

EMERGING MARKETS STRATEGY



1Q 2025 Strategy Fact Sheet

Performance (%)

Past performance is no guarantee of future results.

| | 1Q2025 | 1 Year | 3 Years | 5 Years | 7 Years | 10 Years |
|--|--------|--------|---------|---------|---------|----------|
| Portfolio (Gross) | 2.80% | 2.31% | 3.64% | 14.36% | 2.89% | 5.09% |
| Portfolio (Net) | 2.52% | 1.19% | 2.50% | 13.12% | 1.72% | 3.83% |
| MSCI Emerging Markets Index Net | 2.93% | N/A | N/A | N/A | N/A | N/A |
| MSCI Emerging Markets SMID Cap Index Net | N/A | 1.30% | 1.53% | 13.29% | 2.69% | 3.96% |

All periods longer than 12 months are annualized. See disclosures on last page. Source: GPS.

Manager Commentary

Market Overview

The MSCI Emerging Markets Index increased by 2.93% during the first quarter, outperforming the U.S. markets. Early in the quarter, these markets showed solid resilience with countries like China and South Korea leading gains. The quarterly performance was overshadowed by the announcement of new U.S. tariffs announced in April causing significant volatility. A 10% baseline tariff was applied on all imports with higher rates for specific countries such as 34% on China goods and 26% from Indian imports. The environment of heightened policy uncertainty tempered what was a strong start to the year for the asset class. We believe equity markets could remain volatile until late 2025 and remain vigilant of rising risks in economic fundamentals. As of 3/31/25, the market is pricing three additional 25 basis point rate cuts by the Fed to lower the target rate to 3.75%, but the probability of further cuts is increasing.

There were seven new companies added to the portfolio during the quarter. The additions include several new companies in Korea, India, and Latin America. We took profits from several positions in China and sold out of consumer discretionary companies in Indonesia where there are signs of a slowing consumer and elevated interest rates.

Portfolio Positioning

As a result of buys and sells and market action, the portfolio is overweight Information Technology, Consumer Staples, Real Estate, Materials, Energy, and Health Care while underweight Financials, Communication Services, Consumer Discretionary, Utilities, and Industrials.

Contributors to Performance

During the quarter, the portfolio returned 2.80% versus 2.93% for the MSCI Emerging Markets Index. Positive relative performance was driven by Materials, Consumer Discretionary, Communication Services, Industrials, Consumer Staples, Real Estate, and Utilities while offset by Information Technology, Financials, Energy, and Health Care.

"We believe investing is about **offsetting future obligations**, not just having market exposure."

1Q 2025 EMERGING MARKETS STRATEGY PORTFOLIO

Portfolio Characteristics*

| | Portfolio | MSCI Emerging Markets Index Net |
|------------------------------|-----------|---------------------------------|
| Number of Holdings | 32 | 1,206 |
| P/E NTM* | 14.03 | 11.92 |
| Price/Cash Flow* | 9.80 | 7.97 |
| Wtd. Avg. Mkt. Cap (\$B) | 168.80 | 158.25 |
| Est. 3-5 Yr. EPS Growth (%)* | 14.98 | 13.18 |
| Dividend Yield (%)* | 1.68 | 2.70 |
| Net Debt/Equity* | - | 0.29 |

* Calculated gross-of-fees.

Source: FactSet

Risk Reward*

| | Portfolio | MSCI Emerging Markets Index Net |
|------------------------|-----------|---------------------------------|
| Beta | 0.82 | 1.00 |
| Sharpe Ratio | 0.76 | 0.32 |
| Information Ratio | 0.81 | N/A |
| R-Squared | 0.77 | 1.00 |
| Standard Deviation (%) | 15.39 | 16.56 |

* Annualized 5-years ending 3/31/2025; calculated gross-of-fees.

Source: eVestment

Top Ten Holdings* ¹

| | Country | Sector | % of Total Portfolio * |
|---|-------------|------------------------|------------------------|
| Taiwan Semiconductor Manufacturing Co Ltd | Taiwan | Information Technology | 14.16 |
| MercadoLibre Inc | Uruguay | Consumer Discretionary | 5.68 |
| Tencent Holdings Ltd | China | Communication Services | 5.20 |
| Samsung Electronics Co Ltd | South Korea | Information Technology | 5.14 |
| Grupo Mexico SAB de CV | Mexico | Materials | 4.61 |
| Bank Central Asia Tbk PT | Indonesia | Financials | 4.38 |
| YPF SA | Argentina | Energy | 4.20 |
| IHH Healthcare Bhd | Malaysia | Health Care | 4.13 |
| NAURA Technology Group Co Ltd | China | Information Technology | 4.00 |
| Nestle India Ltd | India | Consumer Staples | 3.93 |

* Excludes 5.07% cash.

¹ Performance holdings subject to change.

Source: FactSet

Portfolio Sector Weightings (%)* ¹

| | Portfolio | MSCI Emerging Markets Index Net |
|------------------------|-----------|---------------------------------|
| Information Technology | 29.61 | 21.68 |
| Financials | 12.79 | 24.35 |
| Consumer Discretionary | 12.10 | 14.58 |
| Consumer Staples | 8.44 | 4.74 |
| Materials | 8.25 | 5.93 |
| Communication Services | 7.28 | 10.27 |
| Energy | 6.46 | 4.48 |
| Industrials | 6.21 | 6.30 |
| Real Estate | 4.75 | 1.67 |
| Health Care | 4.10 | 3.35 |
| Utilities | - | 2.64 |

* Excludes 5.07% cash. Due to rounding, totals may not equal 100%.

¹ Performance holdings subject to change.

Source: FactSet

VAUGHAN NELSON EQUITY TEAM

LEAD PORTFOLIO MANAGER



Adam Rich, CFA
Deputy CIO
Portfolio Manager

- 15 years investment management and research experience
- BS, Brigham Young University, 2010

PORTFOLIO MANAGERS



Marco Priani, CFA, CPA, FRM
Portfolio Manager

- 24 years investment management and financial analysis experience
- MBA, The University of Chicago-Graduate School of Business, 2005
- LL.M., Northwestern University School of Law, 2006
- MSF, Universidad Del CEMA, 1999
- JD, Universidad De Buenos Aires-School of Law, 1987, *cum laude*



Kevin Ross, CFA
Portfolio Manager

- 19 years investment management and financial analysis experience
- MBA, The University of Chicago Booth School of Business, 2014
- BSBA, Washington University, 2006

ANALYSTS



Zach Buell, CFA
Associate, International Equity

- 8 years investment management and financial analysis experience
- BS, Brigham Young University, 2020, *magna cum laude*



Masa Matsumura, PhD
Vice President, International Equity

- 15 years investment management and financial analysis experience
- MBA, The University of Chicago Booth School of Business, 2014
- PhD, University of Alabama at Birmingham, 2007
- MS, University of Alabama at Birmingham, 2005
- BS, University of Alabama at Birmingham, 2001



Zhongjie (Matt) Wang
Associate, International Equity

- 6 years financial analysis and research experience
- MBA, Northwest University, 2022
- BA, University of Manitoba, 2016

CIO TEAM



Chris Wallis, CFA, CPA
CEO and CIO
Senior Portfolio Manager

- 33 years investment management / financial analysis and accounting experience
- MBA, Harvard Business School, 1998
- BBA, Baylor University, 1991

CAPITAL ALLOCATION TEAM



Yash Patil
Junior Associate

- MS, Rice University, 2024
- BT, Vellore Institute of Technology, 2020

RISK TEAM



Sarah Lai
Junior Associate, Portfolio and Risk Analysis

- MS, Rice University, 2024
- BA, The University of Texas at Austin, 2023



Isabelle Long
Associate, Portfolio and Risk Analysis

- 3 years portfolio and risk analysis experience
- MBA, Texas A&M University, 2024
- BS, Texas A&M University, 2022



William Wojciechowski, PhD
Chief Risk Officer, Portfolio and Risk Analysis

- 23 years investment management and financial analysis experience
- PhD, Rice University, 2001
- MA, Rice University, 1999
- MS, West Virginia University, 1996
- BS, Carnegie Mellon University, 1992

ABOUT VAUGHAN NELSON

Vaughan Nelson Investment Management specializes in value equity investing with a focus on a targeted return. The firm employs a bottom-up, fundamental research process that seeks to capitalize on information and liquidity inefficiencies in the equity universe. The firm's long-term, consistent investment approach draws on its in-depth research capabilities.

- Headquarters: Houston, Texas
- Founded: 1970
- Firm Assets: \$16.9 Billion*
- Domestic equity, international equity, and fixed income strategies
- 56 employees
- 27 investment team professionals
- 13 Chartered Financial Analyst designations
- 2 PhDs

* Number includes assets where Vaughan Nelson Investment Management does not have full unconditional trading authority. The assets consist of model portfolio relationships with third-party platforms and totaled \$2.7 billion as of 3/31/25.

VAUGHAN NELSON EQUITY STRATEGIES

| | | Product Assets as of 3/31/25 |
|--------------------------|---|---------------------------------|
| Small Cap Value | <ul style="list-style-type: none"> • Benchmark against the Russell 2000® Value Index • Generally 55 to 85 positions | \$4,537 MM |
| Value Opportunity | <ul style="list-style-type: none"> • Benchmark against the Russell Midcap® Value Index and Russell 2500™ Value Index • Generally 55 to 75 positions | \$2,183 MM |
| Select | <ul style="list-style-type: none"> • Benchmark against the S&P 500 Index and Russell 3000® Index • Generally 20 to 40 positions | \$6,164 MM |
| Global SMID Cap | <ul style="list-style-type: none"> • Benchmark against the MSCI ACWI SMID Cap NR Index • Generally 40 to 80 positions | \$195 MM |
| Emerging Markets | <ul style="list-style-type: none"> • Benchmark against the MSCI Emerging Markets NR Index • Generally 20 to 40 positions | \$42 MM |
| International | <ul style="list-style-type: none"> • Benchmark against the MSCI ACWI ex USA NR Index • Generally 25 to 35 positions | \$28 MM |

EMERGING MARKETS COMPOSITE RETURNS

November 30, 2013 through March 31, 2025

Performance data shown represents past performance and is not a guarantee of, and not indicative of, future results.

| Year | Compos. Returns | Compos. Returns | MSCI EM Net Index | MSCI EM SMID Cap Net Index | No. of Ports. | Disp. at EOP | Compos. Assets at EOP | Ttl. Firm Assets [†] (ex. Model assets) | Entity Assets ^{**†} | Std. Dev. Compos. | Std. Dev. MSCI EM Net Index | Std. Dev. MSCI EM SMID Cap Net Index |
|----------|-----------------|-----------------|-------------------|----------------------------|---------------|--------------|-----------------------|--|------------------------------|-------------------|-----------------------------|--------------------------------------|
| | Gross | Net | PRIM | SEC | | Std Dev | \$MM-USD | \$MM-USD | \$MM-USD | 3-Yr Anlzd | 3-Yr Anlzd | 3-Yr Anlzd |
| 2025 YTD | 2.80% | 2.52% | 2.93% | -1.32% | 5 or fewer | N/A | 42 | 14,176 | 16,904 | 15.41% | 17.35% | 15.12% |
| 2024 | -0.48% | -1.57% | 7.50% | 3.18% | 5 or fewer | N/A | 40 | 14,791 | 17,840 | 15.59% | 17.50% | 15.35% |
| 2023 | 18.51% | 17.23% | 9.83% | 18.58% | 5 or fewer | N/A | 38 | 13,811 | 16,351 | 15.37% | 17.14% | 15.44% |
| 2022 | -10.81% | -11.79% | -20.09% | -17.11% | 5 or fewer | N/A | 32 | 11,720 | 13,566 | 21.17% | 20.26% | 23.11% |
| 2021 | 12.36% | 11.14% | -2.54% | 12.33% | 5 or fewer | N/A | 31 | 13,490 | 15,481 | 20.20% | 18.33% | 21.37% |
| 2020 | 12.37% | 11.13% | 18.31% | 14.31% | 5 or fewer | N/A | 28 | 12,690 | 14,052 | 21.78% | 19.61% | 22.75% |
| 2019 | 9.14% | 7.77% | 18.42% | 12.37% | 5 or fewer | N/A | 25 | 11,346 | 13,064 | 13.39% | 14.17% | 13.08% |
| 2018 | -17.90% | -19.01% | -14.57% | -15.83% | 5 or fewer | N/A | 129 | N/A | N/A | 13.97% | 14.60% | 14.12% |
| 2017 | 32.34% | 30.63% | 37.28% | 34.53% | 5 or fewer | N/A | 161 | N/A | N/A | 13.74% | 15.35% | 14.53% |
| 2016 | 11.87% | 10.41% | 11.18% | 3.51% | 5 or fewer | N/A | 28 | N/A | N/A | 14.40% | 16.07% | 14.72% |
| 2015 | -9.31% | -10.52% | -14.92% | -10.12% | 5 or fewer | N/A | 28 | N/A | N/A | N/A | N/A | N/A |
| 2014 | 1.39% | 0.07% | -2.19% | -0.87% | 5 or fewer | N/A | 25 | N/A | N/A | N/A | N/A | N/A |
| 2013* | -0.58% | -0.69% | -1.45% | -0.75% | 5 or fewer | N/A | 12 | N/A | N/A | N/A | N/A | N/A |

NOTES AND DISCLOSURES

NOTES

COMPOSITE DESCRIPTION. Effective 10/1/2019, this composite is comprised of all fee-paying, discretionary Emerging Markets portfolios in excess of \$1 million under management. Prior to 10/1/19, the composite consisted of all non-restricted, fully discretionary, taxable and tax-exempt accounts which were managed in accordance with the Emerging Markets strategy at Advisory Research, Inc. The Emerging Markets strategy primarily invests in non-U.S. equities and principally in emerging markets. The primary benchmark is the MSCI Emerging Markets Index. The secondary benchmark is the MSCI Emerging Markets SMID Cap Index. The primary benchmark was changed from the MSCI Emerging Markets SMID Cap Index to the MSCI Emerging Markets Index effective 4/1/24. Prior to 4/1/24, the composite was named the Emerging Markets Opportunities composite. The MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries*. With 1,376 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country. MSCI is the source and owner of MSCI Index data contained herein. Any further dissemination of the data is strictly prohibited. MSCI is not responsible for any inaccuracy in this presentation. The composite creation and inception date is 11/30/13. **FIRM DEFINITION.** Vaughan Nelson Investment Management ("Vaughan Nelson") is an equity, fixed-income and balanced portfolio investment manager. Vaughan Nelson is defined as an independent investment advisory firm and is affiliated with Natixis Investment Managers, LLC. **FEES.** Emerging Markets Fee Schedule: 1.10% on the first \$25 million, 1.00% on amounts over \$25 million. **OTHER NOTES.** Performance results are presented before management fees. Results for the full historical period are time-weighted. Accounts have been valued daily and portfolio returns have been weighted by using beginning-of-month market values plus daily weighted cash flow. The dispersion calculation is based on a dollar-weighted average of gross portfolio returns within the composite for the entire period. The dispersion percent of N/A indicates that the number of portfolios for the entire year were equal to five or fewer or periods of less than one year. The benchmark source is FactSet. The valuation source is Intercontinental Exchange (ICE). Benchmark returns are not covered by the report of independent verifiers.

DISCLOSURES

BASIS OF PRESENTATION. The attached information and index performance has been developed internally and/or obtained from sources, which Vaughan Nelson believes to be reliable; however, Vaughan Nelson does not guarantee the accuracy, adequacy or completeness of such information, nor does it guarantee the appropriateness of any strategy referred to for any particular investor. This document is provided for informational purposes only and should not be construed as advice or a recommendation for purchase or sale of securities. Past performance is not indicative of future results. Effective 4/1/24, the strategy is managed by Adam Rich, Marco Priani, and Kevin Ross. From 11/30/13 to 3/31/24, the strategy was managed by Marco Priani and Kevin Ross. Performance prior to 10/1/19 was generated by Messrs. Priani and Ross while employed by Advisory Research Inc. **COMPOSITE NOTES.** Effective 10/1/2019, the composite for each investment strategy has specific criteria in terms of minimum portfolio size, tax status, and discretion. Portfolios meeting the stated criteria are added to the composite as of the first full quarter of investment in that composite's style. Similarly, accounts are removed from the composite after the last full quarter of management under the composite style. A list of all composites and pooled fund investment strategies offered by the firm, with a description of each strategy, is available upon request. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. The U.S. dollar is the currency used to express performance. The three-year annualized standard deviation measures the variability of the composite (using gross-of-fee returns, and the benchmark returns over the preceding 36-month period). **CALCULATION METHODOLOGY.** The composite performance results are time-weighted total returns net of commissions and transaction costs. Valuations and returns are expressed in U.S. dollars. Vaughan Nelson consistently values all portfolios each month on a trade date basis. Policies for valuing investments, calculating performance, and preparing GIPS® Report are available upon request. Net-of-fee returns are calculated utilizing the highest annual fee paid by a client in the strategy. This fee is divided by 12 and subtracted from the gross composite return on a monthly basis to calculate monthly net-of-fee returns. Quarterly and annual net-of-fee returns are calculated by geometrically linking these monthly returns. **COMPLIANT STATEMENT.** Vaughan Nelson claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Vaughan Nelson has been independently verified for the periods 12/31/97 through 12/31/24. A firm that claims compliance with the GIPS® standards must establish policies and procedures for complying with all the applicable requirements of the GIPS® standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS® standards and have been implemented on a firm-wide basis. The Emerging Markets has had a performance examination for the periods 11/30/13 through 12/31/24. The verification and performance examination reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Model year-end portfolio totals were as follows: 2024 - \$3.0 billion, 2023 - \$2.5 billion, 2022 - \$1.8 billion, 2021 - \$2.0 billion, 2020 - \$1.4 billion, 2019 - \$1.7 billion, 2018 - 1.3 billion, 2017 - 1.5 billion, 2016 - \$1.3 billion, 2015 - \$1.2 billion, 2014 - \$1.1 billion, 2013 - \$1.0 billion.

* Partial year. Inception date of 11/30/13.

** Number includes assets where Vaughan Nelson Investment Management does not have full unconditional trading authority. The assets consist of model portfolio relationships with third-party platforms and totaled \$2.7 billion as of 3/31/25. This information is presented as supplemental information to the Emerging Markets GIPS Report.

† Total Firm Assets and Entity Assets are shown as N/A as the strategy was previously managed at Advisory Research, Inc. These disclosures for the predecessor firm would not be meaningful and, the strategy did not contribute to Vaughan Nelson's assets historically.

