

3Q21 STRATEGY FACT SHEET

SELECT

PERFORMANCE (%)

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since 6/30/09
Portfolio (Gross)	3.82	23.94	38.89	17.70	18.81	15.67	18.09	18.18
Portfolio (Net)	3.56	23.05	37.55	16.54	17.64	14.52	16.92	17.01
Russell 3000® Index	-0.10	14.99	31.88	16.00	16.85	13.93	16.60	15.80
S&P 500 Index	0.58	15.92	30.00	15.99	16.90	14.01	16.63	15.75

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: FactSet.

MANAGER COMMENTARY

Market Overview

U.S. equity markets were led by larger capitalization stocks in the third quarter with the S&P 500 rising 0.58% and the Russell 2000 Value falling -2.98%. International equity markets were also mixed with the MSCI EAFE declining -1.03%. Returns were mixed in the third quarter as global equity markets grapple with slowing economic growth, rising energy prices, material supply chain disruptions offset by falling Covid cases and improving employment conditions. Global economic growth continues to moderate with particular 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

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

Contributors to Performance

During the quarter, the portfolio experienced positive absolute and positive relative performance. Positive contributions from Healthcare, Financials, Industrials, Information Technology, Communication Services, and Utilities were offset by negative contributions from Energy, Materials, Consumer Discretionary, Consumer Staples, and Real Estate.

3Q21 SELECT PORTFOLIO

MODEL PORTFOLIO ATTRIBUTION - 3Q21 (GROSS RETURNS)

S&P GICS SECTOR	Portfolio			Russell 3000®			Variation			Attribution Analysis		
	Avg Weight	Total Return	Contrib to Return	Avg Weight	Total Return	Contrib to Return	Avg Weight	Total Return	Contrib To Return	Selection Effect	Allocation + Interaction	Total Effect
Communication Services	13.75	0.92	0.14	10.23	-0.33	-0.04	3.52	1.25	0.18	0.15	0.05	0.20
Consumer Discretionary	6.04	-5.77	-0.41	12.01	-0.99	-0.13	-5.97	-4.78	-0.29	-0.57	0.36	-0.21
Consumer Staples	2.31	-5.96	-0.27	5.30	-0.88	-0.05	-2.99	-5.08	-0.22	-0.24	0.14	-0.10
Energy	2.92	-15.56	-0.72	2.52	-0.92	-0.04	0.40	-14.64	-0.68	-0.40	-0.26	-0.66
Financials	5.37	16.45	0.78	11.53	2.84	0.30	-6.16	13.61	0.48	1.43	-0.91	0.52
Health Care	13.28	28.05	3.91	13.73	0.23	0.05	-0.46	27.82	3.86	3.52	0.24	3.76
Industrials	8.41	0.18	0.01	9.31	-4.31	-0.39	-0.91	4.48	0.40	0.46	-0.02	0.43
Information Technology	38.81	1.54	0.73	27.11	0.94	0.25	11.70	0.60	0.47	0.16	0.12	0.28
Materials	4.29	-8.89	-0.37	2.42	-4.68	-0.11	1.87	-4.21	-0.26	-0.08	-0.19	-0.28
Real Estate	--	--	--	3.40	0.73	0.03	-3.40	-0.73	-0.03	--	-0.03	-0.03
Utilities	3.07	7.64	0.21	2.40	1.01	0.03	0.67	6.63	0.19	0.16	0.05	0.21
[Cash]	1.75	0.01	0.00	--	--	--	1.75	0.01	0.00	--	-0.03	-0.03
Total	100.00	4.01	4.01	100.00	-0.10	-0.10	--	4.11	4.11	4.60	-0.49	4.11

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. Source: FactSet. See additional disclosures on last page.

PORTFOLIO CHARACTERISTICS*

	Portfolio	Russell 3000® Index	S&P 500 Index
No. of Holdings	28	3,052	505
Wtd. Avg. Mkt. Cap (\$B)	547.8	469.7	563.6
Price/Book	7.43	4.01	4.30
Est. 3-5 Yr. EPS Growth	17.03	16.29	16.11
P/E NTM	27.90	19.90	20.17
ROA (%)	11.05	7.46	9.21
ROE (%)	20.63	19.15	23.33
Dividend Yield (%)	0.74	1.28	1.37

* This information is provided as supplemental information to the Select GIPS Report. Source: FactSet.

RISK/REWARD*

	Portfolio	Russell 3000® Index	Portfolio	S&P 500 Index
Beta	0.98	1.00	1.03	1.00
Sharpe Ratio	1.10	1.00	1.10	1.05
Information Ratio	0.46	N/A	0.47	N/A
R-Squared	0.93	1.00	0.94	1.00
Standard Deviation (%)	16.02	15.69	16.02	15.07

* Annualized 5-years ending 9/30/21. This information is provided as supplemental to the Select GIPS Report. Source: eVestment.

PORTFOLIO SECTOR WEIGHTINGS (%)*

	Portfolio	Russell 3000® Index	S&P 500 Index
Information Technology	37.48	27.06	27.63
Communication Services	13.62	10.12	11.29
Health Care	11.19	13.60	13.25
Industrials	8.96	9.15	8.15
Financials	7.20	11.85	11.39
Consumer Discretionary	7.16	12.11	12.25
Utilities	4.00	2.37	2.46
Consumer Staples	3.93	5.27	5.77
Energy	3.37	2.75	2.75
Materials	3.10	2.35	2.48
Real Estate	0.00	3.38	2.58

* Excludes 1.53% cash. Due to rounding, totals may not equal 100%. This information is provided as supplemental to the Select GIPS Report. Source: FactSet

TOP TEN HOLDINGS*

	% of Total Portfolio
Facebook Class A	5.68
NVIDIA	5.63
Alphabet Class A	5.30
Mastercard Class A	5.29
Microsoft	5.27
Amazon.com	5.22
Apple	5.00
Danaher	4.74
Union Pacific	4.60
Masimo	4.52

* Excludes 1.53% cash. This information is provided as supplemental to the Select GIPS Report. Performance holdings subject to change. Source: FactSet

ADDITIONS TO PORTFOLIO

Clorox
Crocs
Danaher
Intercontinental Exchange
Monolithic Power
Unity Software
Wheaton Precious Metals

ADDITIONS TO PORTFOLIO

Accenture
Lamb Weston
Nutrien
Sherwin Williams
Texas Instruments
UnitedHealth
Universal Display

VAUGHAN NELSON EQUITY TEAM

PORTFOLIO MANAGERS



Scott Weber, CFA
Lead Senior Portfolio Manager

- Began his financial and investment career in 1996
- Joined Vaughan Nelson in 2003
- MBA, Tulane University of the South, 1994
- BS, The University of the South, 1994



Chris Wallis, CFA, CPA
CEO and CIO, Lead Senior Portfolio Manager

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

RESEARCH TEAM



Benjamin Carrier, CFA
Equity Analyst

- Began financial and investment career in 2014
- Joined Vaughan Nelson in 2016
- BBA, Baylor University, 2014, *cum laude*



Tyler Fry, CFA
Equity Analyst

- Began investment career in 2014
- Joined Vaughan Nelson in 2016
- BBA, Southern Methodist University, 2014
- BS, Southern Methodist University, 2014



Sundeep Khanna, CFA
Vice President - Equity Investments

- Began investment career in 2004
- Joined Vaughan Nelson in 2020
- BS, The University of Texas, 2005



Adam Rich, CFA
Vice President - Equity Investments

- Began investment career in 2010
- Joined Vaughan Nelson in 2016
- BS, Brigham Young University, 2010



Corrine Richter
Equity Analyst

- Began financial and investment career in 2021
- Joined Vaughan Nelson in 2021
- MSA, Brigham Young University, 2021

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	<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.

SELECT PORTFOLIO COMPOSITE RETURNS (6/30/09 - 9/30/21)

Year	Composite (%) (Gross)	Composite (%) (Net)	Primry Bnchmrk (%)	Scndry Bnchmrk (%)	No. of Portfolios	Disp. 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 Anlzd)	Std Dev. Primry Bnchmrk (%) (3-Yr Anlzd)	Std Dev. Scndry Bnchmrk (%) (3-Yr Anlzd)
YTD 2021	23.94	23.05	14.99	15.92	91	N/A	2,954	13,398	15,154	19.86	19.40	18.55
2020	20.32	19.13	20.89	18.40	87	0.70	1,846	12,690	14,052	19.51	19.41	18.53
2019	29.21	27.94	31.02	31.49	83	0.22	1,617	11,346	13,064	12.46	12.21	11.93
2018	-3.56	-4.53	-5.24	-4.38	80	0.24	1,187	10,078	11,425	11.96	11.18	10.80
2017	25.94	24.69	21.13	21.83	69	0.48	997	11,675	13,172	10.54	10.09	9.92
2016	7.99	6.91	12.74	11.96	53	0.23	679	11,572	12,912	11.30	10.88	10.59
2015	4.02	2.97	0.48	1.38	42	0.22	448	11,316	12,469	11.81	10.58	10.47
2014	12.04	10.93	12.56	13.69	41	0.11	585	9,943	11,057	9.50	9.29	8.97
2013	44.11	42.73	33.55	32.39	37	0.33	410	9,243	10,258	12.24	12.53	11.94
2012	10.91	9.81	16.42	16.00	27	0.29	194	7,273	8,071	15.57	15.73	15.09
2011	4.85	3.84	1.03	2.11	17	N/A	124	6,876	7,667	N/A	N/A	N/A
2010	31.28	30.06	24.75	15.06	Fewer than 5	N/A	26	7,050	7,965	N/A	N/A	N/A
2009*	19.37	18.80	30.05	22.59	Fewer than 5	N/A	23	6,757	7,690	N/A	N/A	N/A

* Partial year return. Inception date of June 30, 2009.

** 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 Select GIPS Report.

Source: FactSet

NOTES AND DISCLOSURES

NOTES

COMPOSITE DESCRIPTION. This composite is comprised of all fee paying, discretionary Select portfolios of at least \$1 million under management. Select portfolios are managed in a tactical manner predominately investing in 20-40 equity securities within the market capitalization range of the Russell 3000® Index at the time of purchase. The primary benchmark is the Russell 3000® Index. The Russell 3000® Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. The secondary benchmark is the S&P 500® Index. Frank Russell Company ("Russell") is the source and owner of Russell Index data contained herein. Any further dissemination of the data is strictly prohibited. Russell is not responsible for any inaccuracy in this presentation. The composite creation and inception date is June 2009.

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. Select Fee Schedule: 1.00% on the first \$25 million, .85% on the next \$25 million, .75% on the remainder.

OTHER NOTES. 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 Scott Weber and Chris Wallis from 12/31/2018; Scott Weber, Chris Wallis, Dennis Alff and Chad Fargason from 9/30/2013; and Scott Weber, Chris Wallis and Dennis Alff from inception.

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.

DISCLOSURES (cont.)

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 the GIPS Reports are available upon request. No composite accounts hold foreign denominated securities. 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 6/30/21. 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 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 Select composite has had a performance examination for the periods 7/1/2009 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.

Model year-end portfolio totals were as follows: 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, 2012 - \$798 million, 2011 - \$791 million, 2010 - \$915 million, 2009 - \$933 million.



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