

Global Dividend Yield Portfolio

First Quarter 2025

Portfolio Review

The Global Dividend Yield portfolio outperformed the MSCI World High Dividend Yield Index in the first quarter. Good stock selection in industrials and utilities contributed positively to performance. Poor stock selection in financials and poor stock selection and an underweight in consumer staples detracted from performance.

The biggest contributors to performance during the quarter were IBM and BAE Systems.

- IBM's shares performed well in the quarter as strong software growth offset consulting weakness. However, the software growth is more emblematic of the successful shift that IBM's management has implemented at the company over the past several years.
- It has become increasingly clear that European countries need to increase their defense budgets amid the ongoing Russia-Ukraine conflict and a perceived retreat of U.S. involvement. In our view, BAE Systems is one of the main beneficiaries of this higher spend given its differentiated aerospace portfolio and robust operational capacity.
- Other top contributors included Zurich Insurance Group, AbbVie, and Verizon Communications.

The biggest detractors to performance during the quarter were Broadcom and Flowers Foods.

- Broadcom underperformed over the past quarter as the company was caught in a broad weakness among AI related stocks due to the DeepSeek surprise in January and fear of subsequent GPU overcapacity from hyperscaler providers. Recovery in non-AI semiconductors, such as wireless and industrials, remains slow for Broadcom. However, we believe it is still well positioned for AI ASIC as well as growth in Ethernet AI adoption.
- Flowers Foods is seeing weakness in its business that has both cyclical and structural elements to it. Consumers remain under financial pressure, but they are also trading away from bread to more perimeter of the store items and into alternatives such as tortillas and flatbread. Weakness in the bread category is also being impacted by GLP-1 drugs and healthier eating trends. Dave's Killer Bread remains a strong brand, but the company's cakes and snacks businesses are not making up for weaknesses elsewhere in the traditional bread category. We sold our shares during the quarter.
- Other bottom contributors included Lamar Advertising, PNC Financial Services Group, and Royal Bank of Canada.

Market Review

The U.S. consumer is feeling far more negative than just a few months ago and business confidence has also declined. Many feel exhausted by higher prices, most notably grocery prices, which have not seen any material relief in terms of inflation. Tariffs, while traditionally a one-time price increase or tax, could have a more long-lasting impact on overall price levels should a global trade war materialize. This could lead to more persistent pressure on wage levels, and changes there could be self-reinforcing, leading to more prolonged inflation. That said, very few have ever struck it rich betting against the U.S. consumer. They have been the backbone of the decade-plus economic expansion we have enjoyed. With employment still quite strong, we do think consumer spending should remain intact, although with perhaps more deterioration for those at lower income levels.

Purchases and Sales

New Purchases	Complete Sales
Lamar Advertising	Adecco Group
NN Group	Flowers Foods
Telenor	Omnicom Group

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	Research Start Date
Richard Sherry, CFA Portfolio Manager + Senior Research Analyst	1998
Chris Armbruster, CFA Senior Research Analyst	2004
Noran Eid Senior Research Analyst	2012
Katie Advena Research Analyst	2011
Luke Longinotti, CFA Governance & Sustainability Analyst	2020
Charlie Wang, CFA Research Analyst	2018
Clarissa Ali Associate Research Analyst	2023

Top 10 Holdings

As of March 31, 2025

Company	Percent of equity (%)
International Business Machines	5.8
Zurich Insurance Group	5.1
Fortis	4.9
Verizon Communications	4.8
AbbVie	4.6
Southern Company	4.1
Canadian Tire	3.7
Amcor	3.6
BAE Systems	3.5
Terna	3.4
Total	43.6

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
KAR Universe Typical Quantitative Screens <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 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 Holding Period <ul style="list-style-type: none"> Typically 3-to-5 years, but is often longer Portfolio turnover is typically 25% to 45% 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% 	Potential dividend cut Balance sheet deterioration Inability to cover dividend via internal cash generation over medium-to-long term

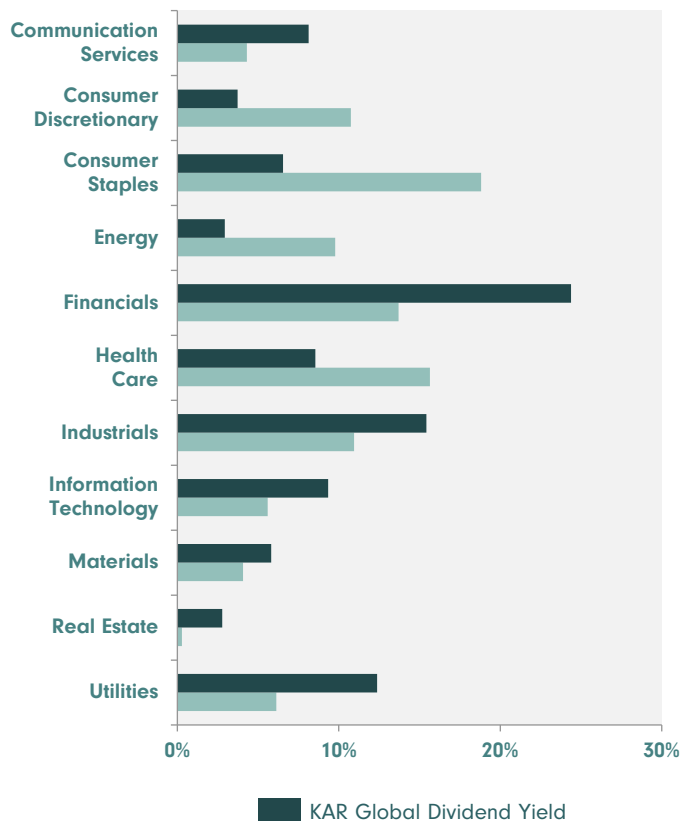
Seeking High Yield

Seeking Market Return

Seeking Low Risk

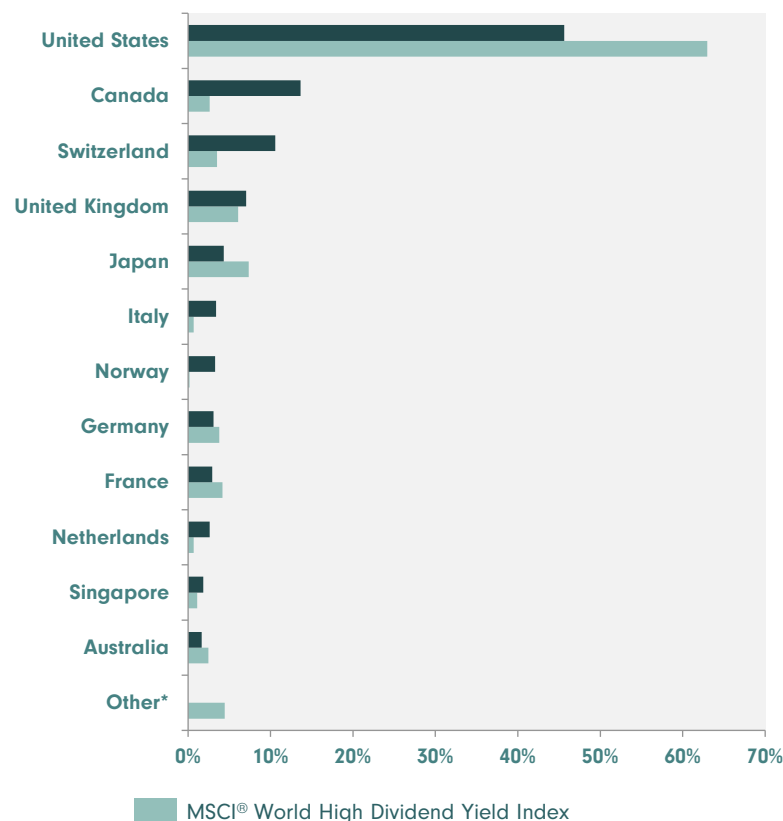
Sector Diversification

As of March 31, 2025



Geographical Exposure

As of March 31, 2025



* "Other" is comprised of securities held in countries within the benchmark which are not held in our representative portfolio. The countries include Austria, Belgium, Chile, China, Denmark, Finland, Hong Kong, Israel, Jordan, Portugal, South Africa, Spain and Sweden.

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.

Global Dividend Yield Portfolio

First Quarter 2025

Portfolio Characteristics

As of March 31, 2025

	KAR Global Dividend Yield	MSCI® World High Dividend Yield Index
Quality		
Return on Equity—Past 5 Years	20.8%	20.0%
Debt Coverage	4.1 x	5.6 x
Growth		
Earnings Per Share Growth—Past 5 Years	3.4%	11.1%
Dividend Per Share Growth—Past 5 Years	5.0%	8.1%
Value		
Dividend Yield*	4.0%	3.5%
Market Characteristics		
Dividend Payout Ratio—5 Year Average	69.6%	63.5%
\$ Weighted Average Market Cap	\$104.5 B	\$158.1 B
Largest Market Cap	\$784.8 B	\$522.7 B
Beta—Since Inception† (Net of Fees)	0.98	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, 2025			
1 st Quarter	8.65	8.46	6.59
One Year	12.81	12.03	9.04
Three Years	5.69	4.95	6.07
Five Years	11.63	10.86	12.12
Seven Years	6.83	6.09	7.21
Inception†	6.53	5.79	6.97
Annual Returns (%)			
2024	6.00	5.26	7.95
2023	5.95	5.21	9.12
2022	(1.44)	(2.13)	(4.74)
2021	14.12	13.33	15.83
2020	(5.26)	(5.92)	(0.03)
2019	23.45	22.60	23.15
2018	(4.21)	(4.88)	(7.56)
2017	5.62	5.31	6.33

*Dividend yield is a financial ratio that shows how much companies have paid out in dividends in the most recent year relative to their stock price at the end of such year. Dividend yield is being shown here as a characteristic of the stocks held in the portfolio and not to infer how the stocks have or will perform, as dividends are not the only component of the portfolio's performance. Dividends are subject to change from year-to-year, and the portfolio's dividend yield could be lower or higher in future years.

†August 1, 2017

‡Net of all fees and expenses. Assumes a 0.70% 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.

§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.

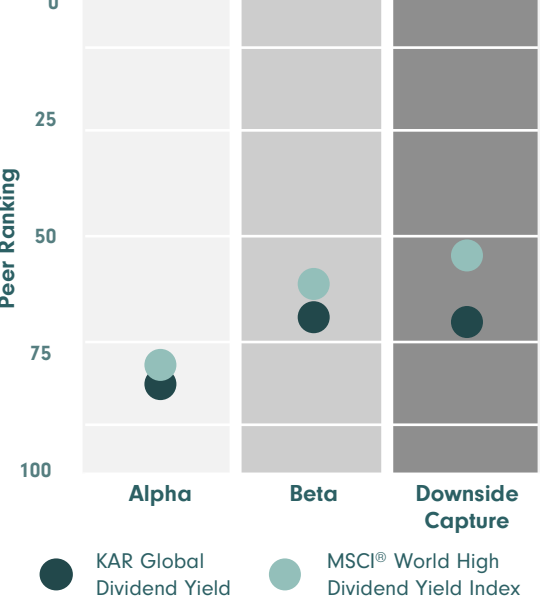
||Performance calculations are for five months ended December 31, 2017.

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 final. 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. Data is obtained from FactSet Research Systems and BNY Mellon and are assumed to be reliable.

Past performance is no guarantee of future results.

Peer Comparison Chart

Inception* to March 31, 2025



The eVestment Global Dividend Focus Universe includes 89 managers categorized in the global dividend focus asset class by eVestment. KAR does not pay any fees to be included in the eVestment Global Dividend Focus Universe or for the ranking itself. KAR does pay fees for the use of certain products and services provided by eVestment. eVestment rankings are based on gross of fee returns. Gross of fee returns will be reduced by investment management fees and other expenses that may be incurred in the management of the account. Management fees are described in KAR's Form ADV Part 2A, which is available upon request and can also be found at <https://kayne.com/wp-content/uploads/ADV-Part-2A.pdf>. Returns could be reduced or losses incurred due to currency fluctuations. **Past performance is no guarantee of future results.**

Performance Statistics

Inception* to March 31, 2025

	KAR Global Dividend Yield (gross)	KAR Global Dividend Yield (net)	MSCI® World High Dividend Yield Index
Annualized Standard Deviation	14.16	14.16	13.69
Alpha	(0.24)	(0.94)	0.00
Beta	0.98	0.98	1.00
Sharpe Ratio	0.29	0.24	0.33
R-Squared	90.40	90.40	100.00

Global Dividend Yield Local Composite

First Quarter 2025

Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	MSCI® World High Dividend Yield Index Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Total Firm Assets (\$ Millions)
2017*	5.62	5.05	6.33	N/A	N/A	< 5	N/A	330	14,609
2018	(4.21)	(5.46)	(7.56)	N/A	N/A	< 5	N/A	235	17,840
2019	23.45	21.88	23.15	N/A	N/A	< 5	N/A	42	25,685
2020	(5.26)	(6.49)	(0.03)	16.67	15.91	< 5	N/A	38	39,582
2021	14.12	12.66	15.83	16.67	15.72	< 5	N/A	43	47,269
2022	(1.44)	(2.71)	(4.74)	18.72	17.40	< 5	N/A	39	33,531
2023	5.95	4.59	9.12	14.02	13.99	< 5	N/A	33	41,186
2024	6.00	4.63	7.95	13.96	13.60	< 5	N/A	40	45,494

*2017 performance numbers in this table reflect the composite inception date of August 1, 2017 through December 31, 2017. 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, 2024. The verification reports are available upon request.

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. Verification does not provide assurance on the accuracy of any specific performance report.

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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 Global Dividend Yield Local Portfolios. Global Dividend Yield Local Portfolios are invested in globally diversified securities, including local share classes, 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. Benchmark returns are not covered by the report of the independent verifiers. The inception date of the composite is August 2017. The composite was created in August 2017. 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: 0.70% 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 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 2020 because 36 monthly composite returns are not available.

GLOSSARY

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

INDEX DEFINITION

The MSCI® World High Dividend Yield Index (net) is based on the MSCI World Index, its parent index, and includes large and mid cap stocks across 23 Developed Markets (DM) countries. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. The index also applies quality screens and reviews 12-month past performance to omit stocks with potentially deteriorating fundamentals that could force them to cut or reduce dividends. The index is calculated on a total return basis with net dividends reinvested. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.