Nuance Concentrated Value Composite Perspectives

nuance INVESTMENTS

September 30, 2022

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

Left to right: Jack Meurer, Darren Schryer, Scott Moore, & Chad Baumler

Name	Title	Experience
Scott Moore, CFA	President & Co-CIO	31 years
Chad Baumler, CFA	Vice President & Co-CIO	15 years
Darren Schryer, CFA, CPA	Portfolio Manager	6 years
Jack Meurer, CFA	Assoc. Portfolio Manager	5 years

Risk-Adjusted Returns Rankings[1]

1ST PERCENTILE

Lipper
Category: Multi-Cap Value
Ranking vs. Peers: 2 of 335

Morningstar
Category: Large Value
Ranking vs. Peers: 6 of 878

Morningstar
Category: Mid-Cap Value
Ranking vs. Peers: 2 of 279

Longer Term Performance Update (through September 30, 2022)

Since Inception Return: The return since inception (11/13/2008) through 9/30/2022 is 12.02 percent (annualized and net of fees) versus the Russell 3000® Value Index and S&P 500® Index, which have returned 10.19 percent and 12.62 percent, respectively.

Risk-Adjusted Returns: Our Sharpe Ratio since inception through 9/30/2022 is 0.90 (net of fees) versus the Russell 3000® Value Index at 0.60 and the S&P 500® Index at 0.79.

Peer Group Returns through 9/30/2022: Comparing our product to peers displays positive results over time. On a total return basis, since 11/30/2008, we ranked 127 out of 878 peer group members (15th percentile) in the Morningstar Large Value Funds universe, 102 out of 279 (37th percentile) in the Morningstar Mid-Cap Value Funds universe, and 69 out of 335 (21st percentile) in the Lipper Multi-Cap Value Funds universe.

Peer Group Risk-Adjusted Return through 9/30/2022: On a risk-adjusted return basis, since 11/30/2008, (measured by the Sharpe Ratio) we ranked 6 out of 878 peer group members (1st percentile) in the Morningstar Large Value Funds universe, 2 out of 279 (1st percentile) in the Morningstar Mid-Cap Value Funds universe, and 2 out of 335 (1st percentile) in the Lipper Multi-Cap Value Funds universe.

Peer Group Analysis 11/30/2008 - 9/30/2022	Since Inception APR[1]	Standard Deviation (A)[1]	Sharpe Ratio (A)[1]
Nuance Concentrated Value Composite (Gross)	12.51	12.82	0.94
Nuance Concentrated Value Composite (Net)	11.78	12.81	0.88
Morningstar Large Value Funds Peer Group (Median)	10.39	15.96	0.63
Peer Group Percentile and Ranking	15th (127 of 878)	7th (59 of 878)	1st (6 of 878)
Morningstar Mid-Cap Value Funds Peer Group (Median)	11.42	17.92	0.58
Peer Group Percentile and Ranking	37th (102 of 279)	1st (1 of 279)	1st (2 of 279)
Lipper Multi-Cap Value Funds Peer Group (Median)	10.30	16.23	0.60
Peer Group Percentile and Ranking	21st (69 of 335)	3rd (9 of 335)	1st (2 of 335)

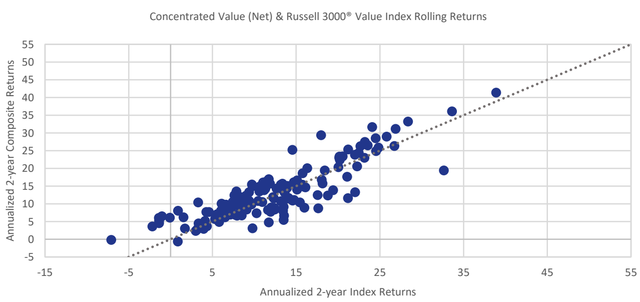
Performance 11/13/2008 - 9/30/2022	APR*	TR*	Standard Deviation*	Sharpe Ratio*	10 Year	7 Year	5 Year	3 Year	1 Year	YTD 2022
Nuance Concentrated Value Composite (Gross)	12.75	429.78	12.80	0.95	9.58	7.68	4.66	1.62	(13.17)	(15.71)
Nuance Concentrated Value Composite (Net)	12.02	384.13	12.79	0.90	8.79	6.91	3.89	0.88	(13.81)	(16.17)
Russell 3000® Value Index	10.19	284.92	16.11	0.60	9.08	8.10	5.11	4.37	(11.79)	(17.97)
S&P 500® Index	12.62	420.83	15.23	0.79	11.70	11.39	9.23	8.15	(15.47)	(23.87)

*Since Inception. Returns for periods greater than a year have been annualized.

[1]The Nuance Concentrated Value Composite is an all-capitalization value investment product and consists of separately managed accounts in the Nuance Concentrated Value strategy. Rankings and peer group comparisons are created internally using data from FactSet. For comparison purposes, subsets of the Morningstar Large Value Funds Peer Group, Morningstar Mid-Cap Value Funds Peer Group, and the Lipper Multi-Cap Value Funds Peer Group with performance history since inception have been presented as investment strategies with a similar investment style to the Nuance Concentrated Value Composite. For peer group comparisons, all Returns, Standard Deviation and Sharpe Ratio calculations, including those of the Composite were calculated by FactSet based upon strategies with monthly return data from December 2008 to present. FactSet reports on month end returns only. For more information on peer group comparisons and calculations, please refer to the full disclosures.

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

Rolling 2-Year Return Periods			Current 2-Year Period as of 9/30/2022	
11/30/2008 - 9/30/2022	Periods Beating the Index		Composite (%) Annualized Net of Fees	Russell 3000® Value Index (%)
Nuance Concentrated Value Composite	89/143	62.2%	3.09	9.79



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 September 30, 2022, the Nuance Concentrated Value Composite two-year rolling return is 3.09 percent (annualized and net of fees) versus the Russell 3000® Value Index and S&P 500® Index which have returned 9.79 percent and 4.83 percent, respectively. Overall, we have outperformed in 89 out of the available 143 two-year periods as shown in the chart labeled Rolling 2-Year Return Periods.

Year-to-date, the Nuance Concentrated Value Composite has returned (16.17) percent (net of fees) versus the Russell 3000® Value Index and the S&P 500® Index, which have returned (17.97) percent and (23.87) percent respectively.

Calendar Year Performance as of 9/30/2022	11/13/08 - 12/31/08	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
Nuance Concentrated Value Composite (Gross)	4.47	42.24	18.79	6.85	18.41	35.33	8.88	(1.28)	20.49	12.11	(3.82)	28.92	4.25	10.80	(15.71)
Nuance Concentrated Value Composite (Net)	4.47	41.70	18.13	6.29	17.79	34.45	8.07	(1.98)	19.70	11.29	(4.55)	28.00	3.48	9.99	(16.17)
Russell 3000® Value Index	0.37	19.76	16.23	(0.10)	17.55	32.69	12.70	(4.13)	18.40	13.19	(8.58)	26.26	2.87	25.37	(17.97)
S&P 500® Index	(0.47)	26.46	15.06	2.11	16.00	32.39	13.69	1.38	11.96	21.83	(4.38)	31.49	18.40	28.71	(23.87)

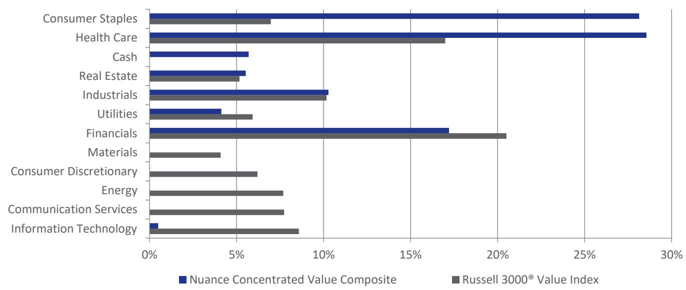
Composition of the Portfolio as of 9/30/2022

Portfolio Characteristics[2]	Nuance Concentrated Value Composite	Russell 3000® Value Index
Weighted Average Market Cap	19.0b	127.0b
Median Market Cap	10.3b	1.9b
Price to Earnings (internal and ttm)*	11.2x	13.8x
Price to Earnings (ex-neg earnings)	-	12.4x
Dividend Yield	2.5%	2.4%
Return on Equity	11.3%	14.5%
Return on Assets	3.2%	2.8%
Active Share vs Russell 3000® Value Index	98%	-
Upside/Downside Capture Ratio vs Russell 3000® Value Index	80% / 65%	-
Number of Securities	26	2,249

* Based on Nuance internal estimates and benchmarked against the above noted 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 11.2x versus the Russell 3000® Value Index of 13.8x. We are achieving this ratio with a portfolio of companies that have a return on assets of 3.2 percent versus the Russell 3000® Value Index of 2.8 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 9/30/2022



Our largest overweight positions, relative to the benchmark, remain the Consumer Staples and Health Care sectors. Within the Consumer Staples sector, we continue to see opportunities primarily in the Household & Personal Products industry as we believe inflationary pressure continues to impact select businesses. Our view is that earnings have been negatively impacted by rising raw material costs. We believe these costs can ultimately be mostly offset by price increases which generally lag the raw material price increases. We are also seeing the impact of inflation in the Health Care sector, where our overweight is primarily in the Health Care Equipment and Supplies industry, as we wait patiently for elective procedures to normalize following the prolonged disruption due to Covid-19. We believe these companies are manufacturing critical, advanced medical products and display the traits we look for in competitively advantaged businesses. They sell into end-markets that have been severely disrupted for more than two years as patient visits and procedures of all kinds have run well below normal due to the impacts of Covid-19, which include high cancellation rates, procedure delays, and insufficient care provider staffing to meet demand. We believe the magnitude and duration of this disruption has created a large backlog of procedures that will need to be made up over the next 1-2 years. More recently, raw material availability and input cost inflation in items including resins and metals have also squeezed margins at these companies. Offsetting price actions can take 1-2 years to implement in this industry, which is prolonging the period of under-earning, in our opinion. Nevertheless, this remains a high conviction, under-earning group of excellent businesses, in our view. Our last overweight, relative to the benchmark, is in the Real Estate sector where two select leaders comprise our overweight position. While we added to our weight in both the Financials and Industrials sectors during the quarter, we remain underweight relative to the benchmark. We also maintain positions in the Utilities sector, specifically in the Water Utilities industry. We remain underweight in the Energy sector where we believe the sector is facing a multi-year period of competitive transition. Lastly, we remain underweight in the Consumer Discretionary, Communication Services, Materials, and Information Technology sectors primarily due to a combination of competitive uncertainty and valuation concerns.

Stocks We Added to Your Portfolio (Third Quarter 2022):

Amphenol Corporation (APH): According to our research, APH is the second-largest manufacturer of electronic connectors in the world and has been gaining market share for the past 20 years. The company's connectors are generally designed for use in harsh environments or for high-speed functionality, including military equipment, aerospace applications, datacenter products, smartphones, and automotive products. We believe that APH is positioned well to benefit from increasing demand for electronic content across its end markets, with the expansion of data center and communications networks globally, expectations for growth of electronic vehicles, and automation within industrial machinery. The stock has underperformed recently due to fears that slowing demand in consumer electronics, computing products, and industrial end markets will lead to lower earnings. We believe this recent underperformance has created an opportunity to initiate a position in a high-quality name with an attractive risk reward.

Chubb Limited (CB): We have made an investment in one of our favorite global providers of property and casualty (P&C) insurance, CB. CB is a global leader in a variety of commercial P&C product lines that are focused on mid and large sized companies. A recent period of underperformance driven by threats of an intense fall 2022 hurricane season has provided an attractive entry point for our clients, in our opinion.

Hartford Financial Services Group, Inc. (HIG): During the quarter, we initiated an investment in HIG. HIG is a leading insurance company with a product set that spans from classic commercial P&C lines to group life and disability lines. Following a period of underperformance, HIG trades at around 11 times our internal estimate of normalized earnings and we believe represents an attractive risk reward for our clients at these prices.

Healthcare Realty Trust Inc. Class A (HR): HR is the leading medical office building (MOB) REIT within the Health Care REIT sub-industry. MOB REITs own medical office buildings, primarily on hospital systems' campuses, that house all the medical specialty practices that service the hospital system. After its recent acquisition of Healthcare Trust of America, HR is now the dominant national leader with over 40 million square feet, according to our research. At recent prices, we believe HR looked under-valued based on our internal estimates of fair value. Additionally, its dividend yield of more than 5.0 percent appeared both secure and attractive, and we believe it justified a meaningful position in our clients' portfolio.

Reinsurance Group of America, Incorporated (RGA): RGA is a leading reinsurer of life and health insurance policies globally. Following a period of relative underperformance driven by higher-than-normal death benefit claims paid due to the pandemic, the Investment Team believes RGA is under-earning its long-term potential and the risk reward of the investment appears attractive versus the market set of opportunities.

Stocks We Eliminated from Your Portfolio (Third Quarter 2022):

Charles Schwab Corp (SCHW): We have exited our investment in SCHW after a period of outperformance, as SCHW's stock has achieved our fair value price target according to our internal calculations. We will continue to monitor the risk reward of SCHW, as one of our favorite Financials sector stocks, looking for future buying opportunities.

GCP Applied Technologies, Inc. (GCP): GCP is a pure play construction chemical company. The company is a leading producer in the United States (U.S.) of concrete and cement admixtures. We exited our position of GCP as Saint-Gobain completed its acquisition of the company for $32.00 per share in September 2022.

Zimmer Biomet Holdings, Inc. (ZBH): ZBH is a leading manufacturer of knee, hip, and shoulder replacement devices along with other surgical supplies. The company is executing an operational improvement plan and continues to recover from Covid-19-related disruptions. We exited our position in the quarter after a period of modest relative outperformance in favor of other Health Care sector ideas that we believe offer better risk reward opportunities today. We continue to like ZBH and will look for opportunities to initiate a new position in the future.

Nuance Perspectives from President & Co-CIO, Scott Moore, CFA

Dear Clients,

For the nine months ending September 30, 2022, the Nuance Concentrated Value composite was down (16.17) percent (net of fees) compared to the Russell 3000® Value Index, which was down (17.97) percent, and the S&P 500® Index, which was down (23.87) percent. From our perspective, since-inception performance is the most important barometer of performance, and in the period since inception (November 13, 2008 - September 30, 2022), the Nuance Concentrated Value Composite was up 12.02 (annualized and net of fees) compared to the Russell 3000® Value Index, which was up 10.19 percent, and the S&P 500® Index, which was up 12.62 percent.

Nuance Performance Goals

At Nuance, we have four overriding goals for our Concentrated Value investment strategy:

1. First, we seek to beat our primary benchmark (the Russell 3000® Value Index) more times than not during calendar years. Calendar year performance matters to us given how important that period is to most of our clients. We are unlikely to beat our benchmark each calendar year and expect to have particular difficulty outperforming during latter stages of the investment, valuation, and economic cycles. In our experience, those periods are usually characterized by high valuations, high levels of corporate leverage, and oftentimes very narrow markets in which investors do not appear to be focused on risk in general. In pursuing this goal, we note that since the inception of the Nuance Concentrated Value Composite on November 13, 2008, we have outperformed our primary benchmark 11 out of 14 years (including our stub year of 2008) and 10 out of 13 (not including the 2008 stub year). For the first nine months of 2022, the Nuance Concentrated Value Composite was down (16.17) percent (net of fees) versus our primary benchmark, the Russell 3000® Value Index, which was down (17.97) percent. If that performance holds for the full calendar year, the Nuance Concentrated Value Composite will have outperformed 12 out of 15 years (including the stub period of 2008).
2. Second, we seek to outperform our primary benchmark (since inception and net of fees) and to do so with less risk, as measured by the standard deviation of returns. As of September 30, 2022, we have accomplished this goal, given that the Nuance Concentrated Value Composite rose 12.02 percent (annualized and net of fees) between its inception on November 13, 2008 through September 30, 2022 compared to the Russell 3000® Value Index, which rose 10.19 percent. Further, during the same period, the Nuance Concentrated Value Composite had a standard deviation of 12.79 percent (annualized and net of fees), meaningfully lower than the 16.11 percent standard deviation of the Russell 3000® Value Index.
3. Third, we seek to outperform our peers over the long term (since inception) and to do so with less risk, as measured by the standard deviation of returns. Since inception, our peer group performance has also been solid, as illustrated by the Nuance Concentrated Value Composite's 1st percentile Sharpe Ratio metrics versus our peers (see Exhibit 1 below).

Exhibit 1[1]

Peer Group Analysis 11/30/2008 - 9/30/2022	Since Inception APR[1]	Standard Deviation (A)[1]	Sharpe Ratio (A)[1]
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Morningstar Large Value Funds Peer Group (Median)	10.39	15.96	0.63
Peer Group Percentile and Ranking	15th (127 of 878)	7th (59 of 878)	1st (6 of 878)
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Peer Group Percentile and Ranking	37th (102 of 279)	1st (1 of 279)	1st (2 of 279)
Lipper Multi-Cap Value Funds Peer Group (Median)	10.30	16.23	0.60
Peer Group Percentile and Ranking	21st (69 of 335)	3rd (9 of 335)	1st (2 of 335)

4. Fourth and finally, we seek to beat our secondary benchmark over the long term (since inception) and to do so with less risk, as measured by the standard deviation of returns. Since inception on November 13, 2008 through September 30, 2022, the Nuance Concentrated Value Composite was up 12.02 percent (annualized and net of fees) versus the S&P 500® Index, which was up 12.62 percent. Further, the Nuance Concentrated Value Composite had a

[1]The Nuance Concentrated Value Composite is an all-capitalization value investment product and consists of separately managed accounts in the Nuance Concentrated Value strategy. Rankings and peer group comparisons are created internally using data from FactSet. For comparison purposes, subsets of the Morningstar Large Value Funds Peer Group, Morningstar Mid-Cap Value Funds Peer Group, and the Lipper Multi-Cap Value Funds Peer Group with performance history since inception have been presented as investment strategies with a similar investment style to the Nuance Concentrated Value Composite. For peer group comparisons, all Returns, Standard Deviation and Sharpe Ratio calculations, including those of the Composite were calculated by FactSet based upon strategies with monthly return data from December 2008 to present. FactSet reports on month end returns only. For more information on peer group comparisons and calculations, please refer to the full disclosures.

standard deviation of 12.79 percent (annualized and net of fees) during the same time period, which is lower than the 15.23 percent standard deviation of the S&P 500® Index. As such our Sharpe Ratio was 0.90 versus the S&P 500® Index's Sharpe Ratio of 0.79. Accordingly, we believe our risk-adjusted returns are on track, though we are disappointed that since-inception performance is modestly behind our secondary benchmark.

2022 YTD Attribution Analysis[2]

For the nine months ending September 30, 2022, the Nuance Concentrated Value Composite was down (16.17) percent (net of fees) compared to the Russell 3000® Value Index, which was down (17.97) percent. Thus, the strategy outperformed its benchmark by 1.80 percent. In studying the attribution (per FactSet two-factor Brinson Attribution), we make the following observations:

1. Our stock selection in the Financials sector was a significant positive contributor to performance as our investments in the Property & Casualty Insurance sub-industry, such as Travelers Companies, Inc. (TRV), and Reinsurance sub-industry, such as Alleghany Corporation (Y), outperformed in the period.
2. Our stock selection in the Health Care sector was a significant detractor from performance as our investments in Dentsply Sirona, Inc. (XRAY), Baxter International Inc. (BAX), and Smith & Nephew PLC (SNN) all underperformed in the period.
3. Our large overweight to, and positioning within, the Consumer Staples sector was a significant positive contributor to performance as the sector outperformed in the period, and our investments in outperformers Cal-Maine Foods, Inc. (CALM) and Beiersdorf AG (BDRFY) more than offset positions in underperformers such as Henkel AG & Co. (HENKY).
4. Our underweight of the Energy sector was a meaningful detractor from performance as geopolitical instability exacerbated a cyclical rebound in commodity prices and Energy was the best performing sector in the period.
5. Our stock selection within the Real Estate Sector was a positive contributor to performance as Equity Commonwealth (EQC) executed on an accretive stock repurchase plan at a discount to net asset value and was down less than the benchmark in the period.
6. Our stock selection in the Utilities sector was a modest detractor from performance while our stock selection in the Materials sector was a modest contributor to performance.
7. Our underweight position in several sectors including Information Technology, Consumer Discretionary, and Communication Services contributed to performance as those sectors underperformed in the period.
8. Our stock selection in the Industrials sector was a modest detractor from performance as Knorr-Bremse AG (KNRRY) underperformed in the period.
9. Our average cash weighting of 10.5% contributed to performance as the benchmark was down in the period.

Nuance Perspectives[2]

The first nine months of 2022 can best be described as adequate for us here at Nuance. The Nuance Concentrated Value Composite was down (16.17) percent (net of fees) compared to the Russell 3000® Value Index, which was down (17.97) percent, and the S&P 500® Index, which was down (23.87) percent.

Inflation remains top of mind for investors, with the Consumer Price Index (CPI) recently posting year-over-year highs not seen since the 1980s. Financial conditions also continue to tighten in response to higher inflation, with the target federal funds rate now above 3%, the highest level since 2008. These dynamics are not isolated to the U.S. as similar situations are being experienced in many geographies around the globe. In Europe, the war in Ukraine continues with no clear end in sight. Supply chains are strained, and energy costs have soared, introducing an additional level of uncertainty and risk of recession heading into winter.

We believe higher inflation has been a primary source of under-earnings at many of the businesses on our Nuance Approved List, and we have discussed in recent quarterly Perspectives our view that input cost inflation has caused transitory margin compression in some of our favorite Consumer Staples and Health Care businesses, among others. That opportunity persists, in our opinion, and we thought it prudent to update investors on some of our top inflation-related ideas.

Our performance within the Consumer Staples sector exemplified these inflationary dynamics. Cal-Maine Foods (CALM) has been our best performing stock year-to-date, up significantly in a down overall market environment. Nuance clients will recall that CALM is the leading producer of eggs in the US, including leadership positions in cage-free and specialty eggs. When we last wrote about CALM in March of this year, eggs were emblematic of the inflationary environment with prices at $2.47 per dozen, up significantly from year-end 2021, when they were $1.60 per dozen. As of September 30, they are up even further to $3.61 per dozen, surpassing prior cycle highs typically experienced during major avian influenza outbreaks (all data is for USDA Large White Eggs, per FactSet). As one would expect, CALM earnings power has inflected commensurately, in our opinion. In the company's fiscal year which ended May 2022, CALM reported $2.73 in earnings per share, under-earning versus our internal estimate of normalized earnings power of around $3.60 per share. In its most recent fiscal quarter ending in August, CALM reported $2.58 in earnings per share in a single quarter, transitioning from under- to over-earning, in comparison to our estimates, on a trailing twelve-month basis. Buying a company during a period of transitory under-earning, then selling it as earnings power improves to or surpasses our view of normal as the stock outperforms, is a core tenet to the Nuance investment process and is what we have been able to do in the case of CALM, reducing our position materially so far this year.

Elsewhere in the Consumer Staples sector, we are seeing several opportunities in companies that we believe are facing transitory under-earning situations related to inflationary dynamics. Kimberly-Clark Corporation (KMB) is a leading provider of paper-based consumer products with notable brands such as Huggies®, Pull-ups®, Depends®, Scott®, Cottonelle®, Kotex®, and Kleenex®. We last wrote about KMB at the end of 2021, and we have added to our holding this year as it remains a top idea. We believe the magnitude of under-earnings opportunity has grown as the year has progressed. KMB has recently dealt with much higher costs, including pulp, freight, energy, and labor. The company has implemented a series of price increases to help offset those higher costs, which we believe have still not been fully realized in reported financial results. On the cost side, KMB has yet to experience much relief, but our analysis suggests relief may be coming. Lumber prices closed 2021 at $1,145 per 1000 board feet (CME Lumber per FactSet) before peaking above $1,450 in the spring but now trade well below those levels, at $425 as of the end of third quarter. Our analysis suggests that the price of pulp, KMB's most critical input, has historically been highly correlated with lumber prices. However, pulp prices have persisted near their highs due to idiosyncratic disruptions to pulp processing, in our view, which is a dynamic that we believe to be transitory. KMB expects to earn around $5.65 per share in 2022 based on company guidance, well below our

[2]The holdings identified do not represent all of the securities purchased, sold, or recommended for our clients. Past performance does not guarantee future results. For more information on how to obtain our calculation methodology, or a list showing the contribution of each holding or sector to the overall composite performance, or for performance results of the total portfolio, please contact Nuance Investments at client.services@nuanceinvestments.com.

estimate of normal earnings power of around $7.80 per share. Should KMB realize the benefit from its own price increases or input costs like pulp ease, we believe KMB is likely to return towards normal earnings power in due course. Today, KMB trades at less than 15 times price-to-earnings on our estimate of normal earnings, below its historical valuation multiples, and we believe offers an attractive absolute and relative opportunity.

We also wrote about our Health Care positioning at length last quarter, and we continue to retain an overweight position in the Health Care Equipment and Supplies industry. Costs like freight, resins, and metals have recently exacerbated the transitory under-earnings those companies were already experiencing from Covid-19-related procedure disruptions, in our opinion. We remain patient with these investments as we anticipate procedure volumes will normalize over time and offsetting price actions, internal cost-cutting or alleviation of input costs, will make their way through our favored leaders including Baxter International Inc. (BAX), Dentsply Sirona, Inc. (XRAY), and Smith & Nephew PLC (SNN).

As always, we continue to optimize the risk reward of your portfolio using our time-tested Nuance process. This Nuance process places a significant emphasis on determining if a 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 over time as well. Once we have studied and understood those characteristics, we prepare our own proprietary financial statements for each business, attempting to normalize the financial statements of our potential investment 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 typically invest in the companies on our Nuance Approved List that, in our opinion, have significantly better risk rewards than the market set of opportunities. This overall process is designed to buy clients better than average companies, but only when we believe they have both less downside risk and more upside potential 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)	3 Year Annualized Standard Deviation (SPX Index)
YTD 2008 (11/13/08-12/31/08)	4.47	4.47	0.37	(0.47)	-	7	$9,126,951	$18,657,997	4.6%	-	-	-
2009	42.24	41.70	19.76	26.46	1.2	79	$87,342,803	$137,943,058	0.6%	-	-	-
2010	18.79	18.13	16.23	15.06	0.3	145	$119,543,453	$181,201,036	0.5%	-	-	-
2011	6.85	6.29	(0.10)	2.11	0.5	181	$96,831,359	$152,976,943	1.1%	16.1	21.3	19.0
2012	18.41	17.79	17.55	16.00	0.2	259	$154,693,966	$214,936,666	1.0%	13.1	16.0	15.3
2013	35.33	34.45	32.69	32.39	0.7	411	$418,085,862	$507,569,897	0.4%	12.2	13.1	12.1
2014	8.88	8.07	12.70	13.69	0.2	581	$886,246,169	$1,071,186,382	0.2%	10.4	9.5	9.1
2015	(1.28)	(1.98)	(4.13)	1.38	0.2	607	$715,577,980	$913,545,839	0.1%	11.4	10.9	10.6
2016	20.49	19.70	18.40	11.96	0.1	694	$937,752,729	$1,466,221,847	0.1%	11.1	11.1	10.7
2017	12.11	11.29	13.19	21.83	0.1	726	$1,011,853,027	$1,784,338,191	0.0%	10.1	10.5	10.1
2018	(3.82)	(4.55)	(8.58)	(4.38)	0.2	588	$689,752,219	$1,724,795,756	0.0%	9.4	11.2	11.0
2019	28.92	28.00	26.26	31.49	0.1	522	$795,289,051	$3,486,104,071	0.0%	9.1	12.2	12.1
2020	4.25	3.48	2.87	18.40	0.2	539	$834,339,154	$5,948,860,811	0.0%	14.5	20.2	18.8
2021	10.80	9.99	25.37	28.71	0.1	458	$798,174,233	$6,660,123,316	0.0%	14.1	19.6	17.4
YTD 2022 As of: 9/30/2022	(15.71)	(16.17)	(17.97)	(23.87)	N/A	464	$558,441,593	$5,302,063,128	0.0%	14.6	20.7	20.3

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 – 3/31/22 by Absolute Performance Verification. The verification reports are available upon request. 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 and pooled fund maintenance, 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. Verification does not provide assurance on the accuracy of any specific performance report. 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.

Nuance is an investment adviser registered with the Securities and Exchange Commission. The firm maintains a complete list and description of composites and broad distribution pooled funds which are 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 performance returns are presented after actual standard management fees, performance-based management fees and all trading expenses that may occur. No other fees are deducted aside from trading and management fees for the calculation of net of fee performance. 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. Nuance updated its index performance source from Bloomberg to FactSet effective 12/31/2020. Historical index returns have been amended to reflect FactSet source information.

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 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 a Significant Security & Cash Flow Policy since inception of the composite. An account will be removed from a composite if a client has given specific instructions that prevent full investment of securities or cash flow(s) in a timely manner (defined as 5 business days or greater), or if a single security or cash flow is equal or greater than 10 percent of the total account value based on the beginning of the month market value.

Our Core offerings are the Nuance Mid Cap Value Strategy, the Nuance Concentrated Value Strategy and the Nuance Concentrated Value Long-Short Strategy. For more information regarding Composite list and descriptions and policies for valuing investments, calculating performance, and preparing GIPS® reports, or to obtain a report, please contact client.services@nuanceinvestments.com or 816-743-7080.

Important Disclosures

Nuance Investments, LLC (the "Firm") is a Registered Investment Adviser. The Firm's Nuance Concentrated Value Composite (the "Composite") is a composite of actual accounts invested in the Nuance Concentrated Value investment strategy. The creation and inception date for the Composite is 11/13/08. 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 is the S&P 500® TR Index. The S&P 500® TR Index 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. 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 FactSet. The collection of fees has a compounding effect on the total rate of return net of investment management fees. Net of fee performance returns are presented after actual standard management fees, performance-based management fees, and all trading expenses that may occur. No other fees are deducted aside from trading and management fees for the calculation of net of fee performance. A full schedule of fees for all Firm products is available upon request.

(1) The Nuance Concentrated Value Composite is an all-capitalization value investment product and consists of separately managed accounts in the Nuance Concentrated Value strategy. Over the product life, the Nuance Concentrated Value Separate Account Product has been classified by Morningstar in the following categories: Large Value and Mid-Cap Value. Lipper does not provide product level classifications. Rankings and peer group comparisons are created internally using data from FactSet. For comparison purposes, subsets of the Morningstar Large Value Funds Peer Group, Morningstar Mid-Cap Value Funds Peer Group, and the Lipper Multi-Cap Value Funds Peer Group have been presented as investment strategies with a similar investment style to the Nuance Concentrated Value Composite. For peer group comparisons, all Returns, Standard Deviation and Sharpe Ratio calculations, including those of the Composite were calculated by FactSet based upon strategies with monthly return data from December 2008 to present. FactSet reports on month end returns only. *Additional Information*: Portfolio composition will vary over time and may change without notice. Current investment style and assigned peer groups may differ from the styles presented. The Nuance Concentrated Value Composite is compared to various fund peer groups as defined by investment style and is constructed in a manner that is substantially similar to the guidelines and classifications of the Morningstar and Lipper fund peer groups to which it is compared, however, fund peer groups may differ from similarly constructed product composite groups. Morningstar Categories are based on the average holdings statistics over the past three years and are applied to both funds and separate accounts. Morningstar Style Box Methodology is based on growth versus value scores using historical measures of various portfolio components and weights. A complete description of Morningstar's Category classifications and Style Box Methodology can be found at https://www.morningstar.com/research/signature. Lipper's Fund Classifications have a prospectus-based methodology with diversified funds having an additional portfolio-based classification and are applied to open-ended funds but not to separate accounts or product composites. A complete description of Lipper's fund classification methodology can be found at https://lipperalpha.refinitiv.com. The number of peers (i.e., the ranking) includes only those Category Peers with similar return timeframes to the Nuance Concentrated Value Composite. For the purposes of peer group comparisons, Since Inception returns are shown beginning 11/30/2008. Standard Deviation is a statistical measure of the historical volatility of a portfolio that reflects its dispersion or deviation from its mean. 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 FactSet. The following characteristics are calculated using FactSet data: Weighted Average Market Cap, 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), P/E (price of a company's stock relative to its earnings per share). Characteristics for P/E, DY, ROE & ROA use an index aggregation calculation methodology (the index method sums the weighted portfolio value of the numerator and the denominator first, then divides those sums to determine the portfolio and benchmark values). Characteristics calculations use holdings at market close on the stated date, including cash & cash equivalents. The P/E excluding negative earners omits companies with negative earnings from the calculation to provide readers with an additional tool during periods of extreme volatility. Active share, as calculated by FactSet, is a statistic that measures a strategy's holdings relative to the holdings of the appropriate benchmark. 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 and results are gross of fees for the period since inception through the stated date. Upside/downside ratios are calculated using FactSet.

The Price to Earnings ratio measures the price of a company's stock in relation to its earnings per share. The Nuance price to earnings multiple is the median price to normalized earnings ratio across the Nuance approved list and is a proprietary calculation. As of 9/30/2022 portfolio weights of names discussed are as follows: APH (0.5%), BAX (6.0%), BDRFY (3.8%), CALM (0.5%), CB (0.5%), EQC (2.8%), GCP (0.0%), HENKY (8.5%), HIG (0.5%), HR (2.7%), KMB (8.2%), KNRRY (3.8%), RGA (1.6%), SCHW (0.0%), SNN (7.4%), TRV (4.6%), XRAY (7.2%), Y (4.5%), ZBH (0.0%) The information presented related to the Nuance investment decision and selection process is intended to be informational in nature, speak to our process and does not represent a recommendation in any specific security or securities. Information not specific to a cited source constitutes the opinion of the Nuance investment team and should not be relied upon to make investment decisions. Investors should be aware of the risks associated with data sources including without limitation, fundamental, technical, qualitative and quantitative factors used in our investment process. Errors may exist in data acquired from third party vendors, the development of investment ideas, the analysis of data and the portfolio construction process. While Nuance takes steps to verify information so as to minimize the potential impact of potential errors, we cannot guarantee that errors will not occur.

Portfolio holdings and sector allocations are subject to change and are not a recommendation to buy or sell any security. As of 9/30/2022 composite portfolio weights of top and bottom attributors are as follows:

Top Attributors (Portfolio Weight): CALM (0.5%), BDRFY (3.8%), EQC (2.8%), TRV (4.6%), CLX (5.9%)

Bottom Attributors (Portfolio Weight): XRAY (7.2%), BAX (6.0%), SNN (7.4%), KNRRY (3.8%), ICUI (3.8%)

Past Performance is not a guarantee of future results. Investing in our products 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 disclosures for more information.