

# Natixis/Loomis Sayles Large Cap Growth Strategy



Q1 | March 31, 2024

## Manager Overview

Loomis, Sayles & Company, L.P. (“Loomis Sayles”) has served the needs of institutional and individual investors for more than 90 years. An active, multi-style investment manager, the firm offers both traditional and highly specialized asset classes. Employing an opportunistic approach, balanced with disciplined, bottom-up research and quantitative risk analysis, the investment teams strive to produce above-average returns across asset classes and categories.

**Founded: 1926**  
AUM: \$335.2 billion (as of 12/31/23)

**Management team:**  
**Aziz Hamzaogullari, CFA®**

## Strategy Overview – Investment Philosophy

- Identify businesses that can sustain well above-average growth and return on invested capital over the long run
- Long-term outperformance requires that portfolios look materially different from their benchmarks
- Attempting to trade ahead of market momentum on the upside or downside is not likely to be successful over the long run

### QUALITY

1. **Sustainable competitive advantage:** Seek to identify unique elements and defensibility of the business model & a company’s competitive advantage
2. **Competitive analysis:** Assess barriers to entry, industry rivalry, power of buyer vs. suppliers & substitution threats
3. **Financial analysis:** Measure balance sheet health & cash flow generation capability; assess cash flow relative to reinvestment needs and ROIC relative to cost of capital
4. **Management analysis:** Partner with long-term shareholder-oriented owners; look for management that allocates capital effectively and that we believe operates with vision and integrity

### GROWTH

5. **Growth drivers:** Evaluate sources and sustainability of growth; focus on secular long-term structural drivers

### VALUATION

6. **Intrinsic value range:** Model present value of future cash flows with sensitivity analysis; establish “best,” “base,” “bear” and “worst” case scenarios to help guide buy & sell decisions
7. **Expectations analysis:** Assess what is implied in the stock price; differentiate fundamentals from sentiment and look for significantly differing perspectives

## The Natixis approach

Natixis Advisors, LLC (“Natixis Advisors”) manages portfolios based on the specific models and recommendations of Loomis Sayles, the strategy’s model portfolio provider. Loomis Sayles continually adjusts these recommendations based on changing market conditions. Our goal is to mirror these recommendations in portfolios that can be customized to address the tax and cash flow considerations of each investor.

Natixis Advisors is one of the independent affiliated managers comprising Natixis Investment Managers. Natixis Advisors provides discretionary advisory services through its division Natixis Investment Managers Solutions.

Natixis Investment Managers’ multi-affiliate approach connects you to the independent thinking and focused expertise of more than 20 active managers. We deliver a diverse range of solutions across asset classes, styles, and vehicles. We’re dedicated to advancing sustainable finance and developing innovative ESG products. We consult and partner with our clients, and continually evaluate markets and assumptions to ensure their strategy delivers on long-term goals. Natixis ranks among the world’s largest asset management firms<sup>1</sup> (\$1,288.6 billion AUM).<sup>2</sup>

<sup>1</sup> Cerulli Quantitative Update: Global Markets 2023 ranked Natixis Investment Managers as the 17th largest asset manager in the world based on assets under management as of December 31, 2022.

<sup>2</sup> Assets as of December 31, 2023. Assets under management (“AUM”), as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of non-regulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.

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PERFORMANCE OVERVIEW (AS OF 03/31/2024)

Natixis/Loomis Sayles Large Cap Growth wrap composite<sup>1</sup>

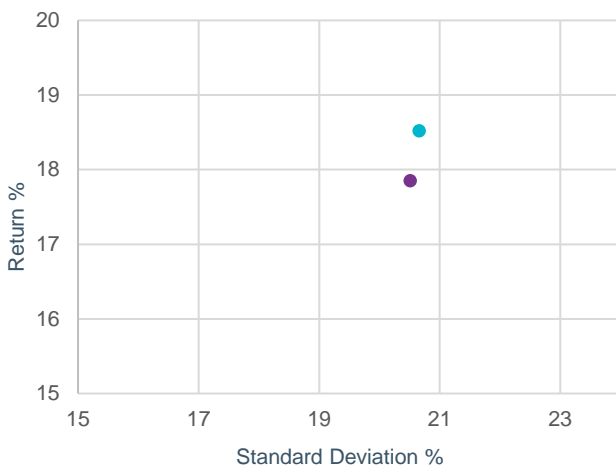
Annualized returns<sup>2</sup> %

	3 months	YTD	1 year	3 years	5 years	10 years	Since inception (3/1/2011)
Gross of fees	12.51	12.51	41.02	13.28	17.85	16.40	16.72
Net of fees <sup>3</sup>	11.70	11.70	36.95	9.95	14.40	13.00	13.30
Russell 1000® Growth Index	11.41	11.41	39.00	12.50	18.52	15.98	15.57

Calendar year returns<sup>2</sup> %

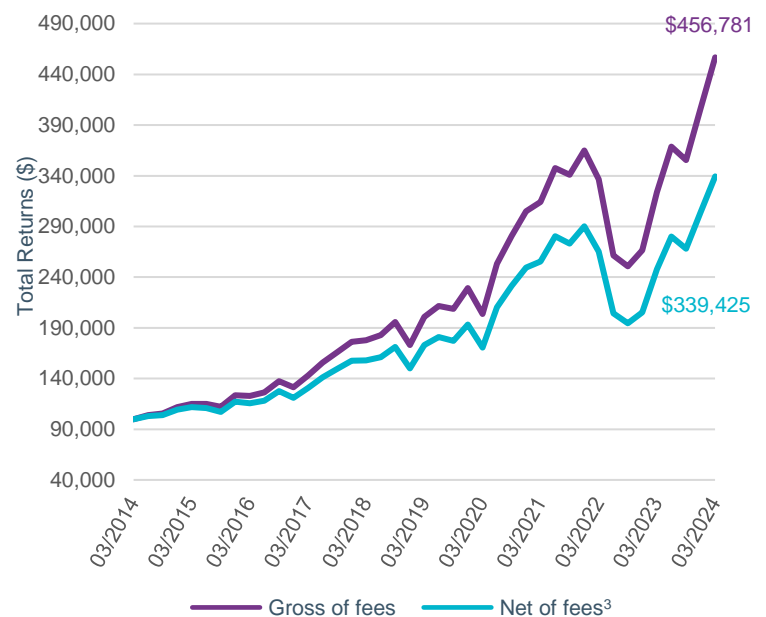
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Gross of fees	11.85	10.56	6.36	34.15	-1.89	32.61	32.90	19.70	-26.95	52.29
Net of fees <sup>3</sup>	8.57	7.31	3.23	30.28	-4.80	28.77	29.05	16.21	-29.18	47.93
Russell 1000® Growth Index	13.05	5.67	7.08	30.21	-1.51	36.39	38.49	27.60	-29.14	42.68

5-Year annualized standard deviation and return



- Natixis/Loomis Sayles Large Cap Growth composite (gross)
- Russell 1000® Growth Index

Hypothetical growth of \$100,000 investment – 10 years



Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Returns shown are considered to be preliminary and are subject to change. Gross performance does not take into account transaction costs, investment advisory fees, custody fees, or other expenses that were charged to clients' accounts, or deductions for income taxes. Such fees will reduce investment performance over time. Standard deviation measures the risk of a portfolio or market. Indexes are not investments and do not incur fees and expenses and are not professionally managed. It is not possible to invest directly in an index.

<sup>1</sup> Please see the back page for important disclosures and performance information about the Natixis/Loomis Sayles Large Cap Growth wrap composite.

<sup>2</sup> Performance for less than one year is not annualized.

<sup>3</sup> Net-of-fees performance reflects deduction of a 3% annual fee, the highest separate account wrap program fee applicable to a client account.

Natixis/Loomis Sayles Large Cap Growth Strategy

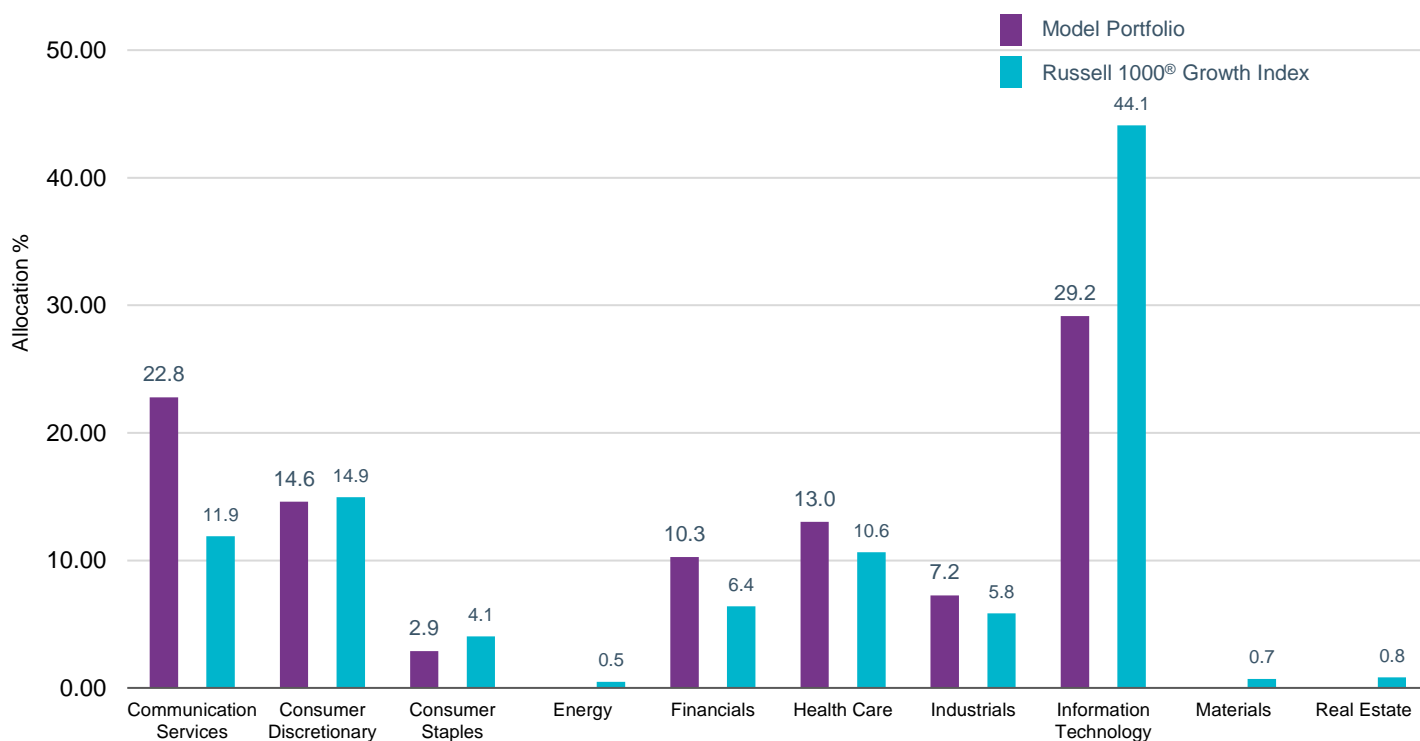
Model portfolio top ten holdings\*

Company	Percentage of total portfolio %
Meta Platforms Inc Class A	7.93
NVIDIA Corporation	7.90
Amazon.com, Inc.	6.03
Visa Inc. Class A	5.46
Microsoft Corporation	5.28
Boeing Company	5.24
Netflix, Inc.	5.03
Tesla, Inc.	4.86
Oracle Corporation	4.44
Walt Disney Company	3.66

Model portfolio characteristics

Characteristic	Model Portfolio
Number of holdings (Not Incl Cash)	36
Weighted Ave Market Cap (\$ B)	834.34
P/E (Forward)	29.79
P/B (Trailing)	7.41
Average dividend yield	0.44
EPS Growth (3-5 Yr Est)	18.57
Turnover (2023)	9.80

Model portfolio sector allocations %



Source: FactSet

\*Top 10 Holdings are shown at the company/issuer level.

The above information is for the Natixis/Loomis Sayles Large Cap Growth model portfolio and are ex-cash. The model portfolio represents the investment recommendations of the portfolio team as of the date indicated. The holdings, characteristics and performance of your portfolio may be different from the holdings, characteristics and performance information presented in this report. As the portfolio is actively managed, its holdings are subject to change. At any date any particular account may include securities not held in the model portfolio. Significant dispersion may occur among the holdings and performance of the model portfolio, the client accounts managed by Natixis Advisors using the model portfolio, and the accounts managed by the model portfolio provider on a discretionary basis included in the institutional composite for a variety of reasons. Such reasons include differing account sizes, differing cash flows, the timing and terms of execution of trades, individual client needs, and differing tax situations. This information should not be considered a recommendation or solicitation by Natixis Advisors or the model portfolio provider to buy or sell any security shown. Investors should not assume that any of the holdings were or will be profitable. Recommendations over the last year are available on request. Indexes do not incur expenses and are not available for direct investment. The characteristics shown are for illustrative purposes only. The projected characteristics are based upon estimates and reflect subjective judgments and assumptions. There can be no assurance that developments will transpire as forecasted and that the estimates are accurate.

Natixis/Loomis Sayles Large Cap Growth wrap composite (as of calendar year end)

Year	Total return (gross of fees) %	Total return (net of fees) %	Russell 1000® Growth Index %	Number of portfolios in composite	Total composite assets at end of period (\$ mm)	Standard deviation of account returns %	Percentage of total firm assets %
2023	52.29	47.93	42.68	3,343	2,973.5	1.13	4.66
2022	-27.25	-29.51	-29.14	3,154	2,186.5	0.67	4.73
2021	19.70	16.21	27.60	3,387	3,443.3	0.54	7.40
2020	32.90	29.05	38.49	2,957	2,875.7	0.88	8.20
2019	32.61	28.77	36.39	2,912	2,005.6	0.45	7.15
2018	-1.89	-4.80	-1.51	2,727	1,579.0	0.43	7.40
2017	34.15	30.28	30.21	2,485	1,639.3	0.33	7.36
2016	6.36	3.22	7.08	1,797	1,059.3	0.33	5.75
2015	10.54	7.29	5.67	945	674.8	0.52	4.09
2014	11.85	8.57	13.05	624	289.5	0.38	2.06

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Returns shown are preliminary and are subject to change. Performance for periods of less than one year is not annualized. The composite was created in March 2011. **The Natixis/Loomis Sayles Large Cap Growth wrap composite includes all fully discretionary separate account wrap portfolios managed in the Loomis Sayles Large Cap Growth style.** Natixis Advisors, LLC ("Natixis Advisors") defines fully discretionary accounts as accounts in which Natixis Advisors has the unrestricted ability to create and maintain an investment program for each account in a manner consistent with the client investment objectives. Accounts are included in the composite in the first full calendar month after management begins. Closed accounts remain in the composite through the last full month under management. The composite includes all discretionary separately managed accounts (i.e., wrap or non-commission-paying accounts) managed in the Natixis/Loomis Sayles Large Cap Growth strategy and subadvised by Loomis Sayles. All accounts are included regardless of size, tax status, or client-imposed restrictions. Performance is expressed in U.S. dollars. Returns are calculated on a total-return basis (appreciation and income), include cash equivalents, and are time weighted using average capital base monthly valuations. Quarterly returns are calculated by linking monthly composite returns through compound multiplication, and annual returns are calculated by linking quarterly returns. Leverage is not used in the composite. Gross performance does not take into account transaction costs, investment advisory fees, custody fees, or other expenses that were charged to clients' accounts or deductions for income taxes. Such fees will reduce investment performance over time. Net returns reflect the deduction of a 3% annual fee, which is the highest wrap program fee applicable to a client account. Standard deviation measures the consistency of the composite's performance results with respect to the individual portfolio returns within the composite. Only portfolios that have been managed for the full year are included in the standard deviation calculation. A complete list and description of the firm's composites are available upon request.

**Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results.** Performance of the Natixis/Loomis Sayles Large Cap Growth wrap composite and the Russell 1000® Growth Index reflects the reinvestment of dividends and other earnings. Russell® is a trademark of Russell Investment Group. The securities holdings of the composite may differ materially from those of the index used for comparative purposes. The Russell 1000® Growth Index measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group. The securities holdings of the composite may differ materially from those of the index used for comparative purposes. Indexes are not investments and do not incur fees and expenses and are not professionally managed. It is not possible to invest directly in an index. The information presented in this report has been developed internally and/or obtained from sources believed to be reliable; however, neither the model portfolio provider or Natixis Advisors guarantees the accuracy, adequacy or completeness of such information nor do we guarantee the appropriateness of any strategy referred to in this report for any particular investor. This report is provided for informational purposes only and is not to be construed as advice or a recommendation for the purchase or sale of any security. Natixis Advisors will combine the investment recommendations from the model portfolio provider with the ability to customize individual portfolios to meet clients' specific needs, such as cash flows, tax issues and other considerations. Natixis Advisors will combine the investment recommendations from the model portfolio provider with the ability to customize individual portfolios to meet clients' specific needs, such as cash flows, tax issues and other considerations. In most cases, Natixis Advisors expects to invest substantially in line with the recommendations provided by the model portfolio provider in an effort to seek best overall execution.

Significant dispersion may occur among the holdings and performance of the model portfolio, the client accounts managed by Natixis Advisors using the model portfolio, and the accounts managed by the model portfolio provider on a discretionary basis included in the institutional composite for a variety of reasons. Such reasons include differing account sizes, differing cash flows, the timing and terms of execution of trades, individual client needs, and differing tax situations.

It is important to note that under the agreement between the model portfolio provider and Natixis Advisors, pursuant to which model portfolio provider supplies the model portfolio, model portfolio provider's role is limited to assembling the model portfolio and under certain circumstances, trading certain securities. Portfolio transactions will be effected either by Natixis Advisors or the model portfolio provider. When effected by the model portfolio provider, transactions will be aggregated with transactions of the model portfolio provider's other clients when feasible, in an effort to seek best overall execution. All other investment tasks are the responsibility of Natixis Advisors, the investment advisor, including the discretion of what portion of client accounts will be invested using the model portfolio. Accordingly, the information shown may not be representative of the performance of client accounts managed by Natixis Advisors. For more information, please see Part 2 of Natixis Advisors' most recent Form ADV.

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Natixis Distribution, LLC is a limited purpose broker-dealer and the distributor of various registered investment companies for which advisory services are provided by affiliates of Natixis Investment Managers. Natixis Distribution, LLC and Loomis, Sayles & Company, L.P. are affiliated.

Natixis Distribution, LLC and Natixis Advisors, LLC are located at 888 Boylston Street, Suite 800, Boston, MA 02199-8197. 800-862-4863. im.natixis.com.

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