



# 2022

## Corporate Social Responsibility

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# INTRODUCTION: 2022 CSR REPORT

As an asset manager, Victory Capital is uniquely positioned to positively impact our clients, shareholders, employees, and society at large. To highlight our commitment to effective corporate citizenship, we are pleased to share our 2022 Corporate Social Responsibility (CSR) Report.

From a corporate governance perspective, we are proud that Vice Admiral Mary M. Jackson has joined our Board of Directors. Her leadership skills and experience will translate to significant value for our many constituents and we expect her insight will aid us as we continue to evolve our corporate strategy.

As part of our community involvement, we provided support to families impacted by the tragedy in Uvalde, Texas, and assistance to Florida residents impacted by Hurricane Ian. The generous support of our employees benefited organizations like Toys for Tots during the holidays and many others throughout 2022.

We continue to promote diversity in the asset management industry and are proud to provide gap scholarships and other support to students at Xavier University of Louisiana interested in pursuing careers in business.

This report offers several examples of our 2022 achievements as a responsible corporate citizen, all of which are inspired by our commitment to serving our many stakeholders.



**ENVIRONMENTAL**

# APPROACH TO CLIMATE

Victory votes proxies of client securities in the best interests of the client. This entails voting client proxies with the objective of increasing the long-term economic value of client assets. We often vote FOR resolutions requesting that a company disclose information on the impact of climate change on the company's operations and investments as well as proposals requesting a report on greenhouse gas (GHG) emissions from company operations and/or products and operations, unless:

- > The company already provides current, publicly available information on the impacts that GHG emissions may have on the company as well as associated company policies and procedures to address related risks and/or opportunities
- > The company's level of disclosure is comparable to that of industry peers
- > There are no significant controversies, fines, penalties, or litigation associated with the company's GHG emissions

We also take steps to reduce the impact our own operations have on the environment.

At year-end 2022, approximately 85% of our employees worked in "green" office buildings. Our headquarters office in San Antonio, Texas, holds Silver LEED certification.<sup>1</sup> Our second-largest office, located in Brooklyn, Ohio, holds Platinum certification. Some of our other offices hold Gold or other LEED certifications.

We offer flexible spending account funds that may be used to cover commuter travel expenses, which encourages use of mass transit where available.

<sup>1</sup>From the U.S. Green Building Council's Leadership in Energy and Environmental Design program.

## WHERE OUR EMPLOYEES WORK

LEED Certification Status	2020		2021		2022	
	EMPLOYEES	LOCATIONS	EMPLOYEES	LOCATIONS	EMPLOYEES	LOCATIONS
LEED Certified – Platinum	108	2	102	2	96	2
LEED Certified – Gold	22	2	22	2	30	2
LEED Certified – Silver	190	1	144	2	185	2
LEED Certified	0	1	7	1	7	1
Not LEED Certified	60	4	65	5	57	6
Working Remotely	49	N/A	146	N/A	134	N/A
<b>TOTALS</b>	<b>429</b>	<b>10</b>	<b>486</b>	<b>12</b>	<b>509</b>	<b>13</b>
<b>% Working in LEED Buildings</b>	<b>84%</b>		<b>81%</b>		<b>85%</b>	

## CO<sub>2</sub> OFFSETS

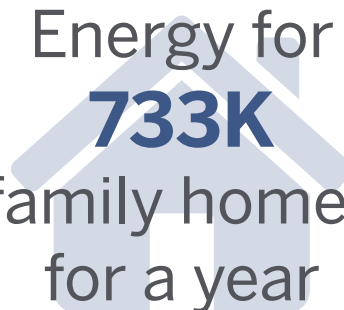
Our investments in clean energy infrastructure companies and projects result in offsetting millions of metric tons of carbon dioxide equivalents and create sizable greenhouse gas abatements for projects' owners.

The CO<sub>2</sub> offsets generated by projects financed by funds managed by us are equivalent to at least...

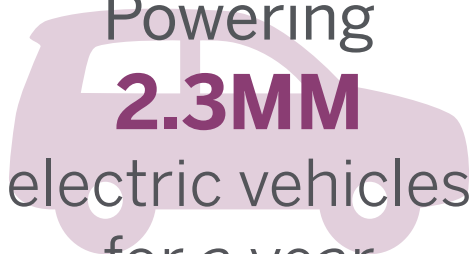
**94.6MM**  
planted trees



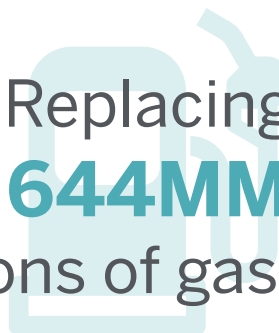
Energy for  
**733K**  
family homes  
for a year



Powering  
**2.3MM**  
electric vehicles  
for a year



Replacing  
**644MM**  
gallons of gasoline



...for calendar year 2022, they amount to nearly **5.7 million metric tons** of carbon dioxide equivalents.



**SOCIAL**

# DIVERSITY, EQUITY AND INCLUSION (DEI)

## DEI commitment policy

Our diversity initiatives and strategies are designed to attract, develop, retain, and advance the most talented individuals regardless of their race, sexual orientation, religion, age, gender, disability status or other dimension of diversity. We are committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives. This commitment is embodied in the way we do business and is an important principle of sound business management.

We provide equal employment opportunities without regard to race; color; ancestry; religion; gender; genetic information; actual or perceived gender identity or expression or mannerisms; sexual orientation; national origin; citizenship status; marital or family status; age; mental or physical disability; veteran status; or any other characteristic protected by applicable law. Our commitment relates to all phases of employment, including, but not limited to, recruiting, placement, promotion, transfer, demotion, reduction of workforce and terminations, rates of pay or other forms of compensation, selection for training, the use of all facilities, and participation in all company-sponsored employee activities.

## Diversity in the workplace

Victory Capital continues to demonstrate progress in our ongoing effort to build a diverse and inclusive workplace.

### In 2022,

- > We used AI software to increase the appeal of our job postings with underrepresented candidates and to ensure that our communications are inclusive
- > We promoted career advancement opportunities in line with our DEI commitment through employee participation in the McKinsey Connected Leaders Academy for Asian, Black, and Hispanic/Latino employees
- > We required mandatory e-learning content for employees and hosted multiple D&I sustained-learning activities

At year end, almost one-third of Victory Capital employees are racially or ethnically diverse as defined by generally recognized metrics. This represents an increase of approximately 3% over the previous year.

**13** OF OUR  
EMPLOYEES

are alumni of the  
McKinsey Connected  
Leaders Academy  
program...and we are  
enrolling more in 2023!



# DIVERSITY BY THE NUMBERS

## BOARD OF DIRECTORS MATRIX

(as of January 2023)



TOTAL NUMBER OF BOARD DIRECTORS **10**

DEMOGRAPHIC BACKGROUND	
African American or Black	—
Alaskan Native or American Indian	—
Hispanic or Latinx	1
Native Hawaiian or Pacific Islander	—
White	9
Two or more races or ethnicities	—
LGBTQ+	—
Did not disclose demographic background	—

## EMPLOYEE OWNERSHIP

(as of December 2022)

	2022
Total number of employees	509
Total number of equity/stock owners	347
% Employees with an ownership interest	68%
% Equity held by employees	20%

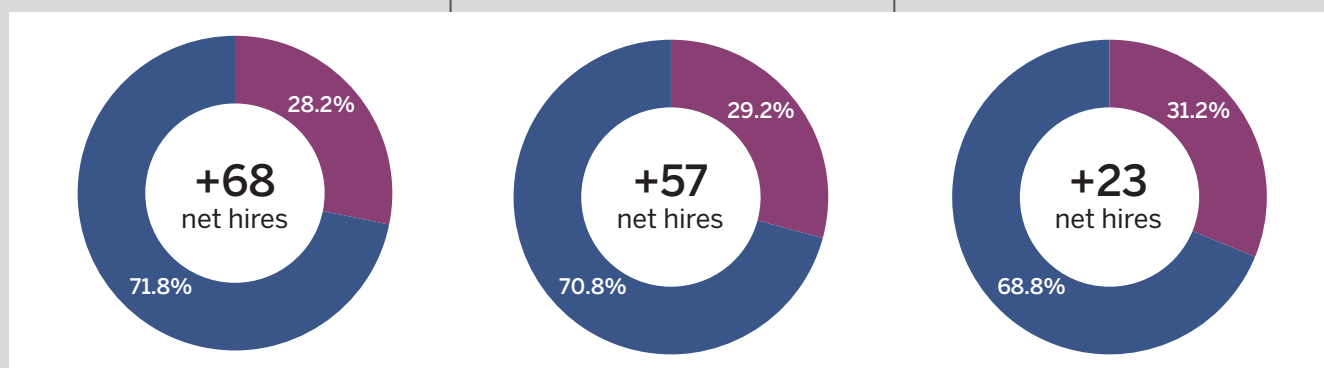
# DIVERSITY IN OUR WORKPLACE

## TOTAL EMPLOYEES

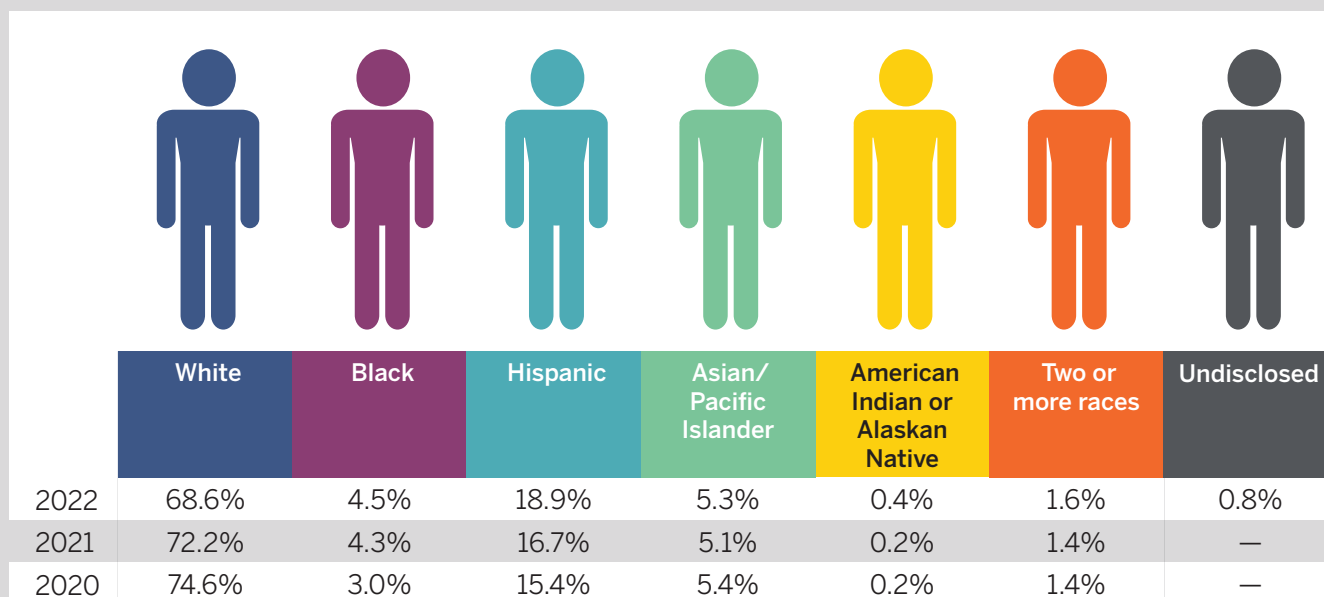
2020	2021	2022
429	486	509

## GENDER BREAKDOWN

Female Male



## RACE BREAKDOWN



## EMPLOYEE RESOURCE GROUPS

Throughout 2022, Victory Capital continued to support our Employee Resource Groups (ERGs), which among other things, help create community service opportunities and provide support to various nonprofits.

### Some examples of this include:

- > A spring clothing drive benefiting women's shelters collected articles donated from Victory employees from offices across the country
- > To celebrate the 75th anniversary of Toys for Tots, the Women@Victory and Military ERGs collected more than 400 donations from Victory Capital employees during the 2022 holiday season

**WE MAKE A LIVING BY WHAT WE GET.  
WE MAKE A LIFE BY WHAT WE GIVE.**

—Winston Churchill

### TOYS FOR TOTS



### CLOTHING DRIVE



## EMPLOYEE BENEFITS

The cost of healthcare insurance continued to rise in 2022. Throughout the year and into 2023, Victory Capital kept the cost of our employee medical, dental, and vision plans unchanged.

### Other improvements to our employee benefits announced in 2022 that begin with the 2023 plan year, include:

- > Enhanced coverage, including increased number of visits
- > Increased dental care coverage, including maximum benefit, additional orthodontic coverage and preventive care offered independently (no longer included in annual maximum benefit)
- > Increased preventive health credit to include spouses
- > Enhanced wellness reimbursement program (including spouses)
- > No price increases on previously offered benefits

We also continued to offer access to a third-party mobile healthcare concierge platform at no cost to our employees, providing them a valuable treatment alternative.

### LIST OF BENEFITS

401(k) plan	Education expense reimbursement	Legal service products provider
Accident and critical illness coverage	Employee assistance program	Life and disability insurance
Automated health benefits platform app	Flexible PTO (exempt employees)	Medical insurance
Centralized healthcare benefits platform	Flexible spending accounts	Mothers' lactation rooms
Dental and vision insurance	Genomic cancer screening	Paid parental leave including adoption
Discounts and promotions from leading national brands	Health savings accounts	Paid military leave
Discounts on pet, home, and auto insurance	Hospital indemnity and emergency transportation benefit	Standard PTO (non-exempt employees)
Discounts on travel and entertainment	Identify theft protection	Term life and whole life

## COMMUNITY SERVICE

Approximately 14% of our employees submitted matching gift requests in 2022 to augment their individual support of various nonprofits. Many of our employees also contributed their time to serve local communities.

Victory Capital encourages this by offering employees up to 16 hours of paid time for volunteer work. In 2022, we paid more than 400 hours to support their community service, twice the hours of the previous year.

Giving back to the communities in which we live and work is also core to our culture. We moved swiftly to support families impacted by the tragedy in Uvalde, Texas, and, through our work with Red Cross Disaster Relief, our employees provided assistance to Florida communities impacted by Hurricane Ian. Serving the military through financial readiness tools and programs remains a priority as well, and our Employee Resource Groups continue to have an impact through support of organizations such as Toys for Tots, as well as many more.

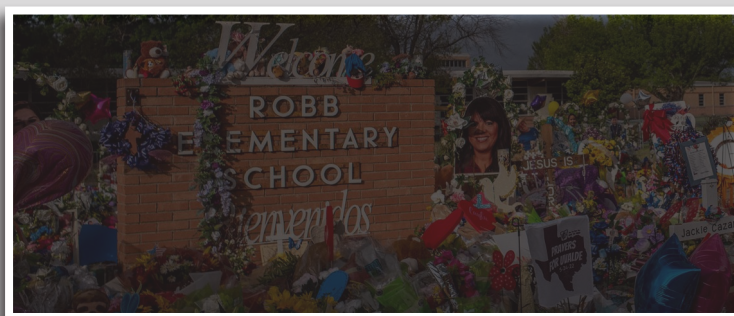
### TAKING CARE OF EACH OTHER



# 14%

of our employees  
submitted matching  
gift requests.

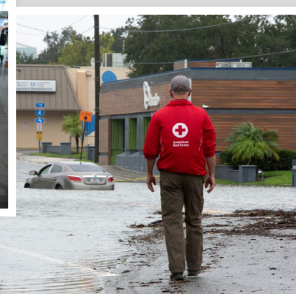
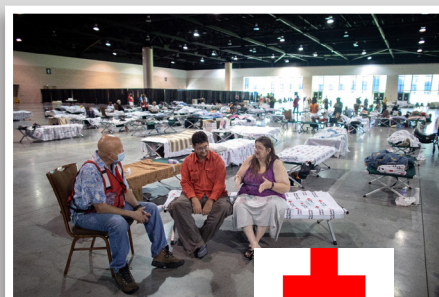
UVALDE, TX



# 444

hours of volunteer  
service paid

HURRICANE IAN





## STRATEGIC ALLIANCE WITH XAVIER UNIVERSITY OF LOUISIANA (XULA)

Our previously announced strategic alliance with Xavier University of Louisiana is intended to advance diversity in the asset management industry. By introducing more students of color to the investment business, we hope to increase the number of diverse candidates entering the field.

### We have delivered on our strategic alliance by:

- > Providing \$50,000 initial seed capital to fund the school's first student-managed investment club
- > Funding gap scholarships to dozens of students to help pay expenses not covered by existing grants or awards

We believe these efforts can contribute to a more clear college-to-career pathway for many students. This is why a group from Victory Capital, including company executives, portfolio managers, and sales leaders, met with XULA students, faculty and administrators during a three-day visit to New Orleans in November of 2022.

### VICTORY CAPITAL SCHOLARS PROGRAM

**12** Scholarships awarded  
2021–2022 academic year



Dollars committed  
**\$50,000**

**14** Scholarships awarded  
2022–2023 academic year



Dollars committed  
**\$50,000**

*Amounts are allocated to recipients by XULA based on need with preference going to those with a declared major or minor in Business or Finance.*

# RESPONSIBLE INVESTING

The primary focus of each of our Investment Franchises is to maintain strategies that align with corresponding client objectives. This includes a thoughtful and considered approach to Responsible Investing.

Throughout 2022, we expanded the number of new environmental, social and governance (ESG) resources and tools our independent investment teams may incorporate into their investment processes.

These resources – from a number of recognized information providers – give our investment professionals access to additional data sets and analytical capabilities necessary to tailor specific ESG metrics to their respective investment processes and client objectives. These include, but are not limited to:

- > Climate research
- > ESG attribution monitoring
- > Controversy screening
- > Human capital data
- > Environmental risks and opportunity data
- > GHG Protocols
- > Carbon credit offset data
- > Scope 1, 2 & 3 emissions data
- > Industry-based materiality mapping
- > Natural resource constraint data
- > Climate-related financial disclosures
- > SDG evaluation data
- > Regulatory reporting and compliance data
- > Specific EU taxonomy data
- > Sustainable debt data
- > Facilities data

We also established an ESG Council in 2022 to help ensure consistency in our ESG disclosures, processes, and marketing.

Victory Capital is involved in the International Financial Reporting Standards Foundation (IFRS) Sustainability Alliance and the Ceres Investor Network for Climate Risk and Sustainability.<sup>2</sup>

<sup>2</sup>The IFRS was formerly known as the SASB Alliance.

## Franchise Spotlight: METHODOLOGY FOR GENERATING ACTIVE RETURN



Sophus primarily seeks companies with sustainable earnings growth at attractive valuations, with earnings revisions as the catalyst. Fundamental research also identifies ESG issues.

While the firm does not automatically exclude a poor ESG rated stock or one identified as having relevant controversies, it does view sustainable business practices – supported by positive ESG policies – as contributing to competitive advantages and potentially higher earnings growth over the long term.

- > Unequivocal focus on alpha generation
- > Proprietary earnings quality red flag model
- > Universally applied to targets and candidates
- > Repeatable, objective
- > Consistent, transparent
- > Integrates ESG, fundamental analysis
- > Catalyst for management team engagement

# SUSTAINABILITY OF BUSINESS MODEL: INNOVATION AT THE FOREFRONT

Our unique business platform was thoughtfully structured to encourage our autonomous Investment Franchises to focus their time on making independent portfolio decisions while relying on centralized support for administrative, operational and distribution responsibilities.

WestEnd Advisors, a recent addition to our Investment Franchise lineup, exemplifies this innovative spirit.

**INCORE** | CAPITAL MANAGEMENT®  
INDEPENDENT • COMPREHENSIVE • REPEATABLE

 **INTEGRITY**  
ASSET MANAGEMENT

 **MUNDER**  
Capital Management

**NEWBRIDGE**  
ASSET MANAGEMENT

 **NEW ENERGY CAPITAL**®

**RS**  
Investments®

**Sophus**  
CAPITAL

 **SYCAMORE CAPITAL**®

**THB**  
Asset Management®

 **Trivalent**  
INVESTMENTS

**VICTORY**  
income investors

 **WESTEND**  
Advisors

**VictoryShares**® 

 **VictoryCapital**  
SOLUTIONS®

 **WESTEND**  
Advisors

## *Franchise Spotlight:* TIME-TESTED INVESTMENT PROCESS

WestEnd Advisors has an innovative macroeconomically driven, sector-focused investment process to identify areas of strength and weakness in the financial markets and then make high-conviction investments accordingly.

The firm's in-depth analysis aids in actively managing risk and enhancing diversification. The investment team determines what information matters most in a given environment. WestEnd uses this data to continuously refine its outlook and seek more efficient paths to alpha for clients.

- > Utilizes qualitative analysis
- > Evaluates a wide range of economic and market data
- > Identifies areas of strength and weakness
- > Seeks potential excess returns
- > Allocates dynamically
- > Actively avoids sectors seen facing headwinds
- > Eschews style boxes





# GOVERNANCE

## NEWS IN GOVERNANCE

Vice Admiral Mary M. Jackson (USN, Ret.) was appointed to Victory Capital's Board of Directors in January 2023.

Along with her distinguished naval career, Vice Admiral Jackson brings valuable executive experience leading diverse, inclusive teams to consistently drive results, implement organizational change, and exceed goals and objectives.

Vice Admiral Jackson's role as an executive-level advisor includes consulting to facilitate boardroom diversity, governance, and oversight. Her qualifications include a focus on business continuity, integration, and sustainability of environmental, social, and governance assurance metrics.

Her contributions to our Board will include a focus on digital transformation as well as additional insight as we continue to progress as a responsible corporate citizen.

Vice Admiral Jackson was formally elected to the Board at our 2023 annual stockholder meeting, replacing James Hawkes, who retired and did not stand for reelection.

## VICTORY CAPITAL CORE VALUES



### BUILD TRUST

We go to great lengths to fulfill our commitments, and we work hard to do the right thing for our clients.



### RESPECT AUTONOMY

We value independent decision-making and respect the autonomy of each of our Investment Franchises and Solutions Platform.



### INVEST PERSONALLY

We are invested in our clients' success. We demonstrate that commitment by investing our time, energy, and our own assets in our strategies and our Company (VCTR).



### CREATE ALIGNMENT

We work together toward a common objective – helping our clients to achieve their goals. We have approximately \$200 million invested in our own products as of December 31, 2022.

## DIVERSITY AND DATA ANALYTICS

We use data analytics to find ESG issues in the proxy proposals of the companies we own to help us vote in a manner consistent with client objectives on material ESG issues.

As we increase our investments in data and analytics, we are also actively recruiting from an inclusive talent pool at public institutions in our local communities.

### AN INCLUSIVE, PEOPLE-ORIENTED CULTURE

**CARLY SCHNEIDER**

*Data Science Internship Program  
Victory Capital*



Carly Schneider is a senior at the University of Texas, San Antonio (UTSA), majoring in Operations and Supply Chain Management.<sup>3</sup> She was one of the first summer interns in Victory Capital's Data and Analytics team.

*"I never imagined that I'd ever wake up looking forward to getting into work. But helping the firm's clients makes it very meaningful...and my colleagues make the work interesting. I'm excited about what I'm doing because it has a direct impact on people.*

*The fact that I was selected for this role from a national pool of over 400 applicants allowed me to gain confidence in myself and my belonging on the team.*

*The work is complex and challenging, which also makes it rewarding. Victory has an inclusive, people-oriented culture and I love that I am treated as a member of the team and not just as a temporary intern.*

*I'm eager for the possibility of becoming a full-time employee after graduation...if all the right data falls into place."*

<sup>3</sup>At the conclusion of her internship, Carly became a part-time employee and has recently accepted an offer for a full-time position.

# PROXY VOTING

We provide proxy research to our investment professionals, and our custom proxy voting guidelines are driven by materiality and client objectives. These guidelines are reviewed and updated annually with our proxy advisor.

For 2022, Victory Capital voted in 6,118 unique company meetings on 58,809 unique proposals and 39,754 unique ballots, which resulted in total proxy votes of 442,968 for all our equity-holding investment franchises.

There were 57,606 Management Proposals, of which 8,611 (15%) were voted against management. In addition, there were 1,203 Shareholder Proposals, of which 551 (46%) were voted against management. Of the 58,809 total unique proposals, 9,162 (16%) were voted against management.

To enhance the transparency of our collective proxy voting record, we launched a publicly available Proxy Voting Disclosure System in 2022. It is accessible at <https://vcm.com/proxy-voting>.

## 2022 VICTORY CAPITAL PROXY VOTING SUMMARY

Proposal categories	MANAGEMENT PROPOSALS			SHAREHOLDER PROPOSALS		
	Total proposals	Votes with management	Votes against management	Total proposals	Votes with management	Votes against management
<b>Totals</b>	<b>57,606</b>	<b>48,995</b>	<b>8,611</b>	<b>1,203</b>	<b>652</b>	<b>551</b>
Audit related	5,077	4,766	311	65	65	—
Capitalization	2,643	2,332	311	N/A		
Company articles	1,101	1,002	99	17	16	1
Compensation	7,465	6,089	1,376	47	14	33
Corporate governance	N/A			135	27	108
Director election	32,576	26,627	5,949	216	189	27
Director related	2,955	2,740	215	128	59	69
E&S blended	26	26	—	44	29	15
Environmental	36	15	21	152	60	92
Miscellaneous	180	155	25	86	78	8
Mutual funds	2	2	—	N/A		
No research	63	63	—	N/A		
Non-routine business	550	485	65	16	8	8
Routine business	3,758	3,628	130	29	28	1
Social	108	101	7	268	79	189
Strategic transactions	509	456	53	N/A		
Takeover related	557	508	49	N/A		

# LOOKING FORWARD

Our ESG mission continues to reveal itself in our most recent progress. And it is in this spirit that we look forward to continuing to pursue objectives that make Victory Capital a more responsible corporate citizen.

## RESPONSIBLE INVESTING (RI)

- 2022 ESG Goals**
- > Vote disclosure – further improve our ability to track and report our proxy voting record (including ESG topics) to investors and clients
  - > Improve corporate engagement capabilities by establishing norms-based engagement tools for our investment teams

- 2022 ESG Progress**
- > Launched our first publicly available Proxy Voting Disclosure System, enhancing transparency of our voting record
  - > Engaged additional new third-party ESG-research providers to diversify data sources with multiple providers

- 2023 ESG Goals**
- > Continue to provide investment professionals with access to ESG-related training resources
  - > Increase awareness and understanding of newly introduced ESG data sets
  - > Optimize portfolio of third-party data providers to ensure diversified perspectives are available for ESG-related metrics

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

- 2022 ESG Goals**
- > Support the Task Force on Climate-related Financial Disclosures (TCFD) recommendations for climate disclosures
  - > Continue providing gap scholarships for the 2022–2023 academic year
  - > Recruit XULA students to participate in the student-led XULA investment club seeded with our \$50,000 donation

- 2022 ESG Progress**
- > Evaluated methods and third-party providers to facilitate meeting newly proposed SEC climate disclosure rules
  - > Awarded 14 gap-funding scholarships to Victory Scholars (business majors) for the 2022–2023 academic year
  - > Our employees met with XULA students, faculty, and administrators during a three-day in-person visit to enhance our strategic alliance and promote the Investment Club

- 2023 ESG Goals**
- > Proactively monitor and prepare for potential new SEC climate disclosure regulations to ensure compliance



# APPENDICES

## Appendix A: CSR Scorecard 2020–2022

		2020	2021	2022
(E) Environmental	% of Employees Working in LEED-Certified Buildings*	84%	81%	85%
(S) Benefits	Flexible Work Options	Yes	Yes	Yes
	Health/Medical/Dental/Vision	Yes	Yes	Yes
	Paid Parental Leave	Yes	Yes	Yes
	Counseling	Yes	Yes	Yes
	Wellness Programs	Yes	Yes	Yes
	Retirement Programs	Yes	Yes	Yes
	Stock Purchase Plan Options	Yes	Yes	Yes
	Tuition Reimbursement	Case-by-Case	Case-by-Case	Yes
	Other Programs/Plans	Yes	Yes	Yes
	Life Insurance	Yes	Yes	Yes
(S) Diversity & Inclusion	Diversity and Discrimination Policy	Yes	Yes	Yes
	Diversity and Discrimination Policy – Women	Yes	Yes	Yes
	Diversity and Discrimination Policy – Veterans	Yes	Yes	Yes
	Diversity and Discrimination Policy – PoC	Yes	Yes	Yes
	Diversity and Discrimination Policy – LGBTQ	Yes	Yes	Yes
	Diversity and Discrimination Policy – Disability	Yes	Yes	Yes
(S) Employee Training	Compliance Training	Yes	Yes	Yes
	Leadership Training	Yes	Yes	Yes
	Personal Development	Yes	Yes	Yes
	Business Ethics Training	Yes	Yes	Yes
(S) Operational Performance	Privacy Policy	Yes	Yes	Yes
(S) EEOC Data	Global Employees	429	486	509
	% Female (Firm)	28.2%	29.2%	31.2%
	% Male (Firm)	71.8%	70.8%	68.8%
	White (Firm)	74.6%	72.2%	68.6%
	Black (Firm)	3.0%	4.3%	4.5%
	Hispanic (Firm)	15.4%	16.7%	18.9%
	Asian / Pacific Islander (Firm)	5.4%	5.1%	5.3%
	American Indian or Alaskan Native (Firm)	0.2%	0.2%	0.4%
	2 or more (Firm)	1.4%	1.4%	1.6%
	Undisclosed (Firm)	0.0%	0.0%	0.8%
(G) Board Members / Profile	Count	9	9	9
	Age (Youngest)	38	39	50
	Age (Average)	62.7	63.7	67.0
	Age (Oldest)	78	79	80

## Appendix A: CSR Scorecard 2020–2022 (cont.)

		2020	2021	2022
(G) Board Members / Profile	Executive on Board (Excluding CEO)	No	No	No
	Percentage of Independent Board Members	89%	89%	89%
	Staggered Board	Yes	Yes	Yes
(G) Business Ethics	Whistleblower Protection – External Indicator	Yes	Yes	Yes
	Whistleblower Protection – Internal Indicator	Yes	Yes	Yes
	Bribery & Corruption Policy	Yes	Yes	Yes
	Anti-Money Laundering Policy	Yes	Yes	Yes
	Compliance Officer Indicator	Yes	Yes	Yes
	Audit Committee – Percentage Independent	100%	100%	100%
	Executive on Audit Committee	No	No	No
	Auditor Election Frequency	Yearly	Yearly	Yearly
	Auditor Name	E&Y	E&Y	E&Y
	Auditor Election Year	2020	2021	2021
(G) Compensation	Executive on Pay Committee	No	No	No
	Pay Committee – Percentage Independent	100%	100%	100%
	Compensation Disclosure for Executives	Yes	Yes	Yes
(G) Ownership & Control	Multiple Share Classes	Yes	No	No
	Proxy Access	Yes	Yes	Yes
	Confidential Voting	Yes	Yes	Yes
	Written Consent Permitted	No	No	No
	Golden Parachute	No	No	No
	Double Trigger	No	No	No
	Poison Pill	No	No	No
(G) Signatory	UN PRI Signatory	Yes	Yes	Yes
(G) Memberships	SASB Alliance	Yes	Yes	Yes
	Ceres Investor Network on Climate Risk and Sustainability	Yes	Yes	Yes
(G) ESG Corporate Ratings	MSCI ESG Research (CCC,B,BB,AAA,AA,AAA)	BBB	BBB	BBB
	Institutional Shareholder Services (ISS)	D (23.88)	D (24.51)	D (25.37)
	Sustainalytics (lower value implies less risk)	31.2	29.6	30.4
(G) ESG Investment	Total AUM \$ (EOY)	\$147.2 B	\$183.7 B	\$153.0 B
	ESG Integration (%)**	13%	12%	8.8%
	Sustainability-Themed Investing (%)	1%	1%	1.6%
	ESG Screening (%)	1%	2%	1.0%

\* For this year's CSR Scorecard, the "% of Employees Working in LEED Certified Buildings" in 2021 was revised down from 85% to 81%.

\*\* A more comprehensive methodology for calculating ESG Integration (%) was instituted in 2021, and the revised process applied to our 2020 data raised this value from 6% to 13%.



## Appendix B: SASB Index

TOPIC: Transparent Information & Fair Advice for Customers	
<b>FN-AC-270a.1</b>	1. Number and 2. Percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings
<b>RESPONSE / REPORT</b>	1. 0 2. 0%
<b>FN-AC-270a.2</b>	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers
<b>RESPONSE / REPORT</b>	\$0
<b>FN-AC-270a.3</b>	Description of approach to informing customers about products and services
<b>RESPONSE / REPORT</b>	<p>It is Victory Capital's policy to act primarily for the benefit of its client in matters related to providing investment advisory services. This duty is recognized in common law, in state statutes, and in federal statutes. Among other things, Victory Capital's policies require adherence to the investment objectives and specific investment policies and restrictions applicable to each account it advises. These guidelines are established in clearly written offering documents (in the case of pooled vehicles) and investment guidelines developed in conjunction with each investment client and their investment consultants (in the case of separate accounts). These guidelines are reviewed periodically for accuracy and updated for completeness. Victory Capital regularly reports on its investment operations through reporting required by law or client-specific reporting, depending on the type of client.</p> <p>Additional information about Victory's strategies and risks can be found on Victory Capital's website and in its Form ADV, which is available upon request or on <a href="https://adviserinfo.sec.gov/">https://adviserinfo.sec.gov/</a>. For U.S. registered products (mutual funds and ETFs), this information can be found in the funds' prospectuses and Statements of Additional Information on vcm.com or on the SEC's EDGAR database along with other required reports that include details about investment performance and financial reporting. Victory Capital also maintains policies and procedures designed to comply with the rules, regulations and guidelines established by the SEC under the federal securities laws, FINRA, etc. requiring, among other things, advertising and marketing materials to be objective, fair and balanced and the mitigation of conflicts of interest. Similarly, Victory Capital engages in sales practices that comply with applicable rules and regulations and regularly monitors for adherence by its personnel.</p>

## TOPIC: Employee Diversity & Inclusion

<b>FN-AC-330a.1</b>	Percentage of gender and racial/ethnic group representation for 1. executive management, 2. non-executive management, 3. professionals, and 4. all other employees
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		WORKFORCE		GENDER CATEGORIES						RACE CATEGORIES													
		Number of Employees		Female		Male		N/A		Asian		Black or African American		Hispanic or Latino		White		Other***		N/A			
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%		
<b>2022</b>																							
1.	Executive Management	4	0.8%	1	25.0%	3	75.0%	0	0.0%	1	25.0%	0	0.0%	0	0.0%	3	75.0%	0	0.0%	0	0.0%	0	0.0%
2.	Non-Executive Management	67	13.2%	12	17.9%	55	82.1%	0	0.0%	4	6.0%	2	3.0%	3	4.5%	54	80.6%	3	4.5%	1	1.5%	1	1.5%
3.	Professionals	243	47.7%	72	29.6%	171	70.4%	0	0.0%	15	6.2%	8	3.3%	27	11.1%	185	76.1%	5	2.1%	3	1.2%	3	1.2%
4.	All Other Employees	195	38.3%	74	37.9%	121	62.1%	0	0.0%	5	2.6%	13	6.7%	66	33.8%	107	54.9%	4	2.1%	0	0.0%	0	0.0%
	<b>Total Employees</b>	<b>509</b>	<b>100%</b>	<b>159</b>	<b>31.2%</b>	<b>350</b>	<b>68.8%</b>	<b>0</b>	<b>0.0%</b>	<b>25</b>	<b>4.9%</b>	<b>23</b>	<b>4.5%</b>	<b>96</b>	<b>18.9%</b>	<b>349</b>	<b>68.6%</b>	<b>12</b>	<b>2.4%</b>	<b>4</b>	<b>0.8%</b>	<b>4</b>	<b>0.8%</b>
<b>2021</b>																							
1.	Executive Management	4	0.8%	1	25.0%	3	75.0%	0	0%	1	25.0%	0	0.0%	0	0.0%	3	75.0%	0	0.0%	0	0.0%	0	0.0%
2.	Non-Executive Management	72	14.8%	15	20.8%	57	79.2%	0	0%	5	6.9%	3	4.2%	3	4.2%	56	77.8%	4	5.6%	1	1.4%	1	1.4%
3.	Professionals	234	48.1%	68	29.1%	166	70.9%	0	0%	12	5.1%	7	3.0%	24	10.3%	186	79.5%	4	1.7%	1	0.4%	1	0.4%
4.	All Other Employees	176	36.2%	58	33.0%	118	67.0%	0	0%	6	3.4%	11	6.3%	54	30.7%	104	59.1%	1	0.6%	0	0.0%	0	0.0%
	<b>Total Employees</b>	<b>486</b>	<b>100%</b>	<b>142</b>	<b>29.2%</b>	<b>344</b>	<b>70.8%</b>	<b>0</b>	<b>0%</b>	<b>24</b>	<b>4.9%</b>	<b>21</b>	<b>4.3%</b>	<b>81</b>	<b>16.7%</b>	<b>349</b>	<b>71.8%</b>	<b>9</b>	<b>1.9%</b>	<b>2</b>	<b>0.4%</b>	<b>2</b>	<b>0.4%</b>
<b>2020</b>																							
1.	Executive Management	4	0.9%	1	25.0%	3	75.0%	0	0.0%	1	25.0%	0	0.0%	0	0.0%	3	75.0%	0	0.0%	0	0.0%	0	0.0%
2.	Non-Executive Management	57	13.3%	17	29.8%	40	70.2%	0	0.0%	7	12.3%	1	1.8%	2	3.5%	45	78.9%	2	3.5%	0	0.0%	0	0.0%
3.	Professionals	201	46.9%	53	26.4%	148	73.6%	0	0.0%	7	3.5%	5	2.5%	18	9.0%	167	83.1%	4	2.0%	0	0.0%	0	0.0%
4.	All Other Employees	167	38.9%	50	29.9%	117	70.1%	0	0.0%	6	3.6%	7	4.2%	46	27.5%	105	62.9%	3	1.8%	0	0.0%	0	0.0%
	<b>Total Employees</b>	<b>429</b>	<b>100%</b>	<b>121</b>	<b>28.2%</b>	<b>308</b>	<b>71.8%</b>	<b>0</b>	<b>0.0%</b>	<b>21</b>	<b>4.9%</b>	<b>13</b>	<b>3.0%</b>	<b>66</b>	<b>15.4%</b>	<b>320</b>	<b>74.6%</b>	<b>9</b>	<b>2.1%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>

\*\*\*Includes American Indian/Alaskan Native, Pacific Islander, and two or more races.

## Appendix B: SASB Index (cont.)

TOPIC: Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory	
<b>FN-AC-410a.1</b>	Amount of assets under management, by asset class, that employ 1. integration of environmental, social, and governance (ESG) issues, 2. sustainability-themed investing, and 3. screening
<b>RESPONSE / REPORT</b>	1. integration of environmental, social, and governance (ESG) issues (AUM): \$13.4 billion 2. sustainability-themed investing (AUM): \$2.5 billion 3. screening (AUM): \$1.6 billion
<b>FN-AC-410a.2</b>	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies
<b>RESPONSE / REPORT</b>	<p>As a global asset management firm operating a next-generation business platform that combines boutique investment qualities with the benefits of a fully integrated, centralized operating and distribution platform, Victory Capital strongly advocates independent decision-making and investment processes. We distinguish Responsible Investing intentions into three distinct and potentially complementary categories:</p> <ul style="list-style-type: none"> <li>• <b>Enhance:</b> The systematic and explicit inclusion of ESG factors as a supplement to the financial analysis traditionally performed by investment managers with the goal(s) of risk mitigation or alpha generation (i.e., ESG Integration).</li> <li>• <b>Avoid:</b> Avoiding companies, sectors, or countries in an exclusionary manner based upon ESG controversies or certain standards, values, or norms (e.g., Socially Responsible Investing, Norms-Based Screening, Faith-Based Investing, etc.).</li> <li>• <b>Impact:</b> Examples include positive screening (i.e., selecting companies in an inclusionary manner based upon certain ESG criteria) and impact investing (i.e., equity or debt investing with the disclosed intention to generate and measure both social and environmental benefits, in addition to a financial return).</li> </ul> <p>These responsible investing intentions could either be used as an isolated approach or as part of a multifaceted strategy, depending upon general market demand or specific client mandates. Proxy voting, corporate engagement, and stewardship activities are increasingly important to investors, and we are proud to publicly disclose our proxy voting record in an easy-to-navigate user interface on our website.</p> <p>We are committed to incorporating specific ESG factors in portfolios we manage to accommodate the unique objectives sought by our clients. We partner with clients to develop products that meet our fiduciary duty, while delivering investment strategies to satisfy the client's desire for responsible investing combined with investment success. We appreciate materially important ESG issues throughout the investment, risk management, and due diligence processes. When appropriately directed by clients, we also promote the following Principles for Responsible Investment ("PRI" or "Principles"):</p> <ul style="list-style-type: none"> <li>• We will incorporate ESG issues into investment analysis and decision-making processes.</li> <li>• We will be active owners and incorporate ESG issues into our ownership policies and practices.</li> <li>• We will seek appropriate disclosure on ESG issues on investments made by our Investment Franchises.</li> <li>• We will promote acceptance and implementation of the Principles within the investment industry.</li> <li>• We will work together to enhance our effectiveness in implementing the Principles.</li> <li>• We will each report on our activities and progress toward implementing the Principles.</li> </ul> <p>These Principles for Responsible Investment were developed by an international group of institutional investors, reflecting the increasing relevance of ESG issues to investment practices. The process was convened by the United Nations Secretary-General. We trace our signatory status back to 2016, when Sophus became a signatory. In 2020, we became a signatory on an enterprise-wide basis. Additional information about PRI can be found at <a href="http://www.unpri.org">www.unpri.org</a>.</p> <p>In addition, Victory Capital joined the IFRS Sustainability Alliance (formerly SASB Alliance) in 2021, which gives our investment teams the right to use SASB's materiality framework in their investment decision-making processes as well as products and services, and it facilitates materiality mapping to third-party data sets.</p> <p>Our goal is continuous improvement. When applicable and material, Victory Capital encourages each of its Investment Franchises to perform the following iterative activities regarding responsible investing on a regular basis:</p> <ul style="list-style-type: none"> <li>• Assess the effectiveness and efficiency of their current procedures.</li> <li>• Remain aware of current research, new developments, and best practices.</li> <li>• Identify changes needed to close gaps between current and target future states.</li> <li>• Evaluate implications for investment decision-making processes and ensure all training needs are met.</li> <li>• Implement desired changes, monitor progress, and assess attributable risk mitigation and/or alpha generation.</li> </ul> <p>Victory Capital believes investing in sustainable companies (i.e., those able to properly manage their relevant ESG risks and opportunities) may improve risk-adjusted performance over the long term. Each of our Investment Franchises and our Solutions Platform follow independent approaches to integrating ESG considerations or implementing responsible investing approaches that best suits their autonomous investment processes or the objectives of its clients.</p> <p>We provide our investment professionals with the tools and resources to access the ESG attributes of both portfolio and prospective portfolio companies. These resources include access to research from a wide variety of providers and training on best practices to use at their discretion in a manner consistent with both our fiduciary responsibilities and client-specific objectives.</p>

## Appendix B: SASB Index (cont.)

TOPIC: Business Ethics	
<b>FN-AC-510a.1</b>	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations
<b>RESPONSE / REPORT</b>	0
<b>FN-AC-510a.2</b>	Description of whistleblower policies and procedures
<b>RESPONSE / REPORT</b>	<p>Victory has adopted a whistleblower policy designed to comply with the Securities Exchange Act of 1934 and the Sarbanes-Oxley Act of 2002. Victory encourages any Reporting Person who has a concern regarding what they view as a possible Reporting Matter to bring these concerns to the attention of Victory Capital's Chief Compliance Officer (CCO), who also serves as Victory Capital's corporate ombudsman. Victory Capital Management (VCM) will not tolerate any form of retaliation against a Reporting Person</p> <ol style="list-style-type: none"> <li>1. who submits a good faith complaint or concern about a Reporting Matter;</li> <li>2. who assists in an investigation of a Reporting Matter; or</li> <li>3. who discloses any suspected unlawful activity to a governmental or law enforcement agency if the Reporting Person has reasonable cause to believe unlawful activity has occurred. Retaliation includes but is not limited to discharging, demoting, suspending, threatening, harassing, or in any other manner discriminating against a Reporting Person in the terms and conditions of the Reporting Person's employment because of any lawful act done by the Reporting Person to provide information, cause information to be provided, or otherwise assist in an investigation regarding any conduct which the Reporting Person reasonably believes is reportable under this policy or applicable law.</li> </ol> <p>Victory's policy is intended to create an environment where Reporting Persons can act without fear of reprisal or retaliation. Any Reporting Person who feels they have been the subject of reprisal or retaliation because of their reporting under this policy should immediately notify the CCO.</p> <p>Victory has established several methods for a Reporting Person to submit a potential Reporting Matter, including an anonymous hotline managed by an independent third party and direct communication with or anonymous mailing to the CCO. VCM also identifies two additional executive-level contacts a Reporting Person may contact if their concern is related to the CCO.</p>
TOPIC: Activity Metrics	
<b>FN-AC-000.A</b>	<ol style="list-style-type: none"> <li>1. Total registered and</li> <li>2. total unregistered assets under management (AUM)<sup>i</sup></li> </ol>
<b>RESPONSE / REPORT</b>	<ol style="list-style-type: none"> <li>1. \$112.0 billion</li> <li>2. \$41.0 billion</li> </ol>
<b>FN-AC-000.B</b>	Total assets under management <sup>ii</sup>
<b>RESPONSE / REPORT</b>	\$153.0 billion
<p><i>i. Total unregistered AUM equals total AUM minus total registered AUM.</i></p> <p><i>ii. We have renamed this metric to "total assets under management" from "total assets under custody and supervision," because assets under management is a more relevant activity metric for asset managers and Victory Capital is an asset manager, not a custodian.</i></p>	



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