

### Investment Philosophy

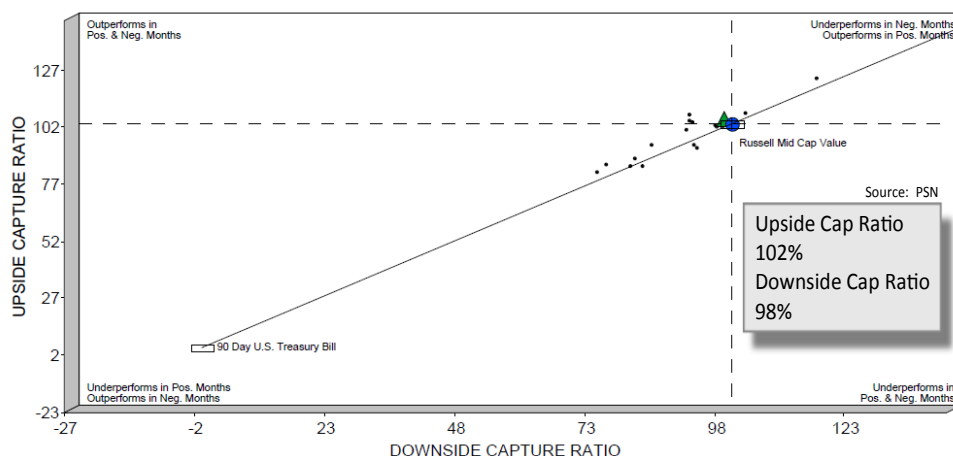
The Vaughan Nelson Value Opportunity strategy targets returns of 50% over a rolling three year investment horizon. The investment philosophy, employed by Vaughan Nelson since 1999, uses a research-intensive investment process to capitalize on information and liquidity inefficiencies.

### Performance (as of 6/30/17)

Annualized Returns	YTD	One Year	Three Years	Five Years	Seven Years	Ten Years	Since 6/30/06
VN Value Opportunity (gross)	4.5%	13.6%	4.1%	14.0%	14.7%	8.1%	9.4%
VN Value Opportunity (net)	4.0%	12.6%	3.2%	13.0%	13.8%	7.1%	8.4%
Russell Midcap® Value Index	5.2%	15.9%	7.5%	15.1%	15.3%	7.2%	8.5%
Russell 2500™ Value Index	2.0%	18.4%	6.2%	13.7%	14.1%	6.5%	7.6%

All periods longer than 12 months are annualized.

### Upside/Downside Capture Ratio (6/30/06 - 6/30/17)



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, TX

Founded: 1970

Firm assets: \$12.8 billion\*

\* 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 \$1.4 billion as of June 30, 2017.

#### Investment Team

Dennis G. Alff, CFA

Lead Senior Portfolio Manager

Began investment career in 1997; joined Vaughan Nelson in 2006; MBA, Harvard Business School; BS, United States Military Academy

Chad Fargason, PhD

Senior Portfolio Manager

Began investment career in 1998; joined Vaughan Nelson in 2013; PhD, Duke University; MA, Duke University; BA, Rice University

Chris D. Wallis, CFA, CPA

CEO and CIO, Senior Portfolio Manager

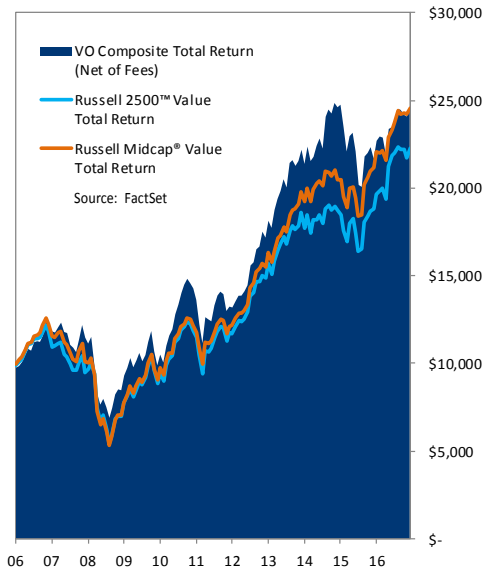
Began his financial and investment career in 1991; joined Vaughan Nelson in 1999; MBA, Harvard Business School; BBA, Baylor University

Scott J. Weber, CFA

Senior Portfolio Manager

Began investment career in 1997; joined Vaughan Nelson in 2003; MBA, Tulane University; BS, University of the South

### Growth of \$10,000 (6/30/06 - 6/30/17)



### Portfolio Characteristics<sup>1</sup> (as of 6/30/17)

	VN Value Opportunity	Russell Midcap® Value Index	Russell 2500™ Value Index
No. of Holdings	62	590	1,769
Wtd Avg Mkt Cap (\$B)	9.7	13.4	4.3
Price/Book	2.2	1.9	1.6
Est. 3-5Yr EPS Growth	14.8	9.0	9.1
P/E NTM	14.9	17.0	16.7
ROA (%)	4.4	3.7	2.9
ROE (%)	12.4	8.5	7.0
Dividend Yield (%)	1.7	2.1	2.0
Beta*	1.08	0.98	1.10
Sharpe Ratio*	1.14	1.46	1.15
Information Ratio*	0.02	0.41	-0.04
R-Square*	0.80	0.91	0.86
Annualized Std Dev.*	12.11%	10.24%	11.74%

\* Annualized 5-years ending 6/30/17 vs. Russell 3000® Value

### Top Ten Holdings<sup>\*1</sup> (as of 6/30/17)

Company	% of Ttl Port*
Mohawk Industries	2.75
Ares Capital	2.69
Fidelity National Information Services	2.54
New Residential Investment	2.54
NCR	2.35
Aramark	2.31
Arthur J. Gallagher	2.30
Crown Holdings	2.22
Newell Brands	2.18
Investors Bancorp	2.16

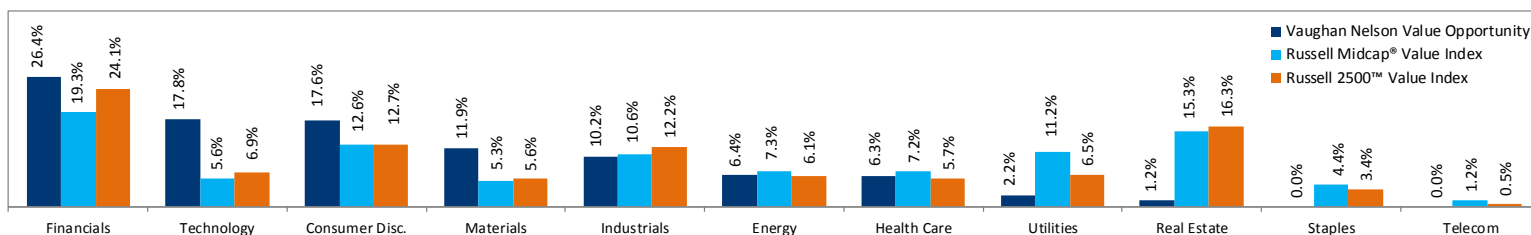
\* Excludes 2.88% cash.

<sup>1</sup> This information is provided as supplemental to the GIPS® compliant presentation.

# Vaughan Nelson Value Opportunity

Product Overview - 2Q17

## Sector Allocation<sup>1</sup> (as of 6/30/17)



\* Excludes 2.88% cash. <sup>1</sup> This information is provided as supplemental to the GIPS® compliant presentation.

## Value Opportunity Composite (1/1/07 - 6/30/17)

Year	Composite (Gross)	Composite (Net)	Primary Benchmark	Secondary Benchmark	# of Ports	Dispersion at End-of-Period (Std Dev)	Composite Assets at End-of-Period (\$MM-US\$)	Ttl Firm Assets (ex. model assets) (\$MM-US\$)	Entity Assets*** (\$MM-US\$)	Std Dev Composite (3-Yr Annlzd)	Std Dev Primary Benchmark (3-Yr Annlzd)	Std Dev Secondary Benchmark (3-Yr Annlzd)
YTD 2017	4.47%	4.02%	5.18%	1.95%	54	N/A	2,820	11,396	12,774	12.89	10.89	12.78
2016	7.12%	6.22%	20.00%	25.20%	62	0.26%	2,895	11,572	12,912	13.53%	11.30%	13.17%
2015	-2.35%	-3.21%	-4.78%	-5.49%	62	0.24%	2,631	11,316	12,469	12.48%	10.71%	12.02%
2014	12.26%	11.32%	14.75%	7.11%	58	0.58%	1,477	9,943	11,057	11.21%	9.81%	11.25%
2013	43.03%	41.84%	33.46%	33.32%	46	0.39%	965	9,243	10,258	15.65%	13.69%	15.07%
2012	17.56%	16.57%	18.51%	19.21%	41	0.18%	586	7,273	8,071	18.81%	16.76%	18.41%
2011	-2.37%	-3.17%	-1.38%	-3.36%	27	0.17%	433	6,876	7,667	21.46%	22.78%	24.23%
2010	21.92%	20.91%	24.75%	24.82%	19	0.36%	356	7,050	7,965	24.09%	27.11%	26.97%
2009	34.11%	32.87%	34.21%	27.68%	7	0.49%	127	6,757	7,690	N/A	N/A	N/A
2008	-31.33%	-32.01%	-38.44%	-31.99%	7	0.19%	80	5,761	6,642	N/A	N/A	N/A
2007	10.48%	9.43%	-1.42%	-7.27%	6	N/A	90	6,637	8,176	N/A	N/A	N/A

## Notes and Disclosures

### NOTES

**COMPOSITE DESCRIPTION.** This composite is comprised of all fee paying, discretionary Value Opportunity portfolios with a minimum of \$1 million under management. Value Opportunity is defined as a security having a market capitalization within the capitalization range of \$1 billion to \$20 billion at time of initial purchase. The primary benchmark is the Russell Midcap® Value Index. The Russell Midcap® Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap® Value Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap value market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap value market. The secondary benchmark is Russell 2500™ Value Index. The Russell 2500™ Value Index measures the performance of the small to mid-cap value segment of the U.S. equity universe. It includes those Russell 2500™ companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2500™ Value Index is constructed to provide a comprehensive and unbiased barometer of the small to mid-cap value market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true small to mid-cap opportunity set and that the represented companies continue to reflect value characteristics. 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. Composite creation date is June 2006.

**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 Global Asset Management.

**FEES.** Value Opportunity Fee Schedule: .85% on the first \$10 million, .75% on the next \$15 million, .70% on the next \$25 million, .65% on assets over \$50 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. Performance compliance date is June 2006. The dispersion calculation is based on a dollar-weighted average of portfolios 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 Interactive Data Corp. (IDC) through Advent Software.

### 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 Dennis Alff, Chad Fargason, Chris Wallis and Scott Weber since September 2013 and Dennis Alff, Chris Wallis and Scott Weber from November 2006.

**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. The composite results portrayed reflect the reinvestment of dividends, capital gains, and other earnings when appropriate. A complete list and descriptions of composites is available upon request.

**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 compliant presentations 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 12/31/97 through 3/31/17. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. The Value Opportunity composite has been examined for the periods 6/30/06 to 3/31/17. The verification and performance examination reports are available upon request.

Model year-end portfolio totals were as follows: 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, 2008 - \$881 million, 2007 - \$1,539 million.

\*\*\* 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 \$1.4 billion as of June 30, 2017. This information is supplemental to the Value Opportunity compliant presentation.

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