

# VAUGHAN NELSON INTERNATIONAL SMALL CAP FUND



## 4Q 2023 Fund Fact Sheet

### FUND HIGHLIGHTS

- Seeks to achieve long-term capital appreciation through investments in international small capitalization companies with a focus on a targeted return
- Companies within the market capitalization range of the MSCI EAFE Small Cap Index at time of purchase
- Companies earning a positive return on capital, valued at a discount to their asset value, or with an attractive dividend yield

### AVERAGE ANNUALIZED TOTAL RETURNS<sup>†</sup> (%)

Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results.

	QTD	1 Year	3 Years	5 Years	10 Years
Institutional Class	8.52	2.75	-5.08	4.07	3.16
Investor Class	8.48	2.53	-5.32	3.80	2.90
MSCI EAFE Small Cap Index - ND	11.14	13.16	-0.69	6.58	4.80

### FUND FACTS

#### Objective

Seeks long-term capital appreciation

Share Class	Ticker	Cusip
Institutional	ADVLX	46141P412
Investor	ADVJX	46143U609
Total net assets	\$25.9 million	
Inception date	3/31/10	
Number of holdings	67	
Turnover as of 12/31/23 (1-Year)	58%	
Distribution frequency	Annual	
Gross expense ratio (L/J)	1.52% / 1.77%	
Net expense ratio (L/J)	0.99% / 1.24%	

Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. The performance figures for Institutional Class shares include the performance for the Advisor Class shares for the period prior to December 31, 2013. The performance figures for Investor Class shares include the performance for the Institutional Class shares for the period prior to December 2, 2019, adjusted for Investor Class shares' expenses, which are higher than the expenses of Institutional Class shares. For most recent month-end performance, visit [www.vaughannelson.com](http://www.vaughannelson.com) or [im.natixis.com](http://im.natixis.com).

Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index.

<sup>†</sup> Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any.

Not all share classes are available for purchase by all investors. Institutional Class shares are available to institutional investors with a minimum initial investment of \$100,000 and through certain wrap-fee programs, retirement plans and investment advisory accounts with no minimum. See the prospectus for more details.

# VAUGHAN NELSON INTERNATIONAL SMALL CAP FUND - 4Q23

## PORTFOLIO OVERVIEW

Sector Breakdown <sup>2,10</sup>	% of Portfolio
Industrials	28.54
Information Technology	24.24
Financials	12.12
Consumer Discretionary	9.44
Communication Services	8.73
Health Care	4.90
Materials	4.72
Real Estate	3.41
Consumer Staples	2.84
Energy	1.04
Utilities	0.00
<b>TOTAL</b>	<b>100</b>

Geographic Breakdown <sup>10</sup>	% of Portfolio
Japan	34.75
Europe ex. UK	24.91
United Kingdom	21.23
Nordic	10.56
Asia/Pacific ex. Japan	8.56
Other	0.00
United States	0.00
<b>TOTAL</b>	<b>100</b>

### Fund Statistics

Beta vs. MSCI EAFE Small Cap <sup>1,3</sup>	0.94
R-Squared vs. MSCI EAFE Small Cap <sup>1,4</sup>	0.97
Annualized Standard Deviation (%) <sup>5</sup>	19.25
Active Share (%) <sup>6</sup>	97
P/E (NTM) Ratio <sup>7</sup>	13.85
P/B Ratio <sup>8</sup>	2.06
Weighted Average Mkt Cap (\$MM) <sup>9</sup>	3,771

### Top Ten Equity Holdings<sup>10</sup>

Company	% of Portfolio
TKC Corp	2.65
Dentsu Soken Inc	2.58
Internet Initiative Japan Inc	2.44
AIXTRON SE	2.41
JTC PLC	2.33
YouGov PLC	2.30
Alten SA	2.08
Beazley PLC	2.08
RS GROUP PLC	2.07
Usen-Next Holdings Co Ltd	2.04
<b>TOTAL</b>	<b>22.98</b>

## MANAGER OVERVIEW

### Investment Manager

Vaughan Nelson Investment Management specializes in equities with a focus on targeted return. The firm employs a bottom-up, fundamental research process to capitalize on temporary information and liquidity inefficiencies in equities markets. The firm's long-term consistent approach draws on in-depth research and consistent process across all market capitalizations.

**Headquarters:** Houston, TX

**Founded:** 1970

### Assets under management:

\$16.4 billion (as of 12/31/23)<sup>11</sup>

### Portfolio Managers<sup>12</sup>

Marco Priani, CFA, CPA

Kevin Ross, CFA



## Risks

**Foreign and emerging market securities** may be subject to greater political, economic, environmental, credit, currency and information risks. Foreign securities may be subject to higher volatility than US securities, due to varying degrees of regulation and limited liquidity. These risks are magnified in emerging markets.

**Smaller company investments** can be more volatile than those of larger companies. **Concentrated investments** in a particular region, sector, or industry may be more vulnerable to adverse changes in that industry or the market-as-a-whole.

**1** MSCI EAFE Small Cap Index is an unmanaged index that measures the performance of the small cap segment of developed market countries, excluding the U.S. and Canada. **2** Source: GICS Sectors via FactSet Research Systems Inc. 1.82% cash and unassigned allocations are not included. Rounding may affect total. **3** Beta is calculated for the five-year period and represents the risk associated with the fund relative to market risks. For example, the market has a beta of 1.00, so if a fund has a beta of 0.85, it can be expected to be 15% less volatile than the overall market. Conversely, if a fund has a beta of 1.08, it can be expected to be 8% more volatile than the overall market. **4** R-squared is calculated for the five-year period and represents the percentage of the fund's movements that can be explained by the movements of the market. For example, index funds will tend to have R-squared values very close to 100. **5** Standard deviation measures the risk of a portfolio or market. Beta, R-squared and standard deviation are calculated on a monthly basis for the five-year annualized period as of the most recent quarter-end. **6** Active share indicates the proportion of a portfolio's holdings that are different from the benchmark. A higher active share indicates a larger difference between the benchmark and the portfolio. **7** P/E (NTM) Ratio is the weighted harmonic average of the price-to-earnings (P/E) ratios of all the stocks in the portfolio. P/E ratio is the ratio of a stock's price to its earnings per share for the next twelve months. Does not include options. This excludes negative earnings. **8** P/B Ratio is the weighted harmonic average of the price-to-book (P/B) ratios of all the stocks in the portfolio. P/B ratio is the ratio of a stock's price to its book value per share. This excludes negative earnings. **9** Weighted average market cap provides a measure of the market capitalization value of all the stocks in the portfolio. Market capitalization reflects the total market value of a company, as calculated by multiplying the current share price by the number of outstanding shares. **10** Excludes 1.82% cash. Due to rounding, totals may not equal 100%. The portfolio is actively managed, and holdings are subject to change. References to specific securities or industries should not be considered a recommendation. For current holdings, please visit our website. **11** Assets under management ("AUM"), as reported, may include notional assets, assets serviced, gross assets and other types of non-regulatory AUM. **12** CFA® and Chartered Financial Analyst® are registered trademarks owned by the CFA Institute.

Natixis Distribution, LLC (fund distributor) and Vaughan Nelson are affiliated. 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, LLC.

**Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [www.vaughannelson.com](http://www.vaughannelson.com), [im.natixis.com](http://im.natixis.com) or call 800-862-4863 for a prospectus or a summary prospectus containing this and other information. Read it carefully.**

Natixis Distribution, LLC is located at 888 Boylston Street, Suite 800, Boston, MA 02199-8197 • 800-225-5478 • [im.natixis.com](http://im.natixis.com) • Member FINRA | SIPC