



VictoryShares US Discovery Enhanced Volatility Wtd ETF

As of December 31, 2020

Seeks to provide investment results that track the performance of the Nasdaq Victory US Small Cap 500 Long/Cash Volatility Weighted Index before fees and expenses.

Nasdaq Victory Volatility Weighting Methodology

Combines fundamental criteria with volatility weighting in an effort to outperform traditional cap-weighted indexing strategies.

About the Index

- Starts with a universe of all publicly traded stocks in the U.S.
- Screens for profitability (four quarters of net positive earnings)
- Selects the largest 500 stocks that have a market capitalization of less than \$3 billion*
- Weights stocks based on risk/volatility (standard deviation over the past 180 trading days)
- Reconstitutes twice a year (March and September)
- Automatically reduces its exposure to the equity markets during periods of significant market declines and reinvests when market prices have further declined or rebounded

*May hold fewer than 500 stocks, depending on how many stocks meet the Index criteria

The exit and reinvestment methodology is based on the month-end price of the Nasdaq Victory US Small Cap 500 Volatility Weighted Index (the "Reference Index") relative to its All-Time Highest Daily Closing Value – the highest daily closing price the Reference Index has achieved since its inception date.

For more information about the index, please visit <https://indexes.nasdaqomx.com/index/overview/nqvwscct>

Why CSF?

- For broad exposure to small-cap U.S. stocks that have at least four consecutive quarters of net positive earnings
- Offers a disciplined and balanced investment approach that manages risk by automatically reducing exposure to stocks during periods of significant market declines

ABOUT VICTORYSHARES

VictoryShares is a specialist ETF provider that offers a broad range of rules-based and active ETF solutions. Our ETFs are brought to you by Victory Capital, a global asset management firm.

FUND CHARACTERISTICS

Ticker Symbol	CSF
Index Symbol	NQVWSCCT
CUSIP	92647N774
IIV Ticker	CSF.IV
Primary Listing	NASDAQ
Morningstar Category	Small Blend
Number of Holdings	498
Average Market Capitalization	\$1.9B
Average P/E Ratio	21.9
Standard Deviation	16.90%
Sharpe Ratio	0.47
R-Squared	75.92%

Risk characteristics are relative to the Russell 2000® Index for the five-year period where appropriate.



SECTOR WEIGHTING (%)	CSF
Communication Services	2.65
Consumer Discretionary	12.01
Consumer Staples	6.22
Energy	1.65
Financials	24.68
Health Care	9.42
Industrials	19.60
Information Technology	12.04
Materials	6.86
Real Estate	1.40
Utilities	3.18
Cash	0.28
Other	–

Please note that the weightings, characteristics, and holdings provided are subject to change when the US Discovery Enhanced exit or reinvestment strategy is implemented.

Fund Top 10 Holdings	Market Cap (\$B)	Weighting (%)
MicroStrategy Incorporated Class A	3.6	0.63
Corcept Therapeutics Incorporated.	3.0	0.44
St. Joe Company	2.5	0.41
Hostess Brands, Inc. Class A	1.8	0.39
Columbia Financial, Inc.	1.7	0.38
Omnicell, Inc.	5.1	0.36
HMS Holdings Corp.	3.3	0.35
Waddell & Reed Financial, Inc. Class A	1.6	0.35
Alarm.com Holdings, Inc.	5.1	0.33
WD-40 Company	3.6	0.33

Fund Bottom 10 Holdings	Market Cap (\$B)	Weighting (%)
National CineMedia, Inc.	0.3	0.09
Big Lots, Inc.	1.6	0.09
ProPetro Holding Corp.	0.7	0.09
Murphy Oil Corporation	1.9	0.09
Helix Energy Solutions Group, Inc.	0.6	0.08
ACM Research, Inc. Class A	1.5	0.08
Stride, Inc.	0.9	0.08
Encore Capital Group, Inc.	1.2	0.08
Consolidated Communications Holdings, Inc.	0.4	0.08
Michaels Companies Inc	1.9	0.08

ANNUALIZED RATE OF RETURN (%) VictoryShares US Discovery Enhanced Volatility Wtd ETF (CSF)	Quarter	YTD	1 Year	3 Year	5 Year	Since Inception Aug 1, 2014	Expense Ratio	
							Gross	Net
Net Asset Value (NAV)	26.82	28.50	28.50	5.17	9.16	7.06	0.50	0.38
Closing Market Price	26.43	28.23	28.23	5.04	9.06	7.01		
Indexes for Comparison (%)								
Nasdaq Victory U.S. Small Cap 500 Long/Cash Vol Wtd Index	26.98	29.17	29.17	5.65	9.61	—		
Russell 2000® Index	31.37	19.96	19.96	10.25	13.26	—		

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 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. High, double-digit returns are highly unusual and cannot be sustained. Investors should be aware that these returns were primarily achieved during favorable market conditions. 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.

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. The value of the Fund's direct or indirect investments in fixed income securities may be negatively affected by changes in interest rates and/or changes in the actual or perceived ability of an issuer to meet its (or their) obligations. Strategies intended to hedge risk may be partly or wholly unsuccessful. Investments in smaller companies typically exhibit higher volatility. The Fund may frequently change its holdings, resulting in higher fees, lower returns, and more capital gains. 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. 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.

Average Price/Earnings (P/E) ratio is the current share price of a stock divided by its earnings per share.

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.

R-squared is a statistical measure that represents the percentage of a fund's or security's movements that can be explained by movements in a benchmark index.

Sharpe ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk.

Standard deviation measures an investment's historical volatility, calculated using the investment's annual rate of return.

The Russell 2000® Index is a market-capitalization-weighted index that measures the performance of the 2,000 smallest U.S. stocks by market capitalization in the Russell 3000® Index.

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

The Nasdaq 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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