

# THB Micro Cap Composite Annual Disclosure Report

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)
2021	18.95%	17.50%	19.34%	27.17%	26.26%	Five or fewer	N/A	153	163,030
2020	30.07%	28.51%	20.96%	27.40%	26.66%	6	0.73%	202	N/A
2019	13.34%	11.97%	22.43%	14.76%	16.41%	7	0.25%	216	N/A
2018	-5.74%	-6.89%	-13.08%	15.87%	17.02%	6	0.22%	230	N/A
2017	12.06%	10.72%	13.16%	14.57%	15.31%	Five or fewer	0.08%	433	N/A
2016	34.07%	32.47%	20.36%	15.52%	16.83%	7	0.43%	550	N/A
2015	-8.52%	-9.63%	-5.15%	14.28%	14.82%	8	0.50%	659	N/A
2014	-5.63%	-6.81%	3.64%	14.41%	14.31%	15	0.44%	873	N/A
2013	55.70%	53.85%	45.64%	18.70%	17.09%	11	0.44%	958	N/A
2012	24.14%	22.60%	19.75%	21.83%	21.20%	11	0.46%	393	N/A

N.A. – Information is not statistically meaningful due to an insufficient number of portfolios in the composite for the entire year

**THB Micro Cap Composite** contains fully discretionary micro cap equity accounts and for comparison purposes is measured against the Russell Micro Cap Index. Prior to January 1, 2007 the composite is compared to the Russell 2000 Index. The index was changed to be more representative of the composite strategy. The composite was redefined on July 1, 2018 to allow for the inclusion of pooled vehicles. The minimum account size for this composite is \$1 million. The objective of the micro cap strategy is to capture multi-investment themes across five broad sectors in a risk-averse portfolio. The strategy implements a disciplined long-term approach with an average portfolio turnover of 70-80%. The focus of the strategy is on smaller-micro capitalization companies in the US market that are under-researched and over-looked.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of management fees and include the reinvestment of all income. Net of fee performance was calculated using the highest applicable annual management fee of 1.25% on assets under management by deducting 1/12th of the fee monthly; except during the period between 1/1/10 and 2/28/11, when the highest management fee was 1.50% applied quarterly on assets under management. All fees are negotiable. The annual composite dispersion is an asset-weighted standard deviation, calculated for the accounts in the composite for the entire year. Risk measures are calculated using gross-of-fee returns. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. Effective May 31, 2021, THB Asset Management has a significant cash flow policy greater than 25% of the portfolio's assets at the beginning of the month. The performance inception date of the composite is June 1, 1998. The investment management fee schedule for the composite is 1.25% on assets under management and all fees are negotiable. The firm's fees are available on request and may be found on Part II of its Form ADV.

The Russell Microcap Index consists of the smallest 1,000 securities in the small-cap Russell 2000 Index, plus the next 1,000 smallest eligible securities based on a combination of their market capitalization and current index membership weight. Index returns are provided to represent the investment environment during the periods shown. Index returns include the reinvestment of dividends and capital gains. Index returns do not include transaction costs, management fees or other costs.

The Micro Cap Composite was created June 30, 2002. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. 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, 2020. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Micro cap Composite has had a performance examination for the periods June 1,



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1998 through December 31, 2020. The verification and performance examination reports are available upon request. The Micro Cap Composite is managed by THB Asset Management, a Victory Capital Investment Franchise. Performance prior to March 2021 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. A list of broad distribution pooled funds and composite and limited distribution pooled fund descriptions are available upon request. The Micro Cap Composite was previously managed at a firm that claimed compliance with the Global Investment Performance Standards (GIPS) since its inception on June 1, 1998.

Victory Capital Management Inc. (Victory Capital) is a diversified global investment advisor registered under the Investment Advisers Act of 1940 and comprised of multiple investment franchises: INCORE Capital Management, Integrity Asset Management, Munder Capital Management, NewBridge Asset Management, RS Investments, Sophus Capital, Sycamore Capital, Trivalent Investments, USAA Investments, a Victory Capital Investment Franchise; the VictoryShares & Solutions Platform, THB Asset Management and New Energy Capital Partners. Munder Capital Management and Integrity Asset Management became part of the Victory Capital GIPS firm effective November 1, 2014; RS Investments and Sophus Capital effective January 1, 2017; USAA Investments effective July 1, 2019; THB Asset Management, effective March 1, 2021 and New Energy Capital Partners effective November 1, 2021.

