

3Q21 STRATEGY FACT SHEET

GLOBAL SMID CAP

PERFORMANCE (%)

	YTD	One Year	Since 6/30/20
Portfolio (Gross)	18.36	48.06	45.78
Portfolio (Net)	17.57	46.76	44.50
MSCI ACWI SMID Cap Net Index	12.50	36.16	35.88

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

MANAGER COMMENTARY

Market Overview

Global equity markets produced mixed results during the third quarter with the MSCI ACWI SMID Cap index down -1.2% for the quarter. During the quarter large cap equities outperformed small cap equities in most regions. Global equity markets are grappling with slowing economic growth, rising energy prices, and material supply chain disruptions, offset by falling Covid cases and improving employment conditions. Global economic growth continues to moderate with weakness emanating from China. China has long been the engine of global growth, but with China's policy focused on rebalancing its domestic economy the world will have to look elsewhere for economic leadership.

As Covid cases began to decline late in the third quarter, markets embraced risk by boosting economically sensitive sectors and increasing sovereign interest rates globally. Economic growth continues to be hindered by supply chain disruptions, low inventories, and rising commodity prices. As we move into 2022, markets should start to get a glimpse of what the new "post Covid normal" looks like and to what extent inflation will be transitory. There is some solace in the fact the inflationary cycle is now in a growth downturn, but such a downturn is no guarantee that inflation will be as low as it was for the last decade. Globally, there are significant geopolitical, demographic, and industry shifts underway that will materially change supply chains, trade flows, inflationary pressures, and currency flows. These shifts will become more apparent as we move through 2022 and could materially impact asset prices.

Portfolio Positioning

After changes made during the second quarter, to reduce the portfolio weightings in some of our most cyclical undervalued asset names and increase weightings in undervalued growth names with strong earnings visibility, we entered the quarter well positioned for the current environment. As a result, name turnover and trading activity during the 3rd quarter was lower than the level seen in the previous several quarters. We are positioned for slowing, but positive, economic growth, however, we continue to watch for any data points that may indicate a more pronounced slowdown could lie ahead.

The portfolio has an overweight position in the Norway, Belgium, Germany, the United Kingdom, and the United States relative to the benchmark and an underweight in Canada, Sweden, and the Emerging Market countries as a group. This positioning is primarily a function of our bottom-up fundamental analysis of companies and where we are finding the most attractive risk adjusted returns.

At the sector level, our largest overweight positions relative to the benchmark are in the Healthcare, Industrial and Information Technology sectors. Our largest sector underweights relative to the benchmark, are in Real Estate and Utilities.

Contributors to Performance

For the quarter, the portfolio produced a positive absolute return and outperformed the ACWI SMID benchmark. At the country level, the largest positive contributors to the portfolio's performance were France and the United States. In France, we have two portfolio holdings, both of which produced solid earnings results, with positive forward-looking commentary from management, which drove multiple expansion in the stocks and allowed them to significantly outperform the benchmark. In the United States, our Industrial and Health Care names performed very well, while our overweight to the semiconductor space was a drag on performance for the 2nd consecutive quarter. The largest country level detractor from relative performance was India, a market which significantly outperformed the benchmark due to positive Covid trends, but where we have no exposure at this time.

Overall, we believe the portfolio is well positioned for the current environment, with strong base of growthier companies with long term secular tailwinds balanced with holdings in companies that are still early in their recovery from the Covid related downturn.

3Q21 GLOBAL SMID CAP PORTFOLIO

MODEL PORTFOLIO ATTRIBUTION - 3Q21 (GROSS RETURNS)

S&P GICS SECTOR	Portfolio			MSCI ACWI 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	0.95	-4.00	-0.05	4.34	-4.88	-0.22	-3.39	0.88	0.17	0.09	0.05	0.14
Consumer Discretionary	11.71	0.38	0.03	12.39	-4.97	-0.62	-0.67	5.35	0.65	0.71	-0.05	0.67
Consumer Staples	2.56	-2.56	-0.07	4.37	-3.52	-0.16	-1.82	0.96	0.09	0.06	0.01	0.08
Energy	1.10	3.83	0.03	3.04	3.14	0.09	-1.94	0.68	-0.05	0.03	-0.12	-0.08
Financials	14.10	7.14	0.97	12.60	2.33	0.28	1.49	4.81	0.70	0.59	0.11	0.70
Health Care	7.16	12.69	0.83	10.32	-3.66	-0.36	-3.16	16.35	1.19	1.63	-0.48	1.15
Industrials	24.79	1.80	0.41	17.27	-0.70	-0.12	7.52	2.50	0.53	0.42	0.22	0.63
Information Technology	20.63	-3.69	-0.75	15.24	0.46	0.08	5.39	-4.15	-0.82	-0.64	-0.14	-0.78
Materials	10.06	-4.99	-0.52	8.34	-1.25	-0.11	1.72	-3.74	-0.41	-0.32	-0.07	-0.39
Real Estate	3.54	3.56	0.14	8.31	-0.13	-0.01	-4.78	3.69	0.14	0.34	-0.26	0.08
Utilities	--	--	--	3.69	-0.91	-0.03	-3.69	0.91	0.03	--	-0.01	-0.01
[Cash]	3.42	0.00	0.00	--	--	--	3.42	0.00	0.00	--	0.03	0.03
Total	100.00	1.03	1.03	100.00	-1.18	-1.18	--	2.21	2.21	2.92	-0.71	2.21

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. Source: FactSet

PORTFOLIO CHARACTERISTICS¹

	Portfolio	MSCI ACWI SMID Cap Net Index
No. of Holdings	71	7,788
Wtd. Avg. Mkt. Cap (\$B)	6.9	11.0
Price/Book	2.66	2.12
Price/Cash Flow	14.68	11.57
P/E NTM	16.11	15.84
ROA (%)	4.27	3.49
ROE (%)	7.69	6.74
Dividend Yield (%)	0.94	1.59
Net Debt/Equity	0.45	0.28

¹ This information is provided as supplemental information to the Global SMID Cap GIPS Report. Source: FactSet

PORTFOLIO SECTOR WEIGHTINGS (%)¹

	Portfolio	MSCI ACWI SMID Cap Net Index
Industrials	21.75	17.13
Information Technology	19.55	15.23
Health Care	16.11	10.17
Financials	14.90	12.95
Consumer Discretionary	9.21	12.26
Materials	7.17	8.20
Real Estate	4.50	8.24
Consumer Staples	3.33	4.34
Communication Services	1.81	4.39
Energy	1.68	3.43
Utilities	--	3.65

* Excludes 2.44% cash. Due to rounding, totals may not equal 100%.

¹ This information is provided as supplemental information to the Global SMID Cap GIPS Report. Source: FactSet

TOP TEN HOLDINGS¹

	Country	Sector	% of Total Portfolio*
Brown & Brown	United States	Financials	3.01
Avantor	United States	Health Care	2.99
Insight Enterprises	United States	Information Technology	2.64
Elanco Animal Health	United States	Health Care	2.61
Syneos Health	United States	Health Care	2.55
Marlowe	United Kingdom	Industrials	2.43
LPL Financial	United States	Financials	2.40
ExlService	United States	Information Technology	2.37
Atea ASA	Norway	Information Technology	2.16
Steadfast Group	Australia	Financials	2.09

* Excludes 2.44% cash. Rounding may affect total.

¹ Performance holdings subject to change. This information is provided as supplemental to the Global SMID Cap GIPS Report. Source: FactSet

PORTFOLIO GEOGRAPHIC WEIGHTINGS (%)¹

	Portfolio	MSCI ACWI SMID Cap Net Index
North America	55.42	55.52
Western Europe	28.03	19.24
Pacific Rim	15.00	19.91
Middle East	1.54	1.33
Africa	--	0.63
Central Asia	--	1.85
Eastern Europe	--	0.69
South America	--	0.84

* Excludes 2.44% cash. Due to rounding, totals may not equal 100%.

¹ This information is provided as supplemental information to the Global SMID Cap GIPS Report. Source: FactSet

VAUGHAN NELSON EQUITY TEAM

PORTFOLIO MANAGERS



James Eisenman, CFA, CPA
Lead Portfolio Manager - Global Equity Investments

- Began his financial and accounting career in 2002
- Joined Vaughan Nelson in 2005
- Masters in Accounting, Ohio State University, 2005
- BBA, Ohio State University, 2002, with Honors



Marco Priani, CFA, CPA, FRM
Senior Portfolio Manager - International Equity Investments

- 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, *cum laude*, 1987



Kevin Ross, CFA
Senior Portfolio Manager - International Equity Investments

- 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



Chris Wallis, CFA, CPA
CEO and CIO

- Began his financial, investment and accounting career in 1991
- Joined Vaughan Nelson in 1999
- MBA, Harvard Business School, 1998
- BBA, Baylor University, 1991

RESEARCH



Masa Matsumura, Ph.D.
Senior Equity Analyst - International Equity Investments

- 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: \$15.2 Billion*
- Domestic equity, international equity, and fixed income strategies
- 49 employees
- 20 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 \$1.8 billion as of 9/30/2021.

VAUGHAN NELSON EQUITY STRATEGIES

Select

- Benchmark against the Russell 3000® Index and S&P 500 Index
- Generally 20 to 40 positions

Value Opportunity

- Benchmark against the Russell Midcap® Value Index and Russell 2500™ Value Index
- Generally 55 to 75 positions

Small Cap Value

- Benchmark against the Russell 2000® Value Index
- Generally 55 to 85 positions

International Small Cap

- Benchmark against the MSCI EAFE Small Cap Index
- Generally 60 to 80 positions

Emerging Markets

- Benchmark against the MSCI Emerging Markets SMID Index
- Generally 60 to 80 positions

Global SMID Cap

- 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.

GLOBAL SMID CAP COMPOSITE RETURNS (6/30/20 - 9/30/21)

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 2021	18.36	17.57	12.50	5 or fewer	N/A	105	13,398	15,154	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

* Partial year return. Inception date of June 30, 2020.

** 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 \$1.8 billion as of 9/30/2021. This information is supplemental to the Global SMID Cap GIPS Report.

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 6/30/2020.

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) through Advent Software. 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 6/30/2020.

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.

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 12/31/1997 through 6/30/2021. 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 6/30/2020 to 12/31/2020. 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.