

EMERGING MARKETS STRATEGY



3Q 2025 Strategy Fact Sheet

Performance (%)

Past performance is no guarantee of future results.

	3Q 2025	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since 3/31/2024
Portfolio (Gross)	8.30	28.34	22.54	18.27	12.77	7.81	8.86	6.33
Portfolio (Net)	8.01	27.31	21.22	16.99	11.55	6.60	7.58	5.05
MSCI Emerging Markets Index Net	10.64	27.53	17.32	N/A	N/A	N/A	N/A	N/A
MSCI Emerging Markets SMID Cap Index Net	N/A	N/A	N/A	18.22	10.98	7.74	7.88	5.37

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

Manager Commentary

Market Overview

The strategy returned 8.30% (gross-of-fee) and 8.01% (net-of-fee) in the third quarter, compared to 10.64% for the MSCI Emerging Markets Index, underperforming by 2.34%.

- Selection Effect (-4.23%) – Stock selection detracted meaningfully, as several core holdings underperformed peers despite disciplined capital allocation strategies. Top contributors included Grupo México (GMEXICOB-MX), Yageo Corp (2327-TW), and Cemex SAB (CEMEXCPO-MX). Detractors were led by MercadoLibre (MELI-US), and 360 One Wam Limited (360ONE-IN).
- Allocation Effect (1.99%) – Industry allocation also detracted modestly. Outperformance came from exposure to Materials, Semiconductors & Semiconductor Equipment, and Banks. Weaknesses were concentrated in Consumer Discretionary Distribution & Retail, Financial Services, and Media & Entertainment. Avoided industries added a small -0.05%, indicating limited benefit from industry-level exclusions this quarter.

Portfolio Positioning

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

Contributors to Performance

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

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

3Q 2025 EMERGING MARKETS STRATEGY PORTFOLIO

Portfolio Characteristics*

	Portfolio	MSCI Emerging Markets Index Net
Number of Holdings	22	1,189
P/E NTM*	13.87	13.76
Price/Cash Flow*	9.45	9.37
Wtd. Avg. Mkt. Cap (\$B)	256.72	240.19
Est. 3-5 Yr. EPS Growth (%)*	10.39	11.61
Dividend Yield (%)*	1.87	2.31
Net Debt/Equity*	0.43	0.29

* Calculated gross-of-fees.

Source: FactSet

Top Ten Holdings* 1

	Country	Sector	% of Total Portfolio *
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	Information Technology	17.20
Grupo Mexico SAB de CV	Mexico	Materials	7.68
SK Hynix Inc	South Korea	Information Technology	5.62
NU Holdings Ltd/Cayman Islands	Brazil	Financials	5.45
Yageo Corp	Taiwan	Information Technology	5.08
MercadoLibre Inc	Uruguay	Consumer Discretionary	4.78
HD Hyundai Electric Co Ltd	South Korea	Industrials	4.70
Hindalco Industries Ltd	India	Materials	4.30
Grupo Financiero Banorte SAB de CV	Mexico	Financials	4.10
Hana Financial Group Inc	South Korea	Financials	4.04

* Excludes 2.31% cash.

1 Performance holdings subject to change.

Source: FactSet

Portfolio Sector Weightings (%)* 1

	Portfolio	MSCI Emerging Markets Index Net
Information Technology	31.75	25.46
Financials	22.61	22.22
Materials	17.70	6.45
Consumer Discretionary	10.79	13.59
Industrials	8.72	6.64
Energy	5.64	3.85
Utilities	2.78	2.33
Communication Services	-	10.53
Consumer Staples	-	4.03
Health Care	-	3.45
Real Estate	-	1.44

* Excludes 2.31% cash. Due to rounding, totals may not equal 100%.

1 Performance holdings subject to change.

Source: FactSet

VAUGHAN NELSON EQUITY TEAM

EMERGING MARKETS TEAM



Adam Rich, CFA
Deputy CIO
Lead Portfolio Manager

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



Zach Buell, CFA
Associate, International Equity Analyst

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



James Eisenman, CFA, CPA
Portfolio Manager

- 23 years financial services and accounting experience
- Masters in Accounting, Ohio State University, 2005
- BBA, Ohio State University, 2002, with Honors



Kevin Ross, CFA
Senior Portfolio Manager

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

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



Ben Eckert
Junior Associate

- BBA, Baylor University, 2025



Isabella Thomsen
Junior Associate

- MS, Vanderbilt University, 2025
- BBA, Stetson University, 2024

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: \$16.1 Billion*
- Domestic equity, international equity, and fixed income strategies
- 55 employees
- 27 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 \$2.8 billion as of 9/30/25.

VAUGHAN NELSON EQUITY STRATEGIES

		Product Assets as of 9/30/25
Small Cap Value	• Benchmark against the Russell 2000® Value Index • Generally 55 to 85 positions	\$4,754 MM
Value Opportunity	• Benchmark against the Russell Midcap® Value Index and Russell 2500™ Value Index • Generally 55 to 75 positions	\$2,322 MM
Select	• Benchmark against the S&P 500 Index and Russell 3000® Index • Generally 20 to 40 positions	\$6,627 MM
Global SMID Cap	• Benchmark against the MSCI ACWI SMID Cap NR Index • Generally 40 to 80 positions	\$293 MM
Emerging Markets	• Benchmark against the MSCI Emerging Markets NR Index • Generally 20 to 40 positions	\$52 MM
International	• Benchmark against the MSCI ACWI ex USA NR Index • Generally 20 to 40 positions	\$38 MM

EMERGING MARKETS: GIPS® COMPOSITE, NOTES AND DISCLOSURES

November 30, 2013 though September 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 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	28.34%	27.31%	27.53%	22.49%	5 or fewer	N/A	52	13,336	16,102	14.22%	15.53%	14.80%
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 6/30/25. 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 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 \$2.8 billion as of 9/30/25. 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.

