

Small Cap Core Portfolio

Second Quarter 2022



Manager of the
Decade for the last
7 years (2015 - 2021)

Portfolio Review

The Small Cap Core portfolio outperformed the Russell 2000 Index in the second quarter. Good stock selection in industrials and consumer discretionary contributed positively to performance. Poor stock selection and an underweight in energy and an underweight in utilities detracted from performance.

The biggest contributors to performance during the quarter were FTI Consulting and BancFirst.

- FTI Consulting reported a strong quarter of revenue growth, healthy profits, and sustained through-the-cycle investments to headcount. Market participants viewed the company's results and business outlook favorably, causing the shares to rally.
- BancFirst reported growth in loans, deposits, and earnings per share as well as strong credit quality metrics. The bank has excess cash on its balance sheet which will be redeployed into loans and higher yielding fixed income securities.
- Other top contributors included Autohome, RLI, and Acushnet.

The biggest detractors from performance during the quarter were First Hawaiian and Manhattan Associates.

- First Hawaiian declined in the quarter after the company reported tepid loan growth and comments about a slight increase in competition in the local Hawaiian market. Operating expenses also will be elevated this year, but we believe the bank should get a boost from higher interest rates. More recently, investors have become increasingly concerned about a slowdown in the economy due to the Federal Reserve's more aggressive interest rate policy.
- Manhattan Associates reported a strong sales quarter, with increased bookings and profit growth, but the stock declined with the broader selloff in software holdings.
- Other bottom contributors included Teledyne Technologies, Rightmove, and Graco.

Purchases and Sales

During the quarter, we purchased BancFirst. There were no complete sales from the portfolio. BancFirst is a bank holding company that provides retail and commercial banking services. Its services include commercial, real estate, agricultural, and consumer lending, depository and funds transfer services, collections, safe deposit boxes, cash management services, retail brokerage services, and other services tailored for both individual and corporate customers. BancFirst was founded in July 1984 and is headquartered in Oklahoma City, OK.

Outlook

Signs of an economic slowdown and/or a recession are becoming increasingly obvious. Starting with the consumer (70% of gross domestic product), we have seen material retail sales shortfalls at large retailers and consumer confidence has hit 40-year lows. New orders for the Purchasing Managers' Index have fallen below 50, which signals contraction. Raw materials, such as copper, aluminum, nickel, and zinc, have already experienced significant declines in price in the second quarter. Even the strongest sectors (oil and semiconductors) started to show significant weakness late in the quarter. This may suggest that the U.S. is already in at least a technical recession (two consecutive quarters of negative GDP), and the Fed may be closer than investors realize to bringing inflation under control. Regardless, we believe valuations have become attractive longer term. Many stocks have declined off their highs, and speculation in IPOs, SPACs, and meme stocks is non-existent which makes for a more favorable long-term investing environment. In our view, quality companies have started to perform better on a relative basis given the slowing environment and flattening yield curve.

Portfolio Highlights

Style: Small Cap
Sub-Style: Core
Index: Russell 2000®
Portfolio Inception: 1992
Portfolio Assets: \$9,031.2 M*
Portfolio Turnover: 25%–35%

Investment Management Team

| Name | Years of research experience |
|----------------------------------------------------------------------------|------------------------------|
| Douglas S. Foreman, CFA Chief Investment Officer | 36 |
| Todd Beiley, CFA Portfolio Manager + Senior Research Analyst | 23 |
| Jon Christensen, CFA Portfolio Manager + Senior Research Analyst | 27 |
| Julie Biel, CFA Senior Research Analyst | 14 |
| Julie Kutasov Senior Research Analyst | 21 |
| Craig Stone Senior Research Analyst | 33 |
| Chris Wright, CFA Senior Research Analyst | 10 |
| Sean Dixon Research Analyst | 14 |
| Arthur Su, CFA Research Analyst | 7 |
| Adam Xiao, CFA Research Analyst | 9 |

Top Five Holdings

As of June 30, 2022

| Company | Percent of equity (%) |
|-----------------------|-----------------------|
| FTI Consulting | 8.2 |
| EMCOR Group | 5.0 |
| Simpson Manufacturing | 4.8 |
| Acushnet Holdings | 4.6 |
| Primerica | 4.5 |
| Total | 27.2 |

*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 |

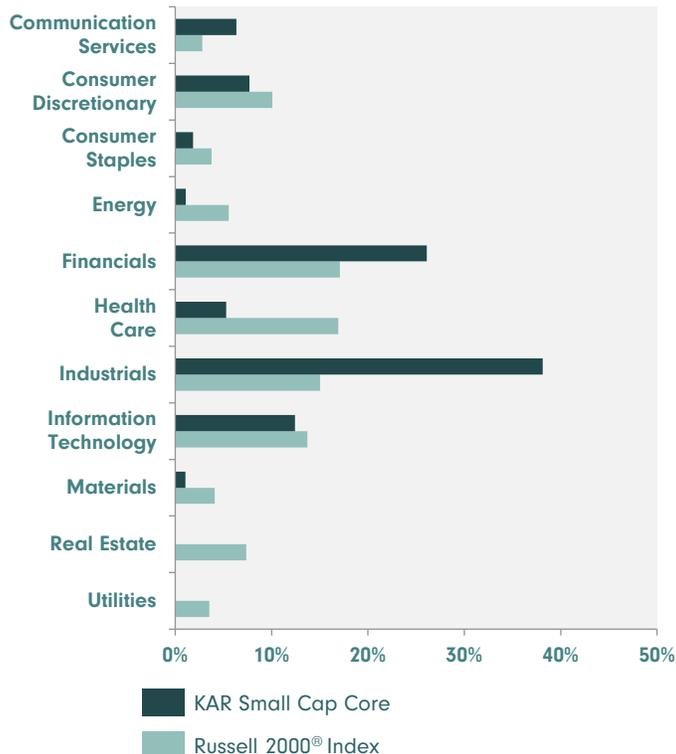
Higher Quality

Stronger, More Consistent Growth

Better Value

Sector Diversification

As of 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 Small Cap Core | Russell 2000® Index |
|------------------------------------------------|--------------------|---------------------|
| Quality | | |
| Return on Equity—Past 5 Years | 22.4% | 9.4% |
| Total Debt/EBITDA | 1.3 x | 5.2 x |
| Earnings Variability—Past 10 Years | 29.6% | 79.2% |
| Growth | | |
| Earnings Per Share Growth—Past 10 Years | 13.9% | 8.6% |
| Dividend Per Share Growth—Past 10 Years | 12.6% | 5.5% |
| Capital Generation—{ROE x (1-Payout)} | 16.1% | 7.5% |
| Value | | |
| P/E Ratio—Trailing 12 Months | 17.6 x | 29.6 x |
| Dividend Yield | 1.6% | 1.4% |
| Free Cash Flow Yield* | 2.9% | 0.8% |
| Market Characteristics | | |
| \$ Weighted Average Market Cap—3-Year Avg. | \$7.5 B | \$2.9 B |
| Largest Market Cap—3-Year Avg. | \$19.3 B | \$14.1 B |
| Annualized Standard Deviation—Since Inception† | 15.2% | 19.2% |

*Free cash flow data is as of March 31, 2022. Prices are as of June 30, 2022. Excludes financials.

†April 1, 1992

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 Cap Core Portfolio

Second Quarter 2022

Strong Risk-Adjusted Returns

Inception* to June 30, 2022



Historical Returns

| | KAR Small Cap Core (gross) | KAR Small Cap Core (net) [†] | Russell 2000 [®] Index |
|-------------------------------------------|----------------------------|---------------------------------------|---------------------------------|
| Annualized Returns (%)[†] | | | |
| As of June 30, 2022 | | | |
| 2 nd Quarter | (6.73) | (6.97) | (17.20) |
| Year to Date | (15.19) | (15.64) | (23.43) |
| One Year | (8.76) | (9.69) | (25.20) |
| Three Years | 11.05 | 9.94 | 4.21 |
| Five Years | 15.94 | 14.79 | 5.17 |
| Seven Years | 15.81 | 14.67 | 5.91 |
| Ten Years | 15.47 | 14.33 | 9.35 |
| Inception* | 13.38 | 12.26 | 8.76 |
| Annual Returns (%) | | | |
| 2021 | 19.24 | 18.07 | 14.82 |
| 2020 | 23.17 | 21.96 | 19.96 |
| 2019 | 40.88 | 39.51 | 25.52 |
| 2018 | (0.83) | (1.82) | (11.01) |
| 2017 | 36.61 | 35.29 | 14.65 |
| 2016 | 19.10 | 17.93 | 21.31 |
| 2015 | 2.37 | 1.35 | (4.41) |
| 2014 | 7.51 | 6.44 | 4.89 |
| 2013 | 30.10 | 28.83 | 38.82 |
| 2012 | 13.42 | 12.30 | 16.35 |
| 2011 | 10.14 | 9.05 | (4.18) |
| 2010 | 25.00 | 23.78 | 26.85 |
| 2009 | 32.09 | 30.80 | 27.17 |
| 2008 | (27.64) | (28.38) | (33.79) |
| 2007 | 3.16 | 2.14 | (1.57) |
| 2006 | 13.43 | 12.31 | 18.37 |
| 2005 | 7.78 | 6.72 | 4.55 |
| 2004 | 23.37 | 22.16 | 18.33 |
| 2003 | 34.34 | 33.04 | 47.25 |
| 2002 | (12.74) | (13.62) | (20.48) |
| 2001 | 6.16 | 5.11 | 2.49 |
| 2000 | 21.38 | 20.19 | (3.02) |
| 1999 | 6.09 | 5.04 | 21.26 |
| 1998 | 21.39 | 20.20 | (2.55) |
| 1997 | 20.82 | 19.64 | 22.36 |
| 1996 | 27.00 | 25.76 | 16.49 |
| 1995 | 17.47 | 16.32 | 28.45 |
| 1994 | 2.75 | 1.73 | (1.82) |
| 1993 | 20.00 | 18.83 | 18.88 |
| 1992 | 9.65 | 8.84 | 10.16 |

*April 1, 1992

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

[‡]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.

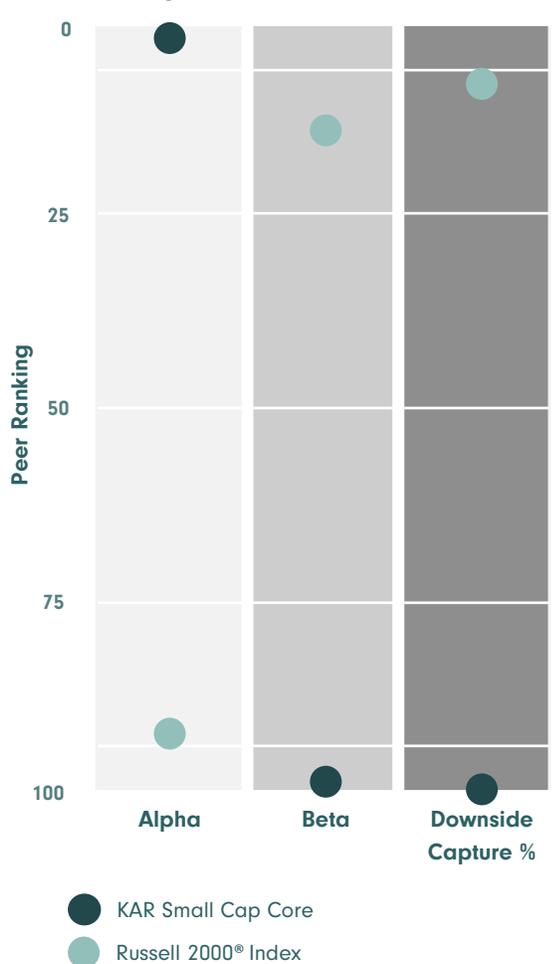
[§]Performance statistics are based on gross of fee returns.

^{||}Performance calculations are for the nine months ended December 31, 1992.

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 Cap Core Universe includes all managers categorized in the small cap core 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

Ten Years Ending June 30, 2022



Performance Statistics

Inception* to June 30, 2022

| | KAR Small Cap Core [§] | Russell 2000 [®] Index |
|-------------------------------|---------------------------------|---------------------------------|
| Annualized Standard Deviation | 15.19 | 19.17 |
| Alpha | 6.13 | 0.00 |
| Beta | 0.69 | 1.00 |
| Sharpe Ratio | 0.73 | 0.34 |
| R-Squared | 76.01 | 100.00 |

Small Cap Core Portfolio

Second Quarter 2022

Disclosure

| Year | Composite Gross Return (%) | Composite Net Return (%) | Russell 2000® Index Return (%) | Composite 3-Yr Std Dev (%) | Benchmark 3-Yr Std Dev (%) | Number of Accounts | Internal Dispersion (%) | Composite Assets (\$ Millions) | Firm Assets (\$ Millions) |
|------|----------------------------|--------------------------|--------------------------------|----------------------------|----------------------------|--------------------|-------------------------|--------------------------------|---------------------------|
| 2011 | 10.14 | 9.05 | (4.18) | 20.61 | 25.34 | 88 | 0.67 | 362 | 5,232 |
| 2012 | 13.42 | 12.30 | 16.35 | 15.26 | 20.48 | 102 | 0.33 | 541 | 6,545 |
| 2013 | 30.10 | 28.83 | 38.82 | 11.81 | 16.68 | 121 | 1.41 | 1,018 | 7,841 |
| 2014 | 7.51 | 6.44 | 4.89 | 9.79 | 13.31 | 145 | 0.24 | 965 | 7,989 |
| 2015 | 2.37 | 1.35 | (4.41) | 11.28 | 14.16 | 157 | 0.23 | 1,048 | 8,095 |
| 2016 | 19.10 | 17.93 | 21.31 | 12.50 | 15.99 | 209 | 0.49 | 1,303 | 9,989 |
| 2017 | 36.61 | 35.29 | 14.65 | 11.59 | 14.11 | 392 | 0.70 | 2,091 | 14,609 |
| 2018 | (0.83) | (1.82) | (11.01) | 14.03 | 16.01 | 557 | 0.45 | 2,619 | 17,840 |
| 2019 | 40.88 | 39.51 | 25.52 | 14.77 | 15.93 | 719 | 0.89 | 3,692 | 25,685 |
| 2020 | 23.17 | 21.96 | 19.96 | 19.35 | 25.63 | 895 | 1.02 | 4,775 | 39,582 |

The Russell 2000® 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 Cap Core Composite has had a performance examination for the period from January 1, 1999 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 discretionary institutional and pooled Small Cap Core Portfolios. Small Cap Core Portfolios are invested in equity securities with market capitalizations consistent with the Russell 2000® 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 2000® Index. The Russell 2000® Index is a market capitalization-weighted index of the 2,000 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 April 1992. The composite was created in April 1992. 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.

Prior to December 31, 2010, only non-taxable portfolios are included in the composite. As of January 1, 2011, the composite was redefined to include both taxable and tax-exempt accounts. As of January 1, 2011, the composite was redefined to include both institutional and mutual fund [or pooled] accounts. Previously, only institutional accounts were included.

The model management fee used for the net returns in this table is 1.00% for all periods presented. The standard Institutional management fee schedule currently in effect is as follows: 1.00% for the first \$25 million; 0.80% on the next \$25 million; 0.70% 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 measures the variability of the composite (using gross returns) and the benchmark for the 36-month period.