

Small-Mid Cap Sustainable Growth Portfolio

First Quarter 2022

Portfolio Review

The start to the year was dominated by headlines coming out of the conflict in Ukraine and increasing fears for inflation and tightening by the Federal Reserve. Large capitalization stocks outperformed small caps once again, with the S&P 500 Index declining 4.60% and the Russell 2000 Index declining 7.53%. The Russell 2500 Index declined 5.82% in the quarter. Growth continued to underperform value with the Russell 2500 Growth Index declining 12.30% and the Russell 2500 Value Index declining 1.50%.

The Small-Mid Cap Sustainable Growth portfolio outperformed the Russell 2500 Growth Index during the quarter. Strong stock selection in health care and strong stock selection and an overweight in industrials contributed positively to performance. An underweight in energy and negative stock selection in consumer discretionary detracted from performance.

The biggest contributors to performance during the quarter were HealthEquity and Jack Henry & Associates.

- HealthEquity reported solid earnings this quarter and we believe it should benefit from the increase in rising interest rates. While the company's recent acquisition was hurt by the pandemic, it has achieved its synergy targets.
- Jack Henry & Associates, which had been a laggard for some time, performed strongly in the most recent quarter after the company reported its highest organic growth rate in over four years and management increased its guidance for the year. From our perspective, it appears that the company continues to take share in many of its business units while generating attractive margins. Given the high switching costs inherent in Jack Henry's services and what we see as the long-term opportunity to continue to grow its business, we remain shareholders of the company.
- Other top contributors included Teledyne Technologies, Fair Isaac, and MediaAlpha.

The biggest detractors from the portfolio were Site One Landscape Supply and Old Dominion Freight Line.

- SiteOne Landscape Supply continues to experience good organic daily sales. Management believes that there will be further margin improvements from scale and other improvements over time. However, despite the solid results, investors rotated away from high performers this quarter and there was a sharper decline among consumer discretionary stocks due to concerns about the state of the economic cycle.
- Old Dominion Freight Line's shares suffered in the most recent quarter as the market appears to have re-evaluated the company's prospects. However, we continue to believe the competitive position of the company remains intact.
- Other bottom contributors included Copperleaf Technologies, Tyler Technologies, and Copart.

Purchases and Sales

During the quarter, there were no new purchases or complete sales.

Outlook

The U.S. is in a position of strength economically even creating excess demand currently, but interest rate increases have already affected mortgage rates, car loans, and lease rates here in the U.S. Unless the Fed wants to throw us into a recession (yield curve inversion), the current future shape of the yield curve may prevent as much of an increase in short-term interest rates than what the market is already anticipating. The inflation outlook was particularly cloudy with COVID-19 getting better globally, but the Russian invasion of Ukraine was a clear negative for inflation. Overall, we believe inflation is likely to stay elevated and above the Fed's target for this year at least. However, comparisons of year-over-year inflation do get easier as we move forward. If the trend is headed in the right direction of moderating inflation, the markets may react positively to this development. We will continue to hunt for investment ideas that in our view meet our quality investment philosophy in all sectors of the economy. When inflationary trends begin to moderate, we believe quality companies will become more interesting to investors. Geopolitical risks are clearly still elevated and will continue to be monitored closely.

Portfolio Highlights

Style: Small-Mid Cap
Sub-Style: Growth
Index: Russell 2500™ Growth
Portfolio Inception: 2018
Portfolio Assets: \$528.2 M*
Portfolio Turnover: 25%–35%

Investment Management Team

Name	Years of research experience
Douglas S. Foreman, CFA Chief Investment Officer	36
Julie Biel, CFA Portfolio Manager + Senior Research Analyst	14
Chris Wright, CFA Portfolio Manager + Senior Research Analyst	10
Todd Beiley, CFA Senior Research Analyst	23
Jon Christensen, CFA Senior Research Analyst	27
Julie Kutsov Senior Research Analyst	21
Craig Stone Senior Research Analyst	33
Sean Dixon Research Analyst	14
Adam Xiao, CFA Research Analyst	9

Top Five Holdings

As of March 31, 2022

Company	Percent of equity (%)
Old Dominion Freight Line	7.1
West Pharmaceutical Services	6.1
Ryan Specialty Group Holdings	4.9
SiteOne Landscape Supply	4.4
HEICO	4.3
Total	26.9

* Figures in USD

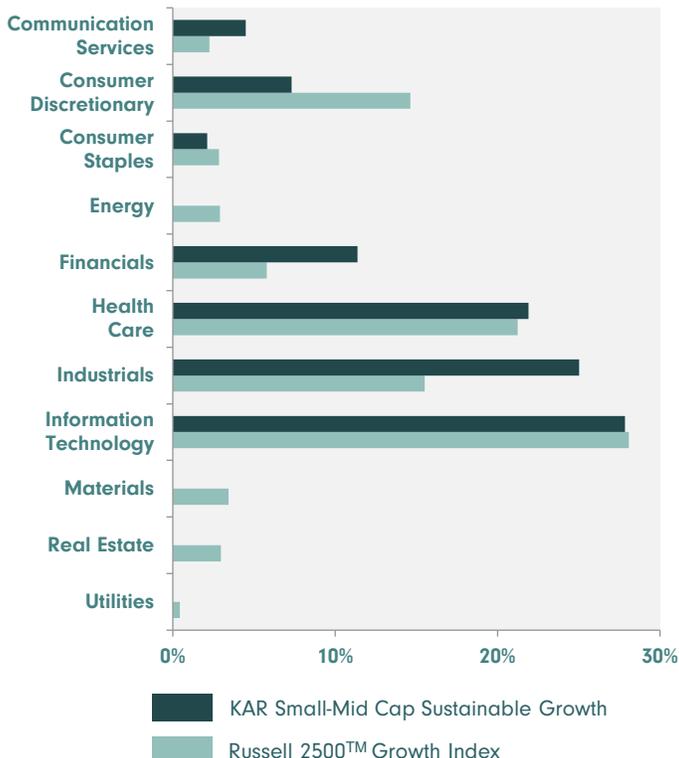
This report is based on the assumptions and analysis made and believed to be reasonable by Advisor. However, no assurance can be given that Advisor's opinions or expectations will be correct. This report is intended for informational purposes only and should be not considered a recommendation or solicitation 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
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 Tolerances <ul style="list-style-type: none"> Seek broad diversification, but no sector constraints Non-U.S. Holdings <ul style="list-style-type: none"> Up to 20% Holding Period <ul style="list-style-type: none"> Typically 3-to-5 years, but is often longer 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, 2022



Portfolio Characteristics

As of March 31, 2022

	KAR Small-Mid Cap Sustainable Growth	Russell 2500™ Growth Index
Quality		
Return on Equity—Past 5 Years	23.2%	12.6%
Total Debt/EBITDA	4.1 x	3.8 x
Earnings Variability—Past 10 Years	27.5%	73.2%
Growth		
Earnings Per Share Growth—Past 10 Years	16.4%	14.0%
Capital Generation—{ROE x (1-Payout)}	20.8%	10.9%
Value		
P/E Ratio—Trailing 12 Months	62.0 x	71.0 x
Free Cash Flow Yield†	2.0%	1.6%
Market Characteristics		
\$ Weighted Average Market Cap.	\$15.2 B	\$7.5 B
Largest Market Cap	\$34.8 B	\$29.4 B

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.

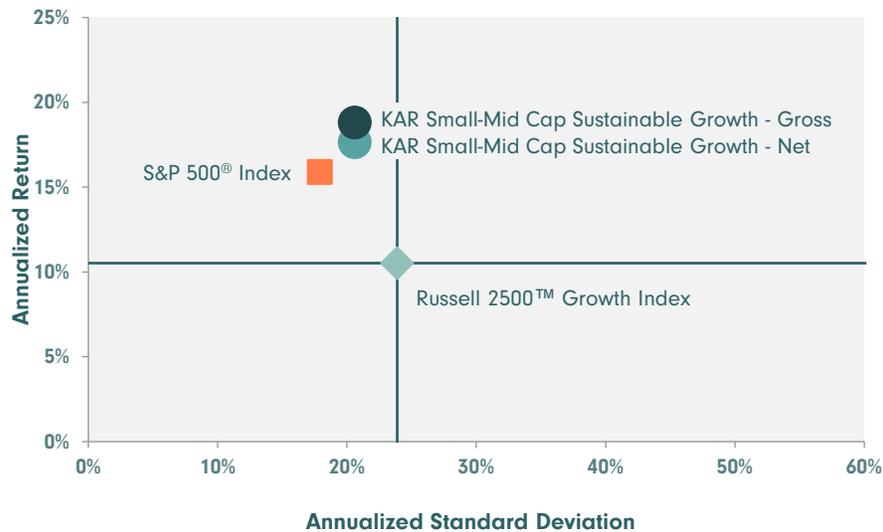
†Free cash flow data is as of December 31, 2021. Prices are as of March 31, 2022. Excludes financials. This material is deemed supplemental and complements the performance and disclosure at the end of this presentation. Data is obtained from FactSet Research Systems and BNY Mellon and is assumed to be 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.** Returns could be reduced, or losses incurred, due to currency fluctuations.

Small-Mid Cap Sustainable Growth Portfolio

First Quarter 2022

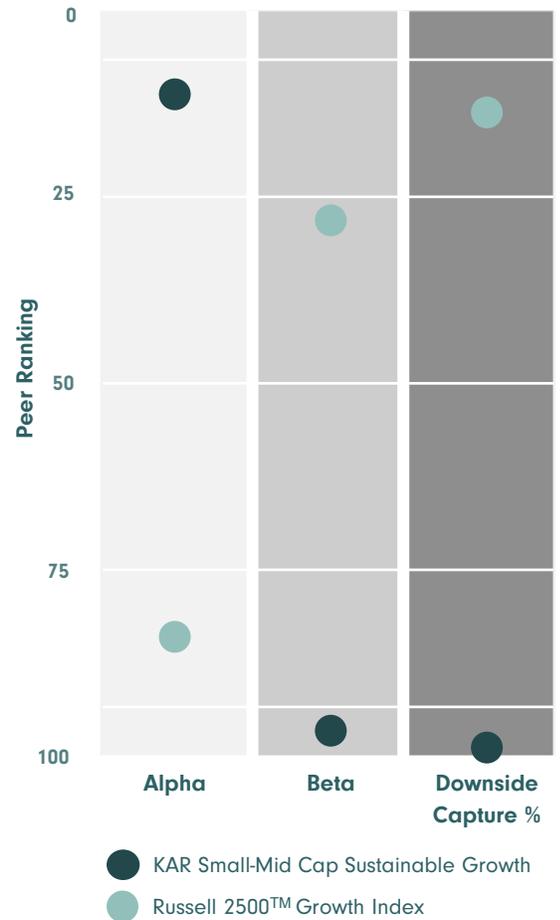
Strong Risk-Adjusted Returns

Inception* to March 31, 2022



Peer Comparison Chart

Inception* to March 31, 2022



Historical Returns

	KAR Small-Mid Cap Sustainable Growth (gross)	KAR Small-Mid Cap Sustainable Growth (net) [†]	Russell 2500 [™] Growth Index
Annualized Returns (%)[†]			
As of March 31, 2022			
1 st Quarter	(10.06)	(10.30)	(12.30)
One Year	(0.07)	(1.06)	(10.12)
Three Years	20.24	19.06	12.99
Inception*	18.82	17.65	10.52
Annual Returns (%)			
2021	6.58	5.52	5.04
2020	48.40	46.97	40.47
2019	46.11	44.70	32.65
2018	(9.44)	(9.83)	(15.93)

Performance Statistics

Inception* to March 31, 2022

	KAR Small-Mid Cap Sustainable Growth [§]	Russell 2500 [™] Growth Index
Annualized Standard Deviation	20.61	23.87
Alpha	9.54	0.00
Beta	0.78	1.00
Sharpe Ratio	0.87	0.40
R-Squared	82.26	100.00

*August 1, 2018

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

[‡]Net of all fees and expenses. Assumes a 0.90% annual fee. Fees presented on the Disclosure page could vary from the assumed fee in the net-of-fee calculation, as actual fees paid by a particular client account differ depending on a variety of factors including, but not limited to, business unit and size of mandate. The fee used on the Disclosure page utilizes an assumed maximum fee across the firm's business units, which is further detailed on that page.

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

^{||}Performance calculations are for the five months ended December 31, 2018.

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. The Small-Mid Cap Growth Universe includes all managers categorized in the small-mid cap growth 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.** Returns could be reduced, or losses incurred, due to currency fluctuations.

Small-Mid Cap Sustainable Growth Portfolio

First Quarter 2022

Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 2500™ Growth Index Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
2018*	(9.44)	(9.83)	(15.93)	N/A	N/A	< 5	N/A	< 1	17,840
2019	46.11	44.70	32.65	N/A	N/A	< 5	N/A	< 1	25,685
2020	48.40	46.97	40.47	N/A	N/A	65	N/A	24	39,582

*2018 performance numbers in this table reflect the composite inception date of August 1, 2018 through December 31, 2018.

The Russell 2500™ Growth Index is a trademark/service mark of Frank Russell Company. Russell® is a trademark of Frank Russell Company.

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, 2020.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis.

The Small-Mid Cap Sustainable Growth Composite has had a performance examination for the period from August 1, 2018 through December 31, 2020. The verification and performance examination reports are available upon request.

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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 is defined as all fully discretionary institutional and pooled Small-Mid Cap Sustainable Growth Portfolios. Small-Mid Cap Sustainable Growth Portfolios are invested in equity securities with market capitalizations consistent with the Russell 2500™ Growth Index, that have market control, solid free cash flow, shareholder-oriented management, strong consistent profit growth and low debt balance sheets. For comparison purposes, the composite is measured against the Russell 2500™ Growth Index. The Russell 2500™ Growth Index is a market capitalization-weighted index of growth-oriented stocks of the 2,500 smallest companies in the Russell Universe, which comprises the 3,000 largest U.S. companies. The index is calculated on a total-return basis with dividends reinvested. Benchmark returns are not covered by the report of the independent verifiers. The inception date of the composite is August 2018. The composite was created in August 2018. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. The firm's list of composite descriptions, list of broad distribution pooled fund and the list of limited distribution pooled funds descriptions are available upon request.

The model management fee used for the net returns in this table is 1.00% for all periods presented. The standard Institutional fee schedule in effect is as follows: 0.90% for the first \$25 million; 0.80% on the next \$25 million; 0.75% on the next \$50 million; 0.60% on the balance. The maximum Wealth Advisory Services Fee in effect is 1.30% for all assets, which breaks out as follows: 1.00% for the first \$3 million; 0.80% on the next \$2

million; 0.70% on the next \$5 million; 0.60% on the balance; with an additional 0.30% for any assets invested in separately managed accounts strategies. The standard investment advisory fee schedule currently in effect for clients not engaging in Wealth Advisory Services is 1.00%. Actual management fees charged may vary depending on applicable fee schedules and portfolio size, among other things. Additional information may be found in Part IIA 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 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 or for time periods less than one 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 because 36 monthly composite returns are not available.