



Asset Management®

A VICTORY CAPITAL® INVESTMENT FRANCHISE

Small Cap Core

THB Separately Managed Account

Why Small Cap Core?

- > Has provided stable returns in a highly stylized market
- > Avoids unintended sector concentrations of the style indices*
- > Allows flexibility to invest in high quality companies across the small cap growth/value spectrum

*As represented by Russell 2000 Growth and Value Indices.

Why THB Asset Management?

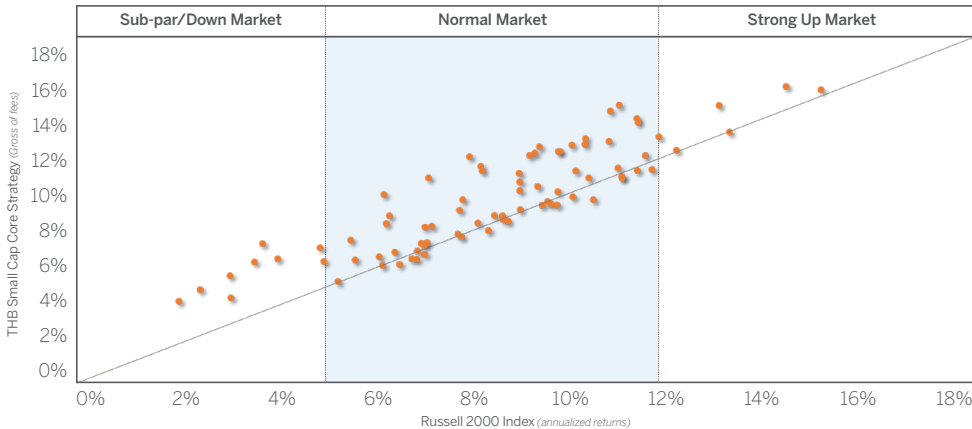
- > Managing small caps since its founding in 1982
- > CIO Christopher Cuesta is in his 20th year with THB
- > PMs have been working together for more than 10 years
- > Active management
- > 25+ years of managing customized SRI portfolios
- > Member of UNPRI since 2016
- > ESG considerations are fully integrated across all phases of investment process

Tenure and expertise.

The graphs illustrate the team's industry experience and highlight its successful, long-term track record. The performance below is based on the Small Cap Core Composite managed by the THB team with an objective and strategy similar to the THB SMA. Performance and fees of the SMA will vary and, unlike the composite returns shown, will be affected by wrap fees.

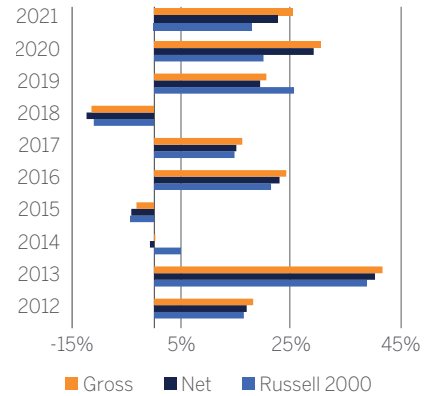
THB Small Cap Core Composite Rolling Ten-Year Returns

Jan 1992 – Mar 2022 (Gross of fees)



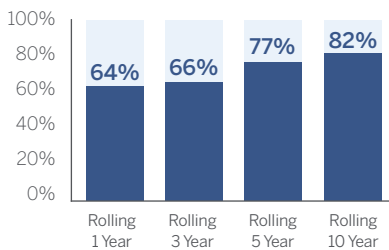
THB Small-Cap Core

Composite Performance



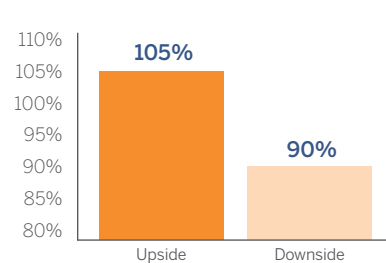
Batting Average (Gross of fees)

vs. Russell 2000 index



Seven-year Market Capture (Gross of fees)

vs. Russell 2000 index



Past performance does not guarantee future results.

Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Returns are annualized and expressed in U.S. dollars. Returns are gross of non-reclaimable withholding taxes, if any, and reflect the reinvestment of dividends and other earnings. Net-of-fees returns shown reflect gross performance less actual investment management 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. 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.

The SMA portfolio will be constructed to meet the following criteria:

Portfolio Characteristics

- > Number of Holdings: 60-80
- > Portfolio Turnover: 30%-50%
- > Target Holding Period: 12-24 months
- > Exposure: High quality, US small capitalization companies
- > Risk: Standard deviation at or below the Russell 2000 Index

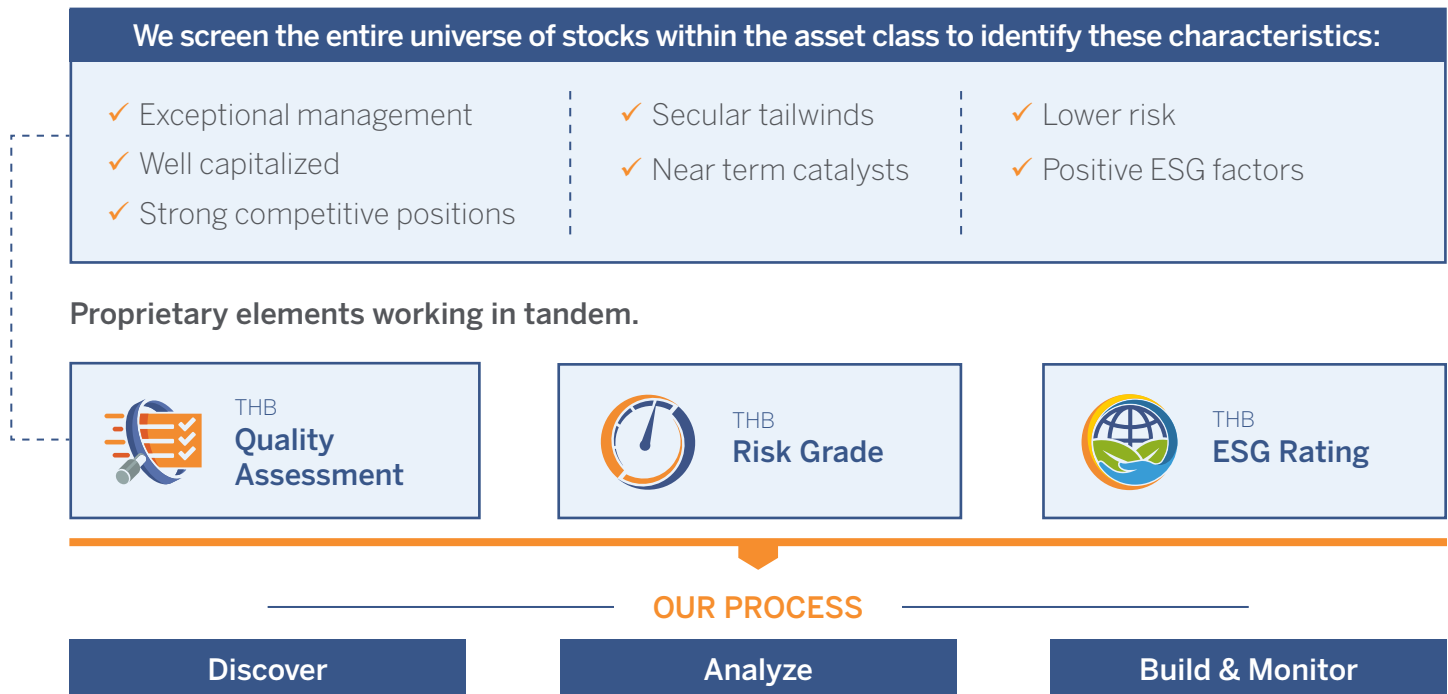
Portfolio Goals

- > Seeks long-term capital appreciation over full market cycles by using a disciplined, bottom-up approach.
- > Seeks to invest in companies with proven management teams with sound alignment to shareholder interests.
- > Focuses on finding companies that have demonstrated a long-term track record of success as measured by their ability to achieve self-funded growth.
- > Utilizes proprietary risk measurement and expects portfolio risk (as measured by standard deviation) to be similar to or lower than its benchmark.
- > Seeks to construct a low turnover portfolio, which can potentially help to reduce capital gains taxes for investors.
- > Targets a core style that seeks to find the best companies regardless of the "style" classification.

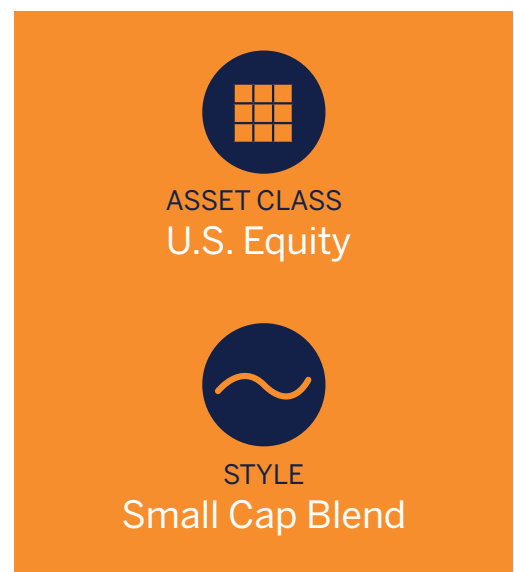
► Specialized management. Unique process.

THB utilizes an established process built from the firm's more than 40-year history. THB's process and methods were specifically designed for smaller, less efficient areas of the market. Three very important proprietary elements of THB's process are its Quality Assessment, Risk Grade and ESG Rating. Each is used in tandem as part of the team's

fundamental analysis and is also used to help protect against downside risk. They are fully integrated in the team's research and portfolio construction process. These elements are used to adjust economic price targets for securities being analyzed and those currently held in the portfolio. The adjusted price targets become a guide for capital allocation.



► **THB Small Cap Core SMA** seeks long-term capital appreciation over full market cycles (3-5 years) by using an actively managed, disciplined, bottom-up investment approach. The strategy offers diversified, risk managed exposure to U.S. small capitalization companies and rapidly developing mega trends that are shaping the global economy. The strategy targets a core style that seeks the best investment opportunities across the traditional style classifications of growth, value, small- and micro-cap. The strategy emphasizes companies that have strong management teams, low financial risk and have demonstrated long-term track records of success as measured by their ability to achieve self-funded growth through market cycles. Proprietary methods are utilized to measure risk and seek good downside protection. ESG factors are incorporated during the entire research process. The strategy has elected to avoid making investments in entities directly involved in the primary manufacture of complete tobacco products, cluster munitions, thermal coal and fossil fuels. Turnover of the strategy is generally low, offering potentially lower capital gains.



Diversity of thought. Collaborative culture. Continuity of philosophy.

THB believes that diversity of thought leads to better decision making. They foster and support this environment in multiple ways, such as the hiring process, employee management, promotions and continuing education. The team believes that gender, age, international experience and racial diversity contribute to its ability to deliver alpha. Of its eight-person investment team, five have minority backgrounds, six were born and raised outside of the U.S., and four are female.



Christopher N. Cuesta, CFA
Chief
Investment Officer



Manish Maheshwari, CFA
Portfolio
Manager



Victoria Konstantinova, CFA
Assistant Portfolio
Manager



Brandon Viray
Sr. Research
Analyst



Allison Costas
Research Analyst/
ESG Officer



Meenal Somani, CA
Research Analyst



Carlos Alfonzo
Research
Analyst



Surabhi Gupta
Research
Analyst

Institutional process delivered individually.

A THB SMA from Victory Capital makes it easy for investors to increase diversification, benefit from tax-efficiency and gain exposure to market segments that can be difficult to access.

Importantly, THB provides extensive research expertise and tools that are utilized to actively assess the quality and risk of each individual opportunity. THB believes this active process, combined with their long history of evaluating ESG factors, provides great potential value as alpha drivers to its clients.

Institutional asset management. Individualized attention.

For more information, contact the Victory Capital
Sales Desk at 800.991.8191 or visit www.vcm.com

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All investing involves risk, including potential loss of principal. 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. Portfolios that are concentrated in a specific sector or industry may be subject to a

higher degree of market risk than a portfolio whose investments are more diversified.

The Small Cap Core SMA may underperform during periods when higher risk companies lead the market.

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