Nuance Concentrated Value Composite Perspectives

nuance INVESTMENTS

June 30, 2019

Description of the Product

The Nuance Concentrated Value Composite is a classic value investment product investing primarily in the equity or equity-linked securities of United States based companies. The product will typically maintain 15-35 positions in the securities of companies that, in the opinion of the Nuance Investments Team, have leading and sustainable market share positions, above average financial strength, and are trading at prices materially below our internally derived view of intrinsic value. The product's primary benchmark is the Russell 3000 Value Index. Clients may also compare the product to the S&P 500 Index.

Portfolio Managers

Scott Moore, CFA
President & CIO
28 Years of Experience

Chad Baumler, CFA
Vice President
12 Years of Experience

Risk-Adjusted Returns Rankings[1]

1ST PERCENTILE

Lipper
Category: Multi-Cap Value
SI Rank in Cat: 2 of 226

Morningstar
Category: Large Value
SI Rank in Cat: 4 of 919

Morningstar
Category: Mid-Cap Value
SI Rank in Cat: 1 of 305

Longer Term Performance Update

Since Inception Return: The return since inception (11/13/2008) through 6/30/2019 is 15.5 percent (annualized and net of fees) versus the Russell 3000 Value Index and S&P 500 Index, which have returned 12.0 percent and 14.0 percent respectively. We are pleased with this level of outperformance over time.

Risk-Adjusted Returns: Our Sharpe Ratio since inception through 6/30/2019 is 1.2 (net of fees) versus Russell 3000 Value Index at 0.8 and the S&P 500 Index at 1.0.

Peer Group Returns through 6/30/2019: Comparing our product to peers displays positive results over time. On a total return basis, since 11/30/08, we ranked 22 out of 919 peer group members (2nd percentile) in the Morningstar Large Cap Value universe, 20 out of 305 (6th percentile) in the Morningstar Mid-Cap Value universe, and 10 out of 226 (4th percentile) in the Lipper Multi-Cap Value universe.

Peer Group Risk-Adjusted Return through 6/30/2019: On a risk-adjusted return basis, since 11/30/2008, (measured by the Sharpe Ratio) we ranked 4 out of 919 peer group members (1st percentile) in the Morningstar Large Cap Value universe, 1 out of 305 (1st percentile) in the Morningstar Mid-Cap Value universe, and 2 out of 226 (1st percentile) in the Lipper Multi-Cap Value universe.

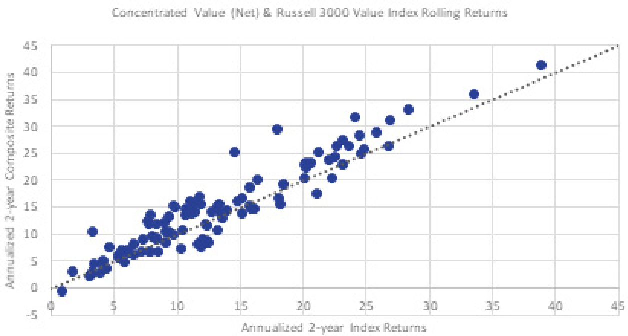
Peer Group Analysis 11/30/2008 - 6/30/2019	Since Inception APR[1]	Standard Deviation (A)[1]	Sharpe Ratio (A)[1]
Nuance Concentrated Value Composite (Gross)	15.9	12.3	1.3
Nuance Concentrated Value Composite (Net)	15.2	12.3	1.2
Lipper Multi-Cap Value Funds Peer Group (Median)	12.2	15.5	0.8
Peer Group Percentile and Ranking	4th (10 of 226)	5th (13 of 226)	1st (2 of 226)
Morningstar Large Value Peer Group (Median)	11.9	14.4	0.8
Peer Group Percentile and Ranking	2nd (22 of 919)	10th (95 of 919)	1st (4 of 919)
Morningstar Mid-Cap Value Peer Group (Median)	13.4	16.1	0.8
Peer Group Percentile and Ranking	6th (20 of 305)	1st (2 of 305)	1st (1 of 305)

Performance 11/13/2008 - 6/30/2019	APR*	TR*	Standard Deviation*	Sharpe Ratio*	10 Years	7 Years	5 Years	3 Years	1 Year	2019 YTD
Nuance Concentrated Value Composite (Gross)	16.2	394.8	12.3	1.3	15.4	13.7	8.0	11.2	15.6	17.3
Nuance Concentrated Value Composite (Net)	15.5	363.2	12.3	1.2	14.7	12.9	7.2	10.4	14.7	16.8
Russell 3000 Value Index	12.0	234.1	14.8	0.8	13.1	12.0	7.3	10.2	7.3	16.1
S&P 500 Index	14.0	304.4	13.7	1.0	14.7	14.0	10.7	14.2	10.4	18.5

*Since Inception

Shorter Term Performance Update (Two Year and Year-to-Date)

Rolling 2-Year Periods			Current 2-Year Period as of 6/30/2019	
11/30/2008 - 6/30/2019	Periods Beating the Index		Composite (%) Net of Fees[1]	Russell 3000 Value Index (%)
Nuance Concentrated Value Composite	70 / 104	67.3%	9.0	7.3



Your team at Nuance cautions clients regarding the use of short-term performance as a tool to make investment decisions. That said, if a client wants to consider our short-term performance, we recommend emphasizing two-year rolling periods since our inception. Our normal discussion of short-term performance will center on two-year performance, but we will also note calendar year to date results as is our tradition.

For the period ending June 30, 2019, the Nuance Concentrated Value Composite two year rolling return is 9.0 percent (net of fees) versus the Russell 3000 Value Index and S&P 500 Index which have returned 7.3 percent and 12.4 percent respectively. Overall, we have outperformed in 70 out of the available 104 two-year periods as shown in the chart labeled Rolling 2-Year Return Periods.

Year-to-date, the Nuance Concentrated Value Composite has returned 16.8 percent (net of fees) versus the Russell 3000 Value Index and the S&P 500 Index, which have returned 16.1 percent and 18.5 percent respectively.

Calendar Year Performance as of 6/30/2019	11/13/08 - 12/31/08	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 YTD
Nuance Concentrated Value Composite (Gross)	4.5	42.2	18.8	6.9	18.4	35.3	8.9	(1.3)	20.5	12.1	(3.8)	17.3
Nuance Concentrated Value Composite (Net)	4.5	41.7	18.1	6.3	17.8	34.5	8.1	(2.0)	19.7	11.3	(4.6)	16.8
Russell 3000 Value Index	0.4	19.8	16.3	(0.1)	17.6	32.7	12.7	(4.1)	18.4	13.2	(8.6)	16.1
S&P 500 Index	(0.5)	26.5	15.1	2.1	16.0	32.4	13.7	1.4	12.0	21.8	(4.4)	18.5

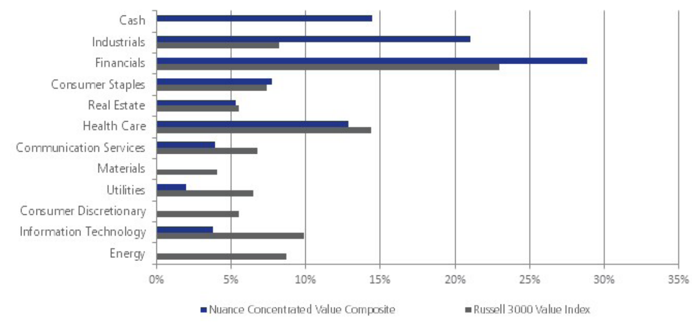
Composition of the Portfolio as of 6/30/2019

Portfolio Characteristics[2]	Nuance Concentrated Value Composite	Russell 3000 Value Index
Weighted Average Market Cap	73.1b	122.2b
Median Market Cap	12.7b	1.6b
Price to Earnings (internal and ttm)*	17.6x	18.9x
Dividend Yield	1.8%	2.5%
Return on Equity	17.4%	15.1%
Return on Assets	6.3%	5.6%
Active Share vs Russell 3000 Value	96.3%	-
Upside/Downside Capture Ratio vs Russell 3000 Value	86.8% / 60.3%	-
Number of Securities	28	2,069

*Based on Nuance internal estimates and benchmarked against the above noted Russell index.

We continue to be pleased with the overall composition of the portfolio. Remember that we are seeking investment opportunities in leading business franchises with better than average valuation support. Using the adjacent table, you can see that the portfolio has a Price to Earnings ratio of 17.6x versus the Russell 3000 Value Index of 18.9x. We are achieving this ratio with a portfolio of companies that have a return on assets of 6.3 percent versus the Russell 3000 Value Index of 5.6 percent. This dichotomy of above average companies selling at below average multiples has the opportunity for outperformance over the long-term, in our opinion.

Sector Weights and Portfolio Positioning as of 6/30/2019



We have lowered our weighting in both the Healthcare and Consumer Staples sectors as outperformance led us to capture some gains. After a period of being overweight both sectors, we are now slightly underweight the Healthcare sector and equal weight the Consumer Staples sector. Our largest overweight in the portfolio, versus the benchmark, is now in the Industrial sector as we have identified select leaders with what we believe are better risk-rewards than what we are seeing in other market opportunities. We remain overweight the Financial sector and continue to find what we believe are attractive risk-rewards. The overweight in the sector is primarily in the insurance industry where a combination of low interest rates and a higher than average catastrophe year has created some significant opportunities, in our view. Our underweight position in the Energy sector remains unchanged as we believe that crude oil related companies are likely facing a multi-year period of competitive transition. We also continue to be underweight the Utilities, Communication Services, and Consumer Discretionary sectors due to valuation and structural competitive transition concerns.

Stocks We Added to Your Portfolio (Second Quarter 2019):

Aqua America Inc (WTR): WTR is a leading water utility company serving the Pennsylvania area along with parts of Ohio, North Carolina, Illinois, Texas, New Jersey, Indiana, and Virginia. We have initiated a position in the company as a secondary offering to fund the close of their acquisition of Peoples Natural Gas led to a price decline that resulted in a solid risk-reward looks versus other market opportunities.

Globus Medical, Inc (GMED): GMED is a leading developer of spine implants, surgical tools and robotics. The company is taking share from larger incumbents, and we believe their prospects to sustain share gains are good. We believe the company has best-in-class returns on capital and a solid net cash balance sheet. Recently, the stock sold off as new entrants in spine robotics caused a period of weak capital equipment sales while prospective customers evaluated the competing systems. We believe GMED's offering in spine robotics remains strong, and we took advantage of the temporary slowdown and stock selloff to re-enter the stock.

Henkel AG & Co (HENKY): HENKY is the world's largest supplier of adhesives and sealants, a leading supplier of laundry care products in the U.S. and Europe, and a leading supplier of hair care product in Europe. The company's adhesives products make up 50% of earnings, and we believe these are positioned to gain share from traditional fasteners over the long term as products such as automobiles, aircrafts, and electronics are trending toward lighter weight, more flexible, miniaturized components, that are manufactured in a more environmentally friendly way. The company's laundry products also present an interesting opportunity, as HENKY is the leading supplier of private label laundry products for major retailers in the U.S., in addition to producing its own brands such as All, Persil, and Purex. The company recently announced major investments in the consumer products businesses and has been dealing with weakness in adhesives related to China and slowing automobile production. This has caused some underperformance in the stock and an attractive risk/ reward vs. other opportunities.

Universal Health Services, Inc (UHS): UHS is a leading provider of behavioral and acute health services in the United States. The stock has lagged the market in recent quarters on concerns over new pricing transparency regulation, an outstanding DOJ inquiry, and supply constraints in some markets due to nursing shortages. We believe all of these issues are manageable and we were able to re-enter the stock in June at a favorable relative risk/ reward. We like the company's position as the leader of a fragmented market with the ability to continue taking share by rolling up new locations and expanding its footprint. We also like the tailwind in behavioral health from increasing acceptance of and access to care. Finally, UHS maintains the most conservative balance sheet among healthcare facilities, an industry that has historically embraced very large debt levels.

Werner Enterprises Inc (WERN): WERN is one of the largest one-way and dedicated truckload carriers in the United States with a solid balance sheet and particular strength in moving consumer durable products. Following the strong heavy-duty truck order growth in the North American market throughout 2018, new supply has put downward pressure on freight rates and we view WERN as an attractive risk/ reward during this period of cyclical underearning.

Stocks We Eliminated from Your Portfolio (Second Quarter 2019):

Applied Materials, Inc (AMAT): AMAT is the world's leading supplier of semi-conductor capital equipment with high market shares in many different semiconductor manufacturing tools, a debt free balance sheet, and high returns on capital. The stock has performed well since it was added to the portfolio in September, appreciating past our view of fair value. We exited the position as we found more attractive risk/ reward opportunities elsewhere.

Cerner Corp (CERN): CERN is a leading provider of electronic health records software to hospitals. This April, the company announced an expanded stock repurchase authorization along with a cost cutting and margin improvement plan that has caused the stock to materially outperform. We exited our position as it now exceeds our view of fair value.

Diageo PLC (DEO): DEO produces, distills, and markets a variety of alcoholic beverages. With leading market share positions in Scotch whiskey, vodkas, gins and stout beers, DEO fits our definition of a market leading franchise across the vast majority of its businesses. After a period of outperformance, we exited the position as we found more attractive risk/ reward opportunities elsewhere.

Everest Re Group Ltd (RE): We have exited our position in RE, a leading US Property & Casualty re-insurer, as the stock has achieved our fair value price target. Due to large catastrophe years in 2017 and 2018, RE had been under-earning its long-term potential and as a result its stock had underperformed, creating a buying opportunity for our clients.

Medtronic PLC (MDT): MDT is a diversified medical device company with a leading position in the areas of spine, brain, heart and minimally invasive surgery. We closed our position in June after a period of outperformance as the stock now exceeds our view of fair value. We continue to like the company's competitive position in a number of high acuity medical device categories and we will look to re-enter the stock at a more favorable valuation.

Nuance Perspectives from President & CIO, Scott Moore, CFA

Dear Clients,

At the end of the second quarter of 2019, your Nuance Concentrated Value Composite is up 16.83 percent (through 6/30/2019 and net of fees) versus the Russell 3000 Value Index up 16.05 percent and the S&P 500 Index up 18.54 percent. More importantly to us, since our inception on 11/13/2008, the Nuance Concentrated Value Composite is up 15.50 percent (annualized and net of fees) versus the Russell 3000 Value Index up 12.01 percent and the S&P 500 Index up 14.04 percent.

We continue to be reasonably pleased with our performance for the first six months of 2019 and continue to see some interesting pockets of valuation opportunity in niche areas of the market. That said, we continue be very concerned regarding the market's appetite for relatively expensive valuations in general, above-average leverage across most of the market, and a general lack of focus on downside risk potential across most securities and assets. Thus far in 2019, areas of success in your portfolio have centered on the Healthcare, Consumer Staples, and Financial sectors. Our underweight in an underperforming Energy sector also helped us outperform modestly. Underperforming sectors from an attribution perspective centered on the Industrial sector, the Real Estate sector, and our Cash position. Our best individual stocks included Dentsply Sirona Inc. (XRAY), Sanderson Farms Inc. (SAFM), and the Travelers Cos. Inc. (TRV) among others. Our worst performing stocks included 3M Co. (MMM), which we have added to significantly and is our Focus Stock for the Quarter. Lindsay Corp. (LNN) and Equity Commonwealth (EQC) also underperformed, and we either continued to hold or added to their positions.

As we look forward to the outlook for our portfolio for the next six months of 2019, we are seeing continued opportunities in the Financial sector and have added significant weight to the Industrials sector during the period with MMM being the primary emphasis. We have also lowered our weightings in both the Healthcare and Consumer Staples sectors as outperformance has led us to capture some profits for our clients and become more neutrally weighted. Within the Financial sector, it is the Insurance industry where we continue to find what we believe to be attractive risk rewards. The Property & Casualty and Life & Health sub-industries are our primary focus. In the Property & Casualty sub-industry, we believe we are finding opportunities in select leaders such as The Travelers Companies, Inc. (TRV) due to under-earnings stemming from the relatively recent catastrophe impacts. In the Life and Health sub-industry, we believe we are finding attractive risk -rewards in leaders like MetLife, Inc. (MET) and Reinsurance Group of America, Inc. (RGA), largely due to continued low long-term interest rates and other company specific factors. Our underweight position in the Energy sector remains unchanged as we believe that crude oil related companies are likely facing a multi-year period of competitive transition. We also continue to be underweight the Utilities, Communication Services, and Consumer Discretionary sectors due to valuation and structural competitive transition concerns.

Focus Stock for the Quarter: 3M Corp. (MMM)

MMM is a leading provider of adhesives, tapes & abrasives, health & oral care consumables, and safety equipment & other with dominant and consistent market share across the vast majority of their business for multiple business cycles. Recently, MMM's stock has come under pressure due to the implementation of a new ERP (Enterprise Resource Planning) system late last year, which led to excess inventory build and earnings pressure, in our opinion. This coupled with concerns regarding litigation surrounding a chemical (PFAS) that was manufactured by MMM and found in products like Scotchgard and firefighting foam has led to concerns that have hurt the stock and led to what appears to be a superior risk/ reward versus the market set of opportunities. The ERP system issues alone have caused MMM's earnings to be less than our view of more normalized earnings of $9.50 versus today's $9.00 of expected earnings for 2019. With the stock trading at 17-18x normal earnings and supported by an approximately 3.5% dividend yield, we view the valuation to be very attractive in today's market.

As we remind our clients each quarter, our team studies each company that we own in the portfolio using a bottom-up, one stock at a time Nuance approach. During that process, we place a strong emphasis on trying to ensure that the company has leading and sustainable market share positions across the vast majority of its businesses, can deliver above-average returns on capital versus peers over a business cycle, and has a strong financial position versus its peers. With those characteristics studied and understood, we then prepare our own proprietary financial statements for each company that attempt to normalize the financial statement to a state of normalcy or to what we think of as a mid-business cycle state. With those financial statements created, we then study historical valuation data to ascertain a fair value and downside value for each of the leading businesses that we believe have the traits of a successful investment. At that stage, we then only invest in the companies on our list that, in our opinion, have significantly better risk rewards than the market set of opportunities.

Please visit our website for more information about our team, our process and value investing. Follow us on LinkedIn and Twitter! You may also receive information via traditional mail or email. Call us at 816-743-7080. Click here for historical Concentrated Value Perspectives.

Thank you for your continued confidence and support.

Scott A. Moore, CFA

GIPS Disclosures

	Gross of Fees Return	Net of Fees Return	Benchmark Return (RAV Index)	Benchmark Return (SPX Index)	Composite Dispersion (Full Period)	Number of Separate Accounts (End of Period)	Total Composite Assets (End of Period)	Total Firm Assets (End of Period)	% of Non-Fee paying accounts	3 Year Annualized Standard Deviation (Composite Gross)	3 Year Annualized Standard Deviation (RAV Index)
YTD 2008 (11/13/08-12/31/08)	4.5	4.5	0.4	(0.5)	N/A	7	$9,126,951	$18,657,997	4.6%	-	-
2009	42.2	41.7	19.8	26.5	1.2	79	$87,342,803	$137,943,058	0.6%	-	-
2010	18.8	18.1	16.3	15.1	0.3	145	$119,543,453	$181,201,036	0.5%	-	-
2011	6.9	6.3	(0.1)	2.1	0.5	181	$96,831,359	$152,976,943	1.1%	16.1	21.3
2012	18.4	17.8	17.6	16.0	0.2	259	$154,693,966	$214,936,666	1.0%	13.1	16.0
2013	35.3	34.5	32.7	32.4	0.7	411	$418,085,862	$507,569,897	0.4%	12.2	13.1
2014	8.9	8.1	12.7	13.7	0.2	581	$886,246,169	$1,071,186,382	0.2%	10.4	9.5
2015	(1.3)	(2.0)	(4.1)	1.4	0.2	607	$715,577,980	$913,545,839	0.1%	11.4	10.9
2016	20.5	19.7	18.4	12.0	0.1	694	$937,752,729	$1,466,221,847	0.1%	11.1	11.1
2017	12.1	11.3	13.2	21.8	0.1	726	$1,011,853,027	$1,784,338,191	0.0%	10.1	10.5
2018	(3.8)	(4.6)	(8.6)	(4.4)	0.2	588	$689,732,835	$1,724,795,756	0.0%	9.4	11.2
YTD 2019 (6/30/2019)	17.3	16.8	16.1	18.5	N/A	513	$720,715,738	$2,628,850,361	0.0%	9.1	12.4

Compliance Statement

Nuance claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Nuance has been independently verified for the periods 11/03/08 – 3/31/2019 by Absolute Performance Verification. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Nuance is an investment adviser registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites, which is available upon request. Results are based on fully discretionary separate accounts under management, including those accounts no longer with the firm. The U.S. Dollar is the currency used to express performance returns and assets. Performance results are presented both net and gross of management fees and include the reinvestment of income. Both gross and net of fee returns are reduced by trading expenses. Net of fee returns are reduced by Actual investment advisory fees and other expenses that may be incurred in the management of the account. Incentive fee structures and performance-based fee structures are available for qualified clients and are negotiated individually. From the inception of each composite until 12/31/10, Time Weighted Return was compounded on a monthly basis. Beginning 01/01/11 through present, Time Weighted Return was compounded on a daily basis.

Dispersion is calculated from gross of fee returns using an equal-weighted standard deviation methodology. Only those accounts included for the full calculation period are part of the dispersion calculation. The 3-year Ex-post annualized standard deviation value is calculated using 36 consecutive monthly gross of fee returns to the end calculation period. Prior to January 1, 2017 dispersion was calculated using an asset-weighted methodology. The calculation methodology was updated based on a new performance system dispersion calculation. Nuance has adopted the following Significant Cash Flow Policy. An account will be removed from a composite if a client has given specific instructions that prevent full investment of the cash flow(s) in a timely manner (defined as 5 business days or greater), or if a single cash flow is equal or greater than 10 percent of the total account value based on the beginning of month market value. If these circumstances exist, the account will be removed from the composite and added back to the composite on the first day of the following month.

Our Core offerings are the Nuance Mid Cap Value Strategy, the Nuance Concentrated Value Strategy and the Nuance Concentrated Value Long-Short Strategy. More information regarding Composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request by contacting client.services@nuanceinvestments.com or 816-743-7080.

Important Disclosures

Nuance Investments, LLC (the "Firm") is a Registered Investment Advisor. The Firm's Nuance Concentrated Value Composite (the "Composite") is a composite of actual accounts invested in the Nuance Concentrated Value investment strategy. The inception date for the Composite is 11/13/2008. The Composite includes all accounts that have invested in the strategy; including accounts no longer managed by the Firm and are presented in US Dollars. The Primary Benchmark for the Composite is the Russell 3000 Value Index. The Russell 3000 Value Index measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Secondary Benchmark for the Composite is the S&P 500 Index TR. The S&P 500 Index TR is a market-value weighted index representing the performance of 500 widely held publicly traded large-capitalization stocks. Individuals cannot invest directly in any index. These indices are used for comparison purposes only and are not meant to be indicative of a portfolio's performance, asset composition, or volatility. The performance of the Composite may differ markedly from that of compared indices due to varying degrees of diversification and/or other facts. Return calculations for the Composite are provided by Clearwater Analytics. Return calculations for all indices are provided by Bloomberg. A full schedule of fees for all Firm products is available upon request. The collection of fees has a compounding effect on the total rate of return net of investment management fees. Net of fee performance is presented after all actual investment management fees and trading expenses.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. The information contained herein should not be construed as personalized investment advice and should not be considered as a solicitation to buy or sell any security or engage in a particular investment strategy. Investing involves risk, including the possible loss of principal.

(1) Rankings and peer groups created internally using data from Zephyr Style Advisor. Risk-Adjusted Return (Sharpe Ratio), Standard Deviation and return calculations for the Composite and indices provided by Zephyr Style Advisor. The Composites have been compared to various peer groups defined by investment style. Subsets of the Morningstar Large Value Peer Group, the Morningstar Mid Cap Value Peer Group and the Lipper Multi-Cap Value Funds Peer Group with performance history since inception have been presented as investment strategies with similar investment styles for the Nuance Concentrated Value Composite. Subsets of the the Morningstar Mid Cap Value Peer Group and the Lipper Mid-Cap Value Peer Group with performance history since inception have been presented as investment strategies with similar investment styles for the Nuance Mid Cap Value Composite. For peer group comparisons all Returns, Standard Deviation and Sharpe Ratio calculations, including those of the Composite were calculated by Zephyr Style Advisor based upon strategies with monthly return data from December 2008 to present. Zephyr reports on month end returns only. For the purposes of peer group comparisons Since Inception returns are shown beginning 11/30/2008. The Sharpe Ratio is a calculation of a product's risk-adjusted performance over time. The Ratio is calculated by taking a product's annualized excess return over a risk-free rate (The Firm uses the Citigroup 3-Month Treasury Bill as the risk-free rate) and dividing by its annualized standard deviation calculated using monthly returns.

(2) Index statistics are provided by Russell. Characteristics calculations use holdings at market close on the stated date, including cash & cash equivalents. The following Composite characteristics are calculated using Bloomberg: Median Market Cap (midpoint of market capitalization of the stocks in the portfolio), Dividend Yield (annual dividends relative to share price), Return on Equity (net income divided by shareholder equity), Return on Assets (net income divided by average total assets). The P/E Statistics are a Nuance internal calculation. The dollar-weighted harmonic mean of individual company P/E ratios is used. This approach first considers holdings' E/P, which are then summed on a dollar-weighted basis across the entire portfolio to achieve a portfolio E/P ratio. Finally, the inverse of this ratio is taken to arrive at the Portfolio P/E ratio. Active share, as calculated by Morningstar Direct, is a statistic the measures a strategy's holdings relative to the holdings of the appropriate benchmark. Standard deviation is a measure of volatility showing the average deviations of a return series from its mean. The upside capture ratio is an indication of a manager's ability to match returns in periods of market strength, while the downside capture ratio measures a manager's ability to curtail losses in periods of index weakness. Results are gross of fees for the period since inception through present. Both upside/downside ratios and standard deviation are calculated using Style Advisor.

Portfolio holdings and sector allocations are subjected to change and are not a recommendation to buy or sell any security. As of 6/30/2019 portfolio weights of names discussed are as follows: 3M Co. (MMM) 7.19%, Reinsurance Group of America Inc. (RGA) 6.15%, Equity Commonwealth (EQC) 5.29%, Travelers Companies Inc. (TRV) 4.44%, Dentsply Sirona Co. (XRAY) 4.12%, Sanderson Farms Inc. (SAFM) 3.56%, Metlife Inc. (MET) 3.48%, Lindsay Corp. (LNN) 2.42%, Globus Medical (GMED) 2.07%, Werner Enterprises Inc. (WERN) 2.06%, Henkel AG & Co ADR (HENKY) 1.50%, Universal Health Services, Inc. (UHS) 1.01%, Aqua America Inc. (WTR) 1.01%, Applied Materials Inc. (AMAT) 0.00%, Cerner Corp. (CERN) 0.00%, Diageo PLC (DEO) 0.00%, Everest Re Group Ltd. (RE) 0.00%, and Medtronic PLC (MDT) 0.00%.

Past Performance is not a guarantee of future results. Any investment contains risk including the risk of total loss. There is no guarantee that an investment with the strategy will meet its investment objectives. Please