

# Manning & Napier Fund, Inc.

## Rainier International Discovery Series



### Class Z Class I Class S

Inception	08/21/2017	03/28/2012	11/30/2012
Ticker	RAIRX	RAIIX	RISAX
Minimum*	\$1 million	\$1 million	\$2,000
Gross Expenses	1.03%	1.13%	1.40%
Net Expenses**	1.00%	1.13%	1.40%

\*For Class S, the minimum may be waived for certain qualified retirement plans, participants in an automatic investment program, and discretionary investment accounts of the advisor. For Class Z and Class I, the minimum may be waived for certain qualified retirement plans and discretionary investment accounts of the Advisor.

\*\*Reflects the Advisor's contractual agreement to limit its fees and reimburse certain expenses. The contractual waiver may not be amended or terminated without the prior approval of the Fund's Board of Directors. Class S includes a 12b-1 fee of 0.25%, of which up to 0.25% is available as a shareholder servicing fee. Class Z shares do not make payments to financial intermediaries.

MN Rainier International Discovery Fund (RAIIX) received a 5-Star Morningstar Rating™



Overall rating out of 129 Foreign Small/Mid Growth funds as of 12/31/2022.

The Overall Morningstar Rating is based on risk-adjusted returns derived from a weighted average of the Fund's 3-, 5- and 10-year Morningstar metrics.

### Fund Manager

Henrik Strabo Over 35 years of experience

### Assets Under Management

Strategy Assets	\$952 million
Fund Assets	\$583 million

### Equity Weightings

Sector	Rainier	MSCI ACWI ex. USA Small Cap
Comm. Services	1.98%	3.67%
Consumer Disc.	11.98%	11.49%
Consumer Staples	6.54%	6.33%
Energy	4.29%	4.25%
Financials	7.91%	11.11%
Health Care	8.40%	7.21%
Industrials	29.95%	20.21%
Info Tech.	9.21%	10.68%
Materials	10.44%	11.62%
Real Estate	3.62%	9.90%
Utilities	5.68%	3.53%
Region	Rainier	MSCI ACWI ex. USA Small Cap
Europe (ex. UK)	38.67%	24.08%
Asia/Pacific Basin (ex. Japan)	26.56%	30.75%
Japan	17.50%	21.07%
Americas	10.72%	9.61%
UK	6.44%	10.00%
Africa/Middle East	0.11%	4.49%
Developed Markets	78.29%	73.76%
Emerging Markets	21.71%	24.24%

### Objectives and Philosophy

The Rainier International Small Cap Equity strategy seeks to provide investors with long-term capital appreciation. In pursuing its goal, the portfolio is primarily invested in the common stock of small- and mid-capitalization companies traded outside the U.S. Rainier typically selects investments that fall within the market capitalization range of the MSCI ACWI ex USA Small Cap Index at the time of purchase. The Team will invest in any type of company whether it is in the index or not, as long as it is within the market cap range and fits the investment objectives.

The Fund provides investors with the opportunity to invest in dynamic non-U.S. companies with meaningful appreciation potential. Investment decisions are based on fundamental analysis, which emphasizes bottom-up stock selection of companies that exhibit strong growth, clear key earnings drivers, and attractive valuations. The investment team evaluates companies across all sectors and regions using this growth and valuation criteria.

### About the Advisor

Rainier Investment Management, LLC is dedicated to enhancing client returns through insightful and disciplined identification of growth companies. Rainier is headquartered in Seattle, Washington.

Manning & Napier Advisors, LLC (Manning & Napier) has contracted Rainier Investment Management, LLC, to sub-advise the International Discovery Series. Manning & Napier was founded in 1970 and is headquartered in Rochester, NY.

### Top Ten Holdings

Total Holdings: 102

VARUN BEVERAGES Ltd	India	2.60%
TFI INTERNATIONAL INC	Canada	2.37%
INDIAN HOTELS CO LIMITED	India	2.18%
ELECTROCOMPONENTS PLC	United Kingdom	2.15%
SYDBANK A/S	Denmark	2.06%
JAPAN HOTEL REIT INVESTMENT	Japan	1.95%
ALS LTD	Australia	1.82%
TECHNOPRO HOLDINGS INC	Italy	1.78%
ERG SPA	Japan	1.78%
AKER SOLUTIONS ASA	Norway	1.72%

### Total Returns (as of 12/31/2022)

	Rainier International Discovery Series Class Z	Rainier International Discovery Series Class I	Rainier International Discovery Series Class S	MSCI ACWI ex. USA Small Cap
Quarter	10.42%	10.37%	10.29%	13.31%
Year-to-Date	-30.31%	-30.41%	-30.59%	-19.97%
One Year	-30.31%	-30.41%	-30.59%	-19.97%
Three Year	4.13%	3.99%	3.72%	1.07%
Five Year	3.01%	2.87%	2.59%	0.67%
Ten Year	9.03%	8.95%	8.67%	5.24%
Since Inception	9.71%	9.63%	9.36%	5.23%

Performance data quoted represents past performance and does not guarantee future results. Performance for periods greater than one year is annualized. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than that quoted; investors can obtain the most recent month-end performance at [www.manning-napier.com](http://www.manning-napier.com) or by calling (800) 466-3863.

The Rainier International Discovery Fund (Predecessor Fund), which was managed by Rainier Investment Management, LLC, was reorganized into the Manning & Napier Fund, Inc. Rainier International Discovery Series on 08/21/2017. For periods prior to 08/21/2017, performance for the Class I and Z Shares is based on the historical performance of the Predecessor Fund's Institutional Shares, and will differ to the extent that the Predecessor Fund's Institutional Shares had a higher expense ratio. For periods between 11/30/2012 and 08/21/2017, performance for Class S is based on the historical performance of the Predecessor Fund's Class A Shares; performance prior to 11/30/2012 is based on the historical performance of the Predecessor Fund's Institutional Shares and adjusted for the Predecessor Fund's Class A Shares expenses. If the sales charges were reflected or if performance had been adjusted to reflect the Class S Shares' expenses, the performance would have been different depending on total expenses incurred by the Predecessor Fund.

# Manning & Napier Fund, Inc.

## Rainier International Discovery Series



### Commentary

The streak of quarterly market declines stopped at three, as the fourth quarter finally delivered positive returns across asset classes. Despite the positive quarter, all major asset classes remain in negative territory for the full year. The fourth quarter's welcome reversal to end the year came amid a backdrop of still elevated but declining inflation and central banks beginning to show signs of less restrictive policy. Global equity markets welcomed these slight but important developments and began to offset some of the negative returns generated through the first three quarters of the year. In non-U.S. equity markets, value stocks outperformed their growth counterparts during this late-year rally, with more economically sensitive areas of the market generally leading the way. Additionally, developed markets bested emerging markets, while larger companies slightly outperformed smaller companies.

The fund posted positive absolute returns but underperformed the MSCI ACWI ex USA Small Cap Index. Last quarter's style rotation toward growth was short-lived, as value's leadership again became a headwind in the fourth quarter. Stock selection drove the vast majority of underperformance, most notably within the Consumer Discretionary, Materials, and Utilities sectors. The portfolio's cash allocation decreased throughout the quarter, but also had a negative impact on performance. An underweight to Real Estate was a modest positive and an underweight to Financials was a modest negative.

Emerging markets exposure slightly decreased during the quarter but remains a notable (yet still underweight) part of the portfolio, led by an allocation to India where the team has found a variety of attractive businesses. The fund continues to maintain exposure to what we view as important trends likely to be crucial to global economic development, whether through supremely innovative software/connectivity and health care companies, industrial companies leading the way on automation and novel processes, or best-in-class consumer-oriented businesses with a dominant market position, to name a few.

Primary detractors from returns included E-Ink Holdings (Taiwanese manufacturer of electronic surface applications) and ALK-Abello (Denmark-based immunotherapy specialist). E-Ink recently expressed concerns about potential near-term economic risks to demand for their leading electronic signage solutions. Looking through the near-term, we still believe the company is well-positioned and attractively valued. ALK-Abello's shares have been hampered by a perceived slowdown in allergy product sales in Japan specifically, as well as inflationary cost concerns and lowered forward guidance.

Primary contributors to performance included Varun Beverages (PepsiCo product distributor in India) and Sydbank (full-service Danish bank). Varun has continued to grow through distribution network growth, while also expanding margins despite an inflationary environment. Sydbank has benefited from the end of negative interest rates in Denmark, as seen in strong revenue numbers and upgraded profit guidance that have driven share price appreciation.

Several new positions were added to the fund during the quarter, including Sojitz (a diversified Japanese trading company) and Corporacion Inmobiliaria Vesta SAB de CV (a Mexican real estate company). Sojitz is in the midst of transitioning toward a more sustainable future and in our view has a clear capital allocation process with which they aim to achieve this goal through consolidation of their business lines and strong focus on ESG. Corporacion Inmobiliaria is a developer of industrial real estate in Mexico, with a focus on world-class facilities for various industries. Continued growth of ecommerce, nearshoring trends, and limited supply of industrial real estate are all factors that attract us to this company.

Several names were also removed from the fund during the quarter, including Temenos (Swiss enterprise software company) and Canadian Western Bank. Temenos is a market leader in the banking and financial software space, but its outlook has been negatively impacted by a weakening macro environment and its possible impact on the banking industry. This backdrop combined with rising competition led us to exit the position. Canadian Western Bank has not executed as well as we'd expect in a rising interest rate environment and is also seeing a higher expense environment for the foreseeable future, so we've moved on from this company as well.

Our team continues to focus on investing in strong, essential businesses that will continue to lead the global economy in the coming years, as well as companies tied to global secular trends that are poised for long-term success. This is consistent with the team's long-term philosophy of investing in companies with strong market positions, innovative leadership, and ability to deliver financial results to shareholders.

### A Word About Risk

All investments involve risks, including possible loss of principal. As with any stock fund, the value of your investment will fluctuate in response to stock market movements. Small- and medium-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies. Funds whose investments are concentrated in foreign and emerging market countries may be subject to fluctuating currency values, different accounting standards, and economic and political instability. The value of the Series may be affected by changes in exchange rates between foreign currencies and the U.S. dollar. Investments in emerging markets may be more volatile than investments in more developed markets. Additionally, the Series is subject to portfolio turnover risk as it may buy and sell investments frequently, which may result in higher expenses and an increase in realized capital gains and potential tax implications for shareholders.

### Additional Disclosures

The data presented in the commentary is for informational purposes only. It is not to be considered a specific stock recommendation.

Manning & Napier Fund, Inc. Rainier International Discovery Fund Series I was rated against Foreign Small/Mid Growth funds and had a 5 star rating for the three year, a 4 star rating for the five year, a 5 star rating for the ten year, and a 5 star rating overall, as of 12/31/2022, out of 129, 116, 80, and 129 funds respectively. Ratings for other share classes may differ. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Past performance is not guarantee future results.

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The MSCI ACWI ex USA Small Cap Index is designed to measure a small cap representation across 22 of 23 Developed Markets countries (excluding the U.S.) and 24 Emerging Markets countries. The Index returns do not reflect any fees or expenses. The Index is denominated in U.S. dollars. The Index returns are net of withholding taxes. They assume daily reinvestment of net dividends thus accounting for any applicable dividend taxation. Index returns provided by Bloomberg. Index data referenced herein is the property of MSCI, its affiliates ("MSCI") and/or its third party suppliers and has been licensed for use by Manning & Napier. MSCI and its third party suppliers accept no liability in connection with its use. Data provided is not a representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none of these parties shall have any liability for any errors, omissions, or interruptions of any index or the data included therein. For additional disclosure information, please see: <https://go.manning-napier.com/benchmark-provisions>.

For more information about any of the Manning & Napier Fund, Inc. Series, you may obtain a prospectus at [www.manning-napier.com](http://www.manning-napier.com) or by calling (800) 466-3863. Before investing, carefully consider the objectives, risks, charges and expenses of the investment and read the prospectus carefully as it contains this and other information about the investment company.

Investments will change over time. Top Ten Investments list is unaudited and excludes cash. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property and a service mark of MSCI Inc. (MSCI) and Standard & Poor's, a division of S&P Global Inc. (S&P) and is licensed for use by Manning & Napier when referencing GICS sectors. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification nor shall any such party have any liability therefrom.

The Manning & Napier Fund, Inc. (the Fund) is managed by Manning & Napier Advisors, LLC (Manning & Napier). Manning & Napier Investor Services, Inc. (MNBS), an affiliate of Manning & Napier, is the distributor of the Fund shares. Manning & Napier has contracted Rainier Investment Management, LLC, an affiliate of Manning & Napier and MNBS, to sub-advise the International Discovery Series.