

Global Dividend Yield Portfolio

First Quarter 2021

Portfolio Review

The Global Dividend Yield portfolio delivered positive performance but underperformed the MSCI World High Dividend Yield Index as more cyclical, lower quality names outperformed in the first quarter. Poor stock selection in information technology and communication services detracted from performance. Good stock selection and an underweight in consumer staples and health care contributed positively to performance.

The biggest contributors to performance during the quarter were Royal Bank of Canada and Watsco. Rising interest rates and an improving economy, driven by COVID-19 vaccines, contributed to strong performance for bank stocks, including Royal Bank of Canada, during the quarter. From our perspective the fundamental necessity of Watsco's core HVAC products has been beneficial during COVID-19. The company is also benefiting from the rollout of new mobile apps and an e-commerce platform, which we believe is proving to be a strong competitive advantage. Other top contributors included Tate & Lyle, PNC Financial Services Group and Cisco Systems.

The biggest detractors to performance were Spark New Zealand and Tokio Marine. Last year Spark New Zealand benefited from strong business results from its mobile and cloud businesses and a strong containment of COVID-19 in New Zealand. However, the stock was weak this quarter as investors rotated into stocks that are more cyclical in nature. Tokio Marine had some exposure to a supply chain finance company that filed for insolvency during the quarter. However, the company has disclosed that it does not anticipate any need to adjust current guidance, and that it does not expect there to be any material impact on the company's financials going forward. Other bottom contributors included Merck, GlaxoSmithKline and Coca-Cola.

Purchases and Sales

During the quarter, we purchased Danone and U.S. Bancorp. We sold our position with GlaxoSmithKline.

Outlook

We believe the 2021/2022 economic outlook is becoming increasingly robust given significant pent-up consumer demand combined with record net worth, several trillion dollars of federal stimulus being distributed this year, vaccinations, and declining COVID-19 hospitalizations, all of which are improving consumer confidence. In a rapidly accelerating economic growth environment, low quality stocks tend to outperform high quality businesses as investors seek out companies with more operating and financial leverage. In our experience, equity markets are often 6 to 12 months ahead in assessing the business and economic environment. Once the acceleration in GDP starts to stabilize, we expect the relative performance of high-quality stocks will start to improve.

Portfolio Highlights

Style: Large Cap
Index: MSCI® World High Dividend Yield Index
Portfolio Turnover: 25%–45%
Number of Holdings: 25–50

Investment Management Team

Name	Years of research experience
Douglas S. Foreman, CFA Chief Investment Officer	35
Richard Sherry, CFA Portfolio Manager + Senior Research Analyst	23
Chris Armbruster, CFA Senior Research Analyst	16
Noran Eid Research Analyst	8

Top 10 Holdings

As of March 31, 2021

Company	Percent of equity (%)
BCE	4.8
Royal Bank of Canada	4.8
International Business Machines	4.4
Spark New Zealand	4.2
AT&T	3.9
Fortis	3.9
Southern Company	3.7
BAE Systems	3.7
Amcor	3.6
Adecco Group	3.5
Total	40.5

*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. Numbers may not always add up due to rounding. **Past performance is no guarantee of future results.***

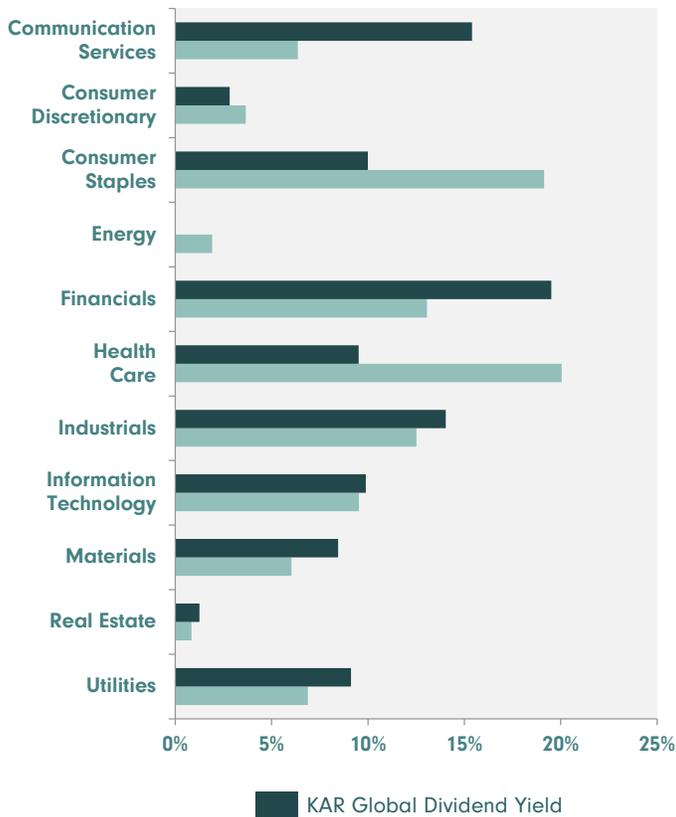
Investment Process: Discovering Quality

Development of High-Quality Universe	Proprietary Fundamental Research	Portfolio Construction	Sell Discipline
<p>KAR Universe</p> <p>Typical Quantitative Screens</p> <ul style="list-style-type: none"> Investment-grade balance sheet Market cap > \$1.0 billion 5-year average ROE > 7.5% No dividend cut last five years <p>Other Resources</p> <ul style="list-style-type: none"> Research on existing portfolio holdings Meetings with companies Industry reviews Investment conferences Third-party research 	<p>Qualitative Analysis</p> <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 <p>Financial Analysis</p> <ul style="list-style-type: none"> Evaluate basis for profitability, long-term growth potential, and ability to allocate capital appropriately <p>Valuation Analysis</p> <ul style="list-style-type: none"> Determine the current and potential value of the business 	<p>Position Weights</p> <ul style="list-style-type: none"> Maximum initial position size is 5% (at cost) Maximum position size is 10% (at market) <p>Sector Tolerances</p> <ul style="list-style-type: none"> Seek broad diversification, but no sector constraints <p>Holding Period</p> <ul style="list-style-type: none"> Typically 3-to-5 years, but is often longer Portfolio turnover is typically 25% to 35% <p>Cash Levels</p> <ul style="list-style-type: none"> Typically will not exceed 10% once a portfolio is fully invested; review by CIO triggered if over 10% 	<p>Potential dividend cut</p> <p>Balance sheet deterioration</p> <p>Inability to cover dividend via internal cash generation over medium-to-long term</p>

High Yield | Market Return | Low Risk

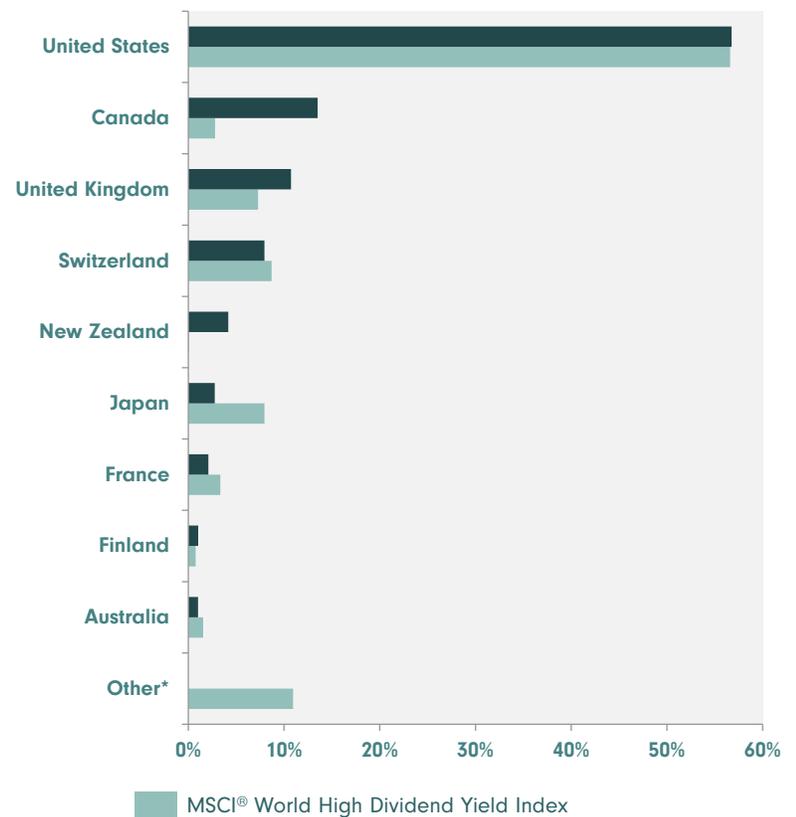
Sector Diversification

As of March 31, 2021



Geographical Exposure

As of March 31, 2021



* "Other" is comprised of securities held in countries within the benchmark which are not held in our representative portfolio. The countries include Belgium, Bermuda, Denmark, Germany, Hong Kong, Ireland, Israel, Italy, Netherlands, Norway, Portugal, Singapore, Spain and Sweden.
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.

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Portfolio Characteristics

As of March 31, 2021

	KAR Global Dividend Yield	MSCI® World High Dividend Yield Index
Quality		
Return on Equity—Past 5 Years	20.3%	19.5%
Debt Coverage	5.5 x	6.2 x
Growth		
Earnings Per Share Growth—Past 5 Years	3.1%	4.2%
Dividend Per Share Growth—Past 5 Years	6.6%	8.2%
Value		
Dividend Yield	3.9%	3.5%
Market Characteristics		
Dividend Payout Ratio—5 Year Average	71.1%	61.0%
\$ Weighted Average Market Cap	\$77.5 B	\$129.2 B
Largest Market Cap	\$433.0 B	\$433.0 B
Beta—Since Inception*	0.88	1.00

Historical Returns

	KAR Global Dividend Yield (gross)	KAR Global Dividend Yield (net) [†]	MSCI® World High Dividend Yield Index
Annualized Returns (%)[†]			
As of March 31, 2021			
1 st Quarter	5.54	5.36	6.12
One Year	33.56	32.65	35.69
Three Years	6.77	6.02	7.63
Five Years	7.19	6.45	8.49
Seven Years	6.81	6.07	6.05
Inception*	9.21	8.46	8.44
Annual Returns (%)			
2020	(5.62)	(6.28)	(0.03)
2019	23.44	22.59	23.15
2018	(4.13)	(4.81)	(7.56)
2017	14.57	13.77	18.14
2016	12.22	11.45	9.29
2015	(3.51)	(4.16)	(3.20)
2014	12.36	11.58	2.48
2013	22.35	21.53	21.91
2012	12.36	11.58	12.24

*January 1, 2012

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

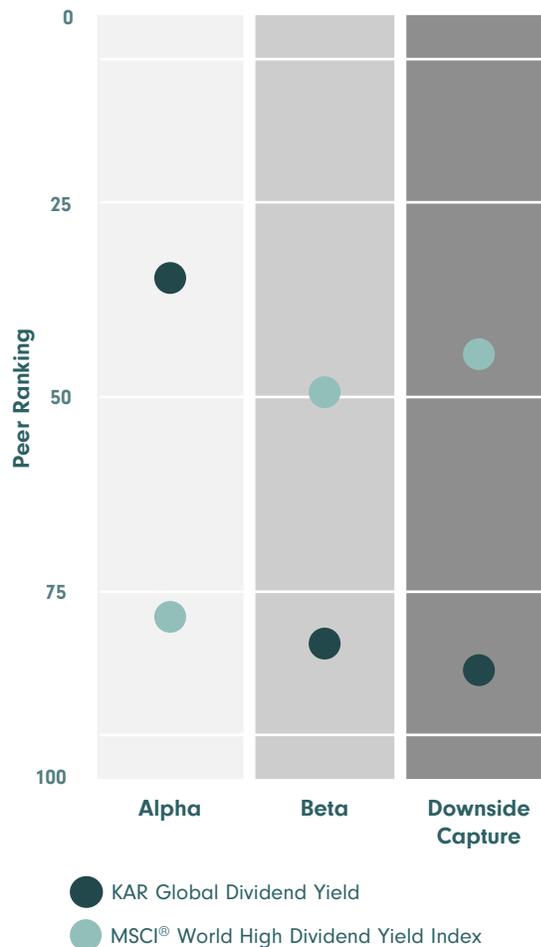
[‡]Net of all fees and expenses. Assumes a 0.70% annual fee.

[§]Performance statistics are based on gross of fee returns.

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. Other principal consultant firms may use different algorithms to calculate selected statistics. Estimates are based on certain assumptions and historical information. The Global Dividend Yield Universe includes all managers categorized in the global dividend focus asset class by eVestment. Data is obtained from FactSet Research Systems and is assumed to be reliable. **Past performance is no guarantee of future results.**

Peer Comparison Chart

Inception* to March 31, 2021



Performance Statistics

Inception* to March 31, 2021

	KAR Global Dividend Yield [§]	MSCI® World High Dividend Yield Index
Annualized Standard Deviation	11.77	12.24
Alpha	1.63	0.00
Beta	0.88	1.00
Sharpe Ratio	0.73	0.64
R-Squared	84.59	100.00

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Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	MSCI® World High Dividend Yield Index (net) Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Total Firm Assets (\$ Millions)
2012	12.36	11.58	12.24	N/A	N/A	< 5	N/A	< 1	6,545
2013	22.35	21.53	21.91	N/A	N/A	5	N/A	2	7,841
2014	12.36	11.58	2.48	8.95	10.59	24	0.29	14	7,989
2015	(3.51)	(4.16)	(3.20)	10.15	11.32	44	0.82	33	8,095
2016	12.22	11.45	9.29	9.32	10.61	61	0.82	332	9,989
2017	14.57	13.77	18.14	8.00	9.59	221	0.38	128	14,609
2018	(4.13)	(4.81)	(7.56)	8.23	9.14	234	0.47	111	17,840
2019	23.44	22.59	23.15	8.62	9.80	268	0.67	144	25,685

The MSCI® World High Dividend Yield 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 Global Dividend Yield 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 Global Dividend Yield

Portfolios. Global Dividend Yield Portfolios are invested in globally diversified securities of high-quality, mature companies with high dividend yields. For comparison purposes, the composite is measured against the MSCI® World High Dividend Yield Index (net). The MSCI® World High Dividend Yield Index is designed to reflect the performance in the MSCI® World Index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. The benchmark was changed retroactively effective January 2019, as the previous benchmark was discontinued December 2018. Benchmark returns are not covered by the report of the independent verifiers. The composite was created in January 2012. A list of composite descriptions and policies for valuing portfolios, calculating performance and preparing compliant presentations are available upon request.

Non-fee-paying portfolios represent 100% of the composite assets at year-end 2012, 60% at year-end 2013, 4% at year-end 2014, 2% at year-end 2015, and < 1% at year-end from 2016 through 2019.

The standard management fee schedule currently in effect is as follows: 0.70% for the first \$10 million; 0.55% on the next \$25 million; 0.45% on the next \$50 million; 0.35% on the balance. 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 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 2014 because 36 monthly composite returns are not available.