

Market Environment

International equities advanced in the fourth quarter as markets rallied on signals of potential interest rate cuts in the next 12 months as global inflation rates have trended lower. For the quarter, the MSCI EAFE (Europe, Australasia and Far East) Index was up 10.4%, while the Trivalent International Developed Equity strategy underperformed the benchmark. All countries in the Index had positive returns, with European equities outperforming all other regions. In Europe, CPI data fell significantly and the ECB committed to holding interest rates steady for the foreseeable future. Sweden was the strongest country, up 21.2% after a weak spring and summer and lower-than-expected inflation data. The Netherlands was also strong, rising 19.9%, influenced in particular by its Tech names, as the sector rallied on the back of continued AI enthusiasm. Norway, despite being the weakest country in the benchmark, was up 3.2%. Weak oil prices and rising inflation weighed on the country during the quarter.

All eleven economic sectors advanced during the quarter. Information Technology rebounded from the third quarter and was the top-performing sector during the fourth quarter, advancing 21.3%, driven by AI enthusiasm. The Materials sector was also strong, up 17.1%. Precious metals had a strong quarter, and performance was particularly positive in the Construction Materials industry as the prospect of rate cuts improved the outlook for demand. Similarly, Real Estate was boosted by talks of lower rates in the coming year, and the sector was up 14.9%. Energy was the weakest sector, up just 0.4%, as Brent crude oil prices fell over 19% and general market uncertainty weighed on the sector.

Portfolio Review

Overall security selection was negative and accounted for the majority of the strategy's relative performance. Excess returns were generated in two of four regions and six of the eleven economic sectors. From a style perspective, the strategy's overall exposure to business momentum and value was negative, while quality was slightly positive. Security selection was weakest in the Financials sector. Swiss wealth management company Julius Baer Gruppe declined following unexpected provisioning and a material write-down on a large portion of its private debt portfolio. Standard Chartered underperformed peers after recording a second material impairment in the company's investment in China Bohai Bank. Selection was also weak in Industrials. Japanese mining and construction machinery manufacturer Komatsu declined slightly as new mining and construction equipment growth is slowing after reaching high levels alongside recent demand strength. In Tech, Nokia, the Finnish telecommunications company, was weak after cutting margin guidance and announcing the loss of a large AT&T contract.

On the other end of the spectrum, selection was positive in the Health Care sector. Australian hearing implant developer Cochlear rose after a competitor's earnings update revealed continued market share gains and a growing addressable market. Danish pharmaceutical

company Novo Nordisk posted a strong return as sales of its GLP-1 obesity treatment continue to exceed expectations. Selection was also strong in Consumer Staples. Associated British Foods, the U.K. retailer, rose as the company reported strong quarterly earnings and announced a share buyback in November. In Communication Services, French media and advertising firm Publicis gained after the company raised its full-year guidance for the second time in the last year, with strong performance across all key regions.

Market Outlook

After an impressive year-end rally, investors will look to take cues from central banks for a clearer picture on interest rates and use the upcoming earnings season to assess economic growth. While inflation continues to moderate in most countries, policymakers are trying to temper policy easing expectations to tame investors' dovish repricing, as more evidence is needed before declaring victory over inflation. Geopolitical tensions have continued to rise after Israel suffered a surprise terror attack at the beginning of October and the conflict continues to affect the Middle East. The rising tensions have the potential to add inflationary pressure in the event that global supply chains see disruptions. The conflict should drive oil prices higher, but price cuts have counteracted the tendency so far. Momentum from the Fed's signal to cut rates in the coming year has given European markets a boost of optimism, despite the ECB and BOE maintaining their commitment to addressing inflation data. The Bank of Japan maintained a similar vision, keeping short-term interest rates negative and planning to continue to do so until the country reaches a sustainable inflation target of 2%. We continue to be guided by our bottom-up analysis and will digest upcoming earnings and outlook statements to evaluate our positioning. We believe opportunities for relative outperformance remain, particularly among the diverse and broad segment of international equities.

Representative Account Top 5 Contributors* (%)	Contribution to Relative Return
Novo Nordisk A/S Class B	0.47
3i Group plc	0.38
Siemens Aktiengesellschaft	0.36
Stellantis N.V.	0.36
Holcim Ltd.	0.27
Representative Account Top 5 Detractors* (%)	Contribution to Relative Return
Julius Baer Gruppe AG	-0.19
InMode Ltd.	-0.16
Sega Sammy Holdings Inc.	-0.14
Standard Chartered PLC	-0.13
Mercedes-Benz Group AG	-0.11

Source: FactSet.

Information relating to portfolio holdings is based on the representative account in the composite and may vary for other accounts in the strategy due to asset size, client guidelines, and other factors. The representative account is believed to most closely reflect the current portfolio management style. Holdings are as of quarter end and may change at any time. This material should not be construed as a recommendation to buy or sell securities.

ANNUALIZED RETURNS							Since Inception 9.1.07
Composite Performance (%)	QTR	YTD	1-YR	3-YR	5-YR	10-YR	
Trivalent International Developed Equity (Gross)	9.52	20.17	20.17	4.54	8.66	5.04	3.38
Trivalent International Developed Equity (Net)	9.36	19.45	19.45	3.92	8.01	4.34	2.78
MSCI EAFE Index (Net)	10.42	18.24	18.24	4.02	8.16	4.28	2.92

DISCLOSURES

All investments carry a certain degree of risk including the possible loss of principal, and an investment should be made with an understanding of the risks involved with owning a particular security or asset class.

Returns for periods greater than one year are annualized. Returns are expressed in U.S. dollars. Composite and benchmark returns are net of transaction costs and gross of non-reclaimable withholding taxes, if any, and reflect the reinvestment of dividends and other earnings.

Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting one-twelfth of the highest tier of the standard fee schedule in effect for the period noted (the model fee). The composite model fee for each period is either the highest tier of the current fee schedule or a higher value, whichever is required to ensure the model composite net-of-fee return is lower than or equal to the composite net-of-fee return calculated using actual fees. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. The firm's fees are available on request and may be found on Part 2A of its Form ADV.

The Trivalent International Developed Equity Composite includes all fee paying, non-wrap discretionary portfolios of \$100,000 or more that are managed according to the Trivalent International Developed Equity strategy. The strategy focuses on foreign companies that are characterized by improving business momentum and attractive valuations. The benchmark is the MSCI EAFE Index (Net). The composite creation date is September 2007.

The MSCI EAFE Index measures the performance of large- and mid-cap stocks in the developed markets, excluding the U.S. and Canada. The index covers approximately 85% of the free-float-adjusted market capitalization in each country.

Index returns are provided to represent the investment environment during the periods shown. Index returns reflect the reinvestment of dividends and capital gains but do not include advisory fees, transaction costs, or other expenses. One cannot invest directly in an index.

Holdings do not include cash, money market instruments, options or futures.

The representative account serves as the model against which each Trivalent International Developed Equity Strategy account is managed. The representative account is an actual portfolio and the information provided, including performance, will vary for other accounts. The representative account is being used solely as a tool to help demonstrate how performance can be attributed to the investment policies applied in the management of the Trivalent International Developed Equity Strategy.

The information in this article is based on data obtained from recognized services and sources and

Representative Account Top 10 Holdings	Country	Sector
Novo Nordisk A/S Class B	Denmark	Health Care
Novartis AG	Switzerland	Health Care
AstraZeneca PLC	United Kingdom	Health Care
3i Group plc	United Kingdom	Financials
Stellantis N.V.	Italy	Consumer Discretionary
Siemens Aktiengesellschaft	Germany	Industrials
Deutsche Telekom AG	Germany	Communication Services
Itochu Corporation	Japan	Industrials
National Australia Bank Limited	Australia	Financials
Holcim Ltd.	Switzerland	Materials
Total % of Portfolio		18.70%

is believed to be reliable. Any opinions, projections, or recommendations in this report are subject to change without notice and are not intended as individual investment advice. A complete list of all holdings for the previous 12 months, each holding's contribution to the strategy's performance, and the calculation methodology used to determine the holdings' contribution to performance is available on request. Victory Capital Management Inc., and its affiliates, as agents for their clients, and any of its officers or employees, may have a beneficial interest or position in any of the securities mentioned, which may be contrary to any opinion or projection expressed in this report. This information should not be relied upon as research or investment advice regarding any security in particular.

Victory Capital Management Inc. (VCM) is a diversified global investment advisor registered under the Investment Advisers Act of 1940 and comprises multiple investment franchises: Integrity Asset Management, Munder Capital Management, New Energy Capital, NewBridge Asset Management, RS Investments, Sophus Capital, Sycamore Capital, THB Asset Management, Trivalent Investments, Victory Income Investors (formerly USAA Investments, a Victory Capital Investment Franchise), and the VictoryShares & Solutions Platform. Munder Capital Management and Integrity Asset Management became part of the Victory Capital GIPS firm effective November 1, 2014; RS Investments and Sophus Capital, effective January 1, 2017; Victory Income Investors, effective July 1, 2019; THB Asset Management, effective March 1, 2021; and New Energy Capital, effective November 1, 2021. Effective September 1, 2023, INCORE Capital Management is no longer part of the firm definition. Request a GIPS® Report from your Institutional Relationship Manager or visit www.vcm.com.

Victory Capital claims compliance with the Global Investment Performance Standards (GIPS®).

*Contributors and Detractors Source: FactSet. The top contributors and detractors are presented to illustrate examples of the portfolio's investments and may not be representative of the portfolio's current or future investments. Holdings are as of quarter end and may change at any time.

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