Kayne Anderson Rudnick
Investment Management

Global Dividend Yield Portfolio

Third Quarter 2025

Portfolio Review

The Global Dividend Yield portfolio underperformed the MSCI World High Dividend Yield Index in the third quarter. Poor stock selection and an underweight in consumer discretionary and poor stock selection in industrials detracted from performance. An underweight in consumer staples and good stock selection in health care contributed positively to performance.

The biggest contributors to performance during the quarter were AbbVie and IGM Financial.

- AbbVie is returning to revenue growth post Humira biosimilar competition in the U.S. This is being driven by Skyrizi and Rinvoq and the company's oncology business and management believes this puts the company on track for high single digit revenue growth through the end of the decade.
- Net flows in the wealth management business continue to enable IGM Financial's positive momentum. The company is doing particularly well with high-net-worth clients, which has been an area of focus for the past several years. Earnings from the company's strategic investments unit were strong this quarter and exceeded expectations.
- Other top contributors included Johnson & Johnson, Broadcom, and Fortis.

The biggest detractors to performance during the quarter were Canadian Tire and IBM.

- A resilient Canadian consumer drove strong results and Canadian Tire appears to be taking share. However, the company is entering an investment period that will weigh on profits into 2026.
- Cautiousness among some of IBM's customers weighed on results, particularly in consulting. However, the consulting backlog remains strong. On the other hand, AI remains a solid driver for the company's key software business
- Other bottom contributors included Paychex, Texas Instruments, and Safety Insurance.

Market Review

While recent market strength—particularly in small caps—has favored high-beta, lower-quality names, we remain cautious about the sustainability of this rally. Tariffs continue to be a focus for investors although we are still only seeing modest pricing pressure in the data noting that right now that data is backward-looking and has been impacted by tremendous front-loading of imports that occurred at the beginning of the year to avoid some of the tariff pain. Another potential headwind, in our view, is the impact of restrictive immigration policies, which could pose challenges to long-term U.S. growth.

Meanwhile, AI remains a dominant theme. The scale of investment by hyperscalers to expand data center capacity is unprecedented. While it's difficult to separate reality from hype, there's no denying that AI-related capital spending has become a major force in today's economy. Given the intensity and concentration of this spending, we believe it could have longer-term implications for costs and returns across industries and consumers. Against this backdrop, we continue to believe diversification remains essential as markets adjust to shifting economic and policy trends.

Purchases and Sales

New Purchases	Complete Sales
Rexel	Amcor
Watsco	Eastman Chemical

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	2020
Clarissa Ali Associate Research Analyst	2023

Top 10 Holdings

As of September 30, 2025

Company	Percent of equity (%)
Fortis	5.0
Zurich Insurance Group	4.8
AbbVie	4.4
BAE Systems	4.3
Verizon Communications	4.2
International Business Machines	4.1
Canadian Tire	3.8
Southern Company	3.8
Telenor	3.5
Terna	3.4
Total	**41.3**

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Investment Management

Investment Process: Discovering Quality

Development of KAR High-Quality Universe

KAR Universe

Typical Quantitative Screens
- Investment-grade balance sheet
- Market cap > $1.0 billion
- 5-year average ROE > 7.5%
- No dividend cut last five years

Other Resources
- Research on existing portfolio holdings
- Meetings with companies
- Industry reviews
- Investment conferences
- Third-party research

Proprietary Fundamental Research

Qualitative Analysis
- Evaluate sustainability of business model and assess management's ability to direct capital where it can create further control of its market

Financial Analysis
- Evaluate basis for profitability, long-term growth potential, and ability to allocate capital appropriately

Valuation Analysis
- Determine the current and potential value of the business

Portfolio Construction

Position Weights
- Maximum initial position size is 5% (at cost)
- Maximum position size is 10% (at market)

Sector Tolerances
- Seek broad diversification, but no sector constraints

Holding Period
- Typically 3-to-5 years, but is often longer
- Portfolio turnover is typically 25% to 45%

Cash Levels
- Typically will not exceed 10% once a portfolio is fully invested; review by CIO triggered if over 10%

Sell Discipline

Potential dividend cut

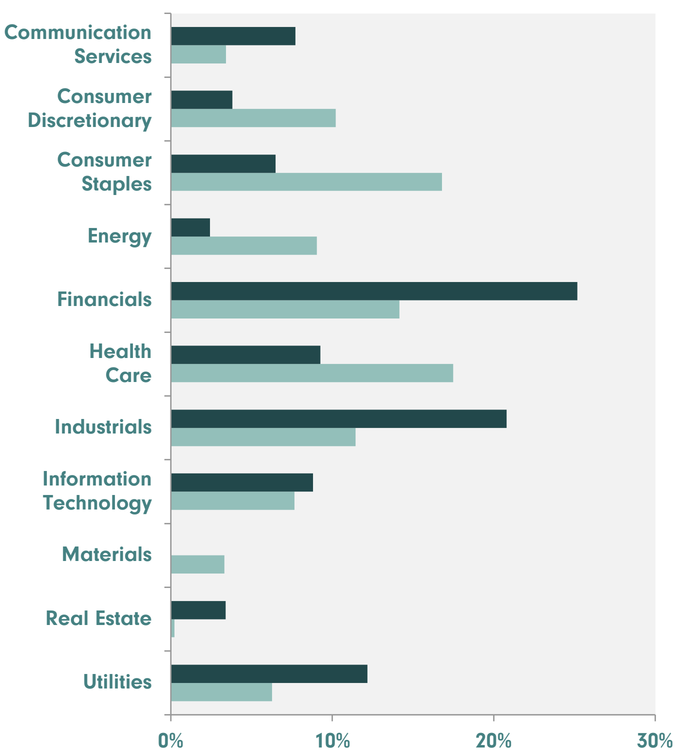
Balance sheet deterioration

Inability to cover dividend via internal cash generation over medium-to-long term

Seeking High Yield | Seeking Market Return | Seeking Low Risk

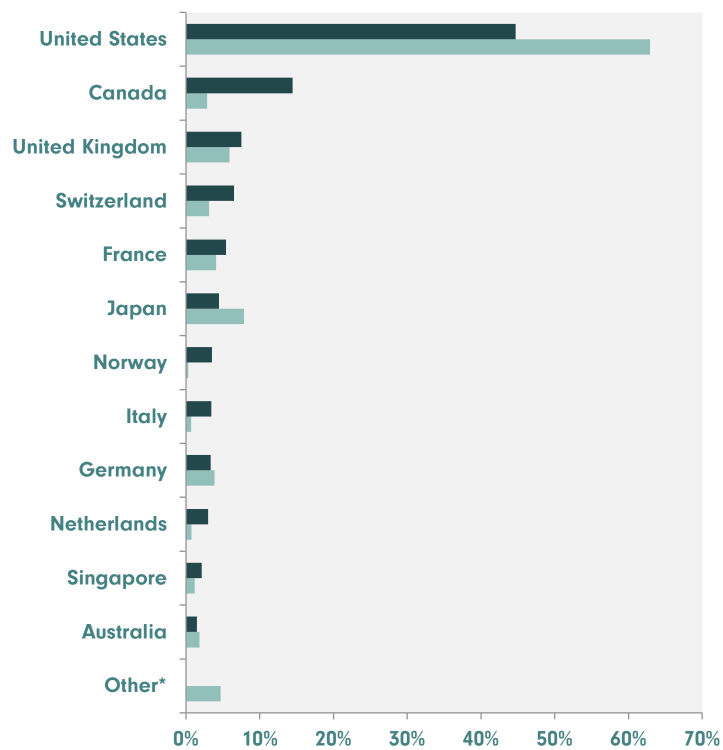
Sector Diversification

As of September 30, 2025



Geographical Exposure

As of September 30, 2025



KAR Global Dividend Yield   MSCI® World High Dividend Yield Index

** "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, 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

Third Quarter 2025

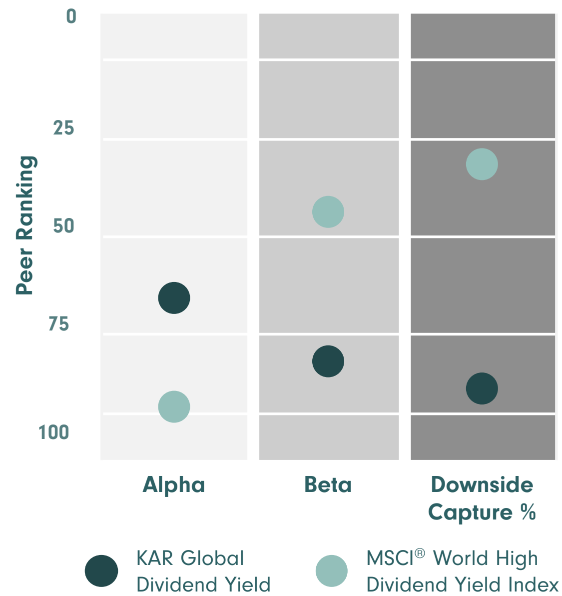
Portfolio Characteristics

As of September 30, 2025

	KAR Global Dividend Yield	MSCI® World High Dividend Yield Index
Quality		
Return on Equity—Past 5 Years	**24.1%**	21.5%
Debt Coverage	**4.9 x**	5.7 x
Growth		
Earnings Per Share Growth—Past 5 Years	**5.5%**	10.9%
Dividend Per Share Growth—Past 5 Years	**5.4%**	8.5%
Value		
Dividend Yield*	**3.3%**	3.4%
Market Characteristics		
Dividend Payout Ratio—5 Year Average	**73.5%**	60.6%
$ Weighted Average Market Cap	**$157.8 B**	$162.5 B
Largest Market Cap	**$1,551.2 B**	$487.7 B
Beta—Since Inception[†] (Net of Fees)	**0.92**	1.00

Peer Comparison Chart

Inception[†] to September 30, 2025



The eVestment Global Dividend Focus Universe includes 48 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.***

Historical Returns

	KAR Global Dividend Yield (gross)	KAR Global Dividend Yield (net)[‡]	MSCI® World High Dividend Yield Index
Annualized Returns (%)[§] As of September 30, 2025			
3rd Quarter	3.41	3.23	4.46
Year to Date	19.73	19.11	14.22
One Year	12.30	11.52	7.60
Three Years	14.97	14.17	15.46
Five Years	10.68	9.91	10.63
Seven Years	7.34	6.59	7.59
Ten Years	8.25	7.50	8.60
Inception[†]	8.83	8.08	8.22
Annual Returns (%)			
2024	5.60	4.86	7.95
2023	5.50	4.77	9.12
2022	(1.70)	(2.39)	(4.74)
2021	14.13	13.34	15.83
2020	(5.62)	(6.28)	(0.03)
2019	23.44	22.59	23.15
2018	(4.13)	(4.81)	(7.56)
2017	14.57	13.77	18.14
2016	12.22	11.45	9.29
2015	(3.51)	(4.18)	(3.20)
2014	12.36	11.58	2.48
2013	22.35	21.51	21.91
2012	12.36	11.58	12.24

Performance Statistics

Inception[†] to September 30, 2025

	KAR Global Dividend Yield (gross)	KAR Global Dividend Yield (net)	MSCI® World High Dividend Yield Index
Annualized Standard Deviation	11.99	11.99	12.22
Alpha	1.16	0.45	0.00
Beta	0.92	0.92	1.00
Sharpe Ratio	0.61	0.54	0.55
R-Squared	87.19	87.19	100.00

**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.*

[†]January 1, 2012.

[‡]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. To the extent actual performance results are shown in comparison to an index, the index is not actively managed, does not reflect the deduction of any investment management or other fees and expenses, and is not available for direct investment. While the securities comprising any such index are not identical to those in the composite, KAR believes this comparison may be useful in evaluating performance.

[§]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.

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 and the index, 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.***

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Global Dividend Yield Composite

Third 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)	Firm Assets ($ Millions)
2015	(3.51)	(4.76)	(3.20)	10.15	11.32	44	0.82	33	8,095
2016	12.22	10.78	9.29	9.32	10.61	61	0.82	332	9,989
2017	14.57	13.10	18.14	8.00	9.59	221	0.38	128	14,609
2018	(4.13)	(5.38)	(7.56)	8.23	9.14	234	0.47	111	17,840
2019	23.44	21.87	23.15	8.62	9.80	268	0.67	144	25,685
2020	(5.62)	(6.84)	(0.03)	16.60	15.91	277	1.31	123	39,582
2021	14.13	12.67	15.83	16.56	15.72	269	0.44	141	47,269
2022	(1.70)	(2.97)	(4.74)	18.69	17.40	286	0.88	160	33,531
2023	5.50	4.14	9.12	13.96	13.99	287	0.62	159	41,186
2024	5.60	4.24	7.95	13.94	13.60	264	0.56	149	45,494

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.

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 Global Dividend Yield Composite has had a performance examination for the period from January 1, 2014 through December 31, 2024. 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 Global Dividend Yield Portfolios. Global Dividend Yield Portfolios are invested in globally diversified securities 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. The benchmark was changed retroactively effective January 2019, as the previous benchmark was discontinued December 2018. 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 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 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.