

# VICTORY COMPOSITE PERFORMANCE

## INCORE TOTAL RETURN FIXED INCOME



Year Ending	Gross Return	Net Return	Benchmark	3yr Annualized Standard Deviation (%) Composite	3yr Annualized Standard Deviation (%) Benchmark	Number of Portfolios	Internal Dispersion	Composite Assets (mm)	Total Firm Assets (mm)
12/31/2018	0.14%	-0.44%	0.01%	2.78%	2.84%	≤5	N/M	\$761	\$51,590
12/31/2017	4.74%	4.15%	3.54%	2.85%	2.78%	≤5	N/M	\$876	\$60,297
12/31/2016	4.32%	3.71%	2.65%	3.10%	2.98%	≤5	N/M	\$877	\$42,934
12/31/2015	-0.93%	-1.48%	0.55%	3.26%	2.88%	≤5	N/M	\$108	\$30,889
12/31/2014	5.55%	5.13%	5.97%	3.05%	2.63%	≤5	N/M	\$97	\$33,679
12/31/2013	0.86%	0.46%	-2.02%	3.06%	2.71%	≤5	N/M	\$89	N/A
12/31/2012	8.13%	7.71%	4.21%	2.42%	2.38%	≤5	N/M	\$105	N/A
12/31/2011	6.97%	6.55%	7.84%	3.38%	2.78%	≤5	N/M	\$108	N/A
12/31/2010	7.99%	7.56%	6.54%	5.03%	4.17%	≤5	N/M	\$143	N/A
12/31/2009	9.60%	9.17%	5.93%	4.98%	4.11%	≤5	N/M	\$168	N/A

Victory Capital Management acquired composite from Munder Capital Management on 10/31/14. Firm assets prior to 2014 are shown as "N/A" above as the composite was not part of the firm.

- Victory Capital Management Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Victory Capital Management has been independently verified for the period from January 1, 2001 through December 31, 2017. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
- Victory Capital Management Inc. (Victory Capital) is an independent multi-boutique investment advisor registered under the Investment Advisers Act of 1940 and comprised of multiple investment teams, referred to as investment franchises. Victory Capital's investment franchises are: Expedition Investment Partners, INCORE Capital Management, Integrity Asset Management, Munder Capital Management, New Bridge Asset Management, RS Investments, Sophus Capital, Sycamore Capital, Trivalent Investments, and VictoryShares & Solutions. Each investment franchise utilizes an independent approach to investing and offers one or more investment strategies that specialize in a specific asset class. Prior to August 2013, Victory Capital Management was a wholly-owned subsidiary of KeyBank National Association. Victory acquired Munder Capital Management and its wholly-owned subsidiary, Integrity Asset Management on October 31, 2014. Prior to the acquisition, Munder Capital Management and Integrity Asset Management were treated as separate GIPS firms. Effective November 1, 2014, the two entities are part of the Victory Capital Management GIPS firm. Victory Capital Management acquired CEMP on April 30, 2015. Victory Capital Management acquired RS Investments, including Sophus Capital, on July 29, 2016. RS Investments and Sophus Capital joined the Victory Capital Management GIPS firm effective January 1, 2017.
- The INCORE Total Return Fixed Income Composite seeks to provide a high level of current income and capital appreciation through investments in a broad range of fixed income securities. The strategy includes investments across market sectors including U.S. governments, agencies, corporate, asset-backed, and mortgage-backed securities. This strategy also includes exposure (typically up to 20%) in high yield securities. The management team's investment approach is both fundamental and quantitative, and seeks to deliver superior risk-adjusted returns through a consistent process focused on sector allocation, security selection, and yield curve/active interest rate positioning. The composite has a \$5 million portfolio minimum. Prior to January 2015, the name of the composite was the Total Return Fixed Income Composite. The composite creation date is January 2000.
- The benchmark of the composite is the Bloomberg Barclays Capital U.S. Aggregate Bond Index. The Bloomberg Barclays Capital U.S. Aggregate Bond Index measures the performance of the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable rate mortgage (ARM) pass-throughs), asset-backed securities, and commercial mortgage-backed securities. The benchmark returns are provided to represent the investment environment existing during the time periods shown and are not covered by the report of independent verifiers. For comparison purposes, the index is fully invested, which includes the reinvestment of income. The returns have been taken from a published source and do not include any transaction fees, management fees, or other costs.
- The internal dispersion of annual returns is measured by the standard deviation of asset-weighted gross returns of accounts included in the composite for the full year. If less than six portfolios are included in the composite for the full year, no dispersion measure is presented, as it is not considered meaningful (N/M). The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. It is not required to be presented for annual periods prior to 2011 or when a full three years of composite performance is not yet available.

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6. Composite and benchmark returns are presented net of non-reclaimable withholding taxes. Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. The composite net-of-fees returns shown reflect gross performance less actual investment management fees. Prior to 04/01/15, certain sub-accounts in the composite used a model fee to calculate a net of fees return when the overall client fee was not representative of the fee typically charged for the specific sub-account strategy. 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 II of its Form ADV. The complete fee schedule for this product is:

<u>Market Value</u>	<u>Annual Fee</u>
First \$25,000,000	0.25% (Min. Annual fee \$25,000)
Next \$25,000,000	0.20%
Next \$50,000,000	0.15%
Above \$100,000,000	0.10%

7. Valuations and returns are stated in U.S. dollars. Past performance should not be considered indicative of future performance. A list of composite descriptions and policies of valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Registration with the SEC does not imply a certain level of skill or training.
8. The composite is managed by INCORE Capital Management, a Victory Capital investment franchise. Performance prior to October 2014 occurred while the team was affiliated with a prior firm. The investment management team has managed the composite strategy since inception and the investment process has not changed. The historical performance has been linked to performance earned at Victory Capital Management.