

## AIA S&P Global 1500 (All Cap) Strategy

QUARTERLY PORTFOLIO COMMENTARY (CASH FUNDED AFTER-TAX COMPOSITE)

Global equity markets were essentially flat (MSCI World: -0.2%) during the quarter as modestly positive US Equity markets (S&P 500®: 2.4%) were offset by negative returns in both the developed (MSCI EAFE: -8.1%) and emerging markets (MSCI EM: -8.0%). The Fed continued to ease in line with market expectations, cutting rates by 25 basis points (bps) at both the November and December FOMC meetings but indicating fewer rate cuts in 2025 due to persistent inflation and steady economic growth. The Federal Funds target rate ended the year at 4.25%–4.50%, a full 100bps lower than its 2024 peak. Annual US inflation continued to moderate from highs set in 2022, with a reading of 2.7% in November, and the unemployment rate held steady at 4.2%. US GDP rose by an annualized rate of 2.8% in the third quarter of 2024, down from 3.0% in the second quarter. The MSCI All Country World Index fell (-1.0%) in the fourth quarter and the best-performing sectors were consumer discretionary (+8.7%), communication services (+7.0%), and information technology (+4.7%). The worst-performing sectors were materials (-14.3%), healthcare (-11.4%), and real estate (-9.3%). The Middle East and United States showed strength, while Emerging Markets, Europe ex UK, Asia ex Japan, and United Kingdom experienced declines.

During the quarter, the AIA S&P Global 1500 (All Cap) Strategy underperformed its benchmark before taxes and net of 0.35% fee by -0.22%. The strategy outperformed over the period on an after-tax and net of 0.35% fee basis by +0.29%. After-tax outperformance was relatively mild, due to limited opportunities to harvest losses after a year of strong equity market returns. Tax alpha was positive and added +0.51% during the period.

Year to date, the AIA S&P Global 1500 (All Cap) Strategy outperformed its benchmark before taxes and net of 0.35% fees by +0.03%. The strategy outperformed over the period on an after-tax and net of 0.35% fee basis by +1.58%. Tax alpha contributed +1.55% for the period.

The AIA S&P Global 1500 (All Cap) Strategy seeks to provide a pretax return similar to the performance of the market-cap blended benchmark composed of the S&P 1500® and S&P ADR indexes. The strategy seeks to outperform the benchmark on an after-tax basis by proactively realizing losses and deferring gains. AIA's managers use a multi-factor algorithm to select and weight stocks to align portfolio exposures, including sector and market capitalization, to the underlying index while incorporating tax management. Individual account performance may vary due to restrictions at the account level, such as security exclusions, capital gains budgets and other restrictions.

## AIA S&P Global 1500 (All Cap) Strategy – Annualized Returns (as of 12/31/2024)

AIA S&P Global 1500 Cash Funded After-Tax Composite Pure Gross Returns	Pretax			After-Tax			Tax Alpha
	Composite Pure Gross Return	Benchmark Return (1500 + ADR)	Difference	Composite Pure Gross Return	Estimated Benchmark Return	Difference	
3 months	1.13%	1.26%	-0.13%	1.31%	0.94%	0.37%	0.51%
1 year	22.54%	22.09%	0.45%	22.54%	20.54%	2.00%	1.55%
3 years	7.78%	8.38%	-0.60%	10.91%	7.03%	3.88%	4.47%
5 years	13.01%	13.22%	-0.20%	16.30%	11.86%	4.44%	4.65%
Since inception 04/01/2017	12.68%	12.99%	-0.31%	16.05%	11.74%	4.32%	4.63%

AIA S&P Global 1500 Cash Funded After-Tax Composite Net 0.35% Returns	Pretax			After-Tax			Tax Alpha
	Composite Net 0.35% Return	Benchmark Return (1500 + ADR)	Difference	Composite Net 0.35% Return	Estimated Benchmark Return	Difference	
3 months	1.04%	1.26%	-0.22%	1.23%	0.94%	0.29%	0.51%
1 year	22.12%	22.09%	0.03%	22.12%	20.54%	1.58%	1.55%
3 years	7.41%	8.38%	-0.97%	10.53%	7.03%	3.49%	4.46%
5 years	12.62%	13.22%	-0.59%	15.90%	11.86%	4.04%	4.64%
Since inception 04/01/2017	12.29%	12.99%	-0.70%	15.65%	11.74%	3.91%	4.62%

AIA S&P Global 1500 Cash Funded After-Tax Composite Net Bundled Fee Returns <sup>1</sup>	Pretax			After-Tax			Tax Alpha
	Composite Net Bundled Fee Return	Benchmark Return (1500 + ADR)	Difference	Composite Net Bundled Fee Return	Estimated Benchmark Return	Difference	
3 months	0.38%	1.26%	-0.89%	0.56%	0.94%	-0.38%	0.51%
1 year	18.97%	22.09%	-3.12%	18.98%	20.54%	-1.56%	1.55%
3 years	4.61%	8.38%	-3.77%	7.65%	7.03%	0.62%	4.39%
5 years	9.70%	13.22%	-3.52%	12.90%	11.86%	1.04%	4.56%
Since inception 04/01/2017	9.37%	12.99%	-3.62%	12.66%	11.74%	0.92%	4.54%

<sup>1</sup> The assumed model bundled fee used is 3.0% and has been retroactively applied since inception.

## AIA S&P Global 1500 (All Cap) Strategy – Market-Cap Allocations (as of 12/31/2024)

Market-cap size	Percentage of total portfolio
Large (>10B)	97.37%
Mid (2.5B to 10B)	2.63%
Small (<2.5B)	0.00%

**Performance data shown represents past performance and is no guarantee of future results.** As portfolios are actively managed, holdings are subject to change. The securities discussed herein do not represent all of the securities purchased, sold or recommended. The reader should not assume that an investment in these securities was or will be profitable. A complete list of all past recommendations made within the immediately preceding 12-month period is available upon request.

S&P 1500<sup>®</sup> Composite Index is an investable US equity benchmark. The S&P Composite 1500<sup>®</sup> combines three leading indices, the S&P 500<sup>®</sup>, the S&P MidCap 400, and the S&P SmallCap 600, to cover approximately 90% of the US market capitalization. It is designed for investors seeking to replicate the performance of the US equity market or benchmark against a representative universe of tradable stocks. Dow Jones Industrial Average is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the Nasdaq. Russell 1000<sup>®</sup> Growth Index is an unmanaged index that measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000<sup>®</sup> companies with higher price-to-book ratios and higher forecasted growth values. Russell 1000<sup>®</sup> Value Index is an unmanaged index that measures the performance of the large-cap value segment of the US equity universe. It includes those Russell 1000<sup>®</sup> companies with lower price-to-book ratios.

and lower expected growth values. The Russell 1000® Index measures the performance of the large-cap segment of the US equity universe. It is a subset of the Russell 3000® Index and includes approximately 1,000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000® represents approximately 92% of the US market. The Russell 1000® Index is constructed to provide a comprehensive and unbiased barometer for the large-cap segment and is completely reconstituted annually to ensure new and growing equities are reflected. Russell 2000® Index is an unmanaged index that measures the performance of the small-cap segment of the US equity universe.

The views and opinions expressed may change based on market and other conditions. This material is provided for informational purposes only and should not be construed as investment advice. There can be no assurance that developments will transpire as forecasted. Actual results may vary.

AIA encompasses the direct indexing capabilities offered through Natixis Investment Managers Solutions. Natixis Investment Managers Solutions is a division of Natixis Advisors, LLC ("Natixis Advisors"). Natixis Advisors is an SEC-registered investment advisor and an indirect subsidiary of Natixis Investment Managers, LLC. Prior to August 2021, AIA was a division of Natixis Advisors. A complete list of composite descriptions, as well as additional information regarding the firm's policies and procedures for valuing portfolios, calculating performance, and preparing compliant presentations, is available upon request. The AIA S&P Global Cash Funded After-Tax Composite includes all fully discretionary, taxable, fee-paying portfolios that invest in the AIA S&P Global and that have initially been funded with cash. This strategy seeks to gain broad market exposure to the US and international equity markets through the use of US stocks and US-listed American Depositary Receipts. This strategy invests in a subset of securities from within either the S&P 500® or S&P 1500® and the S&P ADR indexes. The AIA S&P Global Cash Funded After-Tax Composite is a subcomposite of the AIA S&P Global Pre-Tax Composite. The composite was created in November 2007. The benchmark used is the Custom S&P Global Index defined as the capitalization-weighted blend of the S&P 500® and the S&P ADR, indexes representing large-cap US stocks and non-US stocks, respectively. The custom index is rebalanced daily and calculated by S&P. As of year-end 2021, the S&P 500® represented 86% of the blend and the S&P ADR represented 14% of the blend. Benchmark weights for historical time periods are available upon request. Performance is expressed in US dollars. All results are time-weighted total returns that include the reinvestment of income and dividends. Returns are presented net of nonreclaimable withholding taxes. Management fees vary on asset size and are negotiated by the sponsor. The standard fee schedule is as follows: 0.35% on the first \$5 million; 0.25% on the next \$5 million; 0.20% on the next \$10 million; 0.17% on the next \$30 million; 0.16% thereafter. Net-of-fees returns assume a model bundled fee that is inclusive of custody, advisor, transaction, and investment management fees. The model fee is deducted 1/12th per month from the gross composite return. The assumed model bundled fee used is 3.0% and has been retroactively applied since inception. Pure gross-of-fees returns are supplemental information and do not reflect the deduction of transaction costs or fees that are included within bundled fees. Effective January 2006, accounts with significant cash withdrawals are temporarily removed from the composite during the month that the withdrawal was taken. Currently, significant cash withdrawals are defined as cash withdrawals that are greater than 10% of an account's market value. Details related to the policy and the threshold for defining significant cash withdrawals historically are available upon request. The after-tax returns shown are subject to the limitations of the specific calculation methodology applied. Since the client's actual circumstances and tax rates determined after the fact may differ from the anticipated tax rates used in this process, the reported returns may not equal the actual after-tax returns for specific clients. After-tax returns are calculated using the maximum federal and state tax rates for dividends, short-term capital gains and long-term capital gains.

Tax alpha is the benefit of loss harvesting, which is assumed to be used to offset gains inside or outside the portfolio in the period they are incurred, and thus credited to the portfolio returns. The after-tax benchmark is an estimate based on the average capital gains realization rate and dividend yield of the index. The maximum federal and state tax rates for dividends and capital gains are utilized in the after-tax calculations.

**Investment Disclosure:** This report has been created for information purposes only; this information is dated as indicated above and is subject to change thereafter. Natixis Advisors, LLC ("Natixis Advisors") does not offer tax or legal advice. This information should not be considered a recommendation or solicitation by Natixis Advisors or the model portfolio provider to buy or sell any security shown. For more information, please consult Natixis Advisors' and the relevant model portfolio provider's Form ADV Part 2A ("Part 2A"). A copy of Part 2A of Natixis Advisors and/or the model portfolio provider may be requested by emailing ADVOPS@im.natixis.com.

**Investment Risks:** All securities are subject to risk, including possible loss of principal. Please read the risks associated with each investment prior to investing. Detailed discussions of each investment's risks are included in Part 2A of each firm's respective Form ADV. The investments highlighted in this presentation may be subject to certain additional risks.

**Intellectual Property Disclosure:** This report may contain references to third-party copyrights, indexes, and trademarks, each of which is the property of its respective owner. Such owner is not affiliated with Natixis or any of its related or affiliated companies and does not sponsor, endorse or participate in the provision of any Natixis services, funds or other financial products. Index information contained herein is derived from third parties and is provided on an "as is" basis. The user of this information assumes the entire risk of use of this information. Each of the third-party entities involved in compiling, computing or creating index information disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, noninfringement, merchantability and fitness for a particular purpose) with respect to such information.

Natixis Advisors, LLC provides discretionary advisory services through its division Natixis Investment Managers Solutions. Discretionary advisory services are generally provided with the assistance of model portfolio providers, some of which are affiliates of Natixis Investment Managers, LLC. • Natixis Distribution, LLC is a limited purpose broker-dealer and the distributor of various registered investment companies for which advisory services are provided by affiliates of Natixis Investment Managers. • Natixis Distribution, LLC and Natixis Advisors, LLC are located at 888 Boylston Street, Suite 800, Boston, MA 02199-8197. 800-862-4863. im.natixis.com.

NOT FDIC INSURED • MAY LOSE VALUE • NO BANK GUARANTEE

NIM-02122025-qd8v9aek  
Exp. 5/15/25  
P-AIASPG1503-1224