

## **Victory Capital Adds VictoryShares® Small Cap Free Cash Flow ETF to its ETF Lineup**

SAN ANTONIO--(BUSINESS WIRE)-- Victory Capital Holdings, Inc. (NASDAQ: VCTR) ("Victory Capital" or the "Company") today announced that its wholly owned investment adviser, Victory Capital Management Inc., has launched a new rules-based exchange-traded fund ("ETF"), **VictoryShares Small Cap Free Cash Flow ETF (SFLO)**.

SFLO seeks to provide investment results that track the performance of the Victory U.S. Small Cap Free Cash Flow Index ("the Index"), which invests in profitable U.S. small-cap companies with high free cash flow yields and favorable growth prospects. The Index screens an initial universe of companies for historical and projected free cash flows. It then goes a step further by eliminating companies with the worst growth characteristics to seek better outcomes in a variety of market environments.

"We are excited to expand our free cash flow lineup with the introduction of SFLO," said Mannik Dhillon, CFA®, CAIA®, President, Investment Franchises and Solutions, for Victory Capital. "SFLO will take the innovative methodologies employed by the VictoryShares Free Cash Flow ETF (VFLO) to the small cap segment. Investors will now be able to capitalize on companies with attractive free cash flow yields without sacrificing growth potential in the small cap allocation of their portfolios."

### **About Victory Capital**

Victory Capital is a diversified global asset management firm with \$159.6 billion in assets under management as of November 30, 2023. The Company employs a next-generation business strategy that combines boutique investment qualities with the benefits of a fully integrated, centralized operating and distribution platform.

Victory Capital provides specialized investment strategies to institutions, intermediaries, retirement platforms and individual investors. With 11 autonomous Investment Franchises and a Solutions Business, Victory Capital offers a wide array of investment products and services, including mutual funds, ETFs, separately managed accounts, alternative investments, third-party ETF model strategies, collective investment trusts, private funds, a 529 Education Savings Plan, and brokerage services.

Victory Capital is headquartered in San Antonio, Texas, with offices and investment professionals in the U.S. and around the world. To learn more please visit [www.vcm.com](http://www.vcm.com) or follow Victory Capital on [Facebook](#), [Twitter](#), and [LinkedIn](#).

**Carefully consider a fund's investment objectives, risks, charges and expenses before investing. To obtain a prospectus or summary prospectus containing this and other important information, visit [www.victorysharesliterature.com](http://www.victorysharesliterature.com) . Read it carefully before investing.**

The Victory U.S. Small Cap Free Cash Flow Index aims to select high quality companies from its starting universe by applying profitability screens. It then selects companies with the strongest free cash flow yield that exhibit higher growth. The Index is rebalanced and reconstituted quarterly.

This Index calculates free cash flow yield by dividing expected free cash flow by enterprise value. Expected free cash flow is the average of trailing 12-month free cash flow and next 12-month forward free cash flow. Free cash flow (FCF) represents the cash that a company is able to generate after accounting for capital expenditures. Enterprise value (EV) measures a company's total value, often used as a more comprehensive alternative to equity market capitalization.

The Fund invests in securities included in, or representative of securities included in, the Index, regardless of their investment merits. The performance of the Fund may diverge from that of the Index. Derivatives may not work as intended and may result in losses. Large shareholders, including other funds advised by the Adviser, may own a substantial amount of the Fund's shares. The actions of shareholders, including large inflows or outflows, may adversely affect other shareholders, including potentially increasing capital gains. Investments in mid-cap companies typically exhibit higher volatility. The value of your investment is also subject to geopolitical risks such as wars, terrorism, environmental disasters, and public health crises; the risk of technology malfunctions or disruptions; and the responses to such events by governments and/or individual companies. Investments in small-capitalization companies involve greater risks than those associated with larger, more established companies. Investing in companies with high free cash flows could lead to under performance during periods when such investments are unpopular, and fluctuations in market conditions, industry disruptions, or company-specific factors may jeopardize the generation of free cash flow.

Distributed by Foreside Fund Services, LLC (Foreside). Foreside is not affiliated with Victory Capital Management Inc. (VCM), the Fund's advisor. Neither Foreside nor VCM are affiliated with VettaFi.

**Investments involve risk including possible loss of principal.** ETFs have the same risks as the underlying securities traded on the exchange throughout the day. Redemptions are limited and often commissions are charged on each trade, and ETFs may trade at a premium or discount to their net asset value.

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