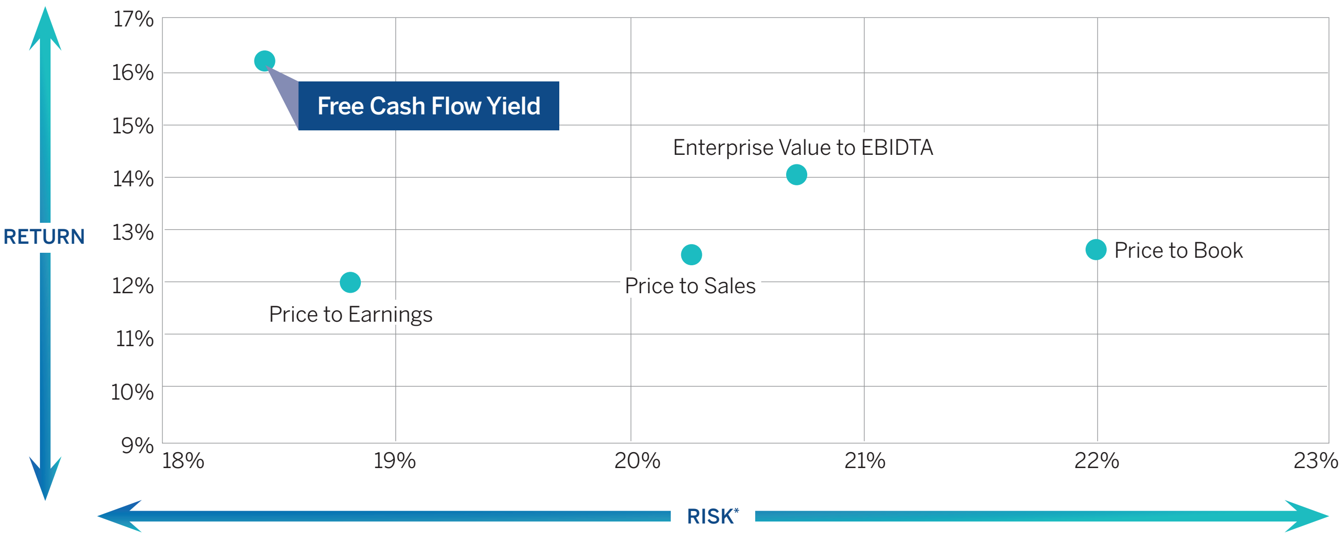
Go with the flow

> Unlock the potential of free cash flow yield.

> Identify high-quality companies at attractive valuations.

Free cash flow (FCF) is a key fundamental metric that measures a company's ability to generate cash indicating financial health. **We believe free cash flow yield is a better measure of value and quality.** The true value of a company is the present value of **future** free cash flow.



Risk and Return Profiles for S&P 500 Stocks in the Top Quintile of Valuation Metrics

Past performance does not guarantee future results. Source: FactSet; Analysis period 12/31/1991-12/31/2024. Universe utilized for analysis is the S&P 500 Index with equal weighted constituents (excluding Financials and Real Estate). The risk and return of the highest quintile of S&P 500 stocks, based on each respective valuation metric, are shown above.

However, traditional measures of FCF may be falling short.
There may be a better way to measure FCF.

*__Standard Deviation__ measures an investment's historical volatility or risk. It shows how an investment's annual rate of return is spread out on either side of the mean rate of return. A low SD means performance has not deviated much from the mean. A high SD means returns varied widely.

VictoryShares®

An improved approach for evaluating free cash flow

FCF is the remaining cash a company has after covering all expenses. It can be used to invest in growing the business, pay dividends or pay down debt. It can be a great measure of quality. The industry norm has relied on trailing measures of FCF. The Victory U.S. Large Cap Free Cash Flow Index has enhanced the approach to assessing FCF by incorporating a forward-looking measure.

Our approach to FCF Yield

Trailing FCF + Forward FCF = Expected FCF

Trailing FCF	Forward FCF	Expected FCF
Actual Results	*Estimates*	*An optimal measure*
(Trailing 12-month FCF)	*(Forward 12-month FCF based on analyst estimates)*	*(The average of trailing 12-month FCF and next 12-month forward FCF)*

FCF Yield = How much an investor is paying for the FCF a company generates.

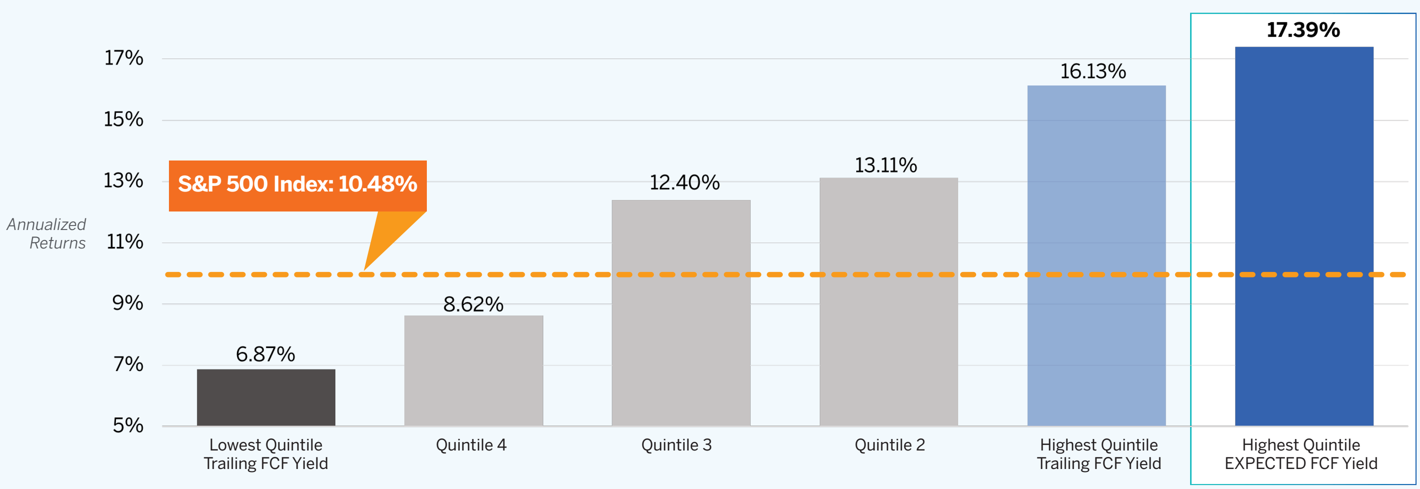
Our approach to FCF Yield

$$\text{Free Cash Flow Yield} = \frac{\text{Expected FCF}}{\text{Enterprise Value}}$$

Expected FCF is the average of trailing 12-month FCF and next 12-month forward FCF. Universe utilized for analysis is the S&P 500 Index with equal weighted constituents (excluding Financials and Real Estate). **Enterprise value** (EV) measures a company's total value, often used as a more comprehensive alternative to equity market capitalization. Enterprise value includes in its calculation the market capitalization of a company but also short-term and long-term debt and any cash on the company's balance sheet.

Companies with the highest free cash flow yield have **historically outperformed over time.**

Expected FCF Yield further enhances this return profile



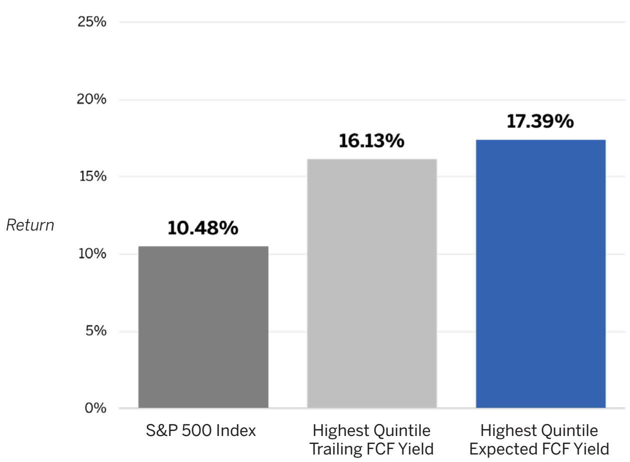
S&P 500 Index with equal weighted constituents (excluding Financials and Real Estate) broken into quintiles based on FCF Yield.

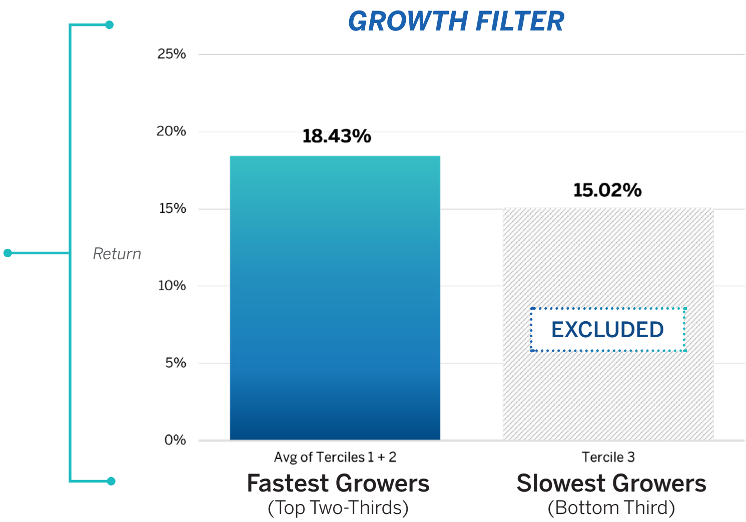
Past performance does not guarantee future results. Source: FactSet; Analysis period 12/31/1991-12/31/2024.

Overlooking the importance of growth may leave returns on the table

> *Most analysts feel they must choose between two approaches customarily thought to be in opposition: 'value' and 'growth.' Growth is always a component in the calculation of value..."*
>
> — **Warren Buffett,** Berkshire Hathaway Annual Letter, 1993

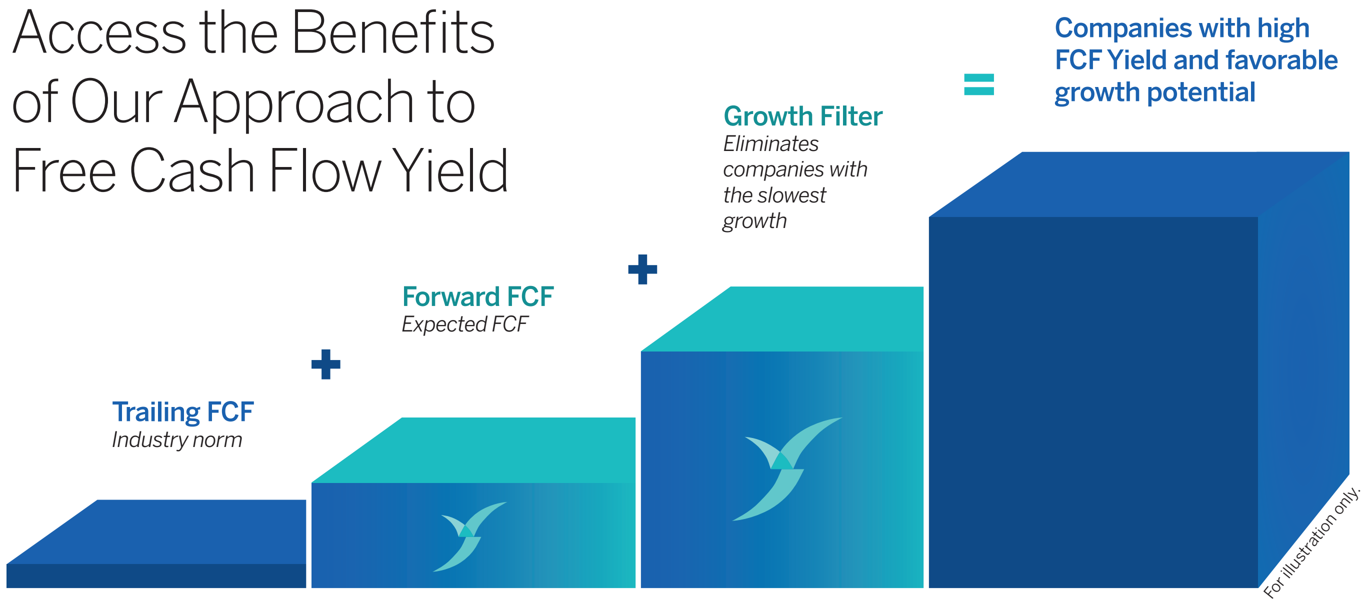
Returns can be further enhanced by **eliminating companies with the weakest growth prospects.**





Past performance does not guarantee future results. Source: FactSet; Analysis period 12/31/1991-12/31/2024. Expected Free Cash Flow is defined as a combination of trailing and forward free cash flow yield. Universe utilized for analysis is the S&P 500 Index with equal weighted constituents (excluding Financials and Real Estate).

Access the Benefits of Our Approach to Free Cash Flow Yield



Expected FCF is the average of trailing 12 month FCF and next 12-month forward FCF. The Victory U.S. Large Cap Free Cash Flow Index forward-looking free cash flow estimates, based on the index's methodology, are not guaranteed and may not come to fruition.

Reflects enhancements incorporated into the index methodology to improve traditional approaches to FCF investing.

The next generation of free cash flow investing

An innovative approach to FCF plus a growth filter can help you invest with confidence

VFLO

> Exposure to high quality companies, trading at a discount with favorable growth prospects

> Considers a company's expected FCF, not just trailing

> Focuses on companies with high FCF yield and the highest expected growth rates

To learn more about VFLO, please consult with your financial advisor or visit **victoryshares.com**

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. Investments concentrated in an industry or group of industries may face more risks and exhibit higher volatility than investments that are more broadly diversified over industries or sectors. Large shareholders, including other funds advised by the Adviser, may own a substantial amount of the Fund's shares. The actions of large shareholders, including large inflows or outflows, may adversely affect other shareholders, including potentially increasing capital gains. 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.

Average Price/Book (P/B) Ratio compares a stock's market value to the value of total assets less total liabilities (book value).

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