

Victory Capital Expands VictoryShares® ETF Offerings

Introduces Active Fixed Income and U.S. Mid Cap ETFs that Integrate ESG Criteria

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 three new active ETFs under the VictoryShares brand, all of which integrate Environmental, Social and Governance ("ESG") criteria into their respective processes. The new transparent, active strategies offer investors Victory Capital's ESG and well-established active capabilities in core plus fixed income, corporate bonds and U.S. mid cap equities in an ETF wrapper.

Two of the ETFs, VictoryShares ESG Corporate Bond ETF (UCRD) and VictoryShares ESG Core Plus Bond ETF (UBND), are managed by USAA® Investments, a Victory Capital Investment Franchise. The third ETF, VictoryShares THB Mid Cap ESG ETF (MDCP), is managed by the Company's THB Asset ManagementSM Franchise.

"Active ETFs continue to gain traction with investors seeking to access managers who have proven successful in mutual funds and other investment vehicles," said Mannik Dhillon, CFA, CAIA, President, VictoryShares and Solutions. "We are thrilled to offer our clients ETF strategies that blend our deep experience in active management with an ESG lens, which today's investors are increasingly seeking."

UCRD and UBND seek to provide investors with above-average income through yield-focused portfolios. UCRD offers exposure to primarily investment-grade corporate bonds and UBND offers exposure to intermediate-term bonds. "These new ETFs are distinct in that they combine our bond-by-bond fundamental analysis with our sophisticated, proprietary ESG scoring system," said James Jackson, CFA, Head of Fixed Income Portfolio Management for USAA Investments.

"MDCP invests in a focused, high-conviction portfolio of approximately 30 mid cap stocks that our team believes represent high-quality, low-risk businesses with the potential to prudently grow shareholder equity over time," said Christopher Cuesta, CFA, Chief Investment Officer for THB Asset Management. "We are excited to bring our team's long history of integrating ESG factors into our investment process to investors through an ETF vehicle."

About Victory Capital

Victory Capital is a diversified global asset management firm with \$164.9 billion in assets under management as of August 31, 2021. The Company operates a next-generation business model combining 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 10 autonomous Investment Franchises and a Solutions Platform, Victory Capital offers a wide

array of investment styles and investment vehicles including, actively managed mutual funds, separately managed accounts, active ETFs, multi-asset class strategies, custom-designed solutions, private funds and a 529 College Savings Plan.

For more information, please visit www.vcm.com or follow us: [Twitter](#) and [LinkedIn](#).

FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “assume,” “budget,” “continue,” “estimate,” “future,” “objective,” “outlook,” “plan,” “potential,” “predict,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Victory Capital’s control such as the COVID-19 pandemic and its effect on our business, operations and financial results going forward, as discussed in our “Risk Factors” and elsewhere in our Company’s filings with the SEC, that could cause Victory Capital’s actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Victory Capital’s present and future business strategies and the environment in which it will operate in the future. Any forward-looking statement made in this press release speaks only as of the date hereof. Except as required by law, Victory Capital assumes no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

ESG investing is defined as utilizing environmental, social, and governance (ESG) criteria as a set of standards for a company’s operations that socially conscious investors use to screen potential investments.

Victory Capital and its affiliates are not affiliated with United Services Automobile Association or its affiliates. USAA and the USAA logos are registered trademarks and the USAA Investments logo is a trademark of United Services Automobile Association and is being used by Victory Capital and its affiliates under license.

Carefully consider the Funds’ 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 or call 800.991.8191. Read it carefully before investing.

VictoryShares ETFs are distributed by Foreside Fund Services, LLC, member FINRA. Victory Capital Management Inc. is the adviser to the VictoryShares ETFs. Victory Capital is not affiliated with Foreside Fund Services, LLC.

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. ETFs may trade at a premium or discount to their net asset value. The Adviser’s integration of responsible investing or ESG considerations may result in the Fund forgoing some market opportunities available to funds that do not apply such considerations. Responsible investing considerations may be linked to long-term rather than short-term returns. The ETFs may invest in non-U.S. securities. International investments may involve risk of capital loss from unfavorable fluctuation in

currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations.

To the extent the VictoryShares THB Mid Cap ESG ETF invests in a small number of issuers and/or focuses its investments in select industries, it may be more subject to a decline in value of a single security or industry than a more broadly invested fund. Investments in mid-cap companies typically exhibit higher volatility. Investments in mid-cap companies typically exhibit higher volatility.

The fixed income ETFs are subject to interest rate, inflation, credit and default risk. The bond market is volatile. Bonds and bond funds will decrease in value as interest rates rise and vice versa. Credit risk refers to the possibility that debt issuers may not be able to make principal and interest payments or may have their debt downgraded by ratings agencies.

Investors:

Matthew Dennis, CFA
Chief of Staff
Director, Investor Relations
216-898-2412
mdennis@vcm.com

Media:

Tricia Ross
310-622-8226
tross@finprofiles.com

Source: Victory Capital Holdings, Inc.