

EMERGING MARKETS OPPORTUNITIES STRATEGY



1Q 2022 Strategy Fact Sheet

Performance (%)

	1Q 2022	1 Year	3 Years	5 Years	7 Years	Since 11/30/2013
Portfolio (Gross)	-2.85	1.26	7.76	5.72	5.71	4.88
Portfolio (Net)	-3.12	0.16	6.55	4.45	4.41	3.57
MSCI EM SMID Cap Net Index	-4.39	1.93	8.70	6.73	5.02	4.39

All periods longer than 12 months are annualized. Performance data shown represents past performance and is not a guarantee of future results. See disclosures on last page. Source: GPS.

Manager Commentary

Market Overview

The fund had a positive relative quarter returning -2.85% compared to MSCI EM SMID benchmark at -4.39%. As discussed in previous letters, 1Q22 was met with diverging performance at a country level. The biggest country development this year, Russia, down 68% resulting from the invasion and economic slowdown from sanctions. We had no exposure to Russia given the escalating military tensions and our experience when Russia invaded Crimea in 2014, which caused material selloffs in the equity and FX markets. We saw a notable resurgence in commodity exporting countries throughout Latin America and the Middle East. These countries benefitted from supply shocks to commodity markets, causing surging prices across Brazil (agricultural), Chile (copper), South Africa (iron ore, platinum, palladium, rhodium), UAE and Saudi Arabia (oil), and Qatar (LNG). The Russia-Ukraine conflict is causing a mismatch between supply-demand to widen out and we believe most commodity prices will remain at elevated levels in the foreseeable future.

During the quarter, the Federal Reserve raised the Fed Funds rate by 25 basis points, kicking off the first Fed hiking cycle since 2018. The current high inflation environment has thus far proven to be stickier than expected and, coupled with the U.S. unemployment rate at 3.5%, the market is forecasting at least eight more 25 basis points Fed Fund hikes in 2022.

Portfolio Positioning

As a result of buys, sells, and market action, our weightings in Brazil, the UAE, South Africa, Indonesia, and India increased during the quarter. The portfolio's weightings in Taiwan, South Korea, Hong Kong, and the United Kingdom decreased during the quarter.

From a sector perspective, our weightings in Financials, Energy, Health Care, and Industrials increased during the quarter. The portfolio's weightings in Consumer Discretionary, Communication Services, and Materials decreased during the period.

Contributors to Performance

The best performing countries were Russia (underweight position), United States, India, China, and Brazil. The portfolio underperformed in South Korea, Taiwan, Saudi Arabia, and Hong Kong. The portfolio continues to be overweight Information Technology, Consumer Discretionary, Real Estate, and Industrials while underweight to Financials, Health Care, Materials, and Utilities.

Outlook

We seek to take advantage of market volatility and are finding opportunities in Undervalued Earnings Growth companies that were indiscriminately sold off during the market draw-down. We have seen companies with marginal exposure to Russia as an end market sell off 3-4x what the potential worst case earnings impact might suggest. These compelling medium-term opportunities we are looking to add with our three year investment time horizon.

In our view, the set of companies able to meet the 50% targeted return objective within our universe has never been larger than it is today. Our proven investment philosophy and process that seeks to exploit short-term disruption through informed longer-term views is the tool to lead the ship in the months ahead.

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

1Q 2022 EMERGING MARKETS OPPORTUNITIES STRATEGY PORTFOLIO

Model Portfolio Attribution - 1Q 2022 (Gross Returns)

S&P GICS SECTOR	Portfolio			MSCI EM SMID Cap Net Index			Variation			Attribution Analysis		
	Avg Wt	Tot Ret	Contrib to Ret	Avg Wt	Tot Ret	Contrib to Ret	Avg Wt	Tot Ret	Contrib to Ret	Selection Effect	Allocation+ Interaction	Total Effect
Communication Services	3.51	-15.53	-0.60	4.83	-8.80	-0.43	-1.32	-6.73	-0.16	-0.30	0.14	-0.16
Consumer Discretionary	16.26	-15.35	-3.12	11.46	-7.02	-0.84	4.80	-8.34	-2.28	-1.00	-0.74	-1.74
Consumer Staples	5.87	6.85	0.35	7.31	-2.32	-0.18	-1.45	9.17	0.53	0.65	-0.15	0.50
Energy	2.95	31.16	0.80	2.90	13.40	0.35	0.05	17.76	0.44	0.45	-0.10	0.35
Financials	8.39	7.06	0.54	13.42	3.41	0.48	-5.03	3.65	0.06	0.51	-0.59	-0.07
Health Care	6.08	13.39	0.90	7.39	-12.81	-1.00	-1.31	26.21	1.90	1.90	-0.16	1.74
Industrials	15.46	4.17	0.70	14.43	-0.57	-0.06	1.03	4.74	0.77	0.67	0.07	0.74
Information Technology	22.23	-5.26	-1.19	16.39	-10.80	-1.92	5.84	5.54	0.73	0.98	-0.10	0.88
Materials	7.18	-7.71	-0.51	12.36	-1.43	-0.17	-5.18	-6.28	-0.34	-0.76	0.19	-0.57
Real Estate	6.67	-4.48	-0.24	5.66	1.65	0.07	1.01	-6.13	-0.31	-0.32	-0.03	-0.35
Utilities	2.80	-1.12	-0.07	3.69	0.73	0.04	-0.89	-1.85	-0.11	-0.05	-0.04	-0.09
Cash	2.59	-0.51	-0.01	-	-	-	2.59	-0.51	-0.01	-	-	-
Total	100.00	-2.45	-2.45	100.00	-3.61	-3.61	-	1.17	1.17	2.73	-1.56	1.17

The above information is intended to provide a summary of how Vaughan Nelson's strategy model performed over the referenced period. Client-specific portfolios may differ meaningfully from this summary due to client-directed portfolio constraints that may include, but are not limited to, tax considerations, socially responsible restrictions and sector/position limitations. See additional disclosures on last page. Factset Total Portfolio performance is holdings based and therefore the performance noted in attribution may differ slightly from reported performance. Source: FactSet.

Portfolio Characteristics*

	Portfolio	MSCI EM SMID Cap Net Index
Number of Holdings	80	2,440
P/E NTM	10.80	11.52
Price/Cash Flow	7.59	6.92
Wtd. Avg. Mkt. Cap (\$B)	4.12	3.97
Est. 3-5 Yr. EPS Growth (%)	19.56	20.44
Dividend Yield (%)	2.40	2.53
Net Debt/Equity	0.54	0.55

* This information is provided as supplemental to the Emerging Markets Opportunities GIPS Report. Source: FactSet

Risk Reward*

	Portfolio	MSCI EM SMID Cap Net Index
Beta	0.93	1.00
Sharpe Ratio	0.26	0.30
Information Ratio	-0.21	N/A
R-Squared	0.93	1.00
Standard Deviation (%)	17.76	18.50

* Annualized 5-years ending 3/31/2022. This information is provided as supplemental to the Emerging Markets Opportunities GIPS Report. Source: eVestment

Top Ten Holdings* 1

	Country	Sector	% of Total Portfolio *
Samsonite International SA	Hong Kong	Consumer Discretionary	1.98
Genomma Lab Internacional SAB de CV	Mexico	Health Care	1.91
SLC Agricola SA	Brazil	Consumer Staples	1.90
WHA Corp PCL	Thailand	Real Estate	1.79
UPL Ltd	India	Materials	1.72
Emaar Properties PJSC	United Arab Emirates	Real Estate	1.67
SIS Ltd	India	Industrials	1.64
Pakuwon Jati Tbk PT	Indonesia	Real Estate	1.64
Mitra Adiperkasa Tbk PT	Indonesia	Consumer Discretionary	1.64
Bid Corp Ltd	South Africa	Consumer Staples	1.59

1 This information is provided as supplemental to the Emerging Markets Opportunities GIPS Report. * Excludes 2.26% cash. Source: FactSet

Portfolio Sector Weightings (%)* 1

	Portfolio	MSCI EM SMID Cap Net Index
Information Technology	23.84	16.16
Industrials	16.68	14.74
Consumer Discretionary	13.46	11.24
Financials	8.47	13.60
Real Estate	7.71	5.81
Materials	7.53	12.36
Consumer Staples	6.04	7.27
Health Care	6.01	7.18
Energy	4.27	3.16
Communication Services	3.14	4.66
Utilities	2.84	3.78

* Excludes 2.26% cash. Due to rounding, totals may not equal 100%.

1 Performance holdings subject to change. This information is provided as supplemental to the Emerging Markets Opportunities GIPS Report. Source: FactSet

Portfolio Geographic Weightings (%)*

	Portfolio	MSCI EM SMID Cap Net Index
India	17.60	16.93
Taiwan	14.18	18.50
South Korea	12.95	13.33
China/Hong Kong	12.62	11.83
Brazil	7.53	7.02
Europe	7.03	4.34
Other Africa	6.88	6.59
Mexico	5.11	2.59
Other Asia	4.39	10.24
Indonesia	4.32	2.06
Other Americas	3.91	1.33
Thailand	1.81	3.97
United Arab Emirates	1.69	1.27

* This information is provided as supplemental to the Emerging Markets Opportunities GIPS Report. Excludes 2.26% cash. Source: FactSet

VAUGHAN NELSON EMERGING MARKETS OPPORTUNITIES EQUITY TEAM

PORTFOLIO MANAGERS



Marco Priani, CFA, CPA, FRM
Senior Portfolio Manager

- Began his financial and investment career in 2001
- Joined Vaughan Nelson in 2019
- 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
Senior Portfolio Manager

- Began his financial and investment career in 2006
- Joined Vaughan Nelson in 2019
- MBA, The University of Chicago Booth School of Business, 2014
- BSBA, Washington University, 2006

INTERNATIONAL RESEARCH



Masa Matsumura, Ph.D.
Vice President

- Began his financial and investment career in 2010
- Joined Vaughan Nelson in 2020
- MBA, The University of Chicago Booth School of Business, 2014
- Ph.D., University of Alabama at Birmingham, 2007
- MS, University of Alabama at Birmingham, 2005
- BS, University of Alabama at Birmingham, 2001

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: \$14.7 Billion*
- Domestic equity, international equity, and fixed income strategies
- 51 employees
- 19 investment team professionals
- 12 Chartered Financial Analyst designations
- 3 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 \$2.0 billion as of 3/31/22.

VAUGHAN NELSON EQUITY STRATEGIES

Select	<ul style="list-style-type: none">• Benchmark against the Russell 3000® Index and S&P 500 Index• Generally 20 to 40 positions
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
Small Cap Value	<ul style="list-style-type: none">• Benchmark against the Russell 2000® Value Index• Generally 55 to 85 positions
International Small Cap	<ul style="list-style-type: none">• Benchmark against the MSCI EAFE Small Cap Index• Generally 60 to 80 positions
Emerging Markets	<ul style="list-style-type: none">• Benchmark against the MSCI Emerging Markets SMID Index• Generally 60 to 80 positions
Global SMID Cap	<ul style="list-style-type: none">• Benchmark against the MSCI ACWI SMID Cap Index• Generally 40 to 80 positions

OUR MISSION

To provide for the **financial wellbeing**
of our **clients** and **employees**
through **superior performance** consistent
with our values.

EMERGING MARKETS OPPORTUNITIES COMPOSITE RETURNS (11/30/2013 - 3/31/2022)

Year	Composite (Gross)	Composite (Net)	Benchmark	Number of Portfolios	Dispersion at End-of-Period (Std Dev)	Composite Assets at End-of-Period (\$MM-USD)	Total Firm Assets† (ex. model assets) (\$MM-USD)	Entity Assets**†† (\$MM-USD)	Std Dev. Composite (3-Yr Annlzd)	Std Dev. Benchmark (3-Yr Annlzd)
YTD 2022	-2.85%	-3.12%	-4.39%	5 or fewer	N/A	31	12,763	14,728	20.23%	21.40%
2021	12.36%	11.14%	12.33%	5 or fewer	N/A	31	13,490	15,481	20.20%	21.37%
2020	12.37%	11.13%	14.31%	5 or fewer	N/A	28	12,690	14,052	21.78%	22.75%
2019	9.14%	7.77%	12.37%	5 or fewer	N/A	25	11,346	13,064	13.39%	13.08%
2018	-17.90%	-19.01%	-15.83%	5 or fewer	N/A	129	N/A	N/A	13.97%	14.12%
2017	32.34%	30.63%	34.53%	5 or fewer	N/A	161	N/A	N/A	13.74%	14.53%
2016	11.87%	10.41%	3.51%	5 or fewer	N/A	28	N/A	N/A	14.40%	14.72%
2015	-9.31%	-10.52%	-10.12%	5 or fewer	N/A	28	N/A	N/A	N/A	N/A
2014	1.39%	0.07%	-0.87%	5 or fewer	N/A	25	N/A	N/A	N/A	N/A
2013*	-0.58%	-0.69%	-0.75%	5 or fewer	N/A	12	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 Opportunities 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 Opportunities strategy at Advisory Research, Inc. The Emerging Markets Opportunities strategy primarily invests in non-U.S. equities and principally in emerging markets with a market capitalization generally within the range of the MSCI Emerging Markets SMID Cap Net Index. The MSCI Emerging Markets SMID Cap Net Index captures mid and small cap representation across 26 Emerging Markets countries. With 2,276 constituents, the index covers approximately 29% of the free float-adjusted market capitalization in each country. Emerging Markets Opportunities countries include Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates. 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 Opportunities 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. The strategy is managed by Marco Priani and Kevin Ross from 11/30/2013. Performance prior to 10/1/19 was generated by Messrs. Priani and Ross while employed by Advisory Research Inc. **COMPOSITE NOTES.** Effective 10/1/19, 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 portfolio 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. **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 12/31/21. 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 portfolio 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 11/30/13 to 12/31/21. 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: 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.

** 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 \$2.0 billion as of 3/31/22. This information is presented as supplemental information to the Emerging Markets Opportunities 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.