GLOBAL SMID CAP STRATEGY

1Q 2026 Strategy Fact Sheet

PERFORMANCE (%)

Past performance is no guarantee of future results.

	1Q 2026	1 Year	3 Years	5 Years	Since 6/30/2020
Portfolio (Gross)	2.21	29.13	13.98	7.91	14.67
Portfolio (Net)	1.98	27.99	12.97	6.94	13.65
MSCI ACWI SMID Cap Net Index	0.23	21.64	13.07	5.86	11.37

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

Manager Commentary

Market Overview

Global equity markets experienced a volatile first quarter of 2026, with markets generally higher through February, followed by weakness and heightened volatility in March. The equity market volatility during the first quarter was driven by three factors: the Iran conflict, signs of deterioration in private credit markets, and peaking global liquidity conditions.

The closure of the Strait of Hormuz led to a sharp increase in oil prices, which is expected to push inflation toward approximately 4% in the near term and may present a meaningful headwind to global growth if disruptions persist. In addition, supply chain pressures stemming from the closure are likely to emerge over the coming months in the form of higher prices and potential product shortages. Should the disruption extend beyond a few weeks, these effects could persist well into 2026.

At the same time, early-stage stress in private credit markets has begun to emerge. To date, losses appear largely contained within private markets and have had limited impact on the broader availability or cost of credit. While publicly traded financial institutions do have exposure through direct lending, private credit funds, and CLO structures, current indications suggest these risks remain manageable and are unlikely to pose a systemic threat.

The combination of these headwinds alongside moderating liquidity conditions may result in continued elevated market volatility in the near term. However, we expect liquidity conditions to improve in the second half of the year, which should help stabilize economic growth and provide a more supportive backdrop for equity markets.

Portfolio Positioning

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

Contributors to Performance

During the quarter, the portfolio experienced positive absolute and relative performance. Positive relative performance was driven by Energy, Materials, Consumer Discretionary, Industrials, Communication Services, and Utilities. Detractors for the quarter were Information Technology, Health Care, Financials, Real Estate, and Consumer Staples.

* Performance referenced reflects gross-of-fee returns.

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

1Q 2026 GLOBAL SMID CAP STRATEGY PORTFOLIO

Portfolio Characteristics*

	Portfolio	MSCI ACWI SMID Cap Net Index
Number of Holdings	50	7,200
Wtd. Avg. Mkt. Cap ($B)	21.93	16.21
Price/Book*	2.69	2.06
Est. 3-5 Yr. EPS Growth (%)*	11.33	13.02
P/E NTM*	16.31	14.86
ROA (%)*	6.39	5.80
ROE (%)*	16.51	13.20
Dividend Yield (%)*	1.80	2.02
Net Debt/Equity*	1.13	0.46

* *Calculated gross-of-fees.*
Source: FactSet

Risk Reward*

	Portfolio	MSCI ACWI SMID Cap Net Index
Beta	0.99	1.00
Sharpe Ratio	0.27	0.15
Information Ratio	0.45	N/A
R-Squared	0.92	1.00
Standard Deviation (%)	16.42	15.90

* *Annualized 5-years ending 3/31/26; calculated gross-of-fees.*
Source: eVestment

Top Ten Holdings* [1]

	Country	Sector	% of Total Portfolio *
Burlington Stores Inc	United States	Consumer Discretionary	2.88
Clean Harbors Inc	United States	Industrials	2.85
WESCO International Inc	United States	Industrials	2.83
Snam SpA	Italy	Utilities	2.78
International Container Terminal Services Inc	Philippines	Industrials	2.75
TechnipFMC PLC	United Kingdom	Energy	2.66
Komatsu Ltd	Japan	Industrials	2.59
Spire Inc	United States	Utilities	2.57
Element Solutions Inc	United States	Materials	2.55
B3 SA - Brasil Bolsa Balcao	Brazil	Financials	2.49

* *Excludes 4.68% cash.*
[1] *Performance holdings subject to change.*
Source: FactSet

Portfolio Sector Weightings (%)* [1]

	Portfolio	MSCI ACWI SMID Cap Net Index
Industrials	35.50	20.43
Financials	17.16	14.86
Materials	12.41	8.28
Consumer Discretionary	8.99	9.05
Energy	6.53	4.61
Information Technology	6.24	12.59
Utilities	5.31	5.23
Real Estate	4.41	6.35
Health Care	2.43	9.22
Consumer Staples	1.03	5.61
Communication Services	-	3.75

* *Excludes 4.68% cash. Due to rounding, totals may not equal 100%.*
[1] *Performance holdings subject to change.*
Source: FactSet

Portfolio Geographic Weightings (%)*

	Portfolio	MSCI ACWI SMID Cap Net Index
North America	59.84	56.77
Western Europe	21.16	14.63
Pacific Rim	13.21	22.46
South America	4.32	0.93
Central Asia	1.47	2.27
Africa	-	0.66
Eastern Europe	-	0.66
Middle East	-	1.62

* *Excludes 4.68% cash. Due to rounding, totals may not equal 100%.*
Source: FactSet

VAUGHAN NELSON EQUITY TEAM

LEAD PORTFOLIO MANAGER

James Eisenman, CFA, CPA
Portfolio Manager
- 24 years financial services and accounting experience
- Masters in Accounting, Ohio State University, 2005
- BBA, Ohio State University, 2002, with Honors

RESEARCH TEAM

Zach Buell, CFA
Vice President, International
- 9 years investment management and financial analysis experience
- BS, Brigham Young University, 2020, *magna cum laude*

Benjamin Carrier, CFA
Vice President, U.S.
- 12 years financial analysis and accounting experience
- BBA, Baylor University, 2014, *cum laude*

Earl Lee, CFA
Vice President, U.S.
- 14 years investment management and financial experience
- MBA, The University of Texas at Austin, 2012
- BS, Purdue University, 2007

William Lee
Associate, U.S.
- 3 years financial analysis experience
- BA, Vanderbilt University, 2023

Yash Patil
Associate, U.S.
- 1 year financial analysis experience
- MS, Rice University, 2024
- BT, Vellore Institute of Technology, 2020

Kevin Ross, CFA
Senior Portfolio Manager
- 20 years investment management and financial analysis experience
- MBA, The University of Chicago - Booth School of Business, 2014
- BSBA, Washington University, 2006

CAPITAL ALLOCATION TEAM

Ben Eckert
Junior Associate
- 1 year financial analysis experience
- BBA, Baylor University, 2025

Isabella Thomsen
Junior Associate
- 1 year financial analysis experience
- MS, Vanderbilt University, 2025
- BBA, Stetson University, 2024

CIO TEAM

Adam Rich, CFA
Deputy CIO
Portfolio Manager
- 16 years investment management and research experience
- BS, Brigham Young University, 2010

Chris Wallis, CFA, CPA
CEO and CIO
Senior Portfolio Manager
- 34 years investment management / financial analysis and accounting experience
- MBA, Harvard Business School, 1998
- BBA, Baylor University, 1991

RISK TEAM

Sarah Lai
Junior Associate, Portfolio and Risk Analysis
- 1 year portfolio and risk analysis experience
- MS, Rice University, 2024
- BA, The University of Texas at Austin, 2023

Isabelle Long
Associate, Portfolio and Risk Analysis
- 4 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
- 24 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: $14.8 Billion*
- Domestic equity, international equity, and fixed income strategies
- 54 employees
- 26 investment team professionals
- 12 Chartered Financial Analyst designations

** 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 3/31/26.*

GLOBAL SMID CAP PORTFOLIO COMPOSITE RETURNS

June 30, 2020 through March 31, 2026

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

Year	Compos. Returns	Compos. Returns	MSCI ACWI SMID Cap Net Index	No. of Ports.	Disp. At EOP	Compos. Assets at EOP	Total Firm Assets (ex. model assets)	Entity Assets**	Std Dev. Compos.	Std Dev. MSCI ACWI SMID Cap Net Index
	Gross	Net			Std. Dev.	MM-USD	$MM-USD	$MM-USD	3-Yr Anlzd	3-Yr Anlzd
2026 YTD	2.21%	1.98%	0.23%	5 or fewer	N/A	307	12,151	14,817	15.24%	14.03%
2025	24.95%	23.85%	19.29%	5 or fewer	N/A	266	12,239	15,108	14.42%	13.60%
2024	4.36%	3.42%	8.68%	5 or fewer	N/A	191	14,791	17,840	18.10%	18.24%
2023	19.02%	17.97%	16.02%	5 or fewer	N/A	149	13,811	16,351	17.49%	17.80%
2022	-20.87%	-21.59%	-18.72%	5 or fewer	N/A	112	11,720	13,566	N/A	N/A
2021	29.31%	28.16%	16.24%	5 or fewer	N/A	114	13,490	15,481	N/A	N/A
2020*	35.34%	34.76%	30.41%	5 or fewer	N/A	9	12,690	14,052	N/A	N/A

NOTES AND DISCLOSURES

NOTES:

COMPOSITE DESCRIPTION. This composite is comprised of all fee paying, discretionary Global SMID portfolios in excess of $1 million under management. Global SMID is defined as a company within the market capitalization range of the MSCI ACWI SMID Cap Net Index at the time of initial purchase. The benchmark is the MSCI ACWI SMID Cap Index. The index is a free-float-adjusted market capitalization index that is designed to measure small and mid cap equity market performance across 23 Developed and 26 Emerging Markets, as defined by MSCI. The index is reported net-of-dividends, which indicates dividends are reinvested after the deduction for withholding taxes, using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. 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 6/30/20. **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.** Global SMID Cap Fee Schedule: .90% on the first $10 million, .85% on the next $15 million, .80% on the next $25 million, .75% on the next $50 million, .65% on amounts over $100 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. The strategy is managed by James Eisenman, Marco Priani, Kevin Ross, and Chris Wallis from 6/30/20 to 6/30/25. **COMPOSITE NOTES.** 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. Additional information regarding policies for valuing portfolios, calculating performance and preparing GIPS Reports 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 9/30/25. 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 Global SMID Cap composite has had a performance examination for the periods 6/30/20 to 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: 2025 - $2.9 billion, 2024 - $3.0 billion, 2023 - $2.5 billion, 2022 - $1.8 billion, 2021 - $2.0 billion, 2020 - $1.4 billion.

* *Partial year return. Inception date of 6/30/20.*

** *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 3/31/26. This information is supplemental to the Global SMID Cap GIPS Report.*