INTERNATIONAL STRATEGY

VAUGHAN NELSON

2Q 2025 Strategy Fact Sheet

Performance (%)

Past performance is no guarantee of future results.

	QTD	YTD	1 Year	Since 3/31/2024
Portfolio (Gross)	24.22	27.54	33.70	26.29
Portfolio (Net)	23.93	26.92	32.40	25.06
MSCI ACWI ex USA NR Index	12.03	17.90	17.73	14.82

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

Manager Commentary

Market Overview

The second quarter of 2025 was marked by continued volatility across international markets. Geopolitical tensions, persistent inflation concerns, a global slowdown in manufacturing, and tariff uncertainty all weighed on sentiment.

The two most significant developments were the United States' new tariff announcements and the passage of the U.S. tax deal. These events are reshaping global trade dynamics and, with them, the way capital is allocated by companies and governments worldwide. These changes directly inform our process and positioning.

We continue to rely on our proprietary capital allocation framework to guide portfolio construction. It helps us assess how companies, industries, and even countries are deploying capital. Currently, we are seeing clear signs of overinvestment in several industries, while many governments are rapidly adapting their policy playbooks to offset the impact of tariffs. These shifts reinforce our decision to remain concentrated in select sectors where we see more disciplined, forward-looking capital allocation.

Looking ahead, we believe three major regime shifts are reshaping the international investing landscape:

1. The Bank of Japan's exit from decades-long accommodative monetary policy,
2. The People's Bank of China emerging as the most accommodative central bank globally, and
3. A rise in populism, favoring local brand champions over global multinationals.

These changes will continue to drive dispersion in how capital is allocated across regions and sectors. We believe our framework is uniquely suited to capture this dispersion by identifying where investment behavior is creating—not destroying—long-term value. The portfolio is well-positioned for what's ahead.

Portfolio Positioning

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

Contributors to Performance

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

* Performance referenced reflects gross-of-fee returns.

2Q 2025 INTERNATIONAL STRATEGY PORTFOLIO

Portfolio Characteristics*

	Portfolio	MSCI AC World ex USA Net Index
Number of Holdings	20	1,981
P/E NTM*	16.65	14.17
Price/Cash Flow*	9.48	9.00
Wtd. Avg. Mkt. Cap ($B)	131.11	120.15
Est. 3-5 Yr. EPS Growth (%)*	12.53	9.16
Dividend Yield (%)*	1.95	2.81
Net Debt/Equity*	0.48	0.53

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

Top Ten Holdings* [1]

	Country	Sector	% of Total Portfolio *
Monolithic Power Systems Inc	United States	Information Technology	10.10
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	Information Technology	8.11
MercadoLibre Inc	Uruguay	Consumer Discretionary	6.96
WiseTech Global Ltd	Australia	Information Technology	5.57
Fujikura Ltd	Japan	Industrials	5.24
NU Holdings Ltd/Cayman Islands	Brazil	Financials	5.06
Embraer SA	Brazil	Industrials	4.95
UBS Group AG	Switzerland	Financials	4.77
Deutsche Post AG	Germany	Industrials	4.77
Grupo Mexico SAB de CV	Mexico	Materials	4.73

** Excludes 0.40% cash.*
[1] Performance holdings subject to change.
Source: FactSet

Portfolio Sector Weightings (%)* [1]

	Portfolio	MSCI AC World ex USA Net Index
Financials	31.17	25.12
Information Technology	28.76	13.27
Industrials	24.28	14.82
Consumer Discretionary	7.10	10.14
Materials	4.82	6.20
Energy	3.88	4.57
Communication Services	-	6.38
Consumer Staples	-	6.65
Health Care	-	8.00
Real Estate	-	1.68
Utilities	-	3.18

** Excludes 0.40% cash and 1.84% iShares MSCI Saudi Arabia ETF. Due to rounding, totals may not equal 100%.*
[1] Performance holdings subject to change.
Source: FactSet

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: $17.3 Billion*
- Domestic equity, international equity, and fixed income strategies
- 55 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 6/30/25*

VAUGHAN NELSON EQUITY STRATEGIES

		Product Assets as of 6/30/2025
Small Cap Value	• Benchmark against the Russell 2000® Value Index • Generally 55 to 85 positions	$4,643 MM
Value Opportunity	• Benchmark against the Russell Midcap® Value Index and Russell 2500™ Value Index • Generally 55 to 75 positions	$2,284 MM
Select	• Benchmark against the S&P 500 Index and Russell 3000® Index • Generally 20 to 40 positions	$6,477 MM
Global SMID Cap	• Benchmark against the MSCI ACWI SMID Cap NR Index • Generally 40 to 80 positions	$214 MM
Emerging Markets	• Benchmark against the MSCI Emerging Markets NR Index • Generally 20 to 40 positions	$49 MM
International	• Benchmark against the MSCI ACWI ex USA NR Index • Generally 20 to 40 positions	$35 MM

INTERNATIONAL: GIPS® COMPOSITE, NOTES AND DISCLOSURES

March 31, 2024 through June 30, 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 ACWI ex USA NR 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 EAFE Small Cap Net Index
	Gross	Net			Std Dev	$MM-USD	$MM-USD	$MM-USD	3-Yr Anlzd	3-Yr Anlzd
2025 YTD	27.54%	26.92%	17.90%	5 or fewer	N/A	35	14,520	17,269	N/A	N/A
2024*	4.98%	4.20%	0.82%	5 or fewer	N/A	26	14,791	17,840	N/A	N/A

See next page for International GIPS® Notes and Disclosures.

INTERNATIONAL: GIPS® COMPOSITE, NOTES AND DISCLOSURES

March 31, 2024 through June 30, 2025

NOTES

COMPOSITE DESCRIPTION. Effective 4/1/24, this composite is comprised of all fee-paying, discretionary International portfolios in excess of $1 million under management. The International strategy primarily invests in non-U.S. equities and principally in developed markets with a market capitalization generally within the range of the MSCI ACWI ex USA NR Index at time of purchase. The index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 24 Emerging Markets (EM) countries. The index covers approximately 85% of the global equity opportunity outside the United States. 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 3/31/24. **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.** International Fee Schedule: 1.00% on the first $25 million, .85% on the next $75 million, .80% on the remainder. **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 Adam Rich, Marco Priani and Kevin Ross from 4/01/24. **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 3/31/25. 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 International Composite has had a performance examination for the periods 3/31/24 through 12/31/24. The verification and performance examination reports are available upon request.

* *Partial year return. Inception date of 3/31/24.*

** *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 6/30/25. This information is supplemental to the International 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.*