

Emerging Markets Small Cap Portfolio

First Quarter 2021

Market Review

Global equities advanced during the first quarter driven by the rollout of vaccines, news of further U.S. fiscal stimulus, and expectations for a return to normal and a strong economic recovery. A common theme in the global equity markets was the outperformance of cyclical and economically sensitive stocks, and emerging markets were no exception. The strongest performing sectors were materials and financials, followed by information technology, industrials and consumer discretionary. Within those sectors, banks outperformed within financials, capital goods outperformed within industrials, retailers strongly drove the outperformance of consumer discretionary and semiconductor/equipment/hardware companies outperformed within information technology.

In terms of geography, Russia stood out within small cap emerging markets as a strong performing market, mainly driven by the financials sector. A strong oil price was likely a boost as well for the Russian market. Brazil, on the other hand, was the worst performing market among major emerging markets countries, primarily due to the resurgence of COVID cases in the country.

Portfolio Review

During the first quarter, the Emerging Markets Small Cap portfolio underperformed the MSCI Emerging Markets Small Cap Index. Performance in the first quarter followed a similar pattern to that experienced in the fourth quarter of 2020. Sectors and industries that we typically avoid in the portfolio rallied strongly. From a country perspective, the portfolio's overweight position in Brazil was the largest detractor to performance during the quarter. Brazil underperformed other markets during 2020 and the first quarter of 2021 and we had increased our exposure in 2020 as our Brazilian holdings looked attractive from a valuation standpoint. We also initiated a new position in Brazil during the fourth quarter which also contributed to the portfolio's overweight position in the country.

Stocks that contributed the most to the portfolio during the quarter were IndiaMART and SaraminHR. IndiaMART operates a horizontal, online business-to-business classifieds website for Small and Medium-sized Enterprises (SMEs) in India. It is the largest of its kind and is the go-to place for SMEs who want to utilize the internet channel to find buyers and sellers of various products. Although the business is not immune to the negative effects of COVID-19, it continued to generate strong results. We think the positive business results and the prospects of more SMEs utilizing the internet channel as a result of COVID were the key drivers of outperformance. SaraminHR is the leading online jobs classifieds company in South Korea. Overall hiring demand in Korea is closely tied to the company's earnings and SaraminHR's recent results showed signs of a strong economic recovery. The company trades at very undemanding multiples, lower than other online classifieds businesses around the world. A report of a local private peer potentially being sold at a higher multiple, despite being second to SaraminHR, also boosted investor sentiment on the stock during the quarter. Other top contributors during the quarter included HeadHunter Group, Haw Par and Kaspikz.

The largest detractors to performance during the quarter included Tegma and Vasta Platform. Tegma is a Brazil-based logistics company that handles close to 30% of all newly built vehicles throughout the country. It is the leader in this oligopolistic industry and has a strong competitive position that has been sustained for several decades. The stock underperformed as the business is directly affected by the pandemic with many auto dealerships being closed as a result of the lockdown measures. The resurgence of COVID cases in Brazil drove the stock's underperformance. Vasta Platform is an education company that provides K-12 educational content to private schools in Brazil. The company has both digital and physical content and helps improve the quality of education and the students' performance while also enabling remote learning. As COVID cases continued to rise in Brazil, Vasta's business was negatively impacted by lower student enrollments in private schools, especially younger students, given a remote learning environment. Other detractors included VNV Global, Boa Vista Servicos and Allegro.

Purchases and Sales

New Purchases

BIM Birlésik Magazalar
Computer Age Management Services
Indigo Paints
Multi Commodity Exchange of India

Complete Sales

None

Portfolio Highlights

Style: Small Cap
Index: MSCI® Emerging Markets Small Cap Index
Portfolio Turnover: 25%-35%
Number of Holdings: 30-60

Investment Philosophy

- We believe that purchasing high-quality businesses with competitive protections at attractive valuations will achieve excess returns over a complete market cycle.

Investment Objectives

- To achieve a return meaningfully above that of the MSCI® Emerging Markets Small Cap Index
- To achieve this return objective with a portfolio that exhibits lower overall risk characteristics

Investment Management Team

Name	Years of research experience
Douglas S. Foreman, CFA Chief Investment Officer	35
Hyung Kim Portfolio Manager + Senior Research Analyst	17
Craig Thrasher, CFA Portfolio Manager + Senior Research Analyst	17
Ekaterina V. Advena Research Analyst	12
David Forward Research Analyst	7

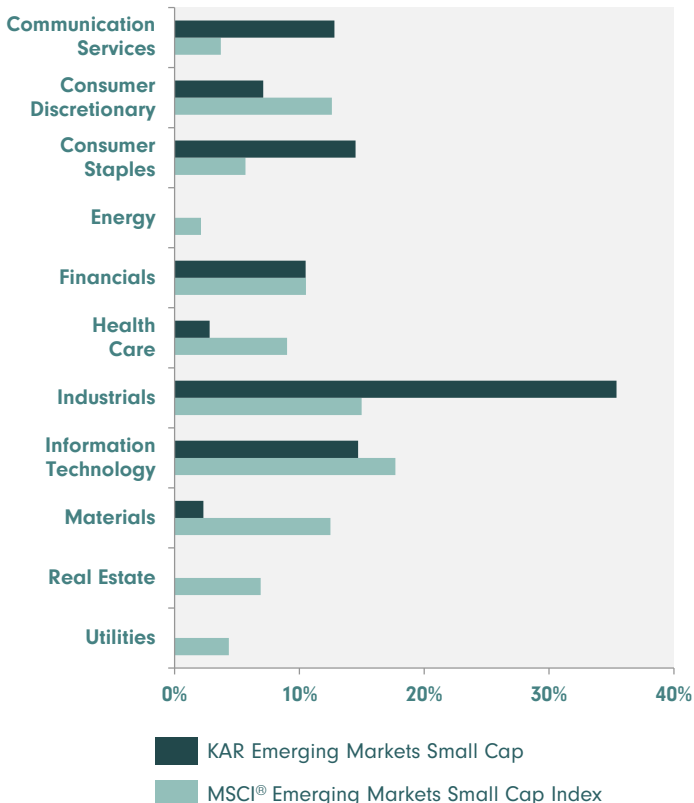
*This report is based on the assumptions and analysis made and believed to be reasonable by Advisor. However, no assurance can be given that Advisor's opinions or expectations will be correct. This report is intended for informational purposes only and should be not considered a recommendation or solicitation to purchase securities. A complete listing of portfolio holdings and specific security transactions for the preceding 12 months is available upon request. Holdings are subject to change. Holdings and weightings are based on a representative portfolio. Individual Investors' holdings may differ slightly. Data is obtained by FactSet Research Systems and is assumed to be reliable. **Past performance is no guarantee of future results.***

Investment Process: Discovering Quality

Development of High-Quality Universe	Proprietary Fundamental Research	Portfolio Construction	Sell Discipline
Quantitative Screens <ul style="list-style-type: none"> High return on capital over a full economic cycle Long and resilient earnings history High return on net operating assets Minimal debt Other Resources <ul style="list-style-type: none"> Research on existing portfolio holdings Meetings with companies Industry reviews Investment conferences Third-party research 	Qualitative Analysis <ul style="list-style-type: none"> Evaluate sustainability of business model and assess management's ability to direct capital where it can create further control of its market Financial Analysis <ul style="list-style-type: none"> Evaluate basis for profitability, long-term growth potential, and ability to allocate capital appropriately Valuation Analysis <ul style="list-style-type: none"> Determine the current and potential value of the business 	Position Weights <ul style="list-style-type: none"> Maximum initial position size is 5% (at cost) Maximum position size is 10% (at market) Sector and Geographic Tolerances <ul style="list-style-type: none"> Seek broad diversification, but no sector constraints Holding Period <ul style="list-style-type: none"> Typically 3-to-5 years Portfolio turnover is typically 25% to 35% Cash Levels <ul style="list-style-type: none"> Typically will not exceed 10% once a portfolio is fully invested; review by CIO triggered if over 10% 	Extended Valuation Portfolio Upgrade Acquisition Activity Negative Company or Industry Changes
Higher Quality Stronger, More Consistent Growth Better Value			

Sector Diversification

As of March 31, 2021



A complete listing of portfolio holdings and specific security transactions for the preceding 12 months is available upon request. Holdings are subject to change. Holdings and weightings are based on a representative portfolio. Individual Investors' holdings may differ slightly. The sector information represented above is based on GICS sector classifications. Data is obtained by FactSet Research Systems and is assumed to be reliable.

Portfolio Characteristics

As of March 31, 2021

	KAR Emerging Markets Small Cap	MSCI® Emerging Markets Small Cap Index
Quality		
Return on Equity—Past 5 Years	21.6%	12.0%
Total Debt/EBITDA	1.0 x	10.3 x
Interest Expense Coverage	3.6 x	2.7 x
Growth		
Earnings Per Share Growth—Past 5 Years	20.5%	8.7%
Earnings Per Share Growth—Past 10 Years	11.0%	7.0%
Dividend Per Share Growth—Past 5 Years	20.7%	8.9%
Dividend Per Share Growth—Past 10 Years	12.6%	7.7%
Value		
P/E Ratio—Trailing 12 Months	20.5 x	28.8 x
Dividend Yield	2.1%	2.1%
Market Characteristics		
\$ Weighted Average Market Cap	\$3.3 B	\$2.3 B
Largest Market Cap	\$22.7 B	\$6.3 B*

*Number is from MSCI factsheet as of March 31, 2021.

Data is obtained from BNY Mellon and is assumed to be reliable. Other principal consultant firms may use different algorithms to calculate selected statistics. Estimates are based on certain assumptions and historical information. **Past performance is no guarantee of future results.**

Emerging Markets Small Cap Portfolio

First Quarter 2021

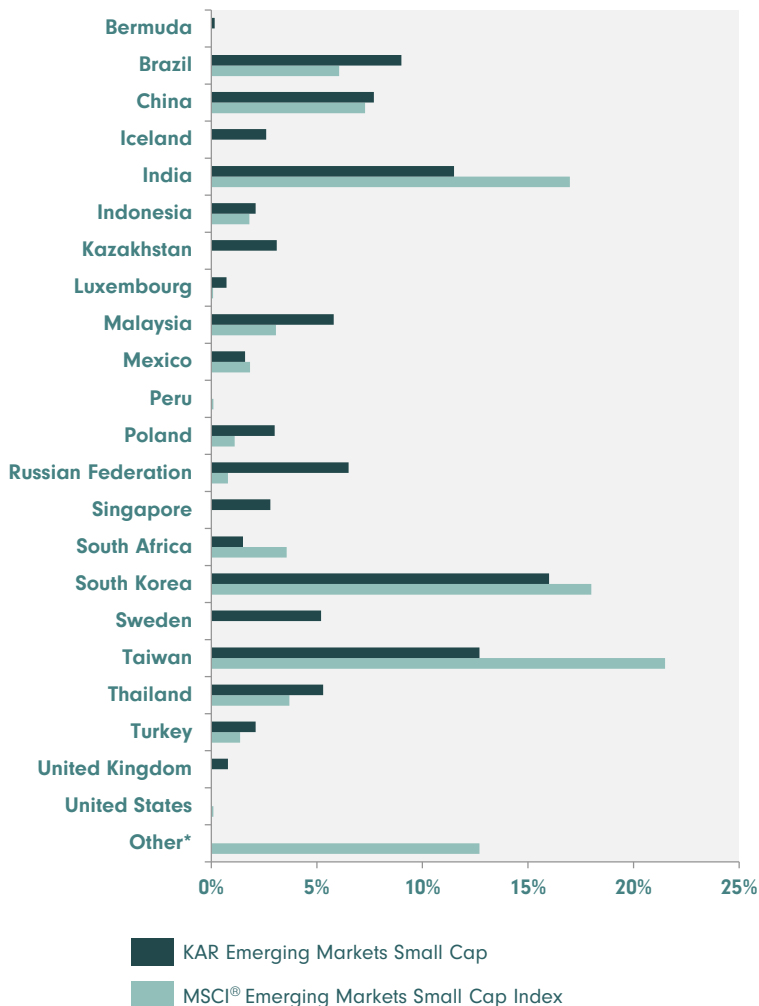
Top 10 Holdings

As of March 31, 2021

Company	Country	Percent of equity (%)
VNV Global	Sweden	5.2
Headhunter Group	Russian Federation	4.3
NICE Information Service	South Korea	3.7
Anhui Gujing Distillery	China	3.6
S-1	South Korea	3.6
WebCash	South Korea	3.4
IndiaMART	India	3.3
Oracle Financial Services Software	India	3.2
Heineken Malaysia	Malaysia	3.2
Union Auction Public	Thailand	3.1
Total		36.5

Country Exposure

As of March 31, 2021



Historical Returns

	KAR Emerging Markets Small Cap (gross)	KAR Emerging Markets Small Cap (net) [§]	MSCI [®] Emerging Markets Small Cap Index
Annualized Returns (%)[†]			
As of March 31, 2021			
1 st Quarter	(1.15)	(1.45)	7.67
One Year	74.97	72.98	87.13
Three Years	14.59	13.24	5.19
Five Years	19.24	17.83	9.59
Seven Years	11.22	9.90	5.46
Inception [†]	11.39	10.07	5.77
Annual Returns (%)			
2020	41.31	39.67	19.29
2019	20.18	18.76	11.50
2018	(3.85)	(5.00)	(18.59)
2017	33.20	31.64	33.84
2016	18.45	17.05	2.28
2015	(16.02)	(17.04)	(6.85)
2014	2.20	0.98	1.01

*"Other" is comprised of securities held in countries within the benchmark which are not held in our representative portfolio. The countries include Argentina, Australia, Belgium, Cayman Islands, Chile, Colombia, Cyprus, Czech Republic, Egypt, Greece, Hong Kong, Hungary, Kuwait, Malta, Pakistan, Philippines, Qatar, Saudi Arabia, Spain, United Arab Emirates and Uruguay.

[†]January 1, 2014

[‡]All periods less than one year are total returns and are not annualized. Returns are preliminary.

[§]Net of all fees and expenses. Assumes a 1% annual fee.

This material is deemed supplemental and complements the performance and disclosure at the end of this presentation. Returns of the Kayne Anderson Rudnick composite are preliminary and gross of fees unless otherwise specified. For further details on the composite, please see the disclosure statement in this presentation. Data is obtained from FactSet Research Systems and is assumed to be reliable. **Past performance is no guarantee of future results.**

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First Quarter 2021

Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	MSCI® Emerging Markets Small Cap Index (net) Annual Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
2014	2.20	0.98	1.01	N/A	N/A	< 5	N/A	5	7,989
2015	(16.02)	(17.04)	(6.85)	N/A	N/A	< 5	N/A	4	8,095
2016	18.45	17.05	2.28	15.00	14.54	< 5	N/A	5	9,989
2017	33.20	31.64	33.84	14.07	14.57	< 5	N/A	14	14,609
2018	(3.85)	(5.00)	(18.59)	12.06	14.21	< 5	N/A	70	17,840
2019	20.18	18.76	11.50	10.76	13.16	< 5	N/A	129	25,685

The MSCI® Emerging Markets Small Cap Index is a trademark/service mark of MSCI®. MSCI® is a trademark of MSCI Inc.

KAR (as defined below) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. KAR has been independently verified for the period from January 1, 1999 through December 31, 2019.

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 Small Cap Composite has been examined for the period from January 1, 2014 through December 31, 2019. The verification and performance examination reports are available upon request.

Kayne Anderson Rudnick Investment Management, LLC ("KAR"), a wholly owned subsidiary of Virtus Investment Partners, Inc., is a registered investment advisor under the Investment Advisers Act of 1940. Registration of an Investment Advisor does not imply any level of skill or training. KAR manages a variety of equity and fixed-income strategies focusing exclusively on securities the firm defines as high quality.

The composite includes all fully discretionary

institutional and pooled Emerging Markets Small Cap Portfolios. Emerging Markets Small Cap Portfolios are invested in equity securities with market capitalizations in line with the MSCI® Emerging Markets Small Cap Index, that have market control, rising free cash flow, shareholder-oriented management, strong consistent profit growth and low-debt balance sheets. For comparison purposes, the composite is measured against the MSCI® Emerging Markets Small Cap Index (net). The MSCI® Emerging Markets Small Cap Index is a market capitalization-weighted index of small-capitalization stocks from countries defined as Emerging Markets in the MSCI® Global Investable Market Indices Universe, excluding U.S. companies. The index is calculated on a total-return basis with dividends reinvested, net of withholding taxes. Benchmark returns are not covered by the report of the independent verifiers. The composite was created in January 2014. A list of composite descriptions and policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

The standard management fee schedule currently in effect is 1.20% per annum. Actual management fees charged may vary depending on applicable fee schedules and portfolio size, among other things. Additional information may

be found in Part 2A of Form ADV, which is available on request. The performance information is supplied for reference. Past performance is no guarantee of future results. Results will vary among accounts. The U.S. dollar is the currency used to express performance. Returns are presented gross of withholding taxes and net of transaction fees and include the reinvestment of all income. Gross returns will be reduced by investment management fees and other expenses that may be incurred in the management of the account. Model net returns have been calculated by deducting 1/12th of the highest tier of the standard management fee schedule in effect for the respective period from the gross composite returns on a monthly basis.

Internal dispersion is calculated using the asset-weighted standard deviation of annual gross returns for accounts in the composite for the entire year. For those years when less than five accounts were included for the full year, no dispersion measure is presented. The three-year annualized ex-post standard deviation, which measures the variability of the composite (using gross returns) and the benchmark for the 36-month period, is not presented for periods prior to 2016 because 36 monthly composite returns are not available.