-8.56
US Treasury	0.34
Securitized	0.76
Municipals	0.00
Investment Grade Credit	1.21
High Yield Credit	0.57
Bank Loans	1.15
Emerging Market Credit	1.41
Non-US Dollar	4.40
Convertibles	-1.00
Equity	-0.18
Other	0.00
Hedge	-0.10

Other includes the following industries: Government Guarantee, Government Sponsored, and Owned No Guarantee.
The current benchmark is Bloomberg U.S. Government/Credit Index.

LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024
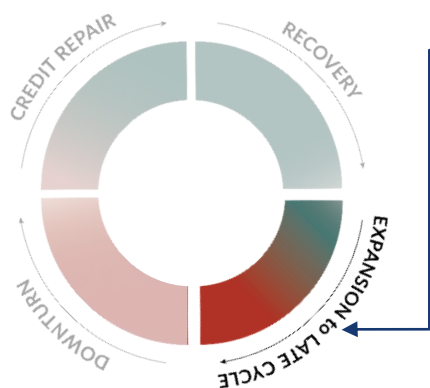
27

country of risk allocation

AS OF 3/31/2024

Total Developed Countries Exposure	Portfolio Weight %	Benchmark Weight %
Developed	90.00	98.12
Americas	78.92	91.56
United States	76.52	89.97
Cayman Islands	1.30	0.00
Canada	0.82	1.57
Bermuda	0.27	0.01
Asia	0.09	0.87
Japan	0.09	0.87
Europe	7.72	3.42
United Kingdom	2.16	1.51
France	1.32	0.07
Ireland	1.03	0.13
Norway	0.93	0.06
Switzerland	0.73	0.15
Germany	0.59	0.55
Italy	0.38	0.06
Luxembourg	0.33	0.02
Spain	0.19	0.22
Netherlands	0.07	0.28
Other	0.00	0.38
Oceania	3.28	0.30
Australia	2.77	0.30
New Zealand	0.51	0.00
Supranational **	0.00	1.97
Other	0.00	1.97

Total EM Countries Exposure (USD & Non USD)	Portfolio Weight %	Benchmark Weight %
Emerging Markets *	9.99	1.88
Africa	1.45	0.00
South Africa	1.07	0.00
Zambia	0.37	0.00
Nigeria	0.01	0.00
Americas	3.79	0.97
Mexico	1.75	0.45
Brazil	1.01	0.07
Colombia	0.39	0.00
Chile	0.35	0.13
Paraguay	0.17	0.00
Dominican Republic	0.12	0.00
Other	0.00	0.32
Asia	0.92	0.78
Indonesia	0.26	0.14
Philippines	0.25	0.18
China	0.18	0.19
Malaysia	0.11	0.00
Uzbekistan	0.08	0.00
South Korea	0.05	0.19
Other	0.00	0.08
Europe	1.74	0.06
Poland	0.84	0.05
Romania	0.52	0.00
Turkey	0.38	0.00
Other	0.00	0.01
Middle East	2.08	0.06
Israel	1.90	0.06
Qatar	0.19	0.00
Total	100.00	100.00

Non Dollar Exposure	Portfolio Weight %	Benchmark Weight %
Total Non USD †	4.35	0.00
Developed	2.44	0.00
British Pound Sterling	0.51	0.00
Australian Dollar	0.51	0.00
New Zealand Dollar	0.51	0.00
Norwegian Krone	0.49	0.00
Euro	0.43	0.00
Canadian Dollar	-0.01	0.00
Emerging Markets	1.91	0.00
Brazilian Real	0.70	0.00
Mexican Peso	0.50	0.00
South African Rand	0.45	0.00
Indonesian Rupiah	0.26	0.00
Argentine Peso	0.00	0.00

Emerging markets includes countries with middle or low income economies, as designated by the World Bank, also taking into consideration capital market liquidity and accessibility.
*** Supranational includes debt from an entity sponsored by a combination of multiple governments to promote economic development.*
† Values shown include impact of hedging, if utilized.
Due to active management, country and currency allocation will evolve over time. Due to rounding, totals may not equal 100%.
The current benchmark is Bloomberg U.S. Government/Credit Index.

Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution   March 31, 2024

28

absolute exposures by issuer

AS OF 3/31/2024 (%)

TOP TEN ABSOLUTE EXPOSURES BY ISSUER

Issuer	Exposure
U S Treasury	11.19
Glencore PLC	2.16
Charter Communications Inc	1.73
Uber Technologies Inc	1.58
Teva Pharmaceutical Industries Ltd	1.58
Rocket Mortgage LLC	1.50
Micron Technology Inc	1.36
DISH Network Corp	1.33
Continental Resources Inc/OK	1.08
Cemex SAB de CV	1.03

City of Jacksonville Retirement System

The current benchmark is Bloomberg U.S. Government/Credit Index.

full discretion outlook

	BASE CASE	OUTLOOK & KEY RISKS
CREDIT CYCLE	Late Cycle	• Despite tight financial conditions, growth continues to remain resilient and we believe may extend the credit cycle.
MACRO	Resilient	• Our base case calls for trend US growth and we do not anticipate a recession at this time. • Low unemployment and a healthy consumer combined with stable corporate fundamentals is helping to provide a floor to economic activity. • European growth is stagnant; China economic growth is showing signs of bottoming, but continues to be sluggish.
INFLATION	Unstable	• While inflation has likely peaked, we expect it will remain sticky and above the Federal Reserve's (Fed's) target through 2024. • Long-term, we believe inflation may potentially experience higher lows and increased volatility during future cycles.
POLICY RATES	Prolonged Rate Cutting Cycle	• We have moderated our view of future Fed cuts with the expectation that the cutting process will be more drawn out, with fewer cuts in 2025 and a trough rate expectation of 3.75% to be hit in 2026. • We do not expect the European Central Bank (ECB) to cut rates in 2024; the Bank of Japan (BoJ) is leaning away from unorthodox monetary policies.
US RATES	Neutral	• We believe there are long-term structural themes, such as deglobalization, decarbonization, aging demographics, and deficits, that could keep inflation and government issuance elevated, which could potentially act as a floor under long-term interest rates. • We see long-term fair value in the 10-year US Treasury at 4.50% and believe the current range is 3.75-4.65%. We expect to receive value for taking on duration risk.
CORPORATE FUNDAMENTALS	Stable	• Our Credit Health Index (CHIN) suggests defaults/losses should remain low, while slowly increasing to more normal levels associated with a 'Late-Cycle.' • Corporate fundamentals appear stable, in our view, and while there has been some recent weakness in broader fundamentals, factors such as leverage and interest coverage ratios still remains strong in a historical context.
FX	Range Bound	• Interest rate differentials (USD negative) and improving growth differentials (USD positive) we believe likely keep the US dollar range bound in the short-term. • On an individual pair level, several currencies look attractive to us on a carry and diversification basis.
KEY RISKS	Elevated	• Inflation that remains elevated or re-accelerates could put pressure on risk assets, in our view. • Further escalation in geopolitical risk and upcoming US presidential election. • The longer the Fed is restrictive, the higher the probability of mild recession.

LOOMIS | SAYLES ®

credit cycle

INDUSTRIES

- Food & Beverage (5)
- Technology (5)
- Consumer Products (5)
- US Building Materials (5)
- Global Banks (5)
- Retailers, incl Specialty (5)
- Home Construction (5)
- Chemicals (5)
- Healthcare (5)
- Pharmaceuticals (5)
- Health Insurers (5)
- Independents (5)
- Restaurants (5)
- Supermarkets (5)
- Environmental (5.5)
- Lodging (5.5)

- Aerospace (2)

- Cable/Telecom (3)

- Defense (4)
- Airlines (4)

- Finance Companies (6)
- US Banks (6)
- REITS (6)
- Metals & Mining (6)
- Construction Machinery (6)
- Diversified Manufacturing (5)
- Life Insurance (5)
- Oil Field Services (6)
- Packaging (6)
- Midstream (5)
- Automotive (5)
- Tobacco (6)
- Integrated (6)
- Electric (6)

- P&C (7)
- Paper (7)
- Railroads (7)
- Refiners (7)
- Media/Entertainment (7)

RECOVERY · EXPANSION to LATE CYCLE · DOWNTURN · CREDIT REPAIR

Views as of 3/31/2024. This material is provided for informational purposes only and should not be construed as investment advice. Investment decisions should consider the individual circumstances of the particular investor. This reflects the current opinions of the presenter and views are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.

multisector flexibility is key

SECTOR YIELDS VS. LIKE DURATION TREASURYS YTD

Chart: Yield to Worst (%) vs. Duration

- Bank Loans* — Duration ~0, Yield ~9.8
- S&P 500 — Duration ~0, Yield ~1.4
- High Yield — Duration ~3.2, Yield ~7.8
- Global High Yield — Duration ~3.7, Yield ~8.2
- ABS — Duration ~2.6, Yield ~5.3
- CEMBI Broad — Duration ~4.3, Yield ~6.8
- CMBS — Duration ~4.4, Yield ~5.4
- GBI-EM Global Div. (lcl)** — Duration ~5.0, Yield ~6.3
- European Corporate — Duration ~4.5, Yield ~3.7
- US MBS — Duration ~6.2, Yield ~5.2
- US Corporate BBBs — Duration ~6.8, Yield ~5.6
- US Corporate — Duration ~7.0, Yield ~5.4
- EMBI Global Div. (USD) — Duration ~6.8, Yield ~7.9
- US Treasury Yield Curve (line)

bond market environment

US INVESTMENT GRADE AND HIGH YIELD OPTION-ADJUSTED SPREADS OAS (BPS)*

Legend:
- High Yield OAS (bps)
- Investment Grade OAS (bps)
- US High Yield 20-Year Average
- US IG 20-Year Average
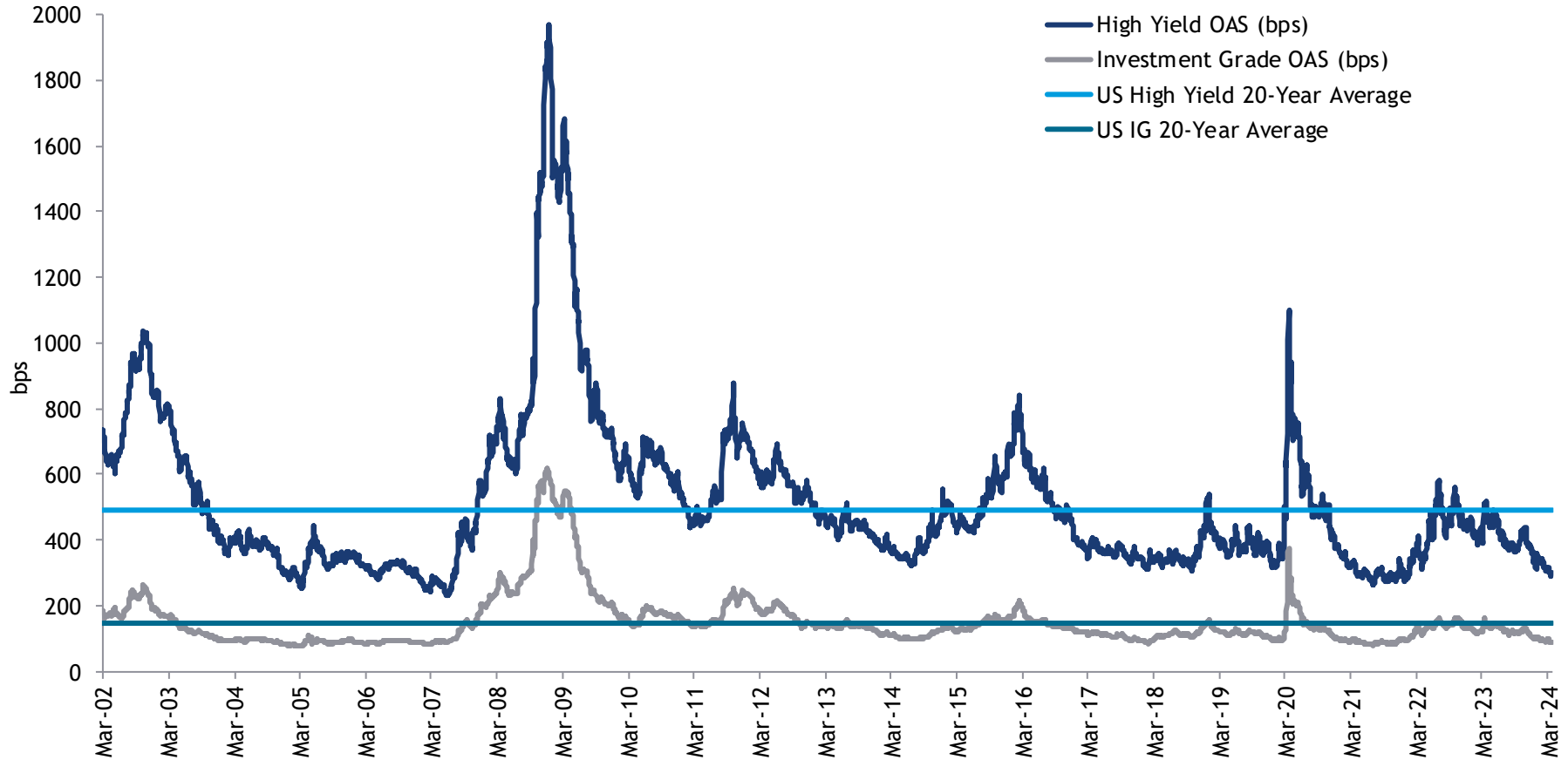
*OAS is option adjusted spread.
Source: Barclays. As of 3/29/2024.

The chart presented above is shown for illustrative purposes only. Some or all of the information on this chart may be dated, and, therefore, should not be the basis to purchase or sell any securities. The information is not intended to represent any actual portfolio. Information obtained from outside sources is believed to be correct, but Loomis Sayles cannot guarantee its accuracy. This material cannot be copied, reproduced or redistributed without authorization.

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

Past performance is no guarantee of future results.

bond market environment

"DISTRESSED" SECURITIES AND DEFAULT RATES HAVE DECREASED SINCE EARLY 2010
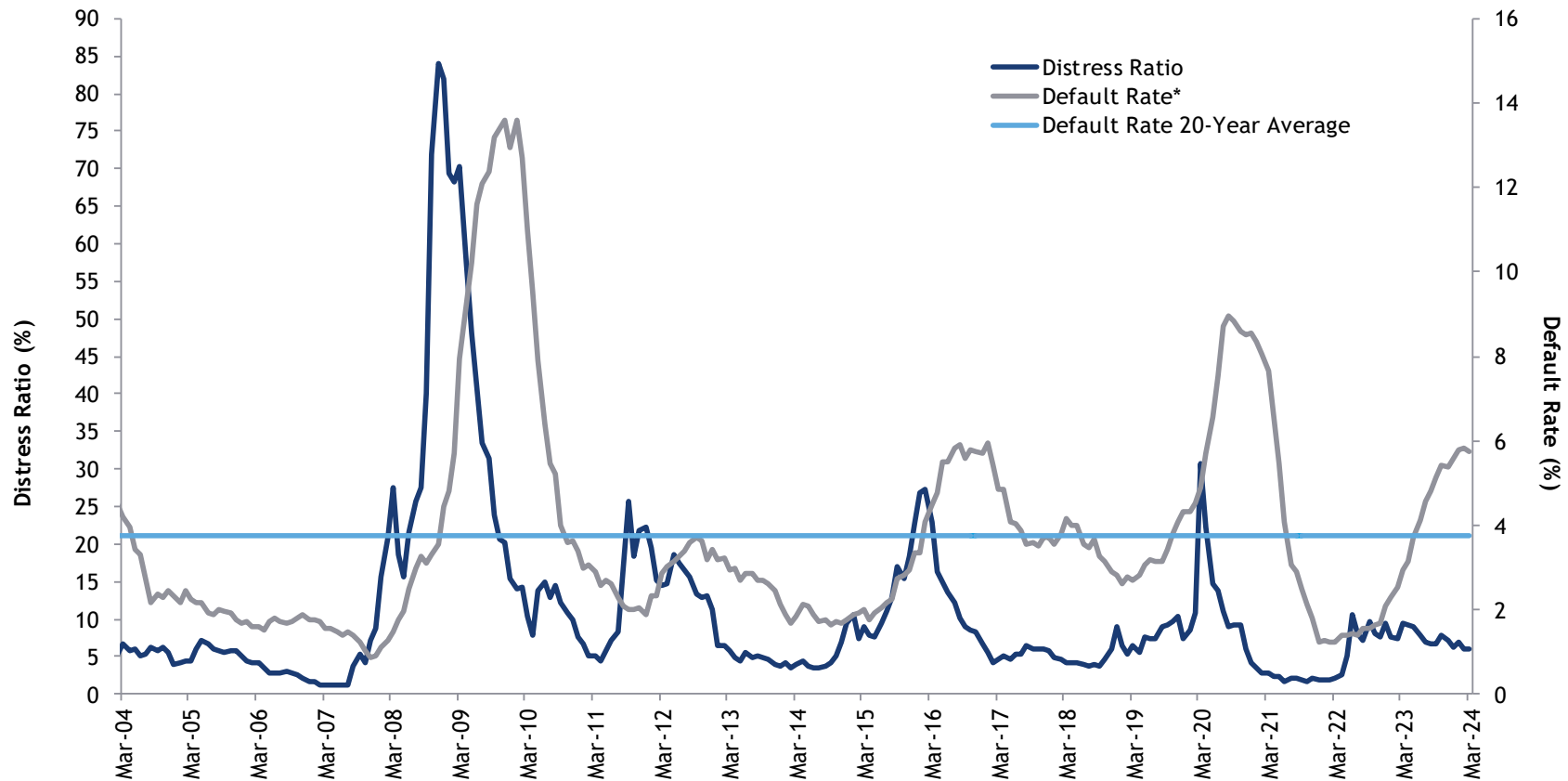
'Distressed' securities reached pre-Lehman levels in December 2009.

Percent of bonds in Merrill Lynch High Yield Master Index with Spreads 1000 bps over Treasurys.
Source: Bloomberg, Merrill Lynch, Moody's. As of 3/31/2024.

The chart presented above is shown for illustrative purposes only. *Some or all of the information on this chart may be dated, and, therefore, should not be the basis to purchase or sell any securities. The information is not intended to represent any actual portfolio. Information obtained from outside sources is believed to be correct, but Loomis Sayles cannot guarantee its accuracy. This material cannot be copied, reproduced or redistributed without authorization.*
Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.
Past market experience is no guarantee of future results.

bond market environment

MORNINGSTAR LSTA INDEX AND BLOOMBERG HIGH YIELD INDEX MATURITY BREAKDOWN

MATURITY BREAKDOWN

- Morningstar/LSTA Leverage Loan Index
- Bloomberg High Yield Index

Y-axis: Market Value (B)
X-axis: Maturity Year

Maturity Year	Morningstar/LSTA Leverage Loan Index	Bloomberg High Yield Index
2024	3	0
2025	42	69
2026	78	147
2027	127	180
2028	357	235
2029	135	260
2030	69	159
2031	38	116
2032	1	48
2033	0	9
2034	0	8
2035	0	2
2036	0	3
2037	0	2
2038	0	2

LOOMIS | SAYLES®

bond market environment

US HIGH YIELD CREDIT QUALITY TRENDS

As of 3/31/2024

LOOMIS | SAYLES ®

XSC031
SAIFxeelxtwp
8111111031

36

market illiquidity remains a concern

LIQUIDITY IN THE CORPORATE SECTOR

— Primary Dealer Corp Positions (Left)
— Total Corp Bonds Outstanding (Right)
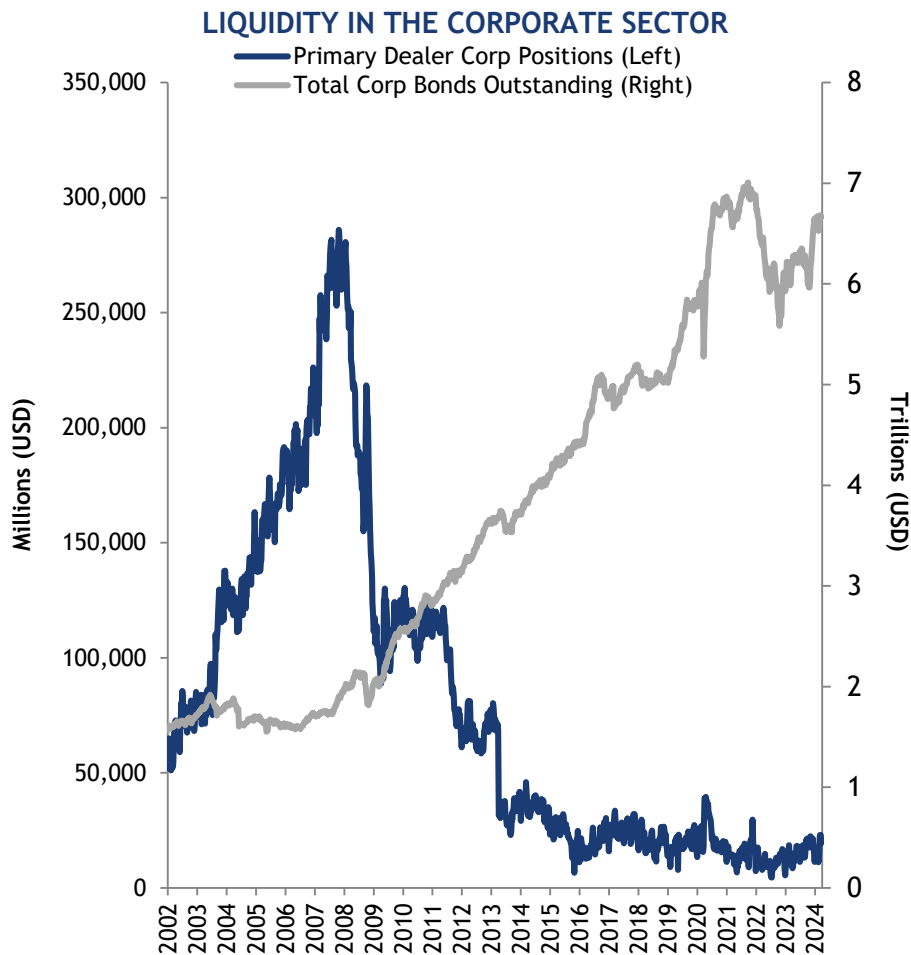
US PRIMARY DEALER HOLDINGS

- Agencies and Government Sponsored (ex MBS)
- Corporates
- Treasurys

Source: LSEG Datastream, data as of 1/3/2024.

LOOMIS | SAYLES ®

US dollar

POTENTIAL FOR DOLLAR WEAKNESS IN A SOFT LANDING SCENARIO

DXY Index

Source: LSEG Datastream, data as of 1/23/2024.

LOOMIS | SAYLES ®

team biographies

Matthew J. Eagan, CFA

Matt Eagan is a portfolio manager and head of the full discretion team at Loomis, Sayles & Company. He is also a member of the firm's Board of Directors. Matt has 33 years of investment industry experience as a portfolio manager and fixed income analyst.

Matt joined Loomis Sayles in 1997 as a fixed income research analyst for the multisector fixed income team and became a portfolio manager in 2000. He was promoted to co-head of the full discretion team in 2012. Previously, Matt was a senior fixed income analyst at Liberty Mutual Insurance Company and a senior credit analyst at BancBoston Financial Company. He earned a BA from Northeastern University and an MBA from Boston University.

Matt is a co-founder of the Loomis Sayles Allies group, which is dedicated to supporting the firm's commitment to diversity, equity and inclusion, and a member of the leadership council for Boston Scores, a nonprofit that helps youth build essential life skills and character through soccer and team-based enrichment programs. He is also a member of the Boston Economic Club and CFA Society Boston.

Brian Kennedy

Brian Kennedy is a co-portfolio manager on the full discretion team at Loomis, Sayles & Company. He has 33 years of investment industry experience.

Brian joined Loomis Sayles in 1994 as a securitized and government bond trader. He transitioned to the high yield trading desk in 2001, where he initiated the firm's trading of bank loans, while also trading high yield, convertibles, derivatives and equities. Brian joined the full discretion team as product manager in 2009 and was promoted to co-portfolio manager of the investment grade bond product suite in 2013. In 2016, he began co-managing the entire multisector suite of products. Brian began his investment industry career as a fund accountant at the Boston Company. He earned a BS from Providence College and an MBA from Babson College.

Brian is actively involved in the Loomis Sayles Undergraduate Women's Investment Network (UWIN) and Undergraduate Summer Internship Development (USID) Program, as well as mentorship programs at Loomis Sayles and with external industry groups, including WOMEN Unlimited.

team biographies

Bryan Hazelton, CFA

Bryan Hazelton is a portfolio manager on the full discretion team at Loomis, Sayles & Company, where he co-manages the team's insurance mandates. He is also an associate portfolio manager on core plus, multisector, and multisector credit mandates and serves as a strategist across the full discretion mandates, with a focus on investment grade credit selection. He has 16 years of investment industry experience.

Bryan joined Loomis Sayles in 2011 as an investment analyst on the full discretion team. Previously, he was a portfolio analyst at The Hartford Investment Management Company. Bryan earned an BA from Bentley University and an MBA from The Wharton School at The University of Pennsylvania. He is also a member of the CFA Society Boston.

Bryan is actively involved in the Loomis Sayles Undergraduate Women's Investment Network (UWIN) and Undergraduate Summer Internship Development (USID) program as a mentor.an MBA from Boston University.

Todd Vandam, CFA

Todd Vandam is a co-portfolio manager on the full discretion team. He co-manages a suite of high yield products, strategic alpha products and is the leader of the firm's high yield sector team. Todd has 29 years of investment industry experience.

Todd joined Loomis Sayles in 1994 as a member of the high yield trading desk and later became an investment strategist for the full discretion team. He was promoted to co-portfolio manager in 2009. Prior to joining Loomis Sayles, Todd completed the US Army Airborne and US Army Ranger Schools. He was a Field Artillery Officer in the US Army, most recently working as a Fire Support Officer stationed in Panama. He earned a BA from Brown University.

Todd is the founder of Valor, Loomis Sayles' veteran and military families-focused employee resource group. He is actively involved in the Loomis Sayles Undergraduate Women's Investment Network (UWIN) and Undergraduate Summer Internship Development (USID) Program as a mentor, as well as the firm's internal mentorship program. Todd is a member of CFA Society Boston.

team biographies

Peter Sheehan

Peter Sheehan is a co-portfolio manager on the full discretion team at Loomis, Sayles & Company. He co-manages the team's suite of high yield strategies. Additionally, Peter is a credit strategist focused on the bottom-up security selection process for the full discretion team. Working in concert with the customized research analyst, he oversees the underwriting and investment recommendation of the team's largest active weight positions.

Peter joined Loomis Sayles in 2012 from the MBA program at Boston College. Previously, he was an associate at CapX Partners, a Chicago-based private equity firm, specializing in lower middle market and stressed credit investing. Peter began his investment industry career in the credit training program at Bank of America/LaSalle Bank. He earned a BA from Vanderbilt University and an MBA from the Carroll School of Management at Boston College.

Christopher Romanelli, CFA

Christopher Romanelli is a portfolio manager on the full discretion team at Loomis, Sayles & Company, where he co-manages the team's high yield-focused insurance and buy & maintain product. He is also an associate portfolio manager on the team's suite of high yield products. Additionally, Christopher is a portfolio strategist for the team, working closely with the team's credit strategist on the high yield credit portion of the team's portfolios and directly with the portfolio management team on portfolio structuring. He has 18 years of investment industry experience.

Christopher joined Loomis Sayles in 2010 as a portfolio analyst and in 2013, he joined the full discretion team as an investment analyst, covering high yield. Previously, he was a senior associate at PanAgora Asset Management where he provided operational support to the investment process. Christopher earned a BS from Gordon College and an MS from Boston College.

team biographies

Stephen LaPlante, CFA

Steve LaPlante is a portfolio manager and securitized strategist on the mortgage and structured finance team at Loomis, Sayles & Company. He is a securitized strategist for the Full Discretion team, working directly with portfolio managers to structure the allocation to the sector. He is also a co-portfolio manager and senior analyst on the mortgage and structured finance team, responsible for co-managing the investment grade securitized credit and opportunistic securitized credit strategies.

Steve joined Loomis Sayles in 2017 as a mortgage and structured finance analyst and has 14 years of investment industry experience. Previously, he was a senior analyst at Manulife, responsible for the mortgage credit sector including non-agency RMBS and agency risk transfer securities. Prior to this, Steve was a senior analyst at Income Research and Management, serving as the primary analyst in commercial mortgage credit, including CMBS and agency CMBS securities. Before this, he was at White Mountains Advisors as a portfolio analyst, maintaining portfolio level analytics, evaluating pricing models, and monitoring exposures across the firm's portfolios, which included ABS, CMBS, RMBS holdings as well as Agency, Sovereign and Corporate securities.

Steve earned a BS from Union College and an MBA from Carnegie Mellon University.

Scott Darci, CFA

Scott Darci is a portfolio manager, associate portfolio manager and equity & derivatives strategist on the full discretion team at Loomis, Sayles & Company. He is an associate portfolio manager of the strategic alpha and strategic alpha opportunistic strategies. Scott is also a portfolio manager for the team's flexible income strategy. Additionally, he serves as the equity & derivatives specialist for all of the full discretion products. Scott works closely with the Loomis Sayles quantitative research risk analysis group in the development of risk modeling frameworks that have augmented the team's allocation decision-making process and also works closely with the firm's macro strategies group. He has 17 years of investment experience.

Scott joined Loomis Sayles in 2008 and joined the full discretion team in 2013. Prior to Loomis Sayles, he was a senior associate at Anglo Irish Bank, where he provided interest rate and foreign exchange hedging solutions for clients. He earned a BA from Dartmouth College and a Masters in Investment Management from Boston University. Scott is actively involved in mentorship programs at Loomis Sayles, as well as external initiatives including WOMEN Unlimited. He is a member of the Loomis Sayles Allies group, which is dedicated to supporting the firm's commitment to diversity, equity & inclusion initiatives.

team biographies

Hassan Malik, PhD, CFA

Hassan Malik is a global macro strategist covering thematics & CEEMEA for the macro strategies group at Loomis, Sayles & Company. In this role, he is responsible for global thematic research and idea generation across foreign exchange, external and local debt in emerging and frontier markets. Hassan is also the liaison between the macro strategies group and the full discretion team for non-US sovereign strategy and thematic investing. He joined Loomis Sayles in 2021 and has 17 years of investment industry experience. He began his career at J.P. Morgan in New York before moving to Troika Dialog in Moscow, where he advised foreign institutions on investing in the former Soviet Union. Most recently, Hassan covered emerging, frontier and European markets at investment research boutiques and hedge fund Prince Street Capital Management. He earned an AB from the University of Chicago, a PhD from Harvard University, and held fellowships at the European University Institute in Florence and the Institute for Advanced Study in Toulouse. Hassan is fluent in Russian, Spanish, Urdu/Hindi and is conversant in French. A financial historian, he is the author of Bankers and Bolsheviks: International Finance and the Russian Revolution (Princeton, 2018).

Nicole Ranzinger

Nicole Ranzinger is a senior research analyst on the full discretion team at Loomis, Sayles & Company, where she provides deep-dive fundamental analysis focused on high-conviction investment ideas. Nicole has 12 years of investment industry experience.

Nicole joined Loomis Sayles in 2015 as a senior credit research associate and was later promoted to research analyst and then to senior research analyst covering distressed and special situation credits, with a primary focus on the energy and chemical sectors. She joined customized research in 2020. Previously, Nicole was an exploration and production (E&P) research analyst at Capital One Securities, where she covered 50 E&P companies. She earned a BS from Tulane University.

Ryan Yackel

Ryan Yackel is a senior research analyst on the full discretion team at Loomis, Sayles & Company, where he provides deep-dive fundamental analysis focused on high-conviction investment ideas. Ryan has 16 years of investment industry experience.

Ryan joined Loomis Sayles in 2013 as a credit research analyst and was later promoted to senior credit research analyst focused on the technology and media sectors. He also served as the high yield sector team coordinator, acting as liaison between the sector team and credit research. Ryan joined customized research in 2020. He earned a BS in finance from Boston College and an MBA from the Stephen M. Ross School of Business at the University of Michigan.

LOOMIS SAYLES ®

team biographies

James Davie, CFA

James Davie is a senior credit research analyst at Loomis, Sayles & Company, where he serves as a generalist with a focus on stressed and distressed companies. He joined Loomis Sayles in 2022. Previously, he was a senior credit analyst at Brown Advisory, where he covered all consumer-related industries. Prior to this, James was an investment analyst covering corporate credit, ABS, CMBS, taxable municipals and BDCs at Highmount Capital, which was acquired by Brown Advisory. He earned a BS from Ithaca College and an MBA from Boston University.

Michael Klawitter, CFA

Michael Klawitter is a co-portfolio manager for bank loan strategies at Loomis, Sayles & Company.

Michael began his investment career in 1997 in fund operations at First Data where he managed a group of fund specialists before joining Loomis Sayles in 2000 as a senior specialist in the mutual fund group. After moving to the quantitative research and risk analysis (QRRA) group for two years, providing support to portfolio managers, traders and marketing professionals, Michael joined the bank loan team, where he analyzed credits and worked on special projects. He became a strategist in 2013 and was promoted to portfolio manager in 2016.

Michael earned a BA from the University at Buffalo and an MSF from Boston College.

Heather Young, CFA

Heather Young is a co-portfolio manager for bank loan strategies at Loomis, Sayles & Company.

Heather began her career in 2005 as a credit analyst at Columbia Management/ Bank of America, where she analyzed loans, bonds, and structured products, and developed valuation models. She joined Loomis Sayles in 2008 as a vice president and research analyst covering loans, high yield, investment grade, and emerging markets credits until 2011. After earning her graduate degree, Heather then worked as an early-stage technology investor for Converge Venture Partners. Later, she was a vice president and senior analyst for ESG-forward investment grade bond manager Breckinridge Capital Advisors until 2016 when she rejoined Loomis Sayles as a senior bank loan analyst. Heather became a strategist in 2018 and was promoted to portfolio manager in 2020.

Heather earned a BA from Boston University and an MBA from the Massachusetts Institute of Technology.

team biographies

David Zielinski, CFA

David Zielinski is an investment director for the full discretion team at Loomis, Sayles & Company. In this role, he is responsible for articulating the team's investment process, performance, positioning and outlook with clients, consultants and prospects. David has 26 years of investment industry experience.

David joined Loomis Sayles in 2021. Previously, he was a managing director and client portfolio manager at Manulife Investment Management, where he represented the firm's global multisector fixed income strategies. Prior to this, David was a vice president and senior product engineer for liability driven investing and fixed income index strategies at State Street Global Advisors. He earned a BS from Bryant University and an MBA from Babson College.

Cheryl Stober

Cheryl Stober is an investment director at Loomis, Sayles & Company, where she covers leveraged finance, including bank loan and high yield products. She is an embedded member of both the bank loan and full discretion teams. In this role, Cheryl is responsible for articulating each team's investment process, performance, positioning and outlook with clients, consultants and prospects.

Cheryl joined Loomis Sayles in 2005 as a senior operations analyst. In 2007, she joined the bank loan team as a portfolio assistant and became the team's investment director in 2013. She expanded her role in 2023 by joining the full discretion team. Previously, Cheryl worked in bank loan operations at Bain Capital.

Cheryl earned a BA in economics from Brandeis University and an MBA from Boston University. She is actively involved in the Loomis Sayles Culture Committee and Women@Work network and serves as a mentor for the Loomis Sayles Undergraduate Women's Investment Network.

Kristen Doyle

Kristen Doyle is an associate investment director for the full discretion team at Loomis, Sayles & Company. In this role, she is responsible for supporting the growth and retention of full discretion assets. Kristen has 16 years of investment industry experience.

Kristen joined Loomis Sayles in 2012 as a portfolio analyst where she completed client and ad hoc reporting, prepared meeting materials and provided support to the relationship managers. She joined the full discretion team as an investment analyst in 2014. Previously, Kristen was a registered client associate at Mayflower Advisors. She earned a BS from the Carroll School of Management at Boston College and an MBA from Boston University.

Kristen is actively involved in the Loomis Sayles Undergraduate Summer Internship Development (USID) Program.

LOOMIS SAYLES ®

team biographies

Matthew Green

Matthew Green is a product management analyst for the full discretion team at Loomis, Sayles & Company. In this role, he supports the growth and retention of the team's assets. Matthew joined Loomis Sayles in 2014 as a fixed income operations analyst. He joined the client service group as a client portfolio analyst in 2018, providing client reporting, addressing ad-hoc client requests and supporting relationship managers. Matthew joined the full discretion team in 2023. He earned a BS from the University of Massachusetts Boston and an MBA from Boston University.

Shong Xiao, CFA

Shong Xiao is a senior investment analyst on the full discretion team at Loomis, Sayles & Company. In this role, he focuses on securitized and convertible bonds, and serves as the dedicated support for the strategic alpha strategy. Shong creates frameworks to screen for attractive investment opportunities and is actively involved in investment strategy meetings on portfolio construction, tactical trading and relative value.

Shong joined Loomis Sayles in 2010 as a performance analyst, working in tandem with portfolio management teams to create and maintain GIPS composites, and leading the annual GIPS verification process with external auditors. In 2014, he joined the client service group as a senior client portfolio analyst, responsible for maintaining and supporting a diverse group of clients across multiple strategies with account types including public and private pension funds, sovereign wealth funds, endowments and sub-advisory relationships. Shong joined the full discretion team in 2018. He earned a BA from the University of Rochester and an MBA from Boston University.

Chidiebere Okpoebo

Chidie Okpoebo is an investment analyst on the full discretion team at Loomis, Sayles & Company, where he focuses on corporates.

Chidie joined Loomis Sayles in 2013 as a client portfolio analyst, supporting client service teams and addressing client requests for investment information. He was promoted to senior client portfolio analyst in 2016, joined the high yield trading desk in 2018 and moved to the full discretion team in 2021. Previously, Chidie was a senior audit associate at PricewaterhouseCoopers. He earned a BA from the College of the Holy Cross and a joint MS and MBA from Northeastern University.

team biographies

Elizabeth DiTomasso, CFA

Elizabeth DiTomasso is an investment analyst on the full discretion team at Loomis, Sayles & Company. In this role, she works with the team's portfolio strategists to support the core plus full discretion and multisector accounts as well as duration management and investment grade corporates. Elizabeth also collaborates with the team's credit analysts on special projects that help increase the efficiency of their alpha generating process. Elizabeth began her investment industry career when she joined Loomis Sayles in 2020 after completing internship rotations in the finance department and full discretion team. She earned a BS from Bentley University.

Jack Rotondi, CFA

Jack Rotondi is an investment analyst on the full discretion team at Loomis, Sayles & Company. In this role, he covers emerging market corporates and supports the strategic alpha strategy as well as the team's insurance accounts.

Jack joined Loomis Sayles in 2020 as a client portfolio analyst in the client service group, where he was responsible for providing client reporting and addressing client requests. He joined the full discretion team in 2023. Previously, Jack was an analyst at Goldman Sachs Asset Management, where he analyzed prospective asset managers for clients, produced investment portfolio reports and monitored plan allocations. He earned a BS from Bryant University.

Alexander Thieck

Alex Thieck is an investment analyst for the bank loan team at Loomis, Sayles & Company.

Alex joined Loomis Sayles in 2016 as a portfolio administrator where he settled bank loan trades and supported the bank loan products through fund accounting. He later changed positions to a global settlements administrator where he executed futures trades and coordinated with brokers and custodians on allocations.

Alex joined the bank loan team in 2018 as a data specialist, responsible for the team's data management and completing special projects to support the bank loan investment process. In 2023 he became an investment analyst on the bank loan team. In his current role, he collaborates with bank loan portfolio managers, providing portfolio analysis, monitoring tools, and credit input to support the team's strategies. Additionally, he serves as a liaison for information, data, and special projects both internally and externally. He earned a BS in accounting from Susquehanna University.

team biographies

Meredith Sweeney

Meredith Sweeney is an investment analyst for the bank loan team at Loomis, Sayles & Company.

Meredith joined Loomis Sayles in 2016 as a portfolio administrator where she provided operational support for the firm through fund accounting and data management. She was later promoted to senior portfolio administrator, supporting the portfolio administration team in resolving issues and managing communications of firm cash flows to investment teams.

Meredith joined the bank loan team in 2021 as a data specialist, responsible for the team's data management and completing special projects to support the bank loan investment process. In 2023 she became an investment analyst on the bank loan team. In her current role, she collaborates with bank loan portfolio managers, providing portfolio analysis, monitoring tools, and credit input to support the team's strategies. Additionally, she serves as a liaison for information, data, and special projects both internally and externally. She earned a BS in finance from Roger Williams University.

Rigas Gartaganis

Rigas Gartaganis is a portfolio specialist for the fixed income group at Loomis, Sayles & Company. He joined Loomis Sayles in 1998 as a senior marketing information analyst, and was later promoted to RFP manager for the institutional services group. Rigas earned a BS from Syracuse University and an MBA from the Carroll School of Management at Boston College.

Boeurn Kan-Crawford

Boeurn Kan-Crawford is an alternative strategies portfolio specialist for the fixed income group at Loomis, Sayles & Company. She joined Loomis Sayles in 2003 as an operations analyst, and was later promoted to business analyst. She was previously an investment accountant at Deutsche Bank, and a fund accountant at Investors Bank & Trust. Boeurn earned a BS from the University of Rhode Island.

LOOMIS SAYLES ®

team biographies

Matt Tierney

Matt Tierney is a portfolio specialist for the fixed income group at Loomis, Sayles & Company. Matt joined Loomis Sayles in 1993 from Scudder, Stevens, & Clark, where he was a registered representative for Scudder Investment Services. Matt earned a BA from Boston College.

Amy Steede

Amy Steede is a portfolio specialist for the fixed income group at Loomis, Sayles & Company. She began her investment industry career upon joining Loomis Sayles in 1991 as an assistant. She was later promoted to pricing specialist. Amy earned a BA from Regis College.

our culture

Loomis Sayles **IDEALS** represent the core characteristics of who we aspire to be as employees and an organization. We are:

ideals
LOOMIS | SAYLES

Inclusive & Diverse.

Dedicated to Teamwork.

Excellent.

Accountable.

Leaders.

Solutions-Oriented.

contacts

RELATIONSHIP MANAGEMENT

Matthew Buxton
Director of Public Fund Relationship Management
617-960-2054
mbuxton@loomissayles.com

Brian Michalik
Client Administration Manager
617-750-6920
bmichalik@loomissayles.com

Jared Iglesias
Client Portfolio Analyst
617-748-1737
jiglesias@loomissayles.com

Caitlin Murphy
Administrative Supervisor
617-960-4449
cmurphy@loomissayles.com

John Meyer, CFA, CAIA, FRM
Director of Public Fund Strategy & Development
617-346-9753
john.meyer@loomissayles.com

LOOMIS SAYLES ®   Sources: Loomis, Sayles & Company, L.P. and others   For Institutional Investor Use Only. Not for Further Distribution

51