

INTERNATIONAL STRATEGY



3Q 2025 Strategy Fact Sheet

Performance (%)

Past performance is no guarantee of future results.

	3Q 2025	YTD	1 Year	Since 3/31/2024
Portfolio (Gross)	10.72	41.21	37.49	30.01
Portfolio (Net)	10.45	40.19	36.16	28.74
MSCI ACWI ex-USA NR Index	6.89	26.02	16.45	17.31

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

Manager Commentary

Market Overview

The strategy returned 10.72% (gross-of-fee) and 10.45% (net-of-fee) in the third quarter, compared to 6.89% for the MSCI ACWI ex-USA Index, delivering 3.83% of outperformance.

- **Selection Effect (-0.02%)** – Gains were driven by companies deploying capital with discipline into high-return opportunities. Top contributors included Fujikura (5803-JP), Monolithic Power Systems (MPWR-US), and Grupo México (GMEXICOB-MX). The largest detractors were Wisetech Global (WTC-AU), MercadoLibre (MELI-US), and ASML Holding (ASML-NL).
- **Allocation Effect (4.07%)** – Outperformance came from overweight positions in industries where Capital Allocation Framework (CAF) identified superior capital allocation trends, notably Semiconductors & Semiconductor Equipment, Capital Goods, and Materials. Detractors included Consumer Discretionary Distribution & Retail, Software & Services, and Transportation. Avoided industries added an additional 0.57%, highlighting the value of disciplined avoidance of low-return or overcapitalized areas.

Portfolio Positioning

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

Contributors to Performance

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

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

3Q 2025 INTERNATIONAL STRATEGY PORTFOLIO

Portfolio Characteristics*

	Portfolio	MSCI AC World ex USA Net Index
Number of Holdings	22	1,965
P/E NTM*	16.25	14.82
Price/Cash Flow*	8.72	9.51
Wtd. Avg. Mkt. Cap (\$B)	162.44	139.90
Est. 3-5 Yr. EPS Growth (%)*	11.21	9.51
Dividend Yield (%)*	2.28	2.65
Net Debt/Equity*	0.60	0.58

* Calculated gross-of-fees.

Source: FactSet

Top Ten Holdings* ¹

	Country	Sector	% of Total Portfolio *
Taiwan Semiconductor Manufacturing Co Ltd	Taiwan	Information Technology	8.61
MercadoLibre Inc	Uruguay	Consumer Discretionary	7.67
WiseTech Global Ltd	Australia	Information Technology	7.61
BHP Group Ltd	Australia	Materials	4.86
AstraZeneca PLC	United Kingdom	Health Care	4.74
Grupo Mexico SAB de CV	Mexico	Materials	4.70
Wise PLC	United Kingdom	Financials	4.38
Wheaton Precious Metals Corp	Canada	Materials	4.32
Aker BP ASA	Norway	Energy	4.27
BNP Paribas SA	France	Financials	4.18

* Excludes 0.23% cash.

¹ Performance holdings subject to change.

Source: FactSet

Portfolio Sector Weightings (%)* ¹

	Portfolio	MSCI AC World ex USA Net Index
Financials	24.66	24.93
Information Technology	24.31	13.79
Industrials	16.97	14.73
Materials	13.90	6.65
Energy	7.74	4.46
Consumer Discretionary	7.68	10.66
Health Care	4.75	7.66
Communication Services	-	6.29
Consumer Staples	-	6.15
Real Estate	-	1.62
Utilities	-	3.03

* Excludes 0.23% cash. Due to rounding, totals may not equal 100%.

¹ Performance holdings subject to change.

Source: FactSet

VAUGHAN NELSON EQUITY TEAM

INTERNATIONAL 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

INTERNATIONAL: GIPS® COMPOSITE, NOTES AND DISCLOSURES

March 31, 2024 through 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 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	41.21%	40.19%	26.02%	5 or fewer	N/A	38	13,336	16,102	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

NOTES AND DISCLOSURES

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 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 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 \$2.8 billion as of 9/30/25. 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.

