

International Small Cap Portfolio

Second Quarter 2022

Market Review

The second quarter of 2022 was another difficult quarter for global equities, with the MSCI All Country World ex. U.S. Small Cap index down 17.55%.

While investors continue to assess the potential implications from the Russian invasion of Ukraine, the major market concern during the second quarter was persistently high inflation. This has led central banks around the world to begin reversing the extremely accommodative monetary policy that we have seen in recent years. With geopolitical uncertainty, high inflation, tightening monetary conditions, and fears of an economic slowdown, it is not surprising to see equities reacting negatively.

Selling was broad-based in the second quarter with all major geographies and sectors declining substantially. Japan was one area of relative strength as the Bank of Japan has been the most accommodative major central bank in recent months. More stable sectors, such as utilities and consumer staples, declined less than their more cyclical counterparts.

Portfolio Review

The KAR International Small Cap portfolio performed in line with the MSCI ACWI ex. U.S. Small Cap Index for the second quarter.

The top contributors to performance during the quarter were Anhui Gujing Distillery and PT Sarana Menara Nusantara.

- Anhui Gujing is the largest producer of baijiu in the Anhui province. Baijiu is the most popular spirit in China by a wide margin. China was one of the best performing markets during the second quarter as some investor fears related to that market began to abate. Baijiu demand is also expected to be relatively strong despite increasing macroeconomic concerns.
- PT Sarana Menara Nusantara is one of the largest cell tower operators in Indonesia. The shares rallied in the second quarter on speculation that the controlling shareholder in the company was considering selling a significant portion of his holding.
- Other contributors to performance in the second quarter were Haitian International, Kaspi and Corporacion Moctezuma.

The biggest detractors to performance during the quarter were Boa Vista Servicios and IntegraFin.

- Boa Vista Servicios is the second largest credit Bureau in Brazil. The company reported solid earnings results during the quarter, but the stock underperformed mainly due to a deteriorating macroeconomic outlook in Brazil. Brazilian equities, and small cap equities in particular, sold off sharply and underperformed in the second quarter.
- Integrafin operates one of the leading investment platforms for financial advisors in the United Kingdom. Integrafin's revenue is based on underlying asset values, so with markets selling off during the second quarter revenue and earnings expectations for the company declined.
- Other detractors from performance in the second quarter were Alten, Mortgage Advice Bureau, and Bouvet.

Purchases and Sales

New Purchases	Complete Sales
Mercari	Fineos
	Kaspi
	Rotork

*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.**

Portfolio Highlights

Style: Small Cap
Index: MSCI® ACWI ex. U.S. Small Cap Index
Portfolio Inception: 2012
Portfolio Assets: \$438.8 M*
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® ACWI ex. U.S. 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	36
Hyung Kim Portfolio Manager + Senior Research Analyst	18
Craig Thrasher, CFA Portfolio Manager + Senior Research Analyst	18
Ekaterina Advena Research Analyst	13
David Forward Research Analyst	8
Sean Pompa, CFA Research Analyst	7

Top 10 Holdings

As of June 30, 2022

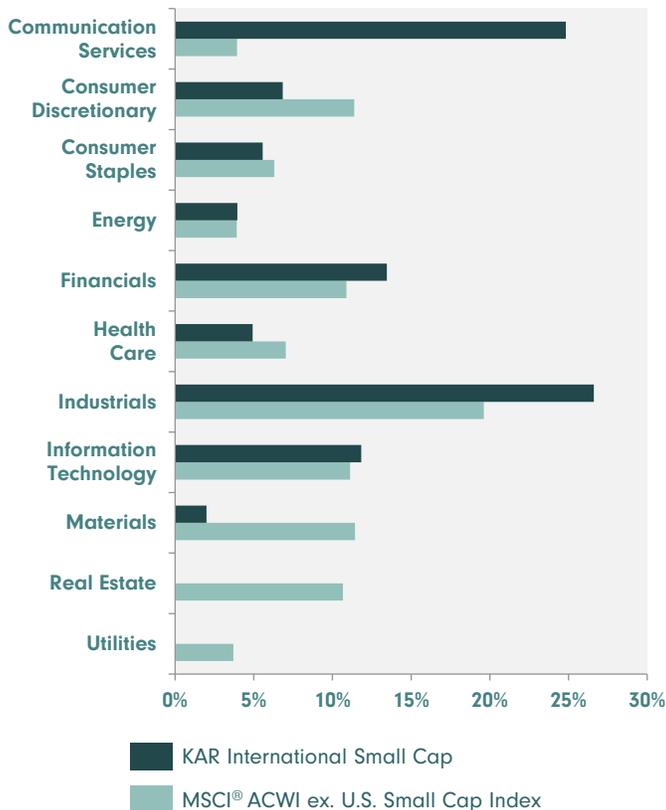
Company	Country	Percent of equity (%)
Auto Trader	United Kingdom	5.4
Rightmove	United Kingdom	5.2
Haw Par	Singapore	3.9
Baltic Classifieds	United Kingdom	3.5
Haitian International	Hong Kong	3.5
Grupa Pracuj	Poland	3.5
PT Sarana Menara Nusantara	Indonesia	3.4
Anhui Gujing Distillery	China	3.3
Bouvet	Norway	3.2
CAE	Canada	3.1
Total		38.1

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 June 30, 2022



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 June 30, 2022

	KAR International Small Cap	MSCI® ACWI ex. U.S. Small Cap Index
Quality		
Return on Equity—Past 5 Years	24.4%	10.6%
Total Debt/EBITDA	2.6 x	6.3 x
Interest Expense Coverage	5.2 x	15.6 x
Growth		
Earnings Per Share Growth—Past 5 Years	6.0%	7.4%
Earnings Per Share Growth—Past 10 Years	14.1%	7.0%
Dividend Per Share Growth—Past 5 Years	7.0%	5.4%
Dividend Per Share Growth—Past 10 Years	10.0%	6.7%
Value		
P/E Ratio—Trailing 12 Months	17.5 x	13.6 x
Dividend Yield	2.8%	3.0%
Market Characteristics		
\$ Weighted Average Market Cap	\$2.9 B	\$2.2 B
Largest Market Cap	\$15.9 B	\$7.5 B*

* Number is from MSCI factsheet as of June 30, 2022.

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.

International Small Cap Portfolio

Second Quarter 2022

Developed vs. Emerging Markets

As of June 30, 2022

	Percent of equity (%)
Developed Markets	77.8
Emerging Markets	22.2
Total	100.0

Geographical Exposure

As of June 30, 2022



Historical Returns

	KAR International Small Cap (gross)	KAR International Small Cap (net) [†]	MSCI ACWI ex. U.S. Small Cap Index
Annualized Returns (%)[†]			
As of June 30, 2022			
2 nd Quarter	(17.72)	(17.92)	(17.55)
Year to Date	(30.80)	(31.13)	(22.92)
One Year	(29.84)	(30.49)	(22.45)
Three Years	2.35	1.37	2.94
Five Years	5.00	3.98	2.55
Seven Years	7.97	6.92	3.71
Ten Years	10.60	9.52	6.22
Inception*	11.13	10.05	6.32
Annual Returns (%)			
2021	9.58	8.56	12.92
2020	25.92	24.69	14.24
2019	29.47	28.21	22.42
2018	(5.33)	(6.28)	(18.20)
2017	30.29	29.02	31.65
2016	22.81	21.61	3.91
2015	(0.28)	(1.25)	2.60
2014	(1.92)	(2.91)	(4.03)
2013	32.42	31.16	19.73
2012	24.87	23.66	18.52

*January 1, 2012

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

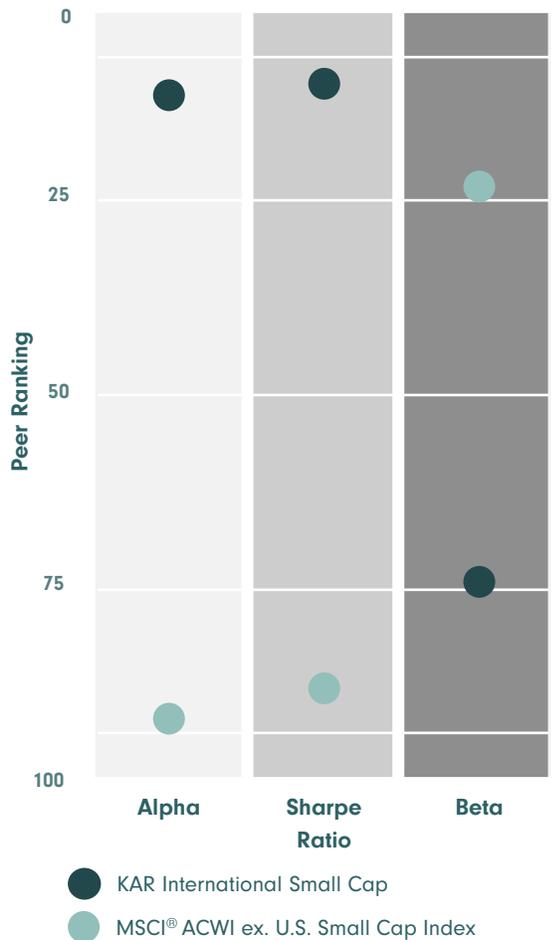
[‡]Net of all fees and expenses. Assumes a 1% annual fee. Fees presented on the Disclosure page could vary from the assumed fee in the net-of-fee calculation, as actual fees paid by a particular client account differ depending on a variety of factors including, but not limited to, business unit and size 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.

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. Returns could be reduced, or losses incurred, due to currency fluctuations. For further details on the composite, please see the disclosure statement in this presentation. The ACWI ex. U.S. Small Cap Universe includes all managers categorized in the ACWI ex. U.S. small cap 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.

Peer Comparison Chart

Inception* to June 30, 2022



Performance Statistics

Inception* to June 30, 2022

	KAR International Small Cap [§]	MSCI ACWI ex. U.S. Small Cap Index
Alpha	5.03	0.00
Upside Capture %	107.07	100.00
Sharpe Ratio	0.67	0.37
Information Ratio	0.81	N/A
Beta	0.93	1.00
Downside Capture %	83.69	100.00

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Disclosure

Year	Composite Gross Return (%)	Composite Net Return (%)	MSCI® ACWI ex. U.S.A. Small Cap Index (net) Return (%)	Composite 3-Yr Std Dev (%)	Benchmark 3-Yr Std Dev (%)	Number of Accounts	Internal Dispersion (%)	Composite Assets (\$ Millions)	Firm Assets (\$ Millions)
2012	24.87	23.66	18.52	N/A	N/A	< 5	N/A	4	6,545
2013	32.42	31.16	19.73	N/A	N/A	< 5	N/A	43	7,841
2014	(1.92)	(2.91)	(4.03)	11.99	13.33	< 5	N/A	42	7,989
2015	(0.28)	(1.25)	2.60	12.02	11.49	< 5	N/A	46	8,095
2016	22.81	21.61	3.91	13.26	12.31	< 5	N/A	55	9,989
2017	30.29	29.02	31.65	13.01	11.69	< 5	N/A	324	14,609
2018	(5.33)	(6.28)	(18.20)	12.39	12.52	< 5	N/A	905	17,840
2019	29.47	28.21	22.42	10.78	11.77	< 5	N/A	2,112	25,685
2020	25.94	24.70	14.24	20.34	21.28	5	N/A	2,788	39,582

The MSCI® ACWI ex. U.S.A. 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, 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 International Small Cap Composite has had a performance examination for the period from January 1, 2012 through December 31, 2020. The verification and performance examination reports are available upon request.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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 International Small Cap Portfolios. International Small Cap Portfolios are invested in equity securities with market capitalizations in line with the MSCI® ACWI ex. U.S.A. 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® ACWI ex. U.S.A. Small Cap Index (net). The MSCI® ACWI ex. U.S.A. Small Cap Index is a market capitalization-weighted index of small-capitalization stocks of 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 inception date of the composite is January 2012. The composite was created in January 2012. 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 standard management fee schedule currently

in effect is as follows: 1.00% for the first \$100 million; 0.90% 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 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 2014 because 36 monthly composite returns are not available.