

VAUGHAN NELSON LAUNCHES AUSTRALIA'S ONLY GLOBAL ACTIVE SMID ETF

SYDNEY (1 June 2022) – Houston-based investment manager, Vaughan Nelson, has partnered with Investors Mutual Limited (IML) to launch a new small and medium capitalisation (SMID cap) global equity strategy to Australian retail investors. At launch, it will be Australia's only actively managed global SMID cap ETF available on the ASX, and one of only a few actively managed funds with exposure to this range. IML will be the responsible entity for both the ETF and the managed fund.

Vaughan Nelson CEO and CIO Chris Wallis, explains why he thinks global SMID caps are a great opportunity for Australian investors right now:

"After more than a decade of over reliance on monetary policy that benefitted long duration assets and misallocated capital, global authorities are shifting to fiscal policy to promote healthier economic growth, close the wealth divide, and speed the transition to renewable energy. Passive indices will struggle relative to the returns they have generated over the last decade, while high active share globally focused small/mid cap strategies can take advantage of the shifting economic growth dynamics.

Vaughan Nelson is uniquely designed to add value in a global strategy because the process goes beyond simply providing market exposure. The team trades time for value by seeking investments that it believes will deliver a high targeted return in a three-year window. The process has three different avenues by which to earn returns, allowing it to generate alpha in a myriad of market environments."

Vaughan Nelson and IML are both affiliates of Natixis Investment Managers, one of the 15 largest asset management firms in the world. Vaughan Nelson has approximately US\$15 billion (A\$21 billion) under management and 25 years' experience managing small and mid-cap funds, including more than five years managing funds for Australian institutional investors. Vaughan Nelson is a highly active investment manager, relying on fundamental research from its US-based investment team. Vaughan Nelson's SMID Cap strategy is high conviction, investing in around 70 stocks from the approximately 7,700 stocks available in the global SMID cap range.

IML Chief Executive Officer Damon Hambly said he was very much looking forward to bringing Vaughan Nelson's SMID cap strategy to Australian advisors and retail investors:

"Through our partnership with Natixis we have access to some of the best global investment strategies around the world. We chose to bring Vaughan Nelson's Global SMID Cap strategy to Australian retail investors for two main reasons: the first is that they have a first-rate investment team that has a long history of strong performance in global equities.

The second is that it's very difficult for Australians to invest in global SMID caps. This is the only active global SMID cap ETF on the ASX, and one of only a handful of global SMID cap managed funds available in Australia. This is despite global SMIDs achieving excellent returns relative to other indexes, as well as being a great way for Australian investors to diversify their portfolios in terms of geographies, industry sectors and economic cycles. The ASX is only 2% of the world's market cap and is around 50% Materials and Financials, so investors that are only investing locally are missing out on a lot of opportunity."

There are two ways to access Vaughan Nelson's Global SMID Cap strategies:

1. As an active ETF - Vaughan Nelson Global Equity SMID Fund (Quoted Managed Fund) is the quoted class of units (ASX: VNGS)

2. As an actively managed fund – Vaughan Nelson Global Equity SMID Fund is the unlisted class of units

FOR MORE INFORMATION OR TO ARRANGE AN INTERVIEW, CONTACT INVESTORS MUTUAL:

Jake Waddell
+61 (0)417 312 902
Jake.waddell@iml.com.au

ABOUT VAUGHAN NELSON

Founded in 1970, Vaughan Nelson is a Houston-based asset manager specializing in US, Global, international, and emerging market equities with a focus on a targeted return. The firm employs a bottom-up, fundamental research process to capitalize on temporary information and liquidity inefficiencies in equity markets. The firm's long-term, consistent approach draws on in-depth research and a similar investment process across all geographic regions and market capitalizations. The firm is a boutique affiliate of Natixis Investment Managers.

ABOUT IML

IML was founded in 1998 as a specialist Australian Equities Fund Manager recognised for its true-to-label 'quality and value' investment style. In 2017 IML joined Natixis Investment Managers and looked to fill gaps in the Australian retail market with other Natixis affiliates. In 2018 IML partnered with Loomis Sayles to launch the Loomis Sayles Global Equity Fund (also available as an active ETF ASX: LSGE). For further information, see iml.com.au.

DISCLAIMER

This information is provided for general information purposes only and does not take into account the investment objectives, financial situation or needs of any person. Investors Mutual Limited (AFSL 229988) is the issuer and responsible entity of the Vaughan Nelson Global Equity SMID Fund and the Vaughan Nelson Global Equity SMID Fund (Quoted Managed Fund) ('Funds'). Vaughan Nelson Investment Management, L.P. is the investment manager.

This information should not be relied upon in determining whether to invest in the Funds and is not a recommendation to buy, sell or hold any financial product, security or other instrument. In deciding whether to acquire or continue to hold an investment in the Funds, an investor should consider the current PDS and TMD for the appropriate class of the Fund, available on the website www.VaughanNelson.com.au or by contacting us on 1300 219 207.

Past performance is not a reliable indicator of future performance. Investments in the Funds are not a deposit with, or other liability of, Investors Mutual Limited and are subject to investment risk, including possible delays in repayment and loss of income and principal invested. Investors Mutual Limited does not guarantee the performance of the Funds or any particular rate of return.