

Large Cap Growth Portfolio

First Quarter 2024

Portfolio Review

The Large Cap Growth portfolio outperformed the Russell 1000 Growth Index in the first quarter. Good stock selection in information technology and communication services contributed positively to performance. Poor stock selection in health care and consumer staples detracted from performance.

The biggest contributors to performance during the quarter were NVIDIA and Meta Platforms.

- While customers and competitors alike are trying to build chips that can deliver the same functionality as NVIDIA, the market remains in a state where demand massively outstrips supply. It is estimated that 85% of artificial intelligence (AI) models are trained on NVIDIA's GPUs and its programming framework CUDA is used to program 90% of GPUs. An open question had been whether large language models, once trained, would run inference workloads. In the most recent quarter, the company confirmed that 40% of its datacenter revenue was already being driven by inferencing, increasing optimism over the eventual size of the addressable market as well as the share that will accrue to the company's ecosystem.
- From our perspective, Meta continues to be well-positioned to benefit from generative AI opportunities around content discover, ads, and messaging. Advertising is a great arena for the application of AI because it's goal-centric and measurable. Meta is investing in its customers' ability to leverage AI to figure out advertising targets and how to show and articulate the ad so that it works. We believe that Meta is one of very few businesses who can do this at scale due to the massive infrastructure and data requirements needed to execute. Concurrently, user engagement has reached unprecedented highs. In our view, these revenue-accelerating initiatives, coupled with a renewed focus on profitability over the past two years, have strengthened Meta's competitive positioning, which drove our decision to add to the position.
- Other top contributors included Amazon.com, Eli Lilly, and Uber Technologies.

The biggest detractors to performance during the quarter were Zoetis and NIKE.

- Zoetis experienced differentiated growth over the last decade due in large part to its companion animal pharmaceutical portfolio. That portfolio hit some speed bumps recently and concerns have grown after the company gave 2024 guidance that missed consensus.
- Within a broader slowdown of the athletic footwear and apparel market, NIKE continues to try and find its way through the increasingly innovative competitive landscape. To deliver the newness that consumers are seeking, the company has promised a three-year innovation cycle focused on running, basketball, and football. In preparation to introduce new product, it is pulling back on a number of legacy lines which caused the company to reduce guidance for the first part of the year, which sent the stock lower during the quarter.
- Other bottom contributors included Snowflake, MongoDB, and BILL.

Outlook

One large challenge coming out of the pandemic is trying to parse the underlying strength in the economy. Our supply chains were whipsawed, our employment patterns changed dramatically, and we saw unprecedented monetary and fiscal support. Given these factors, it is hard to gauge how much of the strength in the U.S. economy is due to fundamentals versus other exogenous effects. And while interest rates have increased materially in a short period of time, they are only modestly restrictive compared to the long-run average. As a result of low rates and strong government support during the pandemic, we believe the tide lifted all companies and made it easier for everyone to prosper. However, without this assistance, we expect that more fundamental factors will drive corporate profits and thus equity performance going forward. Assuming less exogenous support, we believe companies who are competitively advantaged with better profitability, cash flow, as well as lower leverage will be able to better distinguish themselves going forward.

Purchases and Sales

New Purchases	Complete Sales
ServiceNow	McCormick & Co.
	Schlumberger

Portfolio Highlights

Style: Large Cap
Sub-Style: Growth
Index: Russell 1000® Growth
Portfolio Assets: \$1,732.2 M*
Portfolio Turnover: 25%–35%

Investment Management Team

Name	Research Start Date
Chris Armbruster, CFA Portfolio Manager + Senior Research Analyst	2005
Noran Eid Portfolio Manager + Senior Research Analyst	2012
Douglas S. Foreman, CFA Portfolio Manager	1986
Richard Sherry, CFA Senior Research Analyst	1998
Katie Advena Research Analyst	2011
Luke Longinotti, CFA ESG Research Analyst	2020
Clarissa Ali Associate Research Analyst	2023

Top Five Holdings

As of March 31, 2024

Company	Percent of equity (%)
NVIDIA	10.0
Visa	5.8
Amazon.com	5.6
Meta Platforms	5.1
Amphenol	4.2
Total	30.6

* Figures in USD

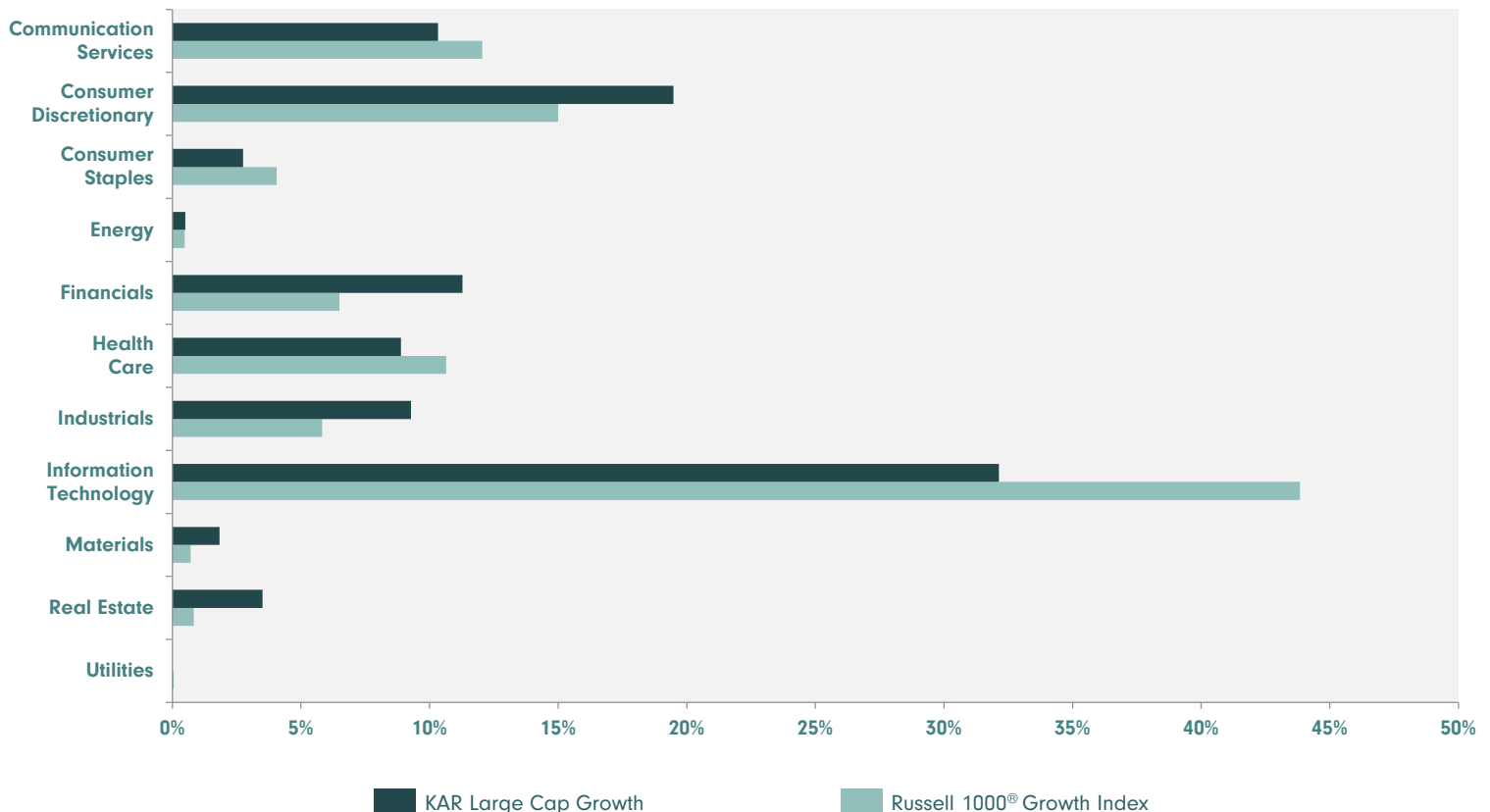
This report is based on the assumptions and analysis made and believed to be reasonable by Advisor. However, no assurance can be given that Advisor's opinions or expectations will be correct. This report is intended for informational purposes only and should be not considered a recommendation or solicitation to purchase securities. 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 KAR High-Quality Universe	Proprietary Fundamental Research	Portfolio Construction	Sell Discipline
<p>Quantitative Methods</p> <ul style="list-style-type: none"> Investment conferences Meetings with companies Industry reviews Research on existing portfolio holdings Third-party research <p>Quantitative Screens</p> <ul style="list-style-type: none"> High return on capital over a full economic cycle Earnings surprise Long and resilient earnings history High return on net operating assets Minimal debt 	<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>Negative Company or Industry Changes</p> <p>Portfolio Upgrade</p> <p>Acquisition Activity</p> <p>Extended Valuation</p>
<p>Higher Quality Stronger, More Consistent Growth Better Value</p>			

Sector Diversification

As of March 31, 2024



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First Quarter 2024

Portfolio Characteristics

As of March 31, 2024

	KAR Large Cap Growth	Russell 1000® Growth Index
Quality		
Return on Equity—Past 5 Years	24.3%	34.0%
Debt/EBITDA*	0.8 x	0.7 x
Earnings Variability—Past 10 Years	51.5%	43.9%
Growth		
Sales Per Share Growth—Past 5 Years	17.7%	17.1%
Earnings Per Share Growth—Past 5 Years	17.5%	18.6%
Earnings Per Share Growth—Past 10 Years	20.7%	20.3%
Value		
P/E Ratio—Trailing 12 Months	47.7 x	36.2 x
P/E Ratio—1-Year Forecast FY EPS	35.5 x	28.8 x
Free Cash Flow Yield†	2.5%	3.0%
Market Characteristics		
\$ Weighted Average Market Cap	\$508.5 B	\$1,224.3 B
Largest Market Cap	\$2,231.8 B	\$3,128.3 B

Performance Statistics

Inception* to March 31, 2024

	KAR Large Cap Growth (gross)	KAR Large Cap Growth (net)	Russell 1000® Growth Index
Alpha	(2.06)	(2.65)	0.00
Sharpe Ratio	0.80	0.77	1.00
Information Ratio	(0.29)	(0.41)	N/A
Beta	1.06	1.06	1.00
Downside Capture	105.09	106.51	100.00
Tracking Error	5.59	5.59	N/A

Historical Returns

	KAR Large Cap Growth (gross)	KAR Large Cap Growth (net) [§]	Russell 1000® Growth Index
Annualized Returns (%)[‡]			
As of March 31, 2024			
1 st Quarter	14.78	14.61	11.41
One Year	40.49	39.67	39.00
Three Years	5.21	4.58	12.50
Five Years	14.59	13.91	18.52
Seven Years	15.87	15.18	18.06
Ten Years	14.61	13.93	15.98
Inception	15.41	14.73	17.01
Annual Returns (%)			
2023	35.69	34.89	42.68
2022	(34.93)	(35.33)	(29.14)
2021	13.12	12.45	27.60
2020	50.86	49.99	38.49
2019	41.07	40.25	36.39
2018	(6.37)	(6.94)	(1.51)
2017	35.93	35.13	30.21
2016	(0.03)	(0.63)	7.08
2015	10.43	9.78	5.67
2014	12.66	11.99	13.05
2013	30.66	29.89	33.48
2012	14.76	14.08	15.26

*KAR utilizes the interquartile method when calculating Debt/EBITDA. The interquartile method excludes outliers from an aggregate statistic such as weighted average. The interquartile method does not assume that data from the top or bottom of the distribution are outliers--only the extreme ends are excluded--and that it can be applied consistently as a quantitative method for most fundamental characteristics. Debt/EBITDA utilizes net debt for the calculation.

†Free cash flow data is as of December 31, 2023. Prices are as of March 31, 2024. Excludes financials.

‡All periods less than one year are total returns and are not annualized. Returns are final. Returns could be reduced, or losses incurred, due to currency fluctuations.

§Net of all fees and expenses. Assumes a 0.60% 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.

^{||} January 1, 2012

This material is deemed supplemental and complements the performance and disclosure at the end of this presentation. For further details on the composite, please see the disclosure statement in 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.**

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Large Cap Growth Composite

First Quarter 2024

Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	Russell 1000® Growth Index Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
2014	12.66	11.21	13.05	10.39	9.73	25	0.14	681	7,989
2015	10.43	9.02	5.67	12.33	10.85	31	0.35	687	8,095
2016	(0.03)	(1.33)	7.08	13.24	11.31	57	0.06	928	9,989
2017	35.93	34.21	30.21	12.53	10.69	142	1.44	1,175	14,609
2018	(6.37)	(7.59)	(1.51)	14.28	12.30	217	0.23	991	17,840
2019	41.07	39.29	36.39	16.39	13.26	284	0.66	1,304	25,685
2020	50.86	48.97	38.49	22.24	19.92	439	1.16	2,028	39,582
2021	13.12	11.67	27.60	20.20	18.42	536	0.38	2,163	47,269
2022	(34.93)	(35.80)	(29.14)	25.23	23.80	522	0.81	1,262	33,531
2023	35.69	33.97	42.68	22.66	20.80	471	0.98	1,506	41,186

The Russell 1000® 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, 2023.

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 Large Cap Growth Composite has had a performance examination for the period from January 1, 2012 through December 31, 2023. 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 includes all fully discretionary institutional and pooled Large Cap Growth Portfolios. Large Cap Growth Portfolios are invested in equity securities with market capitalizations consistent with the Russell 1000® Growth 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 Russell 1000® Growth Index. The Russell 1000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the 1,000 largest companies in the Russell Universe, which comprises of 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 January 2012. The composite was created in January 2012. Prior to April 2024, the name of the composite was the Large Cap Sustainable Growth Composite. 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 1.30% for all periods presented. The standard Institutional management fee schedule currently in effect is as follows: 0.60% for the first \$25 million; 0.55% on the next \$25 million; 0.45% on the next \$50 million; 0.35% 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 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 management fees and 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 measures the variability of the composite (using gross returns) and the benchmark for the 36-month period.

GLOSSARY

Alpha: A risk-adjusted measure of an investment's excess return relative to a benchmark. Beta: A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. R2: A measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. Sharpe Ratio: A risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. Standard Deviation: Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

INDEX DEFINITION

The Russell 1000® Growth Index is a market capitalization-weighted index of growth-oriented stocks of the 1,000 largest 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. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.