

Small-Mid Cap Sustainable Growth Portfolio

Third Quarter 2022

Portfolio Review

This was a volatile quarter in the markets. Earlier in the quarter many investors felt the Federal Reserve may pivot in the summer which caused riskier and lower-quality assets to perform well. However, when investor expectations were not met as high inflation persisted, the risk of a recession seemed more likely and in September there was a material flight to quality. The decline in stock prices was more pronounced in large cap, with the S&P 500 Index declining 4.88% in the quarter while the Russell 2000 Index was down 2.19%. Given the U.S. dollar's unprecedented strengthening, this makes sense as larger companies tend to have more international exposure and currency translation risk. The Russell 2500 Index declined 2.82% in the quarter. We saw a reversal of style trends in the third quarter with growth outperforming value. The Russell 2500 Value Index declined 4.50% in the quarter while the Russell 2500 Growth Index only declined 0.12%. The Kayne Anderson Rudnick Small-Mid Cap Sustainable Growth portfolio underperformed the Russell 2500 Growth Index in the third quarter. Poor stock selection in health care and industrials detracted from performance. Strong stock selection in information technology and an underweight in real estate contributed positively to performance. In general, sector allocation helped performance overall while stock selection was a negative contributor.

The biggest contributors to performance during the quarter were Silk Road Medical and Clearwater Analytics. Silk Road Medical reported solid results this quarter and management raised guidance. The company also received FDA approval for use in standard risk patients, which expands its addressable market. In the latest quarter, Clearwater Analytics' management announced continued revenue growth and plans to move towards a more fixed pricing structure from the current assets under management-based fee. Market participants positively interpreted the results causing shares to outperform. Other top contributors included Avalara, Old Dominion Freight Line, and HEICO.

The biggest detractors to performance during the quarter were Azenta and West Pharmaceutical Services. Azenta's core business continues to be very healthy, however, it is currently facing some temporary headwinds. Firstly, the company's results had benefited from COVID, which have declined naturally as we pass through the pandemic. Results were also negatively impacted by COVID-closures in China reducing demand for its Life Sciences Services. We view both of these issues as transitory. West Pharmaceutical Services' COVID-related revenue declined more precipitously than expected and guidance called for a material decline in 2023. That said, ex-COVID growth is still tracking in the mid-teens, giving us confidence that the business is still strong. Other bottom contributors included TransUnion, Rightmove, and Teledyne Technologies.

Purchases and Sales

During the quarter, there were no new purchases and we sold our positions in Avalara and Old Dominion Freight Line. We sold Avalara as the company announced on August 8, 2022 that it had agreed to be acquired. We sold our position in anticipation of the sale. We sold Old Dominion Freight Line as the market cap grew to a level that is outside the mandate of this portfolio.

Outlook

We believe the plethora of bad news has led the stock market to a price level that already discounts a shallow-to-mild recession. However, simply put, equities will not bottom out until long-term bond yields (10 to 30 year) stop increasing. It was not a coincidence that stocks rallied from the middle of June until the middle of August when long-term yields were declining. We need a sustained decline in reported inflation statistics for this to happen. This seems likely at some point over the next six-to-twelve months. Monetary policy is working—raw material prices are falling (including oil); housing and autos are being hit hard (including used car prices and even new recently); semiconductors have turned from a shortage to a surplus in many areas; and many companies are starting to shed workers. Supply chain difficulties, which the Fed cannot directly control, are improving as well, but the Russian war and China's zero-COVID policy continue to create some supply difficulties. Given pessimistic investor sentiment, bearish positioning, and many attractively valued companies on a long-term basis, any better-than-feared news on the course of future interest rate increases could cause the markets to substantially improve from here. Historically, periods of stock market pessimism with zero speculation in them have been good long-term entry points for patient investors.

Portfolio Highlights

Style: Small-Mid Cap
Sub-Style: Growth
Index: Russell 2500™ Growth
Portfolio Inception: 2018
Portfolio Assets: \$418.6 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 Kutasov Senior Research Analyst | 21 |
| Craig Stone Senior Research Analyst | 33 |
| Sean Dixon Research Analyst | 14 |
| Arthur Su, CFA Research Analyst | 7 |
| Adam Xiao, CFA Research Analyst | 9 |

Top Five Holdings

As of September 30, 2022

| Company | Percent of equity (%) |
|------------------------------|-----------------------|
| Ryan Specialty | 7.2 |
| Silk Road Medical | 5.9 |
| HEICO | 5.4 |
| West Pharmaceutical Services | 5.1 |
| Jack Henry & Associates | 5.0 |
| Total | 28.6 |

* Figures in USD

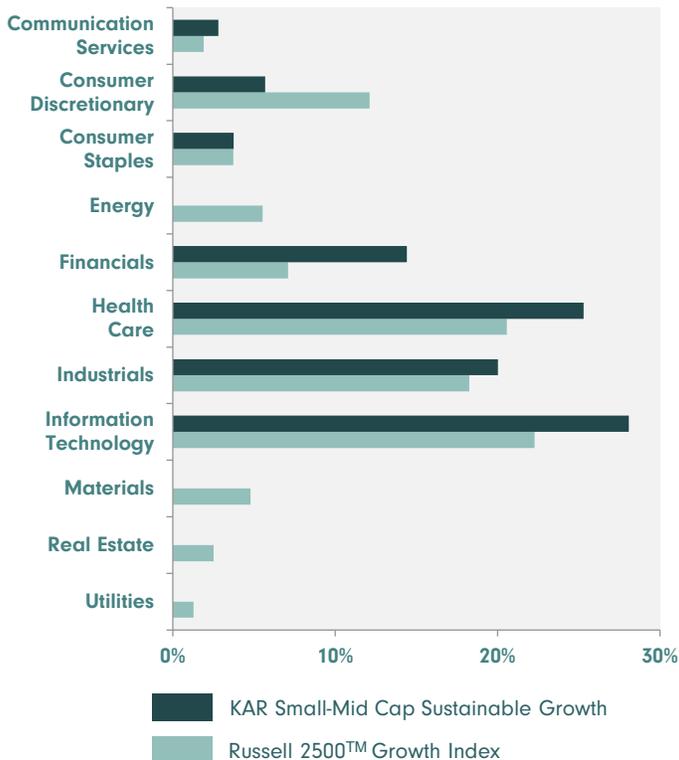
This report is based on the assumptions and analysis made and believed to be reasonable by Advisor. However, no assurance can be given that Advisor's opinions or expectations will be correct. This report is intended for informational purposes only and should be not considered a recommendation or solicitation 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 |
|---|---|--|---|
| 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 September 30, 2022



Portfolio Characteristics

As of September 30, 2022

| | KAR Small-Mid Cap Sustainable Growth | Russell 2500™ Growth Index |
|---|--------------------------------------|----------------------------|
| Quality | | |
| Return on Equity—Past 5 Years | 22.8% | 15.1% |
| Total Debt/EBITDA | 3.3 x | 5.5 x |
| Earnings Variability—Past 10 Years | 44.5% | 69.8% |
| Growth | | |
| Earnings Per Share Growth—Past 10 Years | 13.5% | 13.7% |
| Capital Generation—{ROE x (1-Payout)} | 19.6% | 13.0% |
| Value | | |
| P/E Ratio—Trailing 12 Months | 65.2 x | 45.7 x |
| Free Cash Flow Yield† | 1.5% | 1.4% |
| Market Characteristics | | |
| \$ Weighted Average Market Cap. | \$10.8 B | \$5.5 B |
| Largest Market Cap | \$26.9 B | \$18.3 B |

†Free cash flow data is as of June 30, 2022. Prices are as of September 30, 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.**

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.

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Third Quarter 2022

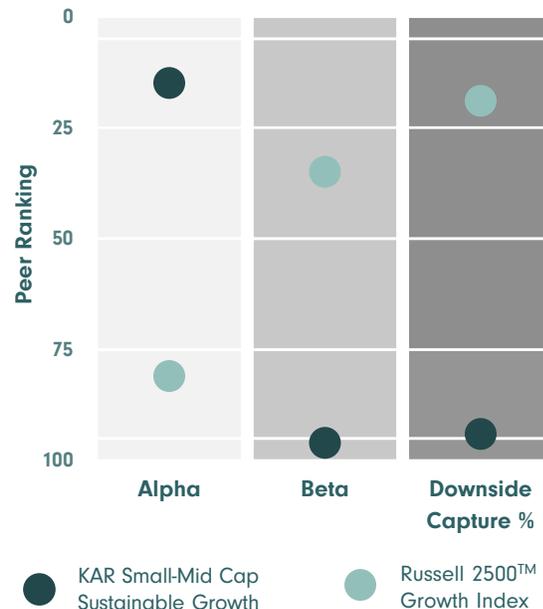
Risk-Return Analysis

Inception* to September 30, 2022



Peer Comparison Chart

Inception* to September 30, 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 September 30, 2022 | | | |
| 3 rd Quarter | (1.26) | (1.48) | (0.12) |
| Year to Date | (27.06) | (27.54) | (29.54) |
| One Year | (26.55) | (27.19) | (29.39) |
| Three Years | 8.30 | 7.39 | 4.76 |
| Inception* | 10.68 | 9.75 | 3.62 |
| Annual Returns (%) | | | |
| 2021 | 6.58 | 5.68 | 5.04 |
| 2020 | 48.40 | 47.18 | 40.47 |
| 2019 | 46.11 | 44.91 | 32.65 |
| 2018 [§] | (9.44) | (9.77) | (15.93) |

*August 1, 2018

[†]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 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 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 unless otherwise specified. For further details on the composite, please see the disclosure statement in this presentation. Data is obtained from FactSet Research Systems and is assumed to be reliable. **Past performance is no guarantee of future results.**

The eVestment Small-Mid Cap Growth Universe includes 62 managers categorized in the small-mid cap growth asset class by eVestment. KAR does not pay any fees to be included in the eVestment Small-Mid Cap Growth 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 September 30, 2022

| | KAR Small-Mid Cap Sustainable Growth (gross) | KAR Small-Mid Cap Sustainable Growth (net) | Russell 2500™ Growth Index |
|-------------------------------|--|--|----------------------------|
| Annualized Standard Deviation | 21.56 | 21.56 | 24.59 |
| Alpha | 7.21 | 6.31 | 0.00 |
| Beta | 0.81 | 0.81 | 1.00 |
| Sharpe Ratio | 0.45 | 0.41 | 0.11 |
| R-Squared | 84.41 | 84.41 | 100.00 |

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Third Quarter 2022

Disclosure

| Year | Composite Gross Return (%) | Composite Net Return (%) | Russell 2500™ | | Benchmark 3-Yr Std Dev (%) | Number of Accounts | Internal Dispersion (%) | Composite Assets (\$ Millions) | Firm Assets (\$ Millions) |
|-------|----------------------------------|--------------------------------|-------------------------------|----------------------------------|----------------------------------|-----------------------|-------------------------------|--------------------------------------|---------------------------------|
| | | | Growth Index Return (%) | Composite 3-Yr Std Dev (%) | | | | | |
| 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.

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 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.

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 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. The index is unmanaged, its returns do not reflect any fees, expenses, or sales charges, and is not available for direct investment.