

VALUE OPPORTUNITY STRATEGY

PERFORMANCE (%)

	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since 6/30/06
Portfolio (Gross)	-8.90	-2.76	2.54	4.68	6.02	10.16	8.05
Portfolio (Net)	-9.50	-3.59	1.66	3.79	5.12	9.23	7.10
Russell Midcap® Value Index	-12.84	-7.30	0.82	6.38	6.63	9.71	6.85
Russell 2500® Value Index	-18.39	-12.62	-2.69	4.65	4.33	8.01	5.45

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

MANAGER COMMENTARY

Market Overview

While the markets continued to improve in the third quarter, the rate of the recovery in the economy has started to slow. With a delay in additional stimulus for households and the poor results of the Treasury's Main Street Lending Program, the recovery in the services sector of the economy has started to moderate. Conversely, the industrial recovery remains strong boosted by the need to rebuild inventories and strong demand for housing that has left the supply of homes at record low levels. Without additional shocks to the economy, we expect the inventory rebuilding process to last several months and hopefully jumpstart a broader self-reinforcing recovery. The strength in the housing market is very encouraging; however, we need a rapid supply response of new homes to prevent home price appreciation from slowing or reversing the housing recovery.

During the September Federal Reserve meeting, Chairman Powell reiterated the Federal Reserve's commitment to maintaining easy monetary conditions until inflation is sustainably above 2%. Chairman Powell also encouraged an increase in fiscal stimulus. After decades of reliance on monetary stimulus, the economy and capital markets suffer from excess leverage, malinvestment and structural imbalances that hamper the effectiveness of monetary tools. Post the election, regardless of the outcome, we expect fiscal policy in close coordination with the Federal Reserve to take center stage in driving economic growth.

The last bout of loose fiscal policy was combined with tight monetary policy, which sustained U.S. Dollar strength. The next round of loose fiscal policy will likely be combined with loose monetary policy, which will pressure the U.S. Dollar. Should such economic policy be pursued, and successfully increase nominal GDP growth, it will represent a fundamental shift in the underlying economic conditions that have not been witnessed in years. Such a shift in the economic environment will likely lead to increased market volatility and broad changes in market leadership.

Current Portfolio Positioning

As a result of buys and sells and market action, the largest sector over weights are Information Technology, Industrials, Materials, and Financials. Real Estate and Consumer Discretionary are the most underweight sectors.

Contributors to Performance

During the quarter, the portfolio experienced positive absolute and slightly negative relative performance. Positive relative contributions from Information Technology, Consumer Staples, and Energy were modestly offset by negative relative contribution in Consumer Discretionary, Communication Services, and Utilities.

3Q20 VALUE OPPORTUNITY PORTFOLIO

MODEL PORTFOLIO ATTRIBUTION (GROSS RETURNS)

S&P GICS SECTOR	Portfolio			Russell Midcap® Value			Variation			Attribution Analysis		
	Avg Wt	Tot Ret	Contrib To Ret	Avg Wt	Tot Ret	Contrib To Ret	Avg Wt	Tot Ret	Contrib To Ret	Allocation Effect	Selection + Interaction	Total Effect
Communication Services	3.12	8.16	0.22	3.92	15.38	0.56	-0.80	-7.22	-0.34	-0.05	-0.21	-0.27
Consumer Discretionary	6.46	13.48	0.81	11.13	14.48	1.49	-4.68	-1.00	-0.68	-0.34	-0.08	-0.41
Consumer Staples	4.05	15.01	0.57	4.47	4.74	0.22	-0.42	10.27	0.34	0.01	0.38	0.38
Energy	2.84	-16.06	-0.43	4.00	-16.24	-0.67	-1.16	0.19	0.24	0.29	0.01	0.29
Financials	17.52	1.30	0.29	15.18	2.40	0.40	2.34	-1.10	-0.11	-0.09	-0.15	-0.25
Health Care	6.44	12.13	0.83	7.76	8.04	0.63	-1.33	4.09	0.19	0.00	0.24	0.25
Industrials	20.97	9.00	1.77	17.40	11.91	1.96	3.56	-2.91	-0.19	0.21	-0.57	-0.35
Information Technology	18.53	6.70	1.16	9.59	4.93	0.50	8.95	1.77	0.66	-0.14	0.23	0.12
Materials	9.37	9.06	0.86	6.85	13.09	0.84	2.52	-4.03	0.02	0.17	-0.30	-0.14
Real Estate	1.73	-2.25	0.04	10.67	0.11	0.02	-8.94	-2.36	0.02	0.57	0.01	0.58
Utilities	7.70	1.46	0.23	9.03	4.33	0.44	-1.32	-2.88	-0.21	0.04	-0.19	-0.14
[Cash]	1.28	0.00	0.00	--	--	--	1.28	0.00	0.00	-0.10	--	-0.11
Total	100.00	6.34	6.34	100.00	6.40	6.40	--	-0.06	-0.06	0.57	-0.63	-0.06

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.

PORTFOLIO CHARACTERISTICS

	Portfolio	Russell Midcap® Value Index	Russell 2500® Value Index
No. of Holdings	68	697	1,894
Wtd. Avg. Mkt. Cap (\$B)	14.7	15.4	4.9
Price/Book	1.91	1.83	1.36
Est. 3-5 Yr. EPS Growth	14.12	6.63	7.37
P/E NTM	14.84	16.33	14.35
ROA (%)	6.38	5.82	3.97
ROE (%)	18.30	14.27	9.24
Dividend Yield (%)	1.78	2.48	2.64
Beta*	1.09	1.12	1.20
Sharpe Ratio*	0.20	0.29	0.18
Information Ratio*	-0.47	-0.29	-0.48
R-Squared*	0.90	0.97	0.94
Standard Deviation* (%)	17.95%	17.79%	19.43%

* Annualized 5-year ending 9/30/20 vs. Russell 3000® Value.

PORTFOLIO SECTOR WEIGHTINGS (%)¹

	Portfolio	Russell Midcap® Value Index	Russell 2500® Value Index
Industrials	22.61	17.86	17.76
Technology	18.81	9.61	8.64
Financials	18.24	14.77	19.74
Materials	9.50	7.06	6.79
Utilities	7.60	9.01	4.35
Consumer Discretionary	6.42	11.49	13.35
Health Care	6.14	7.91	6.96
Staples	4.10	4.42	3.63
Communication Services	3.12	4.07	3.46
Energy	2.01	3.41	3.33
Real Estate	1.45	10.39	11.99

* Excludes 1.12% cash.

¹ This information is provided as supplemental to the GIPS compliant presentation.

TOP TEN HOLDINGS¹

	% of Total Portfolio
Motorola Solutions	3.17
Nexstar Media Group Class A	3.12
WillScot Mobile Mini Class A	2.89
Vistra	2.84
Otis Worldwide	2.65
Timken	2.65
AMETEK	2.35
LyondellBasell Industries	2.30
nVent Electric	2.29
IAA	2.26

* Excludes 1.12% cash.

¹ This information is provided as supplemental to the GIPS compliant presentation.

ADDITIONS TO PORTFOLIO

	Category
Motorola Solutions	UG
IAA	UG
First American Financial	UA
Cabot Microelectronics	UG
BrightSphere Investment Group	UA

Key

UG - undervalued growth • UD - undervalued dividend • UA - undervalued asset

DELETIONS FROM PORTFOLIO

	Category
Brink's	BO
Baker Hughes	BO
Eversource Energy	V
AptarGroup	V
Radian Group	BO

Key

V - valuation • F - fundamental • A - acquisition • MC - market cap • BO - better opportunity

VAUGHAN NELSON EQUITY TEAM

PORTFOLIO MANAGERS



Dennis Aiff, CFA
Lead Senior Portfolio Manager

- Began his investment and research career in 1993
- Joined Vaughan Nelson in 2006
- MBA, Harvard Business School, 1998
- BS, United States Military Academy, 1993



Chad Fargason, PhD
Senior Portfolio Manager

- Began his investment and research career in 1998
- Joined Vaughan Nelson in 2013
- PhD, Duke University, 1998
- MA, Duke University, 1996
- BA, Rice University, 1994

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



Photo coming

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

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: \$12.4 Billion*
- Domestic equity, international equity, and fixed income strategies
- 44 employees
- 18 investment team professionals
- 11 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 \$1.2 billion as of September 30, 2020.

VAUGHAN NELSON EQUITY STRATEGIES

Small Cap Value

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

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

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.

VALUE OPPORTUNITY PORTFOLIO COMPOSITE RETURNS (6/30/06 - 9/30/20)

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 2020	-8.90%	-9.50%	-12.84%	-18.39%	21	N/A	1,386	11,170	12,369	20.90%	21.15%	22.72%
2019	31.98%	30.89%	27.06%	23.56%	24	0.11%	1,695	11,346	13,064	13.33%	12.79%	14.23%
2018	-14.82%	-15.56%	-12.29%	-12.36%	36	0.14%	1,952	10,078	11,425	14.01%	11.96%	13.58%
2017	14.31%	13.33%	13.34%	10.36%	49	0.27%	2,612	11,675	13,172	12.30%	10.32%	11.81%
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	21.42%	25.01%	24.61%
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%	9.39%	-1.42%	-7.27%	6	N/A	90	6,637	8,176	N/A	N/A	N/A
2006*	7.73%	7.20%	12.33%	11.62%	Fewer than 5	N/A	18	5,218	6,711	N/A	N/A	N/A

* Partial year return. Inception date of June 30, 2006.

** 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 \$1.2 billion as of September 30, 2020. This information is supplemental to the Value Opportunity compliant presentation.

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 Investment Managers.

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. 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 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 Intercontinental Exchange (ICE) 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 and Chad Fargason from 12/31/18; Dennis Alff, Chad Fargason, Chris Wallis and Scott Weber from 9/30/13; and Dennis Alff, Chris Wallis and Scott Weber since 6/30/06.

DISCLOSURES - cont.

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

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 6/30/20. 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 7/1/06 to 12/31/19. The verification and performance examination reports are available upon request.

Model year-end portfolio totals were as follows: 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, 2008 - \$881 million, 2007 - 1,539 million, 2006 - \$1,493.



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