



Value. Delivered.

Nuance Investments, LLC

Semi-Annual Call: Nuance Mid Cap Value

Scott Moore, CFA
President & Co-Chief Investment Officer

Agenda

- Firm Overview
- Team Update
- Process Summary
- 2019 Review
- 2020 Outlook
- Conclusion

Nuance Investments

- Nuance Investments, LLC (Nuance) is a boutique classic value investment firm headquartered in Kansas City, Missouri.
- From its seed capital in 2008 of \$30 million, the firm today has approximately \$4 billion in three strategies managed by our investment team.
- Nuance is 100% employee owned.

Strategy	Inception	Current Assets ¹
Nuance Concentrated Value	2008	\$900 million
Nuance Mid Cap Value	2008	\$3.0 billion
Nuance Concentrated Value Long/Short	2015	\$50 million
All Cap & Mid Cap Strategies		\$4.0 billion

- Nuance is not accepting investments from new firms and is continuing to grow with existing firms and their clients.
- Nuance Strategies are capacity constrained to position Nuance for future return potential.
- The goal of the firm is to provide clients with strategies that can sustain leading risk-adjusted returns over the long-term.

Nuance's Investment Team

President & Co-Chief Investment Officer



Scott Moore, CFA

Scott.Moore@nuanceinvestments.com

- Founder & Co-owner of Nuance Investments, LLC
- 29 years of investment analyst experience
- 27 years as a value investment analyst
- 21 years of portfolio management experience using a classic value approach
- Lead Portfolio Manager of the Nuance Concentrated Value Strategy starting 11/13/2008
- Lead Portfolio Manager of the Nuance Mid Cap Value Strategy starting 11/03/2008
- Co-manager of the Nuance Concentrated Value Long-Short Strategy
- Expertise in the Utility sector

Vice President & Co-Chief Investment Officer



Chad Baumler, CFA

Chad.Baumler@nuanceinvestments.com

- Co-owner of Nuance Investments, LLC
- 13 years of investment analyst experience
- 8 years of portfolio management experience using a classic value approach
- Lead Portfolio Manager of the Nuance Concentrated Value Long-Short Strategy
- Co-manager of the Nuance Concentrated Value and Nuance Mid Cap Value products
- Expertise in the Energy, Financial and Real Estate sectors

Associate Portfolio Manager



Darren Schryer, CFA, CPA

Darren.Schryer@nuanceinvestments.com

- 4 years with Nuance Investments
- 8 years of investment and related financial experience
- Expertise in the Health Care, Communication Services and Technology sectors

Senior Investment Analyst

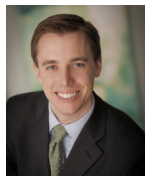


Laurie S. Kirby, CPA

Laurie.Kirby@nuanceinvestments.com

- Co-owner of Nuance Investments, LLC
- 21 years of investment analyst experience
- 9 years with Nuance Investments
- Expertise in the Basic Materials sector

Senior Investment Analyst



D. Adam West, CFA

Adam.West@nuanceinvestments.com

- 14 years of investment analyst experience
- 10 years with Nuance Investments
- Expertise in the Technology, Consumer Discretionary and Consumer Staples sectors

Investment Analyst



Jack Meurer, CFA

Jack.Meurer@nuanceinvestments.com

- 3 years with Nuance Investments
- Expertise in the Industrial sector

Nuance's Investment Philosophy & Process

Investing in leading business franchises trading at a discount to fair value
can generate excess returns over time



Nuance Mid Cap Value Review

Nuance Mid Cap Value November 3, 2008 - December 31, 2019

	YTD 2019	1 Year	3 Years APR	5 Years APR	7 Years APR	10 Years APR	Since Inception APR	Since Inception TR
Nuance Mid Cap Value Composite (Gross)	32.51	32.51	13.83	13.09	15.56	15.51	16.72	462.52
Nuance Mid Cap Value Composite (Net)	31.61	31.61	13.05	12.34	14.76	14.64	15.90	419.89
Russell Midcap Value Index	27.03	27.03	8.07	7.59	11.99	12.41	13.41	307.66
S&P MidCap 400 Value Index	26.01	26.01	7.63	8.04	12.02	12.12	13.30	303.07
S&P 500 Index	31.48	31.48	15.26	11.68	14.72	13.54	13.81	323.82

	11/03/08											
	-											
	12/31/08	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Nuance Mid Cap Value Composite (Gross)	(4.13)	38.69	21.08	4.04	22.02	35.45	9.79	2.95	21.87	16.18	(4.18)	32.51
Nuance Mid Cap Value Composite (Net)	(4.13)	38.20	20.01	3.38	20.61	34.24	9.14	2.33	21.05	15.42	(4.88)	31.61
Russell Midcap Value Index	(5.60)	34.20	24.75	(1.38)	18.50	33.57	14.73	(4.79)	19.99	13.31	(12.31)	27.03
S&P MidCap 400 Value Index	(3.92)	33.77	22.79	(2.39)	19.10	34.25	12.04	(6.66)	26.52	12.30	(11.90)	26.01
S&P 500 Index	(5.95)	26.47	15.06	2.11	16.00	32.38	13.68	1.37	11.95	21.82	(4.39)	31.48

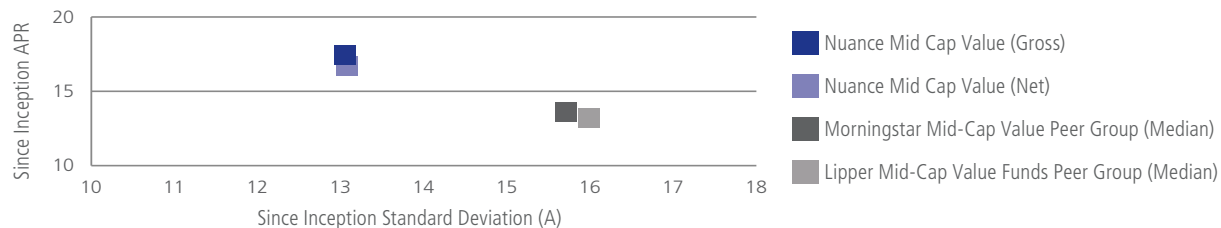
Commencement of the Nuance Mid Cap Value Composite was 11/03/08. Return figures for the Nuance Mid Cap Value Composite are provided by Clearwater Analytics. The primary benchmark for the Nuance Mid Cap Value Composite is the Russell Midcap Value Index. The secondary benchmarks are the S&P MidCap 400 Value Index and the S&P 500 Index. Return figures for all indices are provided by Bloomberg. Investors cannot invest directly in any index.

Nuance Mid Cap Value Review

Nuance Mid Cap Value November 30, 2008 - December 31, 2019

	Since Inception APR	Since Inception Standard Deviation (A)	Since Inception Sharpe Ratio (A)
Nuance Mid Cap Value Composite (Gross)	17.49	13.06	1.30
Nuance Mid Cap Value Composite (Net)	16.66	13.08	1.23
Morningstar Mid-Cap Value Peer Group (Median)	13.64	15.72	0.80
Peer Group Percentile and Ranking	1st (1 of 313)	2nd (8 of 313)	1st (1 of 313)
Lipper Mid-Cap Value Funds Peer Group (Median)	13.28	15.99	0.76
Peer Group Percentile and Ranking	1st (1 of 103)	1st (1 of 103)	1st (1 of 103)

Risk & Reward November 30, 2008 - December 31, 2019



Rankings and peer groups created internally using data from Zephyr Style Advisor. The Composite has been compared to various peer groups defined by investment style. The Composite is a mid capitalization value investment style. Subsets of the Morningstar Mid-Cap Value Peer Group and the Lipper Mid-Cap Value Funds Peer Group have been presented as investment strategies with similar investment styles. 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. Please refer to disclosures below for more information.

2019 Nuance Mid Cap Value Review

Overall Performance

- Nuance Mid Cap Value up 31.61% (net of fees) versus Russell Mid Cap Value up 27.03% in 2019.
- Since Inception (11/03/08) on an annualized basis, Nuance Mid Cap Value has returned 15.90% (net of fees) compared to the Russell Mid Cap Value Index return of 13.41%.
- Since Inception (11/03/08) on an annualized basis, Nuance Mid Cap Value has a standard deviation of 13.21% (net of fees) compared to the Russell Mid Cap Value Index at 15.89%.
- Including the stub year in 2008, Nuance Mid Cap Value has now outperformed its primary benchmark 10 out of the 12 years it has been in existence.

Positive Attribution

- Health Care: Dentsply Sirona (XRAY), Globus Medical (GMED) & Varian Medical Systems (VAR)
- Consumer Staples: Sanderson Farms (SAFM)
- Utilities: Aqua American (WTR) & SJW Group (SJW)
- Information Technology: Amphenol (APH)
- Underweight: Energy
- Industrials: Schneider ADR (SBGSY), Werner Enterprises (WERN) & ABB Ltd ADR (ABB)

Negative Attribution

- Cash
- Financials: Unum Group (UNM), Travelers Companies (TRV) & Reinsurance Group of America (RGA)

Holdings identified do not represent all of the securities purchased, sold or recommended for the adviser's clients. Past performance does not guarantee future results. Please refer to disclosures for more information.

2020 Nuance Mid Cap Value Outlook

Investment Environment

- Nuance Universe of roughly 250 companies (Nuance Master List) is largely overvalued
- Valuations continue to be expensive 27-28x, up from 21-22x a year ago
- Leverage remains - Government & Corporate
- Competitive transitions continue to accelerate
- One off opportunities remain

Opportunities

- Health Care: Smith & Nephew (SNN), ICU Medical Inc. (ICUI) & Merit Medical Systems (MMSI)
- Financials: Travelers Companies (TRV) & Reinsurance Group of America (RGA)
- Consumer Staples: Cal-Maine Foods (CALM)

Risks

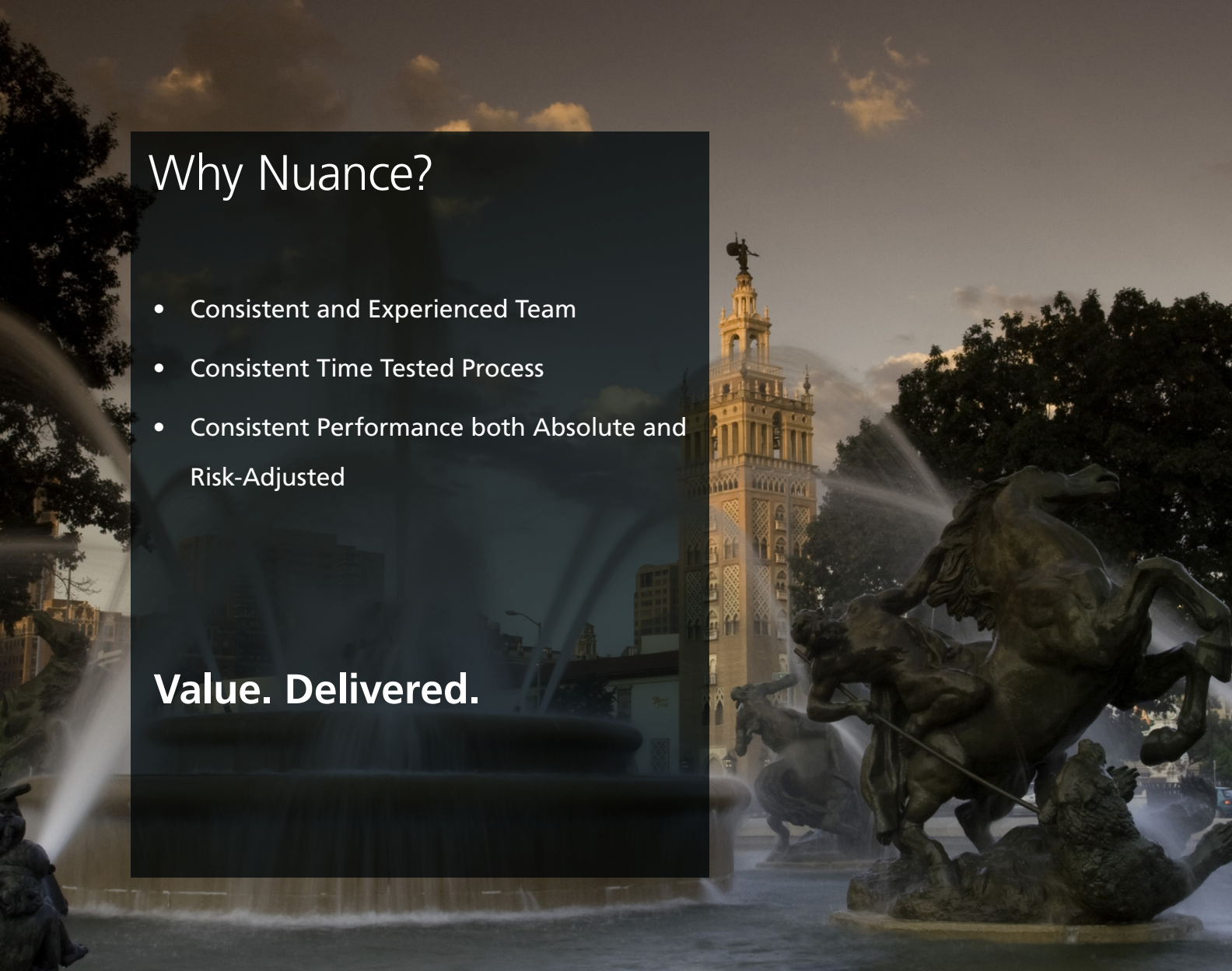
- Valuation
- Leverage
- Competitive Transitions: Energy, Consumer Cyclical, Distributors

Holdings identified do not represent all of the securities purchased, sold or recommended for the adviser's clients. Past performance does not guarantee future results. Please refer to disclosures for more information.

Why Nuance?

- Consistent and Experienced Team
- Consistent Time Tested Process
- Consistent Performance both Absolute and Risk-Adjusted

Value. Delivered.



Disclaimer and Notes

Not An Offer or Inducement

Nuance Investments, LLC's (Nuance or the Company) presentation book has been prepared for informational purposes only and does not constitute an offer or solicitation to sell shares or securities in the Company or any related or associated company. Any such offer or solicitation will be made only by means of the Company's offer of discretionary investment management services under written contract. None of the information or analyses presented are intended to form the basis for any investment decision, and no specific recommendations are intended. Accordingly this book does not constitute investment advice or counsel or solicitation for investment in any security. This book does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or any invitation to offer to buy or subscribe for, any securities, nor should it or any part of it form the basis of, or be relied on in any connection with, any contract or commitment whatsoever. The Company expressly disclaims any and all responsibility for any direct or consequential loss or damage of any kind whatsoever arising directly or indirectly from: (i) the use of this presentation book, (ii) reliance on any information contained herein, (iii) any error, omission or inaccuracy in any such information or (iv) any action resulting therefrom.

Investment Performance

Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this documentation and should understand that statements regarding future prospects may not be realized. Investors should note that income from such securities may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested.

No Warranties

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Fees and Related

The full fee schedule for all Nuance products is available upon request. It should be noted that the collection of fees produces a compounding effect on the total rate of return net of management fees. Nuance Mid Cap Value charges .85% for clients with assets under \$25 million, .80% for clients with assets under management between \$25-50 million, .75% for clients with assets under management between \$50-75 million, .70% for clients with assets under management between \$75-\$100 million, and .65% for clients with assets greater than \$100 million. Incentive fee structures and performance-based fee structures are available for qualified clients and are negotiated individually. Nuance reserves the right to modify fee structures on an account by account basis at its discretion. Gross of fee performance returns are presented before management fees but after all trading expenses. No other fees or expenses are deducted for gross of fee performance. Net of fee performance returns are presented after actual standard management fees, actual performance-based management fees and all trading expenses. No other fees are deducted aside from trading and management fees for the calculation of net of fee performance. Valuations are net of all applicable withholding taxes. Portfolios are valued in accordance with GIPS® Valuation Principles. More information regarding standard investment management fees and the calculation of performance-based investment management fees is available upon request.

Additional Notes and Disclosures

The use of derivatives may be employed for purposes of currency hedging and or to equitize the cash position of the portfolios.

(1) Assets include discretionary assets and assets under advisement. Assets under advisement represent UMA assets, for which we have no discretionary authority nor responsibility for arranging or effecting the purchase or sale of securities. Inclusion of these assets may make our total asset number different from assets under management reported elsewhere.

Portfolio holdings and sector allocations are subjected to change and are not a recommendation to buy or sell any security. As of 12/31/2019 portfolio weights of names discussed are as follows: Travelers Companies Inc. (TRV) 6.43%, 3M Co. (MMM) 5.86%, Reinsurance Group of America Inc. (RGA) 4.37%, ICU Medical Inc. (ICUI) 3.76%, Cal-Maine Foods, Inc. (CALM) 3.49%, Chubb Ltd. (CB) 3.00%, Wright Medical Group NV (WMGI) 2.98%, Dentsply Sirona Co. (XRAY) 2.96%, TD Ameritrade Holding Corp. (AMTD) 2.86%, Amphenol Corp. Class A (APH) 2.50%, MetLife Inc. (MET) 2.49%, Sanderson Farms Inc. (SAFM) 2.00%, Merit Medical Systems Inc. (MMSI) 1.75%, ON Semiconductor Corp. (ON) 1.54%, Universal Health Services, Inc. (UHS) 1.00%.

Past performance is not indicative 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 request a copy of the Firm's Full General Disclosures for more information.

GIPS Compliance Disclosures

Nuance Mid Cap Value Composite

	Gross of Fees Return	Net of Fees Return	Benchmark Return (RMV Index)	Benchmark Return (MIDV 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 (RMV Index)
YTD 2008 (11/03/08-12/31/08)	(4.13)	(4.13)	(5.60)	(3.92)	N/A	1	\$9,531,045	\$18,657,997	0.00%	-	-
2009	38.69	38.20	34.20	33.77	-	4	\$50,600,141	\$137,943,058	1.12%	-	-
2010	21.08	20.01	24.75	22.79	0.05	4	\$60,702,099	\$181,201,036	1.13%	-	-
2011	4.04	3.38	(1.38)	(2.39)	0.08	4	\$55,186,800	\$152,976,943	0.86%	18.19	23.08
2012	22.02	20.61	18.50	19.10	0.06	4	\$58,463,905	\$214,936,666	1.00%	14.55	16.98
2013	35.45	34.24	33.57	34.25	0.05	8	\$80,358,264	\$507,569,897	0.99%	13.14	13.88
2014	9.79	9.14	14.73	12.04	0.14	13	\$130,238,086	\$1,071,186,382	0.67%	10.71	9.94
2015	2.95	2.33	(4.79)	(6.66)	0.06	17	\$145,638,450	\$913,545,839	0.61%	11.16	10.86
2016	21.87	21.05	19.99	26.52	0.06	22	\$416,346,621	\$1,466,221,847	0.05%	11.50	11.46
2017	16.18	15.42	13.31	12.30	0.03	23	\$586,931,538	\$1,784,338,191	0.04%	10.53	10.47
2018	(4.18)	(4.88)	(12.31)	(11.90)	0.15	21	\$852,510,018	\$1,724,795,756	0.03%	10.20	12.13
YTD 2019 (12/31/2019)	32.51	31.61	27.03	26.01	0.23	43	\$2,297,275,123	\$3,486,104,071	0.01%	9.41	12.97

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.

Fees and Returns:

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. The full fee schedule for all Nuance products is available upon request. It should be noted that the collection of fees produces a compounding effect on the total rate of return net of management fees. Nuance Mid Cap Value charges .85% for clients with assets under \$25 million, .80% for clients with assets under management between \$25-50 million, .75% for clients with assets under management between \$50-75 million, .70% for clients with assets under management between \$75-

GIPS Compliance Disclosures Continued

\$100 million, and .65% for clients with assets greater than \$100 million. Nuance reserves the right to modify fee structures on an account by account basis at its discretion. 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.

Definition of the Firm

The definition of the firm is the foundation for firm-wide compliance and creates defined boundaries for determining the assets of the firm. In this instance, the firm is defined as Nuance Investments, LLC (Nuance). Nuance founded on November 1, 2008, was formed on the belief that the ability to outperform the broad stock market is predicated on a consistent and disciplined value investing approach. The Investment Management Team selects securities for the Nuance investment portfolio's by using an extensive quantitative screening and fundamental research process that identifies leading businesses selling at a discount to fair value and that have the potential to generate above-average rates of returns over time. The Investment Management Team seeks to identify companies across a range of industries and market sectors that have leading and sustainable market share positions, above-average financial strength, and are trading at a discount to their internal view of intrinsic value. The Investment Management Team may sell an investment when it believes it has surpassed its intrinsic value by applying the screening process described above, for purposes of portfolio construction or risk management, or when a more attractive investment opportunity becomes available. The total firm assets will be defined as all discretionary and non-discretionary assets under management within Nuance. This includes primary investment management accounts, sub-advisory investment management accounts and wrap accounts as well as both fee-paying and non-fee paying assets.

Strategy: Our Core offerings are the Nuance Mid Cap Value Strategy, the Nuance Concentrated Value Strategy and the Nuance Concentrated Value Long-Short Strategy. The Nuance Mid Cap Value Composite consists of separately managed accounts (portfolios) in the Mid Cap Value strategy. The composite was created on November 3, 2008. Nuance Mid Cap Value seeks to achieve long-term capital appreciation by investing primarily in equity securities (including common stocks, preferred stocks and convertible securities) of companies organized in the United States that the Investment Management Team believes are high quality, though temporarily out of favor. The market capitalization of at least 80 percent of the portfolio will be maintained in companies with market capitalizations between the smallest and largest members of the Russell Mid Cap Index (defined using a trailing 12 month average of the smallest and largest members on a month to month basis). The weighted average market capitalization will also be maintained between the smallest and largest members of the Russell Midcap® Index. The Investment Management Team will invest primarily in the equity securities of U.S. companies; however the portfolio may invest up to 15% of its assets in equity securities of foreign companies classified as "developed" by MSCI. Nuance utilizes MSCI to classify its international holdings. The country classification of a company is generally determined by the company's country of incorporation and the primary listing of its securities. MSCI will classify a company in the country of incorporation if its securities have a primary listing in this country. In such cases where a company's securities have a primary listing outside of the country of incorporation, an additional analysis is performed to determine the company's country classification. 25 percent of the portfolio assets will generally not have positions of greater than 5 percent. Cash will generally not be greater than 10 percent of the market value of the portfolio. Each security position will not be greater than 7.5 percent of the market value of the portfolio. Each portfolio will not exceed a 25 percent weighting in one industry as defined by Global Industry Classification Standards (GICS®). A typical portfolio will hold between 50 and 100 securities. There is no minimum separate account asset level necessary for inclusion in the composite.

Benchmark: For comparison purposes, the composite is measured against the Russell Midcap® Value Index as the primary index. The Russell Midcap® Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap® Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap® Value Index is constructed to provide a comprehensive and unbiased barometer of the mid-cap value market. The Index is completely reconstituted annually to ensure larger stocks do not distort the performance and characteristics of the true mid-cap value market. Secondary indices are the S&P MidCap 400 Value Index and the S&P 500 Index.

Dispersion: 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 the 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. 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.