



VictoryShares Emerging Market High Div Volatility Wtd ETF

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VICTORYSHARES EMERGING MARKET HIGH DIV VOLATILITY WTD ETF ATTRIBUTION COMPARED TO THE MSCI EMERGING MARKETS INDEX

Investment Strategy

The VictoryShares Emerging Market High Div Volatility Wtd ETF (CEY) offers exposure to dividend-yielding emerging market stocks without subjecting investors to the inherent limitations of traditional market-cap or yield weighting. The Fund seeks to provide investment results that track the performance of the Nasdaq Victory Emerging Market High Dividend 100 Volatility Weighted Index before fees and expenses.

CEY's rules-based approach combines fundamental criteria with volatility weighting in an effort to outperform traditional indexing strategies. The rules-based volatility weighting methodology weights stocks based on volatility, so each stock in the portfolio has an equal contribution to overall risk.

VictoryShares Update

In the fourth quarter of 2020, VictoryShares continued to focus on rules-based solutions that seek to bridge the gap between active and passive management while delivering consistent outcomes for clients. At the end of the quarter VictoryShares had \$5.6 billion in assets under management, including \$17 million in CEY.

Performance Update

CEY returned 19.09% in the quarter, underperforming the MSCI Emerging Markets Index (the "Index"), which gained 19.70%.

ANNUALIZED RATE OF RETURN (%)

VictoryShares Emerging Market High Div Volatility Wtd ETF (CEY)	QTR	YTD	1YR	3YR	5YR	Since Inception Oct 26, 2017	Expense Ratio (%)	
							Gross	Net
Net Asset Value (NAV)	19.09	-4.13	-4.13	-0.59	–	0.87	0.85	0.50
Closing Market Price	18.48	-5.19	-5.19	-1.15	–	0.56		
Indexes								
Nasdaq Victory Emerging Market High Div 100 Vol Wtd Index	18.99	-3.53	-3.53	0.28	7.57	–		
MSCI Emerging Markets Index (Net)	19.70	18.31	18.31	6.17	12.81	–		

Past performance does not guarantee future results. The performance data quoted represents past performance and current performance may be lower or higher. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, visit www.victoryshares.com. ETF shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will

Top Contributors

The top stock contributors to CEY's relative performance were underweights to Alibaba, -21%; Tencent, +10%; and Reliance Industries, -10%.

An underweight to the Consumer Discretionary sector, +7%, was a contributor to relative performance.

An underweight to China, +11%, was a large contributor at the country level.

Top Detractors

The top stock detractors to CEY's relative performance were underweights to Samsung, +51%; NIO Inc., +130%; and Pinduoduo, Inc., +140%.

An underweight to the Technology sector, +34%, was a detractor.

An underweight to South Korea, +39%, was a large detractor at the country level.

reduce returns. Market price returns are based on the price of the last reported trade on the Fund's primary exchange. If you trade your shares at another time, your return may differ. Returns include reinvestment of dividends and capital gains. Performance for periods greater than one year is annualized. Fee waivers and/or expense reimbursements were in place for some or all periods shown, without which Fund performance would have been lower. Index performance is shown for illustrative purposes only. Indexes are unmanaged and one cannot invest directly in an index.



SECTOR WEIGHTING (%)

Sector	CEY	MSCI EM Index (Net)
Communication Services	9.8	9.8
Consumer Discretionary	2.7	2.7
Consumer Staples	6.4	6.4
Energy	8.7	8.7
Financials	25.0	25.1
Industrials	5.2	5.2
Information Technology	16.2	16.3
Materials	11.3	11.4
Utilities	14.3	14.4
Cash	0.4	–

FUND TOP 10 HOLDINGS

	Market Cap (\$B)	Weighting (%)
Severstal PAO	14.8	1.86
Compal Electronics, Inc.	3.2	1.81
Malayan Banking Bhd.	23.6	1.72
Industrial and Commercial Bank of China Limited Class H	231.2	1.61
Formosa Plastics Corporation	21.8	1.60
Synnex Technology International Corp.	2.8	1.58
Bank of China Limited Class H	100.6	1.49
WPG Holding Co. Ltd.	2.6	1.46
Tenaga Nasional Bhd.	14.8	1.43
Agricultural Bank of China Limited Class H	128.2	1.40

COUNTRY WEIGHTING (%)

Taiwan	19.59
China	16.38
Russian Federation	11.42
South Africa	8.35
India	6.29
Mexico	6.04
Thailand	5.77
Malaysia	5.57
Brazil	3.33
Indonesia	3.04

Czech Republic	2.59
Poland	2.54
Philippines	2.44
Turkey	2.12
Chile	1.61
Hungary	1.02
Egypt	0.88
Netherlands	0.66
Cash	0.37
Other	0.01

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.vcm.com/prospectus. Read it carefully before investing.

All investing involves risk, including the potential loss of principal. The Fund has the same risks as the underlying securities traded on the exchange throughout the day. Redemptions are limited, and commissions are often charged on each trade. ETFs may trade at a premium or discount to their net asset value. 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. 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. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Investments in smaller companies typically exhibit higher volatility. The Fund is also subject to liquidity risk, which is the risk that the Adviser may not be able to sell certain securities at an advantageous time or price, which may adversely affect the Fund. Dividends are never guaranteed. 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. Fund holdings and sector allocations are subject to change, may differ from the Index, and should not be considered investment advice.

Market capitalization is the total dollar value of all outstanding shares computed as number of shares times current market price.

Market price is the price of the last reported trade on a fund's primary exchange.

Net asset value or NAV is a fund's total assets minus its total liabilities, divided by the number of outstanding shares.

Premium/discount % indicates whether the ETF is currently trading at a higher or lower price than the current value of the securities in that portfolio.

The Nasdaq Victory Emerging Market High Dividend 100 Volatility Weighted Index begins with up to 100 of the highest dividend yielding stocks within the Nasdaq Victory Emerging Market 500 Volatility Weighted Index.

The MSCI Emerging Markets Index is a free-float-adjusted market-capitalization-weighted index designed to measure equity market performance in the global emerging markets.

Net expense ratio reflects the contractual waiver and/or reimbursement of management fees through October 31, 2021.

The Nasdaq Victory Volatility Weighted Indexes are maintained by Nasdaq, Inc. (the "Index Provider"). The Index Provider is not affiliated with the Funds or the Funds' investment adviser, Victory Capital Management Inc.

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