

4Q20 PORTFOLIO FACT SHEET

EMERGING MARKETS OPPORTUNITIES STRATEGY

PERFORMANCE (%)

	1 Year	3 Years	5 Years	7 Years	Since 11/30/13
Portfolio (Gross)	12.37	0.23	8.31	4.61	4.46
Portfolio (Net)	10.89	-1.10	6.89	3.23	3.09
MSCI Emerging Markets SMID Cap Index - ND	14.31	2.64	8.53	4.29	4.12

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

MANAGER COMMENTARY
Market Overview

The recovery in financial markets continued into the fourth quarter for our Emerging Markets universe driven by an improvement in economic activities, significant fiscal and monetary support, a decline in the US Dollar, and approval of vaccines to prevent against COVID 19.

On the economic activity front, China continues to lead the recovery with indicators of activity in November rising at their fastest rates of the year. Industrial production increased 7% YoY in November better than 6.9% in the prior month while retail sales rose by 5%. The economy has returned to growth in the second quarter after a historic decline at the start of the year which has been supported by recovery of the industrial cycle and strong export growth as regional economies and large developed market countries recovery is 1-2 quarters behind China. Retail sales growth in November was supported by Singles Day and shows a notable improvement from the YTD decline of 4.8%.

The IMF and OECD expects China's GDP growth to be above 8% this year which would make it one of the fastest growing economies in the world. We are of the view that the Govt policy stance will shift from expansionary to a more neutral stance as the Govt wants to keep leverage and property prices under control. This likely prevents its equity market from outperforming to the extent that we saw in 2020 and this was the case in the 4Q where China delivered a 9.3% return which lagged the broader benchmark return.

One key ongoing driver of the recovery in our markets has been the weaker U.S. dollar, which boosted commodity prices and eased the debt service burden of foreign borrowers. This should lead to an enhancement of returns for EM equity investors as they could see an appreciation of local currencies several of which are still well below pre COVID levels including the Brazilian Real, Turkish Lira, Mexican Peso, and Russian Ruble. While we do not have specific forecasts for currencies, our view is that the USD is relatively overvalued in relation to the currencies in our universe, and that should continue to be a tailwind for the asset class in the midterm.

One risk we will be monitoring this year is that the falling U.S. dollar and supply chain disruptions are leading to domestic price increases in the US which will likely cause headline inflation to exceed the Federal Reserve's 2% target during the first half of 2021. To the extent higher inflation expectations become more entrenched, or real yields move higher, a broader repricing of risk assets might take place. We will be watching these developments closely.

Portfolio Positioning

As a result of buys and sells and market action, our weightings in South Korea, South Africa, Germany, and Brazil increased during the quarter. The portfolio's weighting in Singapore, Hong Kong, Philippines, the United Kingdom, and Russia decreased during the quarter.

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

Contributors to Performance

During the quarter, the portfolio experienced strong absolute performance which was +20.24% compared to the MSCI Emerging Markets Small Mid Index's increase of +20.63%. The strategy had positive contribution from allocation which was offset by selection effect. The best performing countries (total effect) were China, Hong Kong, and South Korea. The portfolio underperformed in Taiwan, Mexico, Philippines, and South Africa. The portfolio continues to be overweight information technology and consumer discretionary while underweight to health care, financials, and consumer staples. Our increased weighting in materials during the quarter means we are now slightly overweight as we see tight supply in many commodities and an improving demand picture in 2021 on the back of vaccine rollout globally.

Outlook

We added eleven new companies and fully exited eight during the quarter, which is in line with a normal turnover range, after a very active first and second quarter. All of these were undervalued earning growth companies which we think can meet our targeted return of 50% over three years using what we deem to be conservative assumptions. Several benefit from a reduction in mobility restrictions that we expect in 2H21/2022 and there are several that benefit from an improving commodities/materials outlook and an uptick in infrastructure spending we expect this year.

Relative to the previous quarter, political risks have been reduced with Brexit resolution and conclusion of the US election. We are waiting to see how the new administration deals with China which we expect will take on a more multilateral approach. In the short term, we are cognizant of the second wave of COVID which is causing rising cases and hospitalizations in developed markets. With our long-term investment horizon, we can see through this short-term volatility to take advantage of high quality and attractively valued businesses that can meet our targeted return over three years. We remain towards the top end of our targeted number of names of 60-80 given the attractive opportunity set and improving economic outlook that we see playing out over the medium term. We believe that our portfolio remains highly resilient with strong balance sheets and management teams that can navigate through any short-term volatility.

"Investing is about offsetting future obligations, not just having market exposure."

4Q20 EMERGING MARKETS OPPORTUNITIES PORTFOLIO

MODEL PORTFOLIO ATTRIBUTION (GROSS RETURNS)

S&P GICS SECTOR	Portfolio			MSCI EM SMID Cap 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	Allocation Effect	Selection + Interaction	Total Effect
Communication Services	5.55	28.71	1.50	4.64	11.40	0.56	0.91	17.25	0.94	-0.07	0.81	0.74
Consumer Discretionary	15.29	27.68	4.26	11.98	18.21	2.23	3.30	9.60	2.04	-0.06	1.38	1.34
Consumer Staples	6.45	1.54	0.13	7.37	12.54	0.94	-0.92	-10.98	-0.81	0.07	-0.72	-0.64
Energy	3.20	21.63	0.73	2.59	22.57	0.58	0.61	-1.63	0.15	0.02	-0.00	0.02
Financials	8.40	25.84	2.18	11.34	23.36	2.64	-2.94	2.50	-0.46	-0.05	0.22	0.16
Health Care	3.81	10.87	0.39	9.82	11.38	1.12	-6.02	-0.48	-0.74	0.53	-0.04	0.49
Industrials	14.75	32.75	4.53	13.41	24.65	3.27	1.35	8.06	1.27	0.06	0.94	1.01
Information Technology	19.66	14.24	2.82	16.09	24.67	3.82	3.57	-10.47	-1.01	0.24	-1.94	-1.71
Materials	12.01	24.14	2.85	12.85	29.73	3.69	-0.84	-5.54	-0.83	-0.07	-0.56	-0.63
Real Estate	4.70	2.89	0.18	5.88	16.25	0.98	-1.19	-13.38	-0.80	0.02	-0.59	-0.57
Utilities	3.49	22.36	0.77	3.87	19.59	0.77	-0.38	2.88	-0.00	0.00	0.07	0.07
[Cash]	2.70	0.70	0.02	--	--	--	2.70	0.69	0.02	-0.52	--	-0.54
Total	100.00	20.36	20.36	100.00	20.63	20.63	--	-0.25	-0.25	0.19	-0.44	-0.25

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 CHARACTERISTICS¹

	Portfolio	MSCI EM SMID Cap Index
No. of Holdings	83	2,348
Wtd. Avg. Mkt. Cap (\$B)	5.2	3.6
Price/Book	1.76	1.53
Price/Cash Flow	8.23	7.25
P/E NTM	11.71	12.93
ROA (%)	7.86	5.86
ROE (%)	14.60	11.01
Dividend Yield (%)	2.63	2.28
Net Debt/Equity	0.44	0.22
Beta*	0.93	1.00
Sharpe Ratio*	-0.06	0.05
Information Ratio*	-0.44	N/A
R-Square*	0.94	1.00
Std. Deviation*	21.78%	22.75%

¹ This information is provided as supplemental information to the Emerging Markets Opportunities compliant presentation. Data as of 1/17/21 for 12/31/20.

* Annualized 3-year ending 12/31/20.

TOP TEN HOLDINGS

	Country	Sector	% of Total Portfolio*
Northam Platinum	South Africa	Materials	1.82
Befesa SA	Germany	Industrials	1.80
Hindalco Industries	India	Materials	1.75
LG	South Korea	Industrial	1.67
Powertech Technology	Taiwan	Information Technology	1.66
Soulbrain	South Korea	Materials	1.59
Lite-On Technology	Taiwan	Information Technology	1.57
Redington India	India	Information Technology	1.56
Micro-Star International	Taiwan	Information Technology	1.55
Yuanta Financial	Taiwan	Financials	1.55

This information is provided as supplemental to the GIPS compliant presentation. * Excludes 1.59% cash.

PORTFOLIO SECTOR WEIGHTINGS (%)¹

	Portfolio	MSCI EM SMID Cap Index
Technology	21.28	15.47
Consumer Discretionary	16.28	11.90
Materials	14.33	13.41
Industrials	13.62	13.64
Financials	7.87	11.97
Staples	6.84	7.25
Real Estate	5.48	5.66
Commercial Services	4.50	4.61
Utilities	3.63	4.01
Health Care	3.51	9.34
Energy	2.66	2.74

* Excludes 1.59% cash.

¹ This information is provided as supplemental information to the Emerging Markets Opportunities compliant presentation.

PORTFOLIO GEOGRAPHIC WEIGHTINGS (%)¹

	Portfolio	MSCI EM SMID Cap Index
South Korea	18.10	14.85
China/Hong Kong	17.03	14.52
Taiwan	16.32	16.88
India	12.90	11.98
Europe*	9.23	5.35
Brazil	9.04	7.47
Other Africa*	4.20	5.78
Other Asia*	3.97	11.54
Mexico	3.61	3.01
Other Americas*	3.42	2.25
Indonesia	2.18	1.90
Thailand	0.00	3.74
United Arab Emirate	0.00	0.73

* For Emerging Markets Opportunities: Europe - France, Germany, Russia, United Kingdom; Other Asia - Philippines, Singapore, Turkey; Other Americas: Canada, Chile, United States; Other Africa - South Africa
¹ This information is provided as supplemental information to the Emerging Markets Opportunities compliant presentation. Excludes 1.59% cash.

PORTFOLIO MANAGERS



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

- Began his financial and investment career in 2001
- Joined Vaughan Nelson in 2019
- MBA, The University of Chicago-Graduate School of Business, 2005
- LLM, Northwestern University School of Law, 2006
- MSF, Universidad Del CEMA, 1999
- JD, Universidad De Buenos Aires-School of Law, *magna cum laude*, 1987



Kevin Ross, CFA
Senior Portfolio Manager - International Equity

- 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

RESEARCH



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

- 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

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: \$14.1 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 \$1.4 billion as of December 31, 2020.

VAUGHAN NELSON EQUITY STRATEGIES

Small Cap Value	<ul style="list-style-type: none"> • Benchmark against the Russell 2000® Value Index • Generally 55 to 85 positions
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
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 (11/30/13 - 12/31/20)

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)
2020	12.37%	10.89%	14.31%	5 or fewer	N/A	28	12,690	14,052	21.78%	22.75%
2019	9.14%	7.72%	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

* 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 \$1.4 billion as of December 31, 2020. This information is presented as supplemental information to the Emerging Markets Opportunities compliant presentation.

† 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.

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 Index. The MSCI Emerging Markets SMID Cap 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 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.

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. Inception date is 11/30/13. 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. 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 11/30/13. 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 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. 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 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 9/30/20. 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 Emerging Markets Opportunities composite has been examined for the periods 11/30/13 to 12/31/19. The verification and performance examination reports are available upon request.



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